

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 1/7/13

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Director, Department of Health and Human Services, Requesting Authorization for the Housing Division to Enter into a Purchase of Service Contract with Milwaukee Center for Independence (MCFI) for \$500,000 to provide supportive services for the Pathways to Permanent Housing program

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input checked="" type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input 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
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	\$0	0
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. Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from nongovernmental vendors. Per Section 46.09, the Director of the Department of Health and Human Services (DHHS) is requesting authorization for the Housing Division to enter into a purchase of service (POS) contract with Milwaukee Center For Independence (MCFI) for \$500,000 to provide supportive services for the Pathways To Permanent Housing program from March 1, 2013 through December 31, 2013.

B. Funding for the Pathways program will come from rental income from occupants, funds previously dedicated to the Transitional Housing Program and BHD funds previously used for CBRF beds (see detail below). Approximately ten individuals will be targeted to transition out of a BHD funded CBRF slot. The CBRF providers can then fill those ten vacancies with individuals enrolled in Family Care.

Transition Housing Program (THP)	72,500
Scripts Rental funds for THP	50,000
CBRF funds from SAIL	276,250
Rental Income (\$375/mo)	101,250
	500,000


C. See Section B above. This program will continue in the future and the funding mentioned above is sustainable in future years.

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.

D. It is assumed that all 27 beds will produce rental income for 10 months of 2013 and that 10 CBRF clients will transition to this program. BHD and the Housing Division feels these are conservative assumptions but this program is a consumer driven choice so funding may fluctuate. No other assumptions are made.

Department/Prepared By Alexandra Kotze, Fiscal and Policy Administrator - DHHS

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes

No