

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** March 21, 2025

Original Fiscal Note ☒

Substitute Fiscal Note ☐

**SUBJECT:** Milwaukee County Clerk of Circuit Court Anna Maria Hodges requests authorization to execute a Professional Service Agreement with Credit Service International for the collection of court-ordered judgments and tax refund intercept processing. This contract is requested on a month-to-month basis until the award of a new contract is made following a Request for Proposals (RFP) process consistent with state law and county ordinance, or until December 31, 2026, whichever comes first.

### FISCAL EFFECT:

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

*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
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	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.

**We are requesting the extension of a revenue contract with Milwaukee County's collector of delinquent court-ordered payments. This will ensure the continuity of services based upon the expiration of an operative contract extension on December 31, 2024.**

- 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.

**No costs, savings, or anticipated revenues are associated with this proposed action in the current budget year or any subsequent budget year. The vendor, per statute, is compensated by drawing funds from the amount collected from individuals owing funds per court order.**

- 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.

**No costs, savings, or anticipated revenues are associated with this proposed action in the current budget year or any subsequent budget year. The vendor, per statute, is compensated by drawing funds from the amount collected from individuals owing funds per court order.**

- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

**The assumptions and interpretations utilized to provide this information are drawn from past practice, statutory guidelines, and the language of Milwaukee County's existing professional service agreement with this vendor. To provide additional context regarding this request, the following amounts have been sent to collections over the past several years:**

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<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.



2022	\$ 9,000,626.03
2023	\$11,602,024.69
2024	\$11,960,617.47

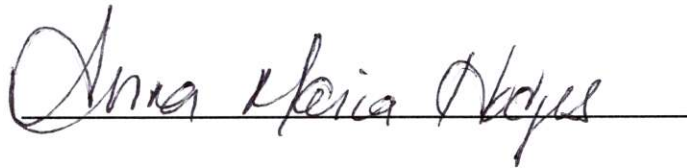
In addition, the vendor (now Credit Service International due to an acquisition) is compensated by drawing from the net funds collected at predetermined commission rates: 13% (for payments made at the vendor's office), 11% (for payments made at the Clerk of Circuit Court's Office), 6% (for payments made in relation to tax refund intercept processing). The vendor also provides Milwaukee County with Visa and Mastercard processing services for payments related to accounts that have not yet been submitted to the vendor for collection, at the rate of 4%.

The following data reflects total commissions and credit card fees for 2022, 2023 and 2024:

2022 Commissions	\$234,379.38
2022 Credit Card fees	\$76,280.92
2023 Commissions	\$222,400.13
2023 Credit Card fees	\$59,102.23
2024 Commissions	\$254,964.98
2024 Credit Card fees	\$58,311.68

Department/Prepared By Combined Court Related Operations/Anna Maria Hodges

Authorized Signature



Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CBDP Review? ☐ Yes ☒ No ☒ Not Required