

# MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 06/27/2016

Original Fiscal Note X

Substitute Fiscal Note ☐

**SUBJECT:** The Sheriff of Milwaukee County requests the authority to enter into a three-year contract with G4S Secure Solutions (USA) Inc. to provide inmate transportation services to the Milwaukee County Sheriff for inmates and/or clients between the Milwaukee County Jail, House of Correction, Vel Phillips Juvenile Justice Center, all state and county institutions, US Marshall's, medical appointments and any other transport of inmates that may be needed.

## FISCAL EFFECT:

- |   |  |
|---|--|
| <input 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 |
| X 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     |
| X 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	\$170,413	\$2,605,794
	Revenue	0	
	Net Cost	\$170,413	\$2,605,794
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.
- 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 Sheriff of Milwaukee County is requesting authority to execute a contract with G4S Secure Solutions (USA) Inc. to provide inmate transportation services for the Milwaukee County Sheriff from September 1, 2016 to December 31, 2019. The first year of the contract is a sixteen month period to align the contract with the Milwaukee County calendar accounting period to alleviate the proration of expenses at yearend. The not-to-exceed contract expense caps for: 1) the sixteen month period ending December 31, 2017 is \$3,474,392, 2) year two ending December 31, 2018 is \$2,605,794, and 3) year three ending December 31, 2019 is \$2,605,794.

The 2016 Adopted Budget includes expenditure authority of \$698,185 for the four month period from September 1, 2016 to December 31, 2016. The initial four month period of the requested contract with G4S Secure Solutions (USA) Inc. requires an amount of \$868,598, an additional \$170,413 over the originally budgeted amount that is included in the 2016 fiscal projections of the MCSO. On the basis of the fiscal projections it is anticipated that a Contingency Fund transfer will be required before the end of 2016 to maintain daily operations.

Department/Prepared By: William R. Lethlean, Public Safety Fiscal Administrator

Authorized Signature



Did DAS-Fiscal Staff Review? ☐ 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.

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

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

X Yes

☐ No Not Required