

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 22, 2016

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization for the Milwaukee County Department of Transportation Director's Office to Execute Contracts with Freeway Towing Vendors Effective August 1, 2016 through July 31, 2021

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input checked="" type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> 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
Operating Budget	Expenditure	0	0
	Revenue	\$22,000	\$293,000
	Net Cost	(\$22,000)	(\$293,000)
Capital Improvement Budget	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.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.
- 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. The action requested will result in execution of contracts for freeway towing services between the Milwaukee County Department of Transportation Director's Office and the following vendors. CLASS I: Sector I – Menzel Enterprises, Inc. D/B/A Prairie Land Towing, Sector II – N&S Towing, Inc., Sector III – All City Towing, LLC, Sector IV – N&S Towing, Inc., Sector V – Ray's Towing, Inc. CLASS II & III (Combined): Sectors I, II, III, IV, V – Ray's Towing Inc.
- B. In accordance with the rates established by the County Board (File No. 16-259), approval of the proposed contracts with an August 1, 2016 effective date is estimated to result in an additional \$22,000 of revenue beyond the 2016 budgeted level. For 2017 and subsequent years of the contracts, Milwaukee County is estimated to realize approximately \$293,000 in revenue annually.
- C. In accordance with the rates established by the County Board (File No. 16-259), approval of the proposed contracts with an August 1, 2016 effective date is estimated to result in an additional \$22,000 of revenue beyond the 2016 budgeted level. For 2017 and subsequent years of the contracts, Milwaukee County is estimated to realize approximately \$293,000 in revenue annually.
- D. The income received from these contracts will continue to be budgeted as an offset to property tax levy for the overall expenses of the Milwaukee County Department of Transportation Director's Office where the freeway towing program is administered.

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.


² Community Business Development Partners' review is required on all professional service and public work construction contracts.

Projected revenue is based upon a contract effective date of August 1, 2016. Any changes in the timing of contract implementation would impact the revenue estimates in this fiscal note.

From a budgeting/financial perspective, it is useful to think of these contracts as revenue contracts.

Department/Prepared by: James H. Martin, Director of Administration, MCDOT

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes No

Did CBDP Review?²

Yes No Not Required