

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: May 16, 2024

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Director, Office of Strategy, Budget & Performance, Requesting Authorization to Reallocate Tax Levy and Federal American Rescue Plan Act (ARPA) Revenue and Expenses and Revise Approved ARPA Project Budgets and Spending Periods

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" 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 type="checkbox"/> Absorbed Within Agency's Budget
<input checked="" 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 checked="" type="checkbox"/> Increase Capital Expenditures
<input checked="" 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	\$28,091,983	\$0
	Revenue	\$28,091,983	\$0
	Net Cost	\$0	\$0
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.
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- A. Approval of this resolution will provide authorization to reallocate and realign up to \$28,091,983 of federal American Rescue Plan Act (ARPA), State and Local Fiscal Recovery Funds (SLFRF), and tax levy funds. The realignment is proposed to ensure that Milwaukee County meets all ARPA obligation and expenditure deadlines. ARPA funds must be obligated by December 31, 2024 and fully expended by December 31, 2026. To ensure compliance and reach 100% obligation by the federal deadline, this report recommends:
 - 1.) Funding approved ARPA projects with tax levy and reallocating tax levy expenditures to ARPA revenue in an equivalent amount (up to \$28,091,983); and
 - 2.) Reallocating \$1,740,000 of ARPA funds across existing ARPA-approved projects.
 - B. Approval of this ARPA re-allocation provides up to \$28,091,983 in tax levy expenditures to federal ARPA State and Local Fiscal Recovery Funds (SLFRF). Approval of this resolution reallocates \$1,740,000 of ARPA SLFRF funds across ARPA-approved projects. These actions will have a net total tax levy impact of \$0.
 - C. Costs are anticipated to be effective in 2024 and may carry forward until as late as 2026 based on ARPA timeline requirements. Approval of the proposed projects does not have any budgetary impacts.
 - D. No assumptions or interpretations were made.

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.

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

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review? Yes No Not Required