



DAVID CULLEN

Milwaukee County Treasurer

DATE: February 23, 2021

TO: Marcelia Nicholson, Chairwoman Milwaukee County Board of Supervisors

FROM: David A. Cullen, Milwaukee County Treasurer *DAC*

RE: 2020 Annual Report on Public Funds
(Informational Item reviewed by Finance and Audit Committee)

Milwaukee County Ordinance 56.31 requires departmental officers who deposit public funds with any depository other than the County Treasurer to report annually to the County Board of Supervisors the status of such accounts. These accounts are typically "petty cash" or Imprest fund accounts and are established for many different reasons. Some accounts, such as those held by the Department of Aging, are required by the federal government as a way to segregate the funds from other county money for accounting purposes.

On page two of the attachment, you will note there is an item near the bottom of the page called "Total Exposure." This concerns the total reported amounts deposited at that institution by various county departments. Each exposure is measured against whether these amounts are insured or collateralized.

During the 2020 calendar year, the amount insured by Federal Deposit Insurance totals \$250,000. The Office of the Treasurer has taken several steps to safeguard the deposits reported to this office. We have recommended that those departments that hold deposits in non-securitized accounts: (1) transfer those deposits to US Bank - which was awarded our county banking contract; or (2) transfer those deposits to banks that have signed collateral agreements with the Treasurer's Office and keep the Treasurer informed as to any changes in the deposited amounts. For your information, this office has secured collateralization agreements with US Bank, Tri City National Bank, Associated Bank, and BMO Harris Bank.

One question that arises each year has to do with the Non-Interest Bearing (NIB) accounts. There are a variety of reported reasons for these accounts. For example, some NIB accounts are checking accounts for authorized departmental disbursements. Another example is the House of Correction NIB account that holds the total amount of individual inmate holdings. If interest earnings would have to be broken out, calculated and applied to each small and variable inmate holding, additional HOC staff accounting costs would accrue with no balancing revenue.

Finally, the Community Reinvestment Act (CRA) ratings of all banks that hold County funds are listed at the bottom of the second page of the attachment. The CRA ratings are issued every five years. County funds are only deposited with those financial institutions that have a rating of "satisfactory" or above. Four of the reported Banks have an "outstanding" rating and one had a "satisfactory" rating.

If you have any questions or concerns, regarding this report, please contact me or Rex B. Queen, Deputy County Treasurer at 278-4040.

MILWAUKEE COUNTY
BANK ACCOUNTS AND BALANCES
NOT UNDER CONTROL OF THE COUNTY TREASURER
FOR THE FISCAL YEAR ENDING 12/31/2020

ORG	A/C No.	TYPE	BMO HARRIS BANK, NA	TRI CITY NATIONAL BANK	U.S. BANK NATIONAL ASSOCIATION	SELF-HELP FEDERAL CREDIT UNION	COLUMBIA SAVINGS & LOAN ASSOC	PARK BANK	PURPOSE/FOOTNOTE
Airport	0023-11-9888	Checking (NIB)	2,490.00						Imprest Fund: O.15.17(2)(s)(4)
	0000-00-2119	Checking (NIB)	2,481.69						Imprest Fund: O.15.17(2)(s)(2)
	121-667-805	Checking 0.010%			747,461.30				HOPP & Noise Mitigation Programs: O.15.18(5)(c)
Behavioral Health Division	112-803-334	Checking (NIB)			2,700.00				Petty Cash: O.15.17
	112-710-242	Checking (NIB)			5,552.82				MCWHD-CSP Client Living Expenses: O.15.18
Child Support Enforcement	112-795-661	Checking (NIB)							Expedite Legal Process: O.15.17(2)(g)190.1
	111-850-382	Checking (NIB)			5,936.33				Child Support Payments: Resolution 97.769
Clerk of Circuit Court	18101627	Checking (NIB)		320,000.00					Daily Operating Account WI Stat Sec 59.40 (3)
	18900234	Money Market		10,699,618.48					WI Stat Sec 59.40 (3)
	320095163	CD 0.15%	520,000.00						WI Stat Sec 59.40 (3)
	3860394794	CD 0.10%	2,000,000.00						WI Stat Sec 59.40 (3)
	3860394810	CD 0.10%	1,002,498.12						WI Stat Sec 59.40 (3)
	3860394828	CD 0.10%	501,249.18						WI Stat Sec 59.40 (3)
	77557259681	CD 0.10%	1,002,498.12						WI Stat Sec 59.40 (3)
	6900325068	CD 0.05%	378,250.28						WI Stat Sec 59.40 (3)
	64000014245	CD 0.20%	112,706.03						WI Stat Sec 59.40 (3)
	Corporation Counsel	1-823-8057-5833	Checking (NIB)			54.84			
County Clerk	481-3393-977	Checking (NIB)	635.31						Court Ordered Withholdings & WI DNR Sales/Distb: O.15.13
DHHS-Housing	125637-83	Passbook 0.050%					621.54		HUD Rent Assit: Operating Reserve: Resolution 93-703
	111-850-358	Checking 0.051%			5,589,857.26				HUD Operating Reserve for HCV, Home, CDBG, Required by US
DHHS - Dept of Human Services	1-823-8114-8267	Checking 0.025%			92,765.34				CCOP Risk Reserve: Resolution 17.758
District Attorney	004-269-497-1	Checking (NIB)	3,398.84						Petty Cash: O.15.17(2)(f)
	04-56-3722	Money Market	6,294.78						Asset Forfeiture Fund: Resolution 01-213
DAS - Economic Development	121-641-592	Checking (NIB)			358,225.88				Earnest Money Escrow: Resolution 93-1005
DAS - CBDDP - Community Business Development Partners	2148631	Checking (NIB)		298,010.99					Revolving Loan Program for DBE: 1986, 1987, 1988, 1992 Adopti
House of Correction	11280-3043	Checking (NIB)			189,008.02				Hold Inmate Funds in Trust: O.15.18(3)(A)

MILWAUKEE COUNTY
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ORG	A/C No.	TYPE	BMO HARRIS BANK, NA	TRI CITY NATIONAL BANK	U.S. BANK NATIONAL ASSOCIATION	SELF-HELP FEDERAL CREDIT UNION	COLUMBIA SAVINGS & LOAN ASSOC	PARK BANK	PURPOSE/FOOTNOTE	
Parks	Account Closed 12/31/19	0001108945	Checking (NIB)	23,792.63					Petty Cash: 0.15.17	
		0610500058	Money Market 0.150%					Closed	Lottaburger joint acct - Northpoint bldg funds for improvements, (
		0610045326	Money Market 0.450%					76,758.29	Mary Bart joint acct - Lake Park area improvements, 94-763	
		182381436738	Checking (NIB)		0.00				BRG Lotta Burger joint acct - Res 19-479	
		182381436720	Checking (NIB)		44,926.04				Dock Bradford LLC joint acct - Res 19-343	
		182381436746	Checking (NIB)		30.25				Moosa Burger Inc joint acct - Res 19-428	
Register of Deeds		121-740-582	Checking (NIB)		2,757.71				Petty Cash / Refund Disbursements: 0.15.17 & 0.15.19	
Sheriff		1602185	Checking (NIB)	335,824.27					Federal Forfeiture Funds: Resolution 86.129 (1)	
		182380410668	Checking (NIB)		392,681.79				Operations Trust Account: 0.15.18 (1)	
		182380410650	Checking (NIB)		585,387.85				Inmate Trust Account: 0.15.18 (3)	
		013-0000-930	Money Market 0.55%						Excess Daily Operating Account: 0.15.18 (1)	
		015-000-375	CD 1.97%						Excess Daily Operating Account: 0.15.18 (1)	
		000-110-7678	Checking (NIB)						Account Closed - Hold Inmate Funds in Trust: 0.15.18 (3)(A)	
		001-108-363	Checking (NIB)						Account Closed - Hold Work Release Inmate Funds in Trust: 0.1	
Transit System - Milwaukee Transport Services		0034312630	Checking (NIB)	17,651.02					Pension Benefit Account	
		0034312586	Checking (NIB)	8,023,728.03					A/P - Operating Account	
		0034312608	Checking (NIB)	15,102.01					Employee Payroll Account	
Veteran Service Office Milw Cnty		182380382198	Checking (NIB)		20,584.23				Fund for Hardship by Levy & Donation: Resolution 07-2007	
	Total Above Accounts			13,588,983.41	11,677,246.37	7,724,995.52	152,580.28	621.54	76,758.29	33,221,185.41
	Treasurer Accounts									
	CD's Outstanding									
	Total Exposure			13,588,983.41	11,677,246.37	7,724,995.52	152,580.28	621.54	76,758.29	33,221,185.41
	CRA Rating		Outstanding	Outstanding	Outstanding	***See Comment	Outstanding	Satisfactory		
	Date		04/10/17	11/14/18	10/16/17		06/01/15	09/01/18		

***Credit unions are not subject to CRA ratings, as the law only applies to financial institutions insured by FDIC.
 The report's only relevant credit union mention is a statement noting that CRA "does not apply" to credit unions Apr 3, 2018