

18-648

### MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 8/17/2018

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request to Create 5.0 FTEs to support the Enterprise Resource Planning System transition in the Department of Administrative Services – Information Management Services Division (DAS-IMSD)

**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.

|                                   | Expenditure or Revenue Category | Current Year | Subsequent Year |
|-----------------------------------|---------------------------------|--------------|-----------------|
| <b>Operating Budget</b>           | Expenditure                     | \$54,268     | \$470,329       |
|                                   | Revenue                         | \$54,268     | \$470,329       |
|                                   | Net Cost                        | \$0          | \$0             |
| <b>Capital Improvement Budget</b> | Expenditure                     | \$0          | \$0             |
|                                   | Revenue                         | (\$54,268)   | (\$470,329)     |
|                                   | Net Cost                        | \$54,268     | \$470,329       |

## 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.

DAS-IMSD requests to create 5 positions to assist with the Enterprise Resource Planning system transition. DAS-IMSD has requested capital funding for these positions in 2018 and 2019 through Capital Project WO602 (Enterprise Platform Modernization). DAS-IMSD proposes to fund the positions in 2020 and future years through savings on contractors that currently support mainframe applications. DAS-IMSD expects to retire the mainframe and no longer need contracted support in mid-2020.

The direct costs of the positions is \$54,268 in the current year and \$470,329 in the subsequent year. Sales Tax funding in Capital Project WO602 will be shifted to the operating budget to support these positions for no net effect to the DAS operating budget. The amount of funding available in Capital Project WO602 will decrease by the amount moved to the operating budget to support these positions.

The calculations assume that the positions are filled with three pay periods remaining in 2018 and remain filled throughout 2019. It is also assumed that the Office of the Comptroller will authorize that sufficient funds are available in Capital Project WO602. The positions may not be filled until the Comptroller verifies that capital appropriations are available or the Department

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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.

of Administrative Services – identifies an alternative funding source in the DAS-IMSD operating budget.

Department/Prepared by: Dan Laurila, DAS-PSB

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes  No

Did CBDP Review? <sup>2</sup>

Yes  No  Not Required

