

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** April 30, 2012

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Resolution to authorize additional funding for actuarial services.

**FISCAL EFFECT:**

No Direct County Fiscal Impact

Increase Capital Expenditures

Existing Staff Time Required

Decrease Capital Expenditures

X Increase Operating Expenditures  
(If checked, check one of two boxes below)

Increase Capital Revenues

X Absorbed Within Agency's Budget

Decrease Capital Revenues

Not Absorbed Within Agency's Budget

Decrease Operating Expenditures

Use of contingent funds

Increase Operating Revenues

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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year 2012</b>	<b>Subsequent Year 2013</b>
<b>Operating Budget</b>	Expenditure	\$40,000.00	0
	Revenue	0	0
	Net Cost	\$40,000.00	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. Approval of this Resolution will result in additional expenditure authority from Fund 0001, Agency 194, Org Unit 1950, Account 6148 for actuarial services. Previously, the County has issued contracts totaling \$125,000 related to pension benefit work associated with proposed benefit changes related to the Milwaukee County Employee Retirement System.

B. The Employee Benefits Work Group (EBWG) has been working with Buck Consultants to calculate the impact of proposed changes to pension benefits for employees, and upon the pension plan of the County. The proposals have required a fiscal analysis be provided by an outside pension actuary. The County hired the actuary for the Milwaukee County Employee Retirement System (ERS), since the actuary is familiar with the County ERS and with the formulas and ordinances regarding the current plan.

C. Sufficient funds are available in Org Unit 1950 to increase the contract amount with Buck Consultants.

D. No additional assumptions were made regarding this work.

Department/Prepared By Corporation Counsel

Authorized Signature

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Did DAS-Fiscal Staff Review?      X      Yes      No

<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.