



## Office of the Comptroller

Scott B. Manske, Comptroller

DATE: June 8, 2022

TO: Supervisor Marcelia Nicholson, Chairwoman, County Board of Supervisors

FROM: Scott B. Manske, Comptroller  
Cynthia (C.J.) Pahl, Financial Services Director

SUBJECT: 2022 Fiscal Projection for Milwaukee County – (For Information Only)

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### Policy Issue

Wisconsin Statutes Section 59.255(2) and County Ordinance Section 56.02(2) require the Comptroller to provide a monthly update of the fiscal condition of the County.

### 2022 Year-end Fiscal Projection as of April 30, 2022

Based on financial results through April 30, 2022, prior monthly reports submitted by departments and known projected actions, Milwaukee County's projected 2022 year-end fiscal status is a **deficit**. This projection is based on the most current reports from departments and best estimates of countywide revenue impacts.

This fiscal report assumes that the budgeted \$4.0 million in correctional officer premium pay is fully funded with American Rescue Plan Act funding as no surplus is available to offset the ARPA funding pursuant to File 21-941.

Period	Projected Year End Position	Annual Projection	Change from Prior Projection
April 2022	Deficit	(\$0.9 million)	(\$0.9 million)
March 2022	Breakeven	\$0 <sup>1</sup>	N/A

Major changes since the last report are:

- Office of Equity – surplus of \$0.3 million
- DAS – deficit of \$1.3 million
- DAS-IMSD – deficit of \$0.1 million
- SBP – surplus of \$0.1 million
- Emergency Management – deficit of \$0.1 million
- Medical Examiner – surplus of \$0.1 million
- DHHS – deficit increase of \$1.3 million

The following table shows the April fiscal status of each department.

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<sup>1</sup> March projection included a surplus of \$2.4 million which was reduced to \$0 to offset CO premium pay per File 21-941.

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of April 30, 2022 Period 04								
Agency	Description	2022 Projected Revenues	2022 Budgeted Revenues	Revenue Variance	2022 Projected Expenditures	2022 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
<b>General Fund Departments</b>								
100	County Board	-	-	-	1,246,318	1,246,318	-	-
103	Governmental Affairs	-	-	-	293,616	297,320	3,704	3,704
109	Office of Equity	(1,500)	-	1,500	891,155	1,214,163	323,008	324,508
110	County Executive	-	-	-	867,040	892,382	25,342	25,342
112	Personnel Review Board	-	-	-	208,059	260,528	52,469	52,469
113	Corporation Counsel	(206,189)	(206,189)	-	1,520,062	1,520,062	-	-
114	Human Resources	(6,000)	(6,000)	-	5,747,033	5,747,033	-	-
115	Dept of Administrative Services	(11,668,827)	(13,368,273)	(1,699,446)	40,920,136	41,348,946	428,810	(1,270,636)
118	Strategy, Budget, and Performance	(95,733)	(95,733)	-	2,434,424	2,560,860	126,436	126,436
200	Combined Court Related Operations	(11,879,242)	(11,879,242)	-	30,066,769	30,066,769	-	-
243	Dept. of Child Support Enforcement	(16,563,182)	(16,563,182)	-	18,644,823	18,644,823	-	-
290	Courts - Pre-Trial Services	(955,981)	(955,981)	-	6,510,929	6,510,929	-	-
301	Election Commission	(79,428)	(79,428)	-	953,661	953,661	-	-
309	County Treasurer	(2,030,000)	(2,030,000)	-	922,472	922,472	-	-
327	County Clerk	(553,001)	(553,001)	-	1,028,516	1,028,516	-	-
340	Register of Deeds	(4,885,908)	(4,848,000)	37,908	1,269,117	1,268,365	(752)	37,156
370	Office of the Comptroller	(143,000)	(143,000)	-	5,153,291	5,153,291	-	-
400	Sheriff	(13,055,717)	(12,356,294)	699,423	49,782,401	49,088,544	(693,857)	5,566
430	House of Correction	(6,562,869)	(6,881,209)	(318,340)	53,628,433	53,909,155	280,722	(37,618)
450	District Attorney	(5,446,409)	(5,446,409)	-	12,322,795	12,835,947	513,152	513,152
480	Emergency Management	(1,406,206)	(1,360,486)	45,720	9,846,129	9,703,890	(142,239)	(96,518)
490	Medical Examiner	(3,686,424)	(3,711,424)	(25,000)	5,146,067	5,271,189	125,122	100,122
509	Transportation Services	(1,797,312)	(1,797,312)	-	2,182,937	2,182,937	-	-
510	DOT - Highway Maintenance	(24,132,143)	(24,132,143)	-	24,395,230	24,395,230	-	-
580	DOT - Admin Div	(937,885)	(937,885)	-	1,431,449	1,431,449	-	-
800	Department of Human Services	(182,822,232)	(181,379,623)	1,442,609	224,038,141	216,739,690	(7,298,451)	(5,855,842)
900	Department of Parks	(21,687,165)	(21,687,165)	-	43,232,751	43,232,751	-	-
950	Zoological Department	(19,404,089)	(19,404,089)	-	25,644,103	25,642,378	(1,725)	(1,725)
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(65,200)	(100,000)	(34,800)	360,647	444,964	84,317	49,517
<b>Non-Departmentals</b>								
190	Revenue Non-Departmental	(438,467,393)	(434,520,626)	3,946,767	-	-	-	3,946,767
1996	Sales Tax	(85,069,864)	(82,069,864)	3,000,000	-	-	-	3,000,000
194	General Non-Departmental	(537,464)	(537,464)	-	95,260,983	97,360,606	2,099,623	2,099,623
1945	Contingency	(76,159)	(76,159)	-	-	4,699,623	4,699,623	4,699,623
1950	Fringe Benefits	(111,919,981)	(111,919,981)	-	222,163,453	222,163,453	-	-
1972	Wage/Benefit Supplemental	-	-	-	2,500,000	(100,000)	(2,600,000)	(2,600,000)
199	Parks Non-Departmental	-	-	-	3,329,688	3,329,688	-	-
<b>Total General Fund</b>		<b>(769,076,499)</b>	<b>(764,980,158)</b>	<b>4,096,341</b>	<b>672,779,173</b>	<b>668,704,857</b>	<b>(4,074,317)</b>	<b>22,024</b>
<b>Other Funds</b>								
116	Information Management Services	(144,991)	(186,799)	(41,808)	15,024,278	14,975,349	(48,929)	(90,737)
117	Risk Management	-	-	-	11,385,223	11,429,866	44,643	44,643
504	DOT - Airport Division	(93,361,748)	(93,361,748)	-	95,483,029	95,483,029	-	-
530	DOT - Fleet Management	(18,828,941)	(18,828,941)	-	18,437,647	18,437,647	-	-
560	DOT - Transit/Paratransit System	(130,663,555)	(130,663,555)	-	139,323,493	139,323,493	-	-
550	DAS - Utility	(665,442)	(4,271,714)	(3,606,272)	1,594,545	4,282,736	2,688,191	(918,081)
630	Behavioral Health Division	(196,891,748)	(196,891,748)	-	252,019,282	252,019,282	-	-
996	Debt Retirement and Interest	(8,459,311)	(8,459,311)	-	44,918,870	44,918,870	-	-
50004	COVID Expendable Funds	-	-	-	-	-	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(142,465,664)	(142,465,664)	-	206,614,824	206,614,824	-	-
<b>Total Other Funds</b>		<b>(591,336,409)</b>	<b>(594,942,681)</b>	<b>(3,606,272)</b>	<b>769,776,913</b>	<b>772,509,747</b>	<b>2,732,834</b>	<b>(964,174)</b>
<b>Expendable Trusts</b>								
50003	Zoo Expendable Trusts	(127,262)	(1,394,107)	(1,266,845)	54,665	1,400,248	1,345,583	78,738
50005	Parks Expendable Trusts	(11,578)	-	11,578	-	-	-	11,578
50006	OPD Expendable Trusts	-	-	-	-	-	-	-
50007	BHD Expendable Trusts	-	-	-	53,234	17,200	(36,034)	(36,034)
50008	Airport Expendable Trusts	(3,287,992)	-	3,287,992	-	-	-	3,287,992
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	4,906	-	(4,906)	(4,906)
<b>Total Expendable Trusts</b>		<b>(3,426,831)</b>	<b>(1,394,107)</b>	<b>2,032,724</b>	<b>112,806</b>	<b>1,417,448</b>	<b>1,304,642</b>	<b>3,337,366</b>
<b>Projected Surplus (Deficit)</b>		<b>(1,363,839,740)</b>	<b>(1,361,316,946)</b>	<b>2,522,794</b>	<b>1,442,668,892</b>	<b>1,442,632,052</b>	<b>(36,841)</b>	<b>2,395,216</b>
Less Expendable Trusts								(3,337,366)
Contribution (to)/from Behavioral Health Reserves								-
Correctional Officer Premium Pay								-
<b>Total Projected Surplus (Deficit)</b>								<b>(942,150)</b>

<b>Debt Service Reserve Activity and Projected 2022 Ending Balance</b>	
<b>2022 Starting Balance</b>	\$ 66,752,459
<i>2022 Activity</i>	
2021 Projected Yearend Surplus	\$ 33,000,000
2022 Budget Commitment	\$ (7,339,034)
<b>2022 Projected Balance</b>	<b>\$ 92,413,425</b>
<b>Unallocated Contingency Fund</b>	
<b>2022 Adopted Balance</b>	<b>\$ 5,000,464</b>
<i>Approved Actions</i>	
File #21-985 MATC FAST Fund	\$ (50,000)
File #22-292 Climate Adaption Group	\$ (30,000)
File #21-1089 Irgens Land Sale Revenue	\$ 76,159
File #22-436 Capital Project WI020701	\$ (150,000)
File #22-395 Goat Landscaping Demonstration Project	\$ (11,000)
File #22-400 Rock Sports Center Sound Study	\$ (200,000)
File #22-308 One Milwaukee Taskforce	\$ 100,000
File #22-109 HR Life Works Contract	\$ (36,000)
<b>Current Available Balance</b>	<b>\$ 4,699,623</b>
<b>Allocated Contingency Fund</b>	
<b>2022 Adopted Balance</b>	<b>\$ -</b>
<i>Allocated Items</i>	
	\$ -
<b>Current Available Balance</b>	<b>\$ -</b>

**Committee Action**

This is an informational report only.



Scott B. Manske  
Comptroller



Cynthia (CJ) Pahl, Financial Services Director  
Office of the Comptroller

## DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2022

### **Office of Equity (Agency 109)**

***\$0.3 million surplus***

The Office of Equity is projecting a surplus of \$0.3 million largely due to vacancies within the department.

### **Department of Administrative Services (Agency 115)**

***(\$1.2 million deficit)***

The Department of Administrative Services (DAS) is projecting a deficit of \$1.2 million. This is due to the expected termination of the State of Wisconsin rental agreement for the Coggs Center as of September 30, 2022 resulting in a revenue loss of \$862,000. The department is anticipating a revenue shortfall of \$735,000 as labor charges to capital and operating projects are less than budgeted due to vacancies and reorganization efforts; this is offset by salary savings of \$843,000 throughout the FMD. Steam costs are anticipated to exceed budget by \$601,000 due to the 2020 President's Day cost recovery by WE Energies.

### **DAS – Information Management Services Division (Agency 118)**

***(\$0.1 million deficit)***

The DAS – Information Management Services Division is projecting a deficit of \$0.1 million which is largely driven by increases in major contract due to growing digital storage, digital telephone support, and other IT services of \$615,000. This is offset by vacancy savings of \$560,000.

### **Office of Strategy, Budget, and Performance (Agency 118)**

***\$0.1 million surplus***

The Office of Strategy, Budget, and Performance is projecting a surplus due to vacancies within the department.

### **District Attorney (Agency 450)**

***\$0.5 million surplus***

The District Attorney is projecting surpluses in various objects within the Commodities and Services accounts.

### **Emergency Management (Agency 480)**

***(\$0.1 million deficit)***

The Office of Emergency Management is projecting a deficit largely due to salaries exceeding budget resulting in deficit of \$150,000.

### **Medical Examiner (Agency 490)**

***\$0.1 million surplus***

The Medical Examiner is projecting a surplus of \$100,000 due to a vacant assistant medical examiner position. Expenses relating to body transport are increasing due to an expected increase in costs of 50 percent with newly signed contracts.

**Department of Health and Human Services (Agency 800)**

***(\$5.9 million deficit)***

The Department of Health and Human Services is projecting a deficit of \$5.9 million. This is largely due to the average daily population (ADP) at the Lincoln Hills, Copper Lake, and Mendota Juvenile Treatment Center exceeding budget by 22; this results in a deficit of \$8.2 million. Additional expenses of \$0.3 million are expected due to the increased census in the detention. These deficits are offset by \$1.5 million in savings expected from reduced enrollment in Wraparound and Bakari. Vacancies are resulting in a surplus of \$0.6 million. Additional revenue of \$1.7 million in Youth Aids and \$0.2 million in BCA are expected to be carried over from the 2021 State contract to offset the deficit. Additionally, a deficit of approximately \$0.5 million in Wisconsin Medicaid Cost Reporting (WIMCR) is anticipated for 2022.

**Appropriation for Contingency (Org 1945)**

***\$4.7 million surplus***

The current projection for the Appropriation for Contingency assumes that the entire \$4.7 million of the current contingency appropriation is not spent and is used to offset departmental and non-departmental deficits.

**Wage/Benefit Modification (Org 1972)**

***(\$2.6 million deficit)***

The funding in this unit includes a centralized salary abatement of \$2.6 million, which reduces the overall County budget for salaries by \$2.6 million. This amount will need to be offset by other surpluses throughout the County.

**Sales Tax (Org 1996)**

***\$3.0 million surplus***

The Office of the Comptroller is currently projecting 2022 sales tax collections to be \$93.0 million for 2022. This estimate is \$3.0 million higher than the 2022 Budget. This 2022 estimate is based on 2021 actuals which were higher than the 2021 budget by \$15.0 million. Although the 2022 Adopted Budget assumed a majority of the 2021 surplus, the final months of 2021 sales tax collections were higher than originally anticipated.