

MILWAUKEE COUNTY FISCAL NOTE FORM**DATE:** 08-20-2020Original Fiscal Note Substitute Fiscal Note

SUBJECT: From the Interim Superintendent, House of Correction, requesting authorization to execute a multi-year service agreement with the Wisconsin Department of Corrections (DOC) and to receive revenue in the approximate amount of \$230,000 a year by allowing DOC inmates to utilize the Milwaukee County Day Reporting Center for a daily fee starting on October 1, 2020 with five, one-year renewal options beginning January 1, 2021

FISCAL EFFECT: No Direct County Fiscal Impact Expenditures Increase Capital Existing Staff Time Required Decrease Capital

Expenditures

 Increase Operating Expenditures
(If checked, check one of two boxes below) Increase Capital Revenues Absorbed Within Agency's Budget Decrease Capital Revenues Not Absorbed Within Agency's Budget Decrease Operating Expenditures Use of contingent funds Increase Operating Revenues 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	\$0*
	Revenue	\$55,200	\$230,000*
	Net Cost	\$0	\$0*
Capital Improvement Budget	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

*This item was included in the 2021 budget request and assumes inclusion in the 2021 Adopted Budget. There is no net fiscal effect. The \$230,000 is input above to help clarify this new revenue source will be an ongoing in subsequent years.

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. Approval of this contract will authorize the Interim Superintendent of the House of Correction (HOC) to enter into a multi-year contract with the Wisconsin Department of Corrections to utilize the Milwaukee County Day Reporting Center (DRC) for a daily fee per inmate; a minimum of 20 inmates at \$46 per service day.
 - B. Total cost for the contract to manage the Day Reporting Center is \$794,244 per year. This cost was included in the 2020 Adopted Budget and also in the HOC's 2021 budget request. This request does not change the contract price and existing HOC and DRC programming staff will support these additional participants. Revenue is estimated at \$46 per service day (which excludes weekends and holidays) for 20 inmates, which is approximately \$230,000 a year.
 - C. The program is anticipated to start on October 1st, so 2020 should yield about \$55,200 in new revenue. The cost of \$794,244 plus other nominal pass through charges (e.g., utilities, phone services) less projected revenues is included in the HOC's 2021 budget request for WCS to provide services at the DRC. If this request is not approved, revenues would decrease by \$230,000 in 2021 since it was included in the HOC's 2021 budget request.
 - D. Page 1 of this form assumes the HOC's 2021 departmental budget request is adopted, which included the cost of \$794,244 for management of the Day Reporting Center and \$230,000 in anticipated revenue.

Department/Prepared By HOC/June Jackson

Authorized Signature June Jackson 8/20/2020 Did DAS-Fiscal Staff
 Review? Yes No
 Did CDBP Review? Yes No Not Required

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.