

MILWAUKEE COUNTY FISCAL NOTE FORM - REVISED

DATE: 12/5/16

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Director, Department of Health and Human Services, requesting authorization to enter into a State/County contract for Community Youth and Family Aids for 2017 and to accept \$35,714,663 for State Corrections Charges and Community Based 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 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 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 checked="" 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
	Revenue		\$ (334,834)
	Net Cost		\$ 334,834
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

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. Section 301.031 of the Wisconsin Statutes requires counties to execute an annual contract with the State Department of Children and Families (DCF) for the “Community Youth and Family Aids Program.” This program provides State funding for County services to juvenile offenders as mandated by State and/or Federal law. The Director, Department of Health and Human Services (DHHS), is requesting authorization to enter into the 2017 contract with the State for the provision of juvenile justice services mandated by State law.

B. The 2017 contract provides \$35,714,663 in Youth Aids funding, which is \$334,834 lower than budgeted in 2017 or \$346,138 lower compared to the 2016 State contract. The reduction in the contract is the result of the Youth Aids formulae. Most notably, a decline in JCI placements over 2012 to 2014 was the primary driver of this reduction.

DHHS will continue to monitor the Average Daily Population (ADP) throughout 2017 and calculate projections based on the most recent ADP.

C. Currently, DHHS does not anticipate a budgetary impact in 2017. The 2017 Adopted Budget assumes an Average Daily Population (ADP) at the State institutes of 87 compared to the 2016 average year-to-date ADP of 85. Therefore, the department anticipates the lower ADP compared to budget will be sufficient to cover the contractual shortfall in funding.

D. No further assumptions are made. The revenue amount is reflected in the State contract.

Department/Prepared By Clare O'Brien, Senior Budget Analyst – DHHS

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.

Authorized Signature

Justin Alon

Did DAS-Fiscal Staff Review?

Yes

No

Did CDPB Staff Review?

Yes

No

Not Required