

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** June 24, 2020

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution from the Milwaukee County Treasurer, requesting authorization to enter into one-year extensions for investment advisory service contracts with US Bank, PFM Asset Management, LLC, Dana Investment Advisors, Inc., and Johnson Wealth, Inc., beginning August 1, 2020 and ending July 31, 2021

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input checked="" type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input checked="" type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><br><input type="checkbox"/> Decrease Operating Expenditures<br><br><input type="checkbox"/> Increase Operating Revenues<br><br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><br><input type="checkbox"/> Decrease Capital Expenditures<br><br><input type="checkbox"/> Increase Capital Revenues<br><br><input type="checkbox"/> Decrease Capital Revenues<br><br><input type="checkbox"/> Use of contingent funds |
|--|--|

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	Expenditure or Revenue Category	Current Year	Subsequent Year
<b>Operating Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0
<b>Capital Improvement Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

## DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
- A. If adopted, this resolution would authorize the Milwaukee County Office of the Treasurer to enter into one-year extensions for investment advisory service contracts with US Bank, PFM Asset Management, LLC, Dana Investment Advisors, Inc., and Johnson Wealth, Inc., beginning August 1, 2020 and ending July 31, 2021.
- B. There are no direct costs, savings, or anticipated revenues associated with the requested action in the current budget year. Funding for the contracts through the end of 2020 was previously allocated in the 2020 Adopted Budget. It is anticipated that the 2021 Requested Budget will include funding for the contracts through 2021. The 2020 contract amounts were as follows:

<b>Contract</b>	<b>Amount</b>
US Bank	\$37,500
PFM Asset Management, LLC	\$67,000
Dana Investment Advisors, Inc.	\$113,000
Johnson Wealth, Inc.	\$82,500
<b>Total</b>	<b>\$300,000</b>

---

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

It is anticipated that the amounts for July 1, 2020 through June 30, 2021 will be the same as shown in the nearby chart.

C. There are no budgetary impacts associated with the proposed action in current or subsequent years as these are anticipated and budgeted costs. The costs for the contracts are absorbed within the Department's 2020 budget and are expected to be included in the Department's 2021 Budget.

D. No assumptions or interpretations were used.

Department/Prepared By: Rex Queen, Deputy Treasurer, Office of the Treasurer

Authorized Signature *Rex Queen*

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required