

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 23, 2020

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Interim Executive Director, Department on Aging, requesting authorization to enter into a 2021 purchase of service contract with First Transit Inc. from January 1, 2021 through December 31, 2021 at a cost of \$1,459,071

FISCAL EFFECT:

- | | |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <input checked="" 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 |
| <input type="checkbox"/> Increase Operating Expenditures (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.


| | Expenditure or Revenue Category | Current Year | Subsequent Year |
|-----------------------------------|----------------------------------------|---------------------|------------------------|
| Operating Budget | Expenditure | | |
| | Revenue | | |
| | Net Cost | | |
| 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.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. Request to execute a 2021 purchase of service contract between Milwaukee County Department on Aging and First Transit Inc. to provide transportation for older adults to grocery stores, medical appointments, voting sites, senior centers, and meal programs. First Transit is a new provider of this existing service for 2021. The previous provider made a business decision not to administratively renew this contract in 2021.
 - b. The contract amount is \$1,459,071 and the 2021 approved County budget includes sufficient funding for this contract. Revenue to fund this program includes Wisconsin Stat. Sec. 85.21 Specialized Transportation Services for the Elderly allocation (\$652,000), Older Americans Act Title IIIB federal funds (\$257,458), and Basic County Allocation (\$549,613). The total amount allocated is a three percent (3%) increase over last year.
 - c. Specialized Transportation for Older Adults is a regular and ongoing program for which funding has been approved in the 2021 County budget. This allocation is for a one-year contract. Because of the change in the marketplace due to COVID-19, external costs for transportation providers have risen. While there will likely be no additional fiscal impact in 2021, when rebidding this contract in 2022-25, additional funding will likely be necessary to return services to a pre-COVID-19 level.
 - d. Because of COVID-19, no group rides are authorized. Thus, there is an expectation that fewer rides will be provided in 2021 than in previous years. This transportation provider will not be providing meal delivery services.

Department/Prepared by: Department on Aging / Jon Janowski

Authorized Signature: 

Did DAS-Fiscal Staff Review? Yes No
Did CDBP Review?² Yes No Not Required

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.