

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: February 18, 2022

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Director of Office of Strategy, Budget and Performance, requesting retroactive authorization to apply for, and accept, and complete an administrative fund transfer for the U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) Public Assistance Program for disaster operations in a pandemic

FISCAL EFFECT:

- | | |
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| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input checked="" type="checkbox"/> Decrease Operating Expenditures
<input checked="" 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	\$6,268,000	\$0
	Revenue	\$6,268,000	\$0
	Net Cost		
Capital Improvement Budget	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. 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. ARPA funding of \$6,268,000 is requested for purchase and replacement of Kitchen and Traying Equipment across Milwaukee County corrections facilities at the House of Correction, Sheriff's Office (Criminal Justice Facility), and Department of Health and Human Services (Juvenile Justice System). Replacement of equipment was recommended in a system wide kitchen equipment and service consultant study. Kitchen equipment across facilities is aged and in need of replacement. Current equipment requires routine and emergency replacement, is inoperable, and has high cost of repairs, as well as difficulty identifying replacement parts. This often results in an inability for hot and cold food temperatures to be maintained. Replacing the current equipment will result in a reduction in maintenance and repair cost. It will also result in reduced operating costs compared to an alternate scenario where the vendor replaces kitchen equipment.
 - B. Annual operating savings on repair and maintenance are estimated to be \$125,000. In addition, if the vendor were to replace kitchen equipment rather than the County, this would likely result in an increased cost to the operating budget through an increase in the cost per meal.
 - C. \$6,268,000 of ARPA funding is requested to fully offset the cost of purchasing and replacing existing kitchen equipment across departments. This represents a one-time capital project cost funded by federal ARPA revenues.
 - D. \$6,268,000 of ARPA funding is requested to fully offset the cost of purchasing and replacing existing kitchen equipment across departments.

Department/Prepared By: Joe Lamers, Director, Office of Strategy, Budget and Performance

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.

JOSEPH LAMERS

Authorized Signature

Did DAS-Fiscal Staff Review?

Yes

No

Did CDBP Review?²

Yes

No

Not Required