

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** April 28, 2015

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorizing Milwaukee County to develop a multi-targeted plan to mitigate the issue of food insecurity and food deserts in our neighborhoods.

**FISCAL EFFECT:**

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input checked="" 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
<b>Operating Budget</b>	Expenditure	\$200,000	\$0
	Revenue	\$0	\$0
	Net Cost	\$200,000	\$0
<b>Capital Improvement Budget</b>	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.<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. Approval of this resolution will authorize the development of the Sowing, Empowering, and Eliminating Deserts of food (SEED) Program in Milwaukee County. The program will include a plan focused on the following initiatives: Authorizing the County to identify available and appropriate county land to be utilized for community gardens and fruit orchards, an agreement with the Hunger Task Force for the purchase and operation of a Mobile Micro Market to transport and sell affordable, fresh, and nutritious foods in areas that otherwise have limited access, and having the County develop an inventory of existing available kitchen spaces within county facilities that can be equipped for food preparation, preservation, and freezing of foods that have a short harvest period. The County will potentially negotiate agreements with Growing Power and other agencies to operate and maintain the proposed fruit orchards and community gardens. The Department of Administrative Services-Office of Performance, Strategy and Budget is authorized to process an appropriation transfer to reallocate up to \$200,000 from the 2015 Appropriation for Contingencies to implement the components of the SEED Program. The County will potentially arrange an agreement with the Hunger Task Force and Growing Power to facilitate the food preparation and preservation services at county kitchen premises. Corporation Counsel is tasked with preparing a lease agreement with Growing Power for the long-term agricultural purpose of growing fruit trees, in the amount of \$1 annually.

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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.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

- B.** The estimated cost for the implementation of this program will be approximately \$200,000 for 2015. Funding for the program comes from the Appropriation for Contingencies, where an allocation of \$781,120 was reserved for possible BHD employee fringe benefit costs. The Director of the Department of Health and Human Services stated that other funds have been identified to cover those employee fringe benefit expenses. Therefore, this resolution reallocates \$200,000 of the contingency funds previously reserved for BHD as a one-time expenditure for the SEED Program. Of that reallocation, up to \$65,900 would be used towards lease agreement negotiations for agencies to operate and maintain community gardens and fruit orchards, up to \$68,200 would be used towards the purchase and maintenance of the Mobile Micro Market, and up to \$65,900 would be used to make necessary improvements and renovations to county kitchen space to be used by the Hunger Task Force for food preparation and preservation services. It is anticipated that some revenues will be generated by the sale of the food items from the Mobile Micro Market, however at the time that this fiscal note was drafted, the data on any projected revenue was not yet available. The County and the Hunger Task Force will presumably negotiate which entities will be in receipt of those revenues during the discussions of terms for the mobile market. The fiscal impact of Corporation Counsel's lease agreement with Growing Power will be de minimis.
- C.** These funds were allocated within the 2015 Appropriations for Contingencies, and will therefore have no additional budgetary impact if used in 2015. However, because these funds were originally included in the \$781,120 allocation for BHD employee fringe benefits, authorization to reallocate \$200,000 for the SEED Program will be needed to implement the outlined initiatives. This resolution provides for the SEED Program implementation funds for 2015, and therefore any ongoing costs that incur in 2016 or in future years would need to be addressed through budgetary action or from secured external funding sources.
- D.** As addressed in section B, it is assumed that the County and the Hunger Task Force will negotiate which entity shall retain any generated revenue from the Mobile Micro Market. This fiscal note assumes that any ongoing costs to operate the SEED Program in future years will be addressed through alternative funding methods since the \$200,000 reallocation is a one-time expenditure from the Appropriation for Contingencies.

Department/Prepared By Jessica Janz-McKnight, Research and Policy Analyst, Office of the Comptroller

Authorized Signature




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Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP Review?<sup>2</sup>  Yes  No  Not Required