

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE : May 23, 2013

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

FROM : Scott B. Manske, Comptroller

SUBJECT: Monthly Update of the 2012 Fiscal Projection of Milwaukee County (May 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 is providing the County Board with a monthly update to the projection of 2012 year-end financial results fiscal report that was submitted to the County Board and County Executive during the March 2013 cycle of the County Board.

Updated 2012 Year-end Fiscal Projection – December 2012

Based on financial results through the 4th quarter of 2012, updated information from certain departments, and analysis performed by the Office of the Comptroller, the County is projected to have a 2012 surplus \$23,025,976. The March 2013 update to the committee, reported that the projected surplus was \$24.6 million.

Based on the resolution approved by the County Board in the April 2013 committee cycle, the surplus would be split into two balances: Reserve for 2014 Budget, and Debt Service Reserve. The County Board has authorized that \$5.0 million of the surplus would be placed into a Reserve for 2014 budget. This \$5.0 million represents the remainder surplus after transfers are made to the Debt Service Reserve of \$18,025,976. Per State Statute, the 2012 remaining surplus shall be placed into a reserve to offset the 2014 budget.

Anticipated 2012 Surplus	\$23.0 million
Amount to be Transferred to Debt Service Reserve	\$18.0 million
Amount Applied to 2014 Budget as a result of the 2012 Surplus	\$5.0 million
Amount Applied to 2013 Budget as a result of the 2011 Surplus	\$5.5 million
2013 vs 2014 Budget tax levy impact	\$.5 million Increase in tax levy

This is a *preliminary estimate* and should not be considered the final results for 2012. The 2012 year-end results will be audited by the outside auditing firms during April and May 2013. Any adjustments requested by them will be reviewed by the Comptroller Office and impacted departments for adjustment to the surplus reported to the Committee.

Committee Action

This is an informational report only. This report should be referred to and reviewed by the Finance, Personnel 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, Interim Fiscal and Budget Administrator
Stephen Cady, Fiscal and Budget Analyst, County Board
Department Heads