

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 7, 2022

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Director, Department of Health and Human Services, requesting authorization to execute a 2022 fee-for-service agreement with Racine County for Children, Youth and Family Services

FISCAL EFFECT:

- | | |
|---|---|
| <input 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 checked="" 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 checked="" type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input checked="" 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	\$325,000	\$0
	Revenue	\$0	\$0
	Net Cost	\$325,000	\$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. The Director, Department of Health and Human Services (DHHS), is requesting authorization to execute a 2022 fee-for-service agreement for Children, Youth and Family Services (CYFS) with Racine County for placements of youth.
 - B. The 2022 estimated cost of the contract is \$325,000 effective January 1, 2022 to December 31, 2022. In September, DHHS submitted File 22-971 seeking approval of a fee-for-service agreement with Racine County. However, this item was not approved by the County Board. Since that time, Corporation Counsel recommended that DHHS bring this contract before the County Board again so that the outstanding invoices for services rendered can be paid.
 - C. DHHS is currently projecting a deficit of about \$5 million as of September 30, and the Racine County costs are included in this estimate. However, the department anticipates being able to make the payments to Racine County as DHHS has sufficient expenditure authority in its "Other Charges/Contracts" account series.
 - D. This fiscal note assumes expenditures will not exceed the amount authorized for this fee-for-service contract.

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 Clare O'Brien, DHHS Budget & Policy Director

Authorized Signature Shakita LaGrant-McClain

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required