

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** Jan 6, 2016

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Pension Board Fiscal Review Ordinance Change

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact                                     | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" 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.*

	<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		
	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.
- 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.

The County Executive recommends adoption of an ordinance change that would require that the Pension Board receive and review a fiscal analysis before exercising its powers under Section 8.17(a) or Section 8.6 of Section 201.24 of the Milwaukee County Code of General Ordinances governing the Employee's Retirement System.


The Office of the Comptroller is requested to provide the analysis. The Office of Performance Strategy, and Budget is requested to approve the analysis. The actuary is requested to assist in or verify the analysis.

For the Office of the Comptroller and the Office of Performance, Strategy, and Budget analyses there is no fiscal effect. Existing staff time will be required to prepare the analyses. For the actuarial analysis, there will be a cost that depends on the complexity of the requested change. It is expected that the Pension Fund would cover the costs of the actuarial analysis. Due to the increase expenditure from the Pension Fund, there will be an indirect County cost through the Fringe Benefit budget.

Department/Prepared By

Daniel Laurila, Office of Performance, Strategy, and Budget

Authorized Signature



Did DAS-Fiscal Staff Review?  Yes  No  
Did CDBP 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.