

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 7/29/2021

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request for an appropriation transfer of \$400,000 for the costs associated with destroying 75,000 eligible boxes of records stored with vendor Vital Records Control (VRC).

**FISCAL EFFECT:**

- |   |   |
|---|---|
| <input type="checkbox"/> No Direct County Fiscal Impact<br><input checked="" type="checkbox"/> Existing Staff Time Required<br><input checked="" type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input checked="" type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input checked="" 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
<b>Operating Budget</b>	Expenditure	\$400,000	
	Revenue		
	Net Cost	\$400,000	
<b>Capital Improvement Budget</b>	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. <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.

- A. *The Director of the Department of Administrative Services requests authorization to use funds from contingencies to pay for the destruction of 75,000 boxes of records that are eligible to be disposed.*
- B. *There are about 150,000 total boxes of county records stored with vendor VRC and 50% of these boxes are past their retention period and are eligible to be destroyed. The current annual cost for the storage of the 75,000 boxes of records that are eligible to be destroyed is \$146,250. The total one-time cost to destroy these records with vendor VRC is \$400,000. While the payback period is almost 3 years, this will provide a significant savings over time in storage costs as it will significantly reduce the number of boxes stored with VRC. If approved, the destruction of the records will begin in late 2021 and will carry over into 2022.*
- C. *Estimated cost is \$400,000 and there is an appropriation transfer requested to use funds from contingencies. This is an upfront cost that is estimated to result in \$146,250 in annual savings once the destruction of the records is complete.*
- D. *Actual number of eligible boxes is 79,000 but the assumption is that not all of these records will go to destruction due to various reasons (Historical Society transfer, orphan boxes, etc.). In addition, staff time and staffing costs will vary department by department depending on the number of eligible boxes that can be destroyed per department.*

Department/Prepared By Una Stojsavljevic, Continuous Improvement Analyst, PSB

<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.

Authorized Signature

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Aaron Hertzberg, DAS Director

Did DAS-Fiscal Staff Review?

Yes

No

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

Yes

No

Not Required