

**MILWAUKEE COUNTY FISCAL NOTE FORM****DATE:** 02-19-2021Original Fiscal Note Substitute Fiscal Note 

**SUBJECT:** From the Superintendent, House of Correction, requesting authorization to enter into an Agreement with the Wisconsin Department of Corrections to house up to 180 clients a day for a daily fee of \$51.46 each from approximately March 26, 2021, through December 31, 2021, with one possible automatic calendar year renewal starting January 1, 2022

**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.*

|                                   | <b>Expenditure or Revenue Category</b> | <b>Current Year</b> | <b>Subsequent Year</b> |
|-----------------------------------|--|---------------------|------------------------|
| <b>Operating Budget</b>           | Expenditure                            | \$0                 | \$0                    |
|                                   | Revenue                                | +                   | \$0                    |
|                                   | Net Cost                               | \$0                 | \$0                    |
| <b>Capital Improvement Budget</b> | 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.<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. Approval of this agreement will authorize the Superintendent of the House of Correction (HOC) to house up to 180 DAI clients for a per diem rate of \$51.46.
- B. If all 180 beds were filled consistently, this contract value would be \$3,380,922 annually at the per diem rate \$51.46 per day. **That would be a considerable improvement over the average of \$14,563 per month for the last four months of 2020.** However, at this time, the precise number of beds that will be filled each month going forward is unknown.
- C. The HOC budgeted \$812,352 for DAI revenue in 2021 based on collections that averaged about \$68,000 a month at the beginning of 2020 when the budget was being developed. As of December 2020, collections were down to \$1,132 for the month, as other agencies are sending significantly fewer clients to us due to impacts of COVID. For January 2021, the HOC did not house any DAI inmates. **This contract for 180 beds will improve\* revenues, but the exact number of beds that will be used is unknown at this time.**
- D. Not enough information is available to make any assumptions on the number of beds for 2021. Assumed HOC would budget accordingly for relevant number of beds in 2022.

Department/Prepared By      HOC/June Jackson & Felix Santiago

Authorized Signature      June Jackson      2/19/2021

Did DAS-Fiscal Staff Review?            Yes            No

Did CBDDP Review?            Yes            No            Not Required

<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.