

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 09/06/11

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Interim Director, DHHS, Requesting Authorization to Enter into FFY 2012 Purchase of Service Contracts for the Energy Assistance Program.

FISCAL EFFECT:

- | | |
|--|--|
| <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
(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 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.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue		
	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.) Approval of the request would permit the DHHS Management Services Division to enter into purchase of service contracts for the Energy Assistance program with the Social Development Commission and Community Advocates. The term of the contracts would run on the federal fiscal year cycle from October 1, 2011 to September 30, 2012.

B.)The total revenue included in the proposed WHEAP FFY2011 contract is \$2,394,458, a decrease of \$792,696 from the FFY2011 amended contract of \$3,187,154. This contract provides funds to administer the program, including contracts with SDC and Community Advocates. The contract with the State is being recommended for approval by DHHS in the September cycle.

Due to the significant reduction from the State, the recommended FFY2012 contract for SDC is \$1,562,715, which reflects a reduction of \$93,909 from the original 2011 base contract of \$1,656,624. Due to the increased number of applications taken, the recommended contract for Community Advocates is \$461,123, which reflects an increase of \$108,063 over the original 2011 base contract of \$353,060.

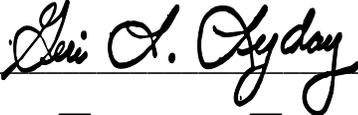
The two contracts combined reflect a total cost of \$2,023,838. The remaining State revenue of \$370,620 funds two County Energy workers, administration and a small contract with 211-IMPACT.

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.

C.) There would be no tax levy impact by approving the request as the recommended contract amounts are within the State Wisconsin Home Energy Assistance Program (WHEAP) allocation.

D. This fiscal note assumes expenditures cannot exceed the amounts authorized for the purchase of service contracts.

Department/Prepared By Clare O'Brien, DAS

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No