

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 4/20/18

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Acting Director, Department of Health and Human Services (DHHS), requesting approval to establish an operating capital budget in the Housing Division and update the procedures for the sale of foreclosed homes in the Milwaukee County Ordinances

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" 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 checked="" 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	200,000	0
	Revenue	200,000	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.

A. The Director of the Department of Health and Human Services - Housing Division, requests to ammend Chapter 6.03(4) of the Milwaukee County Ordinances to allow net proceeds of the sale of foreclosed properties which have been rehabilitated through Housing Division programs are forwarded to the Housing Division. Additionally, expenditure authority in the amomunt of \$200,000 and revenue in the amount of \$200,000 are requested to continue this program.

B. There are no direct costs associated with the change to Milwaukee County Ordinances, outside of exsisting staff time to set up the account and update the procedures. The Housing Division currently has \$240,000 in revenue within its budget for this purpose. An additional \$200,000 of revenue and \$200,000 of expenditure authority are granted based on anticipated sales. It is anticipated that in future budgets the revenues and expenditures related to this program will be included and that the Opportunity Knocks program will be funded by revenues realized from the sale of properties.

C. If the Housing Division, currently has \$240,000 budgeted in revenue in the 2018 budget. This resolution grants an additional \$200,000 of expenditure and \$200,000 of revenue authority. There is no anticipated tax levy impact as the additional expenditures will be covered from revenues generated related to the sale of tax foreclosed properties or from real estate developer fees. Revenues and expenditure authority not utilized in 2018 may be carried over into 2019 operating capital accounts to continue the Opportunity Knocks program.

D. It is assumed that the revenue realized from the sale of tax foreclosed properties or developer fees will fund the continuation of the Opportunity Knocks Program and HOMES eviction programs.

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.

Department/Prepared By Lisa Wozny, Budget Analyst, Office of Performance, Strategy & Budget

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

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