

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: August 15, 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

FISCAL EFFECT:

- | | |
|---|--|
| <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 type="checkbox"/> Decrease Operating Expenditures
<input 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	TBD	\$0
	Revenue	TBD	\$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 convert any unallocated ARPA State and Local Fiscal Recovery Funds (SLFRF) funds as of the fourth quarter of 2024 to tax levy, for a net \$0 tax levy impact. The conversion of unallocated ARPA SLFRF funds to tax levy is proposed to ensure that the County meets all ARPA obligation and expenditure deadlines. As indicated in the report for this file, an estimated \$164.7 million in ARPA funds have been obligated to date (90% of \$183.7 million allocation), and an additional amount of \$16 million is expected to be in the process of being obligated, with additional obligations beyond that expected for authorized contract and payroll actions. This indicates that there is a limited amount of ARPA SLFRF allocations which may not be obligated by the end of 2024. This file would provide authorization to reallocate those amounts to public health and safety operations (or other eligible operational costs) to ensure 100% of funds reach an obligation by the end of 2024.
 - B. Approval of to convert any unallocated ARPA SLFRF funds as of the fourth quarter of 2024 to tax levy would have a net \$0 impact.
 - C. Costs are anticipated to be effective in 2024 and may carry forward until 2026 based on ARPA timeline requirements.
 - D. No assumptions or interpretations were made.

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

Authorized Signature

JOSEPH LAMERS

Did DAS-Fiscal Staff Review?

Yes

No

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.

Did CBDP Review?

Yes

No

Not Required