

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 26, 2017

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Authorize Milwaukee County Parks to enter a contract with Vermont Systems for Parks Recreation Management Software and Point of Sale System.

FISCAL EFFECT:

- | | |
|---|---|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input checked="" type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" 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	\$45,000
	Revenue	0	0
	Net Cost	0	\$45,000
Capital Improvement Budget	Expenditure	0	\$1,130,000
	Revenue	0	0
	Net Cost	0	\$1,130,000

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. 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. Parks is requesting authorization to enter a contract with Vermont Systems to upgrade to a parks recreation management software and point of sale system that will be supported in 2018 and beyond. Parks will be able to have all 72 revenue collection sites (currently 25) on one integrated system instead of three. Parks has been operating on Samsung for 20 + years, Fairway since 2002 and Class since 2008.

B. Direct costs associated with the contract include total onetime costs of \$1,130,000

- Hardware \$205,000
- Licensing \$200,000
- Vendor lodging, travel, training and implementation \$140,000
- Data migration \$50,000
- Connectivity (switches, routers, data drops & connectivity upgrades) \$295,000
- IMSD project management & network support \$240,000

To complete the initiative, Capital project WP52501 – Point of Sale Replacement, with an estimated cost of \$890,000, has been created and will be a high priority in the 2018 Parks Department Capital budget request.

Ongoing operational costs include an annual software fee of \$77,418 and increased connectivity costs of \$12,377. The current licensing fees for existing reservation software and point of sale is \$44,795 annually for an increase of \$45,000 annually. Improved reporting will lead to better transparency and anticipated revenue growth through the expansion of payment sources at various sites.

C. Capitol project WP52501 with an estimated cost of \$1,130,000 has been created and will be requested in the 2018 Parks Department Capital budget request. A cash appropriation of \$240,000 was provided in the 2017 operating budget to begin the process ensuring that the new system will be operable in time for the 2018 parks season. The additional cost of \$45,000 annually vs. our current software contract and connectivity will be absorbed by the parks budget by increased efficiencies this new software will allow us to have.

- D. Assumptions included in this analysis include an increase in revenue due to expansion of accepted payment types, redirection of staff time previously used for manual point of sale data and increased efficiencies related to real-time data availability.

Department/Prepared by: Milwaukee County Parks
Joe Mrozinski, Assistant Chief of Business Development

Authorized Signature: _____



Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CDBP Review?² ☐ Yes ☐ No ☒ Not Required

