

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/21/11

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Acting Director, Department of Health and Human Services, requesting authorization to enter into 2012 Disabilities Services Division purchase of service contracts for the Disability Resource Center, Children’s Programs and Adults with Disabilities.

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input checked="" 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<br>(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 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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	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. <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. The Acting Director of the Department of Health and Human Services (DHHS) requests authorization to execute purchase of service contracts with a variety of community vendors for the provision of services to persons with disabilities and others with special needs within the DHHS-Disabilities Services Division (DSD).

B. Approval of this request will result in an expenditure of \$5,968,639 for calendar year 2012. This reflects a reduction of \$1,308,233 compared to the amount allocated for purchase of service contracts in 2011. This reduction is largely the result of a contract reduction of \$751,000 for fiscal agent services for the Children's Long Term Support (CLTS) program. This contract is no longer needed because the State has implemented a third party payment system for CLTS services. In addition, \$125,000 is reduced for the Phoenix Care Systems contract to reflect a six-month contract pending accessibility improvements to its respite home. The remaining reduction of \$432,000 is due to eliminating a \$186,000 contract for outside Disability Benefits Specialist (DBS) support which is now being done in house as well as adjusting some contracts to reflect actual experience.

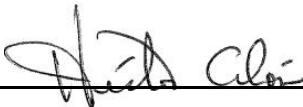
C. The 2012 Budget reflects a total appropriation of \$6,465,141 (orgs 8381 and 8383 and account 8164) which is sufficient to cover the proposed expenditure of \$5,968,639. The difference of \$496,502 will be held to support the relocation efforts of individuals at BHD Hilltop and potentially cover the last six months of the Phoenix Systems contract for 2012.

D. No assumptions are made.

---

<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.

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

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No