

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 1, 2018

Original Fiscal Note ☐

Substitute Fiscal Note ☒

SUBJECT: Passive review from the Chief Information Officer, Information Management Services Division (DAS-IMSD) on a Professional Services Contract Amendment with Northwoods Software

FISCAL EFFECT:

- ☒ No Direct County Fiscal Impact
- ☐ Existing Staff Time Required
- ☐ Increase Operating Expenditures
(If checked, check one of two boxes below)
- ☐ Absorbed Within Agency's Budget
- ☐ Not Absorbed Within Agency's Budget
- ☐ Decrease Operating Expenditures
- ☐ Increase Operating Revenues
- ☐ Decrease Operating Revenues
- ☐ Increase Capital Expenditures
- ☐ Decrease Capital Expenditures
- ☐ Increase Capital Revenues
- ☐ Decrease Capital Revenues
- ☐ 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		\$
	Revenue		
	Net Cost		
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.

The approval of the requested action will allow Milwaukee County to compensate Northwoods Software for \$21,640 in additional consulting services for the redesign/rebuild of the County's web presence, charged to capital Project WO632. The additional cost is funded by a reduced encumbrance with Kane Communication of \$9,840 (in project WO632) and the additional \$11,800 will be charged to IMSD operating.

- 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.

The Northwoods Software PSA is valued at \$214,965.00. The requested amendment amount of \$21,640 would bring total contract spend to \$236,605.00. The additional cost is funded by a reduced encumbrance with Kane Communication of \$9,840 (in project WO632) and \$11,800 from the IMSD Operating Budget

The requested amount is a one-time charge and would not impact ongoing annual maintenance payments with Northwoods.

- 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.

Capital funds from WO632 were encumbered in 2016 and 2017 to pay for professional services provided by Northwoods and Kane Communications. A change order has been signed with Kane communications that will reduce the contractual spend by \$9,840. These funds will be allocated to fund a portion of this amendment amount. The remaining balance of \$11,840 will be paid for by IMSD operating budget.

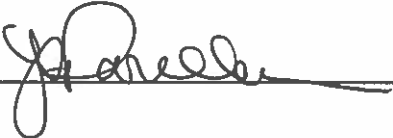
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

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.

IMSD used the vendor's proposed rates and expected project needs to estimate costs related to this project. The information provided on this form is based on the current defined scope and on the vendor's proposal. Additional modifications to scope could increase the value of the contract with Northwoods Software.

Department/Prepared By Laurie Panella, CIO, DAS-IMSD

Authorized Signature 

Did DAS-Fiscal Staff Review? ☒ Yes ☐ No

Did CBDP Review?² ☐ Yes ☐ No ☐ Not Required