

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE : October 17, 2013

TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

FROM : Scott B. Manske, Comptroller

SUBJECT: Monthly Update of the 2013 Fiscal Projection of Milwaukee County (August 2013 Report) **(For Information Only)**

Policy Issue

County Ordinance 56.02(2) was modified to reflect changes adopted under 2011 Wisconsin Act 62 which created the Office of the Comptroller. A new requirement calls for a monthly update of the fiscal condition of the County to the County Board. To comply with this ordinance, the Comptroller has provided the County Board with monthly updates to the projection of 2013 year-end financial results. The County's 2013 fiscal year ends on December 31, 2013. For each fiscal year, the County prepares a balanced budget in which revenues equal expenditures. Therefore, a report of surplus or deficit for the County represents actual results that are in total above (surplus) or below (deficit) net budgeted funds.

Year-end Projection

Based on financial results through August 31, 2013, Milwaukee County's projected 2013 year-end fiscal condition is a surplus of \$6.4 million. This is a \$0.4 million increase from the \$6.0 million surplus reported as of July 31, 2013. The projected surplus assumes that the available balance in the contingency fund of \$6.6 million is applied to offset departmental and non-departmental deficits. To the extent the contingency fund is used during the year for deficit reduction, the projected surplus will decrease.

It should be noted that Pre Trial Services has two pending Appropriation Transfer Requests which are intended to be presented to the Finance, Personnel and Audit Committee in October: transfer of \$130,444 to the House of Correction for the Day Reporting Center and \$585,175 to IMSD for the creation of a Case Management System. These two fund transfers for Pre Trial Services would eliminate their 2013 projected surplus of \$753,700. The Medical Examiner has a transfer of \$62,500 for the purchase of headspace toxicology equipment to perform sophisticated multi-volatile drug analysis in real time. The machine is needed to obtain ABFT accreditation for the toxicology laboratory. Approval of this transfer would reduce their projected surplus from \$145,900 to \$83,400. These two transfers, if approved, would reduce the projected County-wide surplus by \$780,000 to approximately \$5.6 million.

The following table shows departments with projected variances as of August 31, 2013 and their status as of July 31, 2013.

Milwaukee County			
Projection for 2013 - Based on Activity as of August 31, 2013			
Dept	Department Name	Prior Report 07/31/13	Current Proj 08/31/13
1000	County Board	\$ -	\$ 151,500
1040	Disadvantaged Business Development	-	137,300
1140	Human Resources	-	174,200
1150	DAS - Risk Management	-	63,700
1160	Information Management Services Division	-	(51,400)
1190	Economic Development*	3,193,500	393,500
1135	Labor Relations	190,100	190,000
2000	Combined Courts	(188,000)	(102,900)
2900	Pre Trial Services	735,400	753,700
3010	Election Commission	-	(111,300)
3400	Register of Deeds	(143,300)	(222,400)
4000	Sheriff's Office	(1,246,400)	(1,217,700)
4300	HOC**	(2,497,600)	(806,900)
4500	District Attorney	-	92,800
4900	Medical Examiner	153,100	145,900
5100	DOT Highway	(52,800)	(14,500)
5500	DAS-Utilities	(470,000)	(475,000)
5600	DOT - Transit/Paratransit System	834,500	834,500
6300	Behavioral Health Division	(1,400,000)	(1,791,400)
7900	Department on Aging	-	-
7990	Department of Family Care (CMO)	2,946,400	3,097,000
7990	Contribution From/(To) Family Care Reserve	(2,946,400)	(3,097,000)
8000	Department of Health and Human Services	3,770,400	3,913,300
9000	Department of Parks, Recreation and Culture	-	-
9500	Zoological Department	(632,700)	(791,000)
	Other Departments not shown above	565,514	82,689
	Departmental Total	2,811,714	1,348,589
	Capital Projects Funding**	2,000,000	-
1945	Unallocated Contingency Fund*	4,003,329	6,640,745
1950	Fringe Benefits	-	2,000,000
1991	Reserve for Delinquent Property Taxes	(500,000)	(500,000)
1992	Earnings on Investments		(711,411)
1993	State Shared Revenue	-	-
1996	Sales Tax Revenue	(2,400,000)	(2,400,000)
9960	Debt Service Fund/Froedtert Lease Payment	-	-
	Non-Departmental Total	3,103,329	5,029,334
	Projected County Surplus (Deficit)	\$ 5,915,043	\$ 6,377,923

*Land Sale Revenue of \$2.8 million was transferred from the Economic Development Division to the Contingency fund since the July 31, 2013 projection.

**Capital Funding of \$2.0 million for the EMR project was transferred to the HOC since the July 31, 2013 projection

Committee Action

This is an informational report only. This report should be referred to and reviewed by the Finance and Audit Committee.



Scott B. Manske
Comptroller

cc: Chris Abele, County Executive
Supervisor Willie Johnson, Jr., Co-Chairman, Finance, Audit and Personnel Committee
Supervisor David Cullen, Co-Chairman, Finance, Audit and Personnel Committee
Finance, Audit and Personnel Committee
Don Tyler, Director, Department of Administrative Services
Josh Fudge, Fiscal and Budget Administrator
Stephen Cady, Fiscal and Budget Analyst, County Board
Department Heads