

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/17/2016

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Director of Risk Management Division of the Department of Administrative Services, requesting approval to renew the 2017 property and casualty insurance program.

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
(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		
	Revenue		
	Net Cost		

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.

Please see associated report.

- 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. ¹ 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 impact to current budget year.

- 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.

There is no tax levy impact associated with the approval of this request. The premiums of \$2,638,747 will be charged to Agency 117 in the Object Lines 8046-8079 budgeted for the property and casualty program. The total budget amount of Objects 8046-8079 is \$4,458,172, leaving a balance of \$1,819,425 to fund the self-insured retentions and deductibles associated with these lines of coverage. The Fiduciary premiums in the amount of \$237,398 are sufficiently budgeted in the Employee Retirement Services Division of the Department of Human Resources.

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

Adoption of this resolution will not require an expenditure of funds as they are appropriated in the 2017 Budget for Risk Management and the Department of Human Resources.

The total cost of the renewal will be \$2,876,145 for the property and casualty insurance program covering January 1, 2017 through December 31, 2017.

Department/Prepared By Amy Pechacek, Director, Risk Management

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CDPB Staff Review? Yes No Not Required

¹ 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.