

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/26/12

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services requesting authorization to enter into a 2013 contract with the State of Wisconsin for Social Services and Community Programs

**FISCAL EFFECT:**

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|--|--|
| <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 |
| <input type="checkbox"/> 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     |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget   |  |
| <input type="checkbox"/> Decrease Operating Expenditures   | <input type="checkbox"/> Use of contingent funds       |
| <input checked="" 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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure		
	Revenue		171,069
	Net Cost		-171,069
<b>Capital Improvement Budget</b>	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.

A. Authorization is requested to sign the 2013 Social Services and Community Programs contracts with the State Departments of Health Services and Children and Families. Approval will allow Milwaukee County to receive State revenue for county services to persons with disabilities, substance abuse problems and juvenile delinquents and their families as mandated by State and/or Federal law.

B. The state's Social Services and Community Programs contracts include various separate revenues used to fund the Department of Health and Human Services (DHHS) (including the Behavioral Health Division). Approval to sign the 2013 contracts will allow Milwaukee County to receive funds.

C. DHHS staff has compared revenues in the State Advisory notification to revenues that were anticipated in the 2013 Budget. The majority of anticipated revenues are basically consistent with budgeted revenues .

The state funding notice reflects a net revenue increase of \$185,766 compared to the 2013 Budget (see Attachment 1). This is the result of the State notice reflecting:

1) An additional \$171,069 in net Basic County Aids (BCA) revenue. The State contract reflects \$32,361,946 in BCA compared to \$32,190,877 in the 2013 Budget. This additional revenue would provide for a tax levy surplus. The overall BCA amount has been adjusted to reflect the \$8,305,873 BCA intercept for Family Care as well as a \$2.7 million reduction for the operation of the State Income Maintenance Program.

2) A \$15,351 reduction in Birth to 3 funding. The department anticipates receiving the full allocation and has discussed this issue with the State.

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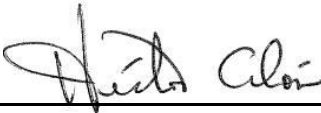
<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

3) A \$30,048 increase in revenue for various BHD programming. These funds will be applied to additional client services.

The only tax levy impact anticipated in the items above is the surplus in BCA revenue.

D. There were no assumptions made. The fiscal information was taken from the State's initial 2013 contract advisory notification.

Department/Prepared By Clare O'Brien, Fiscal and Management Analyst

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No