

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 2/24/21

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Report from the Director, Department of Health and Human Services, seeking approval to process an administrative appropriation fund transfer to increase expenditure authority and revenue budget and establish a capital project for the Mental Health Emergency Center.

FISCAL EFFECT:

- | | |
|--|---|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input checked="" 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 checked="" 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	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	\$5,360,000	
	Revenue	\$5,360,000	
	Net Cost	\$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. The Department of Health and Human Services is seeking approval to transfer funds from its operating budget and establish capital project WE123012- Mental Health Emergency Center. Approval of this request will allow the Behavioral Health Division (BHD) to fund a share of construction costs of the new Mental Health Emergency Center.

B. The anticipated budget for capital project WE123021 is \$5,360,000

C. The cost associated with this capital project is anticipated to be covered by general obligation bond notes. Annual debt service related to the bond financing will be included in the Behavioral Health Division operating budget.

D. This assumes a total project budget of \$12,200,000 with \$640,000 credit from Milwaukee County owned land and the remaining \$6,200,000 contributions coming from private health system partners. BHD expects the total project budget of \$12,200,000 to be sufficient; however, should additional funds be required they would need to be approved by BHD and the health systems. It is anticipated that additional BHD funding, if needed, would be provided from BHD reserves or the BHD operating budget. If there are surplus proceeds available after the project is completed; the proceeds would be used to pay debt service.

Department/Prepared By Matt Fortman, Fiscal Administrator

Authorized Signature

Shakita LaGrant-McClain

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CDPB Staff Review? ☒ Yes ☐ No ☐ Not Required

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.