



**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

Office of the Comptroller

**DATE** : October 10, 2014  
**TO** : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors  
**FROM** : Scott B. Manske, Comptroller  
**SUBJECT:** 2014 Fiscal Projection for Milwaukee County – (August 2014) **(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 and requires 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 this fiscal report.

**Updated 2014 Year-end Fiscal Projection – August 2014**

<b>Period</b>	<b>County Projected Year End Position</b>	<b>Annual Projection</b>	<b>Change from Prior Projection</b>
2 <sup>nd</sup> Quarter 2014	Surplus	\$7.0 million	
<b>August 2014 (Current Period)</b>	<b>Surplus</b>	<b>\$11.5 million</b>	<b>\$4.5 million</b>

Based on financial results through August 31, 2014, quarterly reports submitted by departments and Contingency Fund transfers from the September cycle, Milwaukee County's projected 2014 year-end fiscal status is a projected surplus of \$11.5 million. The projected surplus assumes that the available balance in the contingency fund of \$6.4 million is applied to offset departmental and non-departmental deficits. To the extent the contingency fund is used during the year for other purposes, the projected surplus will decrease.

The following table reports significant changes in departments' projected year end since the prior report. Attachment A lists major departments' projected year end as of June 30, 2014 and as of August 31, 2014.

**Departments with a significant change from prior report**

<b>Org Unit</b>	<b>Department</b>	<b>As of June 30</b>	<b>As of August 31</b>	<b>Change</b>
1140	Human Resources	\$54,600	\$203,300	\$148,700
1170	Risk Management*	(\$2,828,600)	(\$640,200)	\$2,188,400
2000	Courts	(\$276,500)	(\$697,700)	(\$421,200)
4000	Sheriff	(\$5,644,600)	(\$5,211,300)	\$433,300
4300	House of Correction	\$298,000	\$149,000	(\$149,000)
5300	DOT – Fleet*	(\$405,000)	\$0	\$405,000
5600	DOT – Transit/Paratransit	\$1,763,400	\$1,263,400	(\$500,000)
1945	Unallocated Contingency Fund*	\$3,831,098	\$5,513,795	\$1,682,697
1945	Allocated Contingency Fund*	\$0	\$900,000	\$900,000

\*See table below regarding the change in the Contingency Fund and related departments.

<b>Unallocated Contingency Fund</b>	
<b>Prior Report Balance</b>	<b>\$3,831,098</b>
<b>Actions Since Prior Report</b>	
Risk Management Transfer	(\$2,000,000)
Civil Service Legal Fees	(\$20,000)
ATC Easement Proceeds Deposit	\$607,697
Fleet Management Transfer	(\$405,000)
Fire Insurance Proceeds Deposit	\$3,500,000
<b>Current Balance as of September</b>	<b>\$5,513,795</b>

<b>Allocated Contingency Fund</b>	
<b>Prior Report Balance</b>	<b>\$0</b>
<b>Actions Since Prior Report</b>	
Release Marcia P. Cogg's Center Lease Funds	\$900,000
<b>Current Available Balance as of September</b>	<b>\$900,000</b>

**Human Resources**

The Department is projecting a surplus in its services account series due to surplus Temporary Help and Professional Services contract funds.

**Risk Management**

The DAS Risk Management Division improves from a projected deficit of (\$2.8) million to a projected deficit of (\$0.6) million mainly due to a \$2.0 million fund transfer approved during the September cycle of the County Board from the Contingency Fund. This is offset by a \$2.0 million reduction to the Contingency Fund for no tax levy change.

### **Combined Court Operations**

The Courts are currently projecting an overall deficit of (\$0.7) million due to a projected deficit of (\$0.35) million in revenue and (\$0.33) million in expenditures. The revenue deficit is a result of lower fines and permit fees of (\$27,000), interest income revenue of (\$103,000), Special Dispensation fees of (\$81,000) and General Action Large Claims revenue of (\$157,000).

Salaries and wages are projected to surplus by \$0.2 million. Offsetting this surplus is a projected deficit of (\$0.58) million in their services due mainly to a deficit of (\$0.75) million in their Adversary Counsel fees. Other slight surpluses help to partially offset this deficit.

### **Sheriff**

The projected deficit for the Sheriff decreases by \$0.4 million primarily due to increased revenue of \$88,000 from the County Grounds, \$22,000 from the Task Force Liaison and \$88,000 from Special Events along with a projected decrease of \$0.2 million in the projected Salary and Wages deficit of (\$3.5) million in June to (\$3.3) million in August.

### **House of Correction (HOC)**

The HOC is currently projecting a surplus of \$0.15 million due to a revenue surplus of \$0.6 million offsetting an overtime and salary projected deficit of (\$0.5) million for 2014.

### **DOT – Fleet Maintenance**

The DOT – Fleet Maintenance Division improves due to a \$0.4 million fund transfer approved during the September cycle of the County Board from the Contingency Fund. This is offset by a \$0.45 million reduction to the Contingency Fund for no tax levy change.

### **DOT – Transit/Paratransit Services**

The DOT – Transit and Paratransit Services has a reduction of (\$0.5) million in its projected surplus of \$1.7 million in June to \$1.3 million in August due to an increased depreciation charge of \$2.9 million partially offset by increased federal revenue of \$2.4 million.

### **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

**Attachments**

**cc: Chris Abele, County Executive**  
**Supervisor Willie Johnson, Jr., Co-Chairman, Finance, Audit & Personnel Committee**  
**Supervisor David Cullen, Co-Chairman, Finance, Audit & Personnel Committee**  
**Finance, Audit and Personnel Committee**  
**Don Tyler, Director, Department of Administrative Services**  
**Josh Fudge, Director, Office of Performance, Strategy and Budget**  
**Janelle Jensen, Committee Clerk, County Clerk**  
**Department Heads**

ATTACHMENT A				
Dept	Department Name	Jun-14	Aug-14	Change
1040	Community Business Development Partners	\$ (123,000)	\$ (115,800)	\$ 7,200
1140	Department of Human Resources	54,600	203,400	148,800
1170	Risk Management	(2,828,600)	(640,200)	2,188,400
2000	Combined Courts	(276,500)	(697,700)	(421,200)
3090	Treasurer	81,200	81,200	-
3400	Register of Deeds	(413,800)	(415,100)	(1,300)
3700	Comptroller	93,200	149,700	56,500
4000	Sheriff	(5,644,600)	(5,211,300)	433,300
4300	House of Correction	298,000	149,000	(149,000)
4500	District Attorney	116,300	118,000	1,700
4900	Medical Examiner	(36,200)	(30,500)	5,700
5300	DOT-Fleet	(405,000)	-	405,000
5500	DAS - Water Utility	-	-	-
5600	DOT-Transit/Paratransit System	1,763,400	1,263,442	(499,958)
6300	Behavioral Health Division	(616,600)	1,147,800	1,764,400
7900	Department on Aging	-	-	-
7990	Department of Family Care (CMO)	(3,326,400)	(3,273,800)	52,600
7990	Contribution to Family Care Reserve	3,326,400	3,273,800	(52,600)
8000	Department of Health and Human Services	4,079,400	2,264,800	(1,814,600)
9000	Department of Parks, Recreation & Culture	-	-	-
9500	Zoological Department	(111,100)	(102,437)	8,663
	Other	321,216	133,204	(188,012)
	<b>Departmental Total</b>	<b>\$ (3,648,084)</b>	<b>\$ (1,702,491)</b>	<b>\$ 1,945,593</b>
120	Capital Projects	\$ -	\$ -	\$ -
1937	Potawatomi Revenue	\$ (200,000)	\$ (200,000)	
1945	Unallocated Contingency Fund	3,831,098	5,513,795	1,682,697
1945	Allocated Congtingency Fund	-	900,000	900,000
1950	Fringe Benefits	7,000,000	7,000,000	-
1991	Reserve for Delinquent Property Taxes	-	-	-
1992	Earnings on Investments	(711,411)	(711,411)	-
1993	State Shared Revenue	-	-	-
1996	Sales Tax Revenue	750,000	750,000	-
9960	Debt Service Fund/Froedtert Lease Payment	-	-	-
	<b>Non-Departmental</b>	<b>\$10,669,687</b>	<b>\$13,252,384</b>	<b>\$ 2,582,697</b>
	<b>Projected County Surplus (Deficit)</b>	<b>\$ 7,021,603</b>	<b>\$11,549,893</b>	<b>\$ 4,528,290</b>

Note: As of this report, the Community Services Branch is moved from DHHS to BHD which accounts for the majority of the change in BHD and DHHS' change in fiscal status. The Community Services Branch is currently budgeted to surplus by \$2.0 for 2014. Prior fiscal report alerted policymakers to this pending change.

