

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** November 14, 2016

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution/ordinance amending Section 201.24(4.1) of the Milwaukee County Code of General Ordinances as it pertains to the "Rule of 75."

**FISCAL EFFECT:**

- No Direct County Fiscal Impact
  - Existing Staff Time Required
- Increase Operating Expenditures  
(If checked, check one of two boxes below)
  - Absorbed Within Agency's Budget
  - Not Absorbed Within Agency's Budget
- Decrease Operating Expenditures
- Increase Operating Revenues
- Decrease Operating Revenues
- Increase Capital Expenditures
- Decrease Capital Expenditures
- Increase Capital Revenues
- Decrease Capital Revenues
- 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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<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

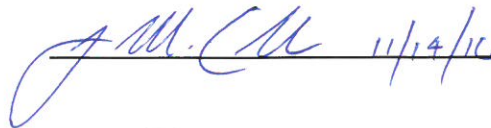
In the space below, you must provide the following information. Attach additional pages if necessary.

- 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.

This resolution/ordinance amends Ordinance Section 201.24(4.1) to: (1) clarify that in passing "status quo" ordinance amendments in 2011, the Milwaukee County Board of Supervisors never intended that members of certain employee unions who became Employees' Retirement System ("ERS") members between January 1, 1994 and December 31, 2005 would gain a Rule of 75 benefit that they would not have received under their collective bargaining agreement; and (2) reflect that the proper Rule of 75 "status quo" date is June 29, 2011, rather than September 29, 2011. Approval of this resolution will not change the current pension benefits of any County employee, and there is no expenditure resulting from the proposed ordinance amendments. However, as discussed in the attached actuarial report from Buck Consultants, there could be increased liabilities for and contributions to ERS if the amendments were not adopted and the Rule of 75 benefit were deemed available to members of the relevant employee groups at some point in the future.

Department/Prepared By James M. Carroll, Assistant Corporation Counsel

Authorized Signature

 11/14/10

Did DAS-Fiscal Staff Review?  Yes  No

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

<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.