

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** November 13, 2019

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services, requesting authorization to enter into a 2020 contract with the State of Wisconsin for Social Services and Community Programs

**FISCAL EFFECT:**

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| <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<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 checked="" type="checkbox"/> Decrease Operating Expenditures                                    | <input type="checkbox"/> Use of contingent funds       |
| <input type="checkbox"/> Increase Operating Revenues   |  |
| <input checked="" 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	\$18,819	
	Revenue	(\$18,819)	
	Net Cost	\$0	
<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. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to sign a 2020 Social Services and Community Programs contract with the State Department of Health Services (DHS). Approval will allow Milwaukee County to receive State revenue for county services to persons with disabilities and their families as well as those in need of community support and prevention services as mandated by State and/or Federal law.

B. The state's Social Services and Community Programs contract includes various separate revenues used to fund DHHS. Approval to sign the 2020 contract will allow Milwaukee County to receive funds.

C. The actual 2020 "Community Aids" contract for DHHS provides an allocation totaling \$12,370,321; this amount is \$1,551,557 less than the \$13,921,878 included in the DHHS 2020 Budget due to three revenue streams. 1) About \$1.1 million of this difference is due to the 2020 base contract not including funds associated with the waitlist elimination for the Children's Long Term Support (CLTS) Program. Instead, these funds will be provided in the first quarter of 2020 according to the advisory notification from DHS. 2) \$445,315 is due to AODA Juvenile Justice funding which will be awarded separately in 2020. The 2020 amended contract is anticipated to be in line with the 2019 amended contract. 3) \$18,819 reduction in anticipated Social Service Block Grant funding which partially funds the Basic County Allocation (BCA).

Given that DHHS anticipates an amendment for the CLTS revenue in early 2020 and a separate award of the AODA Juvenile Justice funding, the net impact to the State contract award is a revenue reduction of \$18,819. DHHS anticipates that this amount will be absorbed in its budget and will have no negative fiscal impact during 2020.

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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.

D. No further assumptions are made. The fiscal information was taken from the DHS 2020 contract notification.

Department/Prepared By: Clare O'Brien, Budget & Operations Manager - DHHS

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No  
Did CDPB Staff Review?  Yes  No  Not Required