



Office of the Comptroller

Scott B. Manske, Comptroller

DATE: April 4, 2023

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

FROM: Cynthia (C.J.) Pahl, Financial Services Director, Office of the Comptroller

SUBJECT: 2023 Fiscal Projection for Milwaukee County – (For Information Only)

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.

2023 Year-end Fiscal Projection as of February 28, 2023

Based on financial results through February 28, 2023, prior monthly reports submitted by departments and known projected actions, Milwaukee County's projected 2023 year-end fiscal status is a **surplus of \$7.4 million**. This projection is based on the most current reports from departments and best estimates of countywide expenditure and revenue impacts.

Period	Projected Year End Position	Annual Projection	Change from Prior Projection
February 2023	Surplus	\$7.4 million	N/A

Major changes since the last report are:

- Sales Tax – surplus of \$3.0 million
- Contingency – surplus of \$4.7 million
- Wage and Benefit Modifications – deficit of \$1.0 million

The table on the following page shows the February fiscal status of each department. To better help demonstrate month-over-month changes, the table at the end of this report provides a summary of the fiscal information provided by departments for each month of the fiscal year.

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of February 28, 2023 Period 2								
Agency	Description	2023 Projected Revenues	2023 Budgeted Revenues	Revenue Variance	2023 Projected Expenditures	2023 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
General Fund Departments								
100	County Board	-	-	-	1,259,692	1,259,692	-	-
103	Governmental Affairs	-	-	-	400,490	400,490	-	-
109	Office of Equity	(100,000)	(100,000)	-	1,170,492	1,170,492	-	-
110	County Executive	-	-	-	957,708	957,708	-	-
112	Personnel Review Board	-	-	-	209,398	267,035	57,637	57,637
113	Corporation Counsel	(292,556)	(292,556)	-	1,611,507	1,611,507	-	-
114	Human Resources	(6,000)	(6,000)	-	6,290,700	6,290,700	-	-
115	Dept of Administrative Services	(9,595,864)	(9,595,864)	-	41,629,940	41,629,940	-	-
118	Strategy, Budget, and Performance	-	-	-	2,583,226	2,583,226	-	-
200	Combined Court Related Operations	(12,324,873)	(12,324,873)	-	30,636,664	30,636,664	-	-
243	Dept. of Child Support Services	(16,909,905)	(16,909,905)	-	19,600,499	19,600,499	-	-
290	Courts - Pre-Trial Services	(533,247)	(533,247)	-	6,311,166	6,311,166	-	-
301	Election Commission	(45,750)	(45,750)	-	606,646	606,646	-	-
309	County Treasurer	(2,030,000)	(2,030,000)	-	949,438	949,438	-	-
327	County Clerk	(494,820)	(494,820)	-	1,027,452	1,027,452	-	-
340	Register of Deeds	(4,589,000)	(4,589,000)	-	1,292,552	1,292,552	-	-
370	Office of the Comptroller	(175,000)	(143,000)	32,000	5,365,861	5,365,861	-	32,000
400	Sheriff	(12,040,603)	(12,040,603)	-	51,414,429	51,423,258	8,829	8,829
430	Community Reintegration Center	(4,571,831)	(6,130,568)	(1,558,737)	55,370,324	56,946,247	1,575,923	17,186
450	District Attorney	(5,431,050)	(5,431,050)	-	13,255,579	13,255,579	-	-
480	Emergency Management	(1,452,427)	(1,452,427)	-	11,607,401	11,607,401	-	-
490	Medical Examiner	(3,954,801)	(3,954,801)	-	5,864,956	5,864,956	-	-
509	Transportation Services	(1,897,620)	(1,897,620)	-	2,425,816	2,425,816	-	-
510	DOT - Highway Maintenance	(26,709,096)	(26,709,096)	-	27,027,250	27,027,250	-	-
580	DOT - Admin Div	(439,984)	(439,984)	-	612,137	612,137	-	-
800	Department of Human Services	(153,102,368)	(153,102,368)	-	193,988,761	193,988,761	-	-
900	Department of Parks	(22,773,898)	(22,773,898)	-	46,714,339	46,714,339	-	-
950	Zoological Department	(22,249,651)	(22,249,651)	-	24,813,657	24,813,657	-	-
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(100,000)	(100,000)	-	464,897	469,162	4,265	4,265
Non-Departmentals								
190	Revenue Non-Departmental	(458,289,398)	(453,815,910)	4,473,488	-	-	-	4,473,488
1996	Sales Tax	(93,656,281)	(90,656,281)	3,000,000	-	-	-	3,000,000
1992	Earnings on Investments	(5,382,871)	(5,382,871)	-	-	-	-	-
194	General Non-Departmental	2,669,539	2,669,539	-	91,841,054	95,589,791	3,748,737	3,748,737
1945	Contingency	-	-	-	-	4,748,737	4,748,737	4,748,737
1950	Fringe Benefits	(104,244,960)	(104,244,960)	-	215,648,521	215,648,521	-	-
1972	Wage/Benefit Supplemental	-	-	-	3,773,096	2,773,096	(1,000,000)	(1,000,000)
199	Parks Non-Departmental	-	-	-	3,429,688	3,429,688	-	-
Total General Fund		(757,440,203)	(754,493,452)	2,946,751	654,233,719	659,629,110	5,395,391	8,342,143
Other Funds								
116	Information Management Services	(108,500)	(108,500)	-	14,644,241	14,644,241	-	-
117	Risk Management	-	-	-	11,310,178	11,310,178	-	-
504	DOT - Airport Division	(99,182,835)	(99,054,355)	128,480	99,182,835	103,640,422	(128,480)	-
530	DOT - Fleet Management	(19,982,074)	(19,982,074)	-	19,886,316	19,886,316	-	-
560	DOT - Transit/Paratransit System	(126,663,427)	(126,663,427)	-	137,724,547	137,724,547	-	-
550	DAS - Utility	(726,000)	(1,626,000)	(900,000)	1,600,000	1,600,000	-	(900,000)
630	Behavioral Health Division	(182,320,337)	(181,214,549)	1,105,788	250,710,235	248,248,284	(2,461,951)	(1,356,163)
996	Debt Retirement and Interest	(8,887,009)	(8,887,009)	-	44,399,702	44,399,702	-	-
50004	COVID Expendable Funds	-	-	-	-	-	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(140,709,829)	(140,709,829)	-	209,457,667	209,457,667	-	-
Total Other Funds		(578,471,511)	(578,137,243)	334,268	774,271,480	776,267,116	(2,590,431)	(2,256,163)
Expendable Trusts								
50003	Zoo Expendable Trusts	(1,779,814)	(1,779,814)	-	1,840,411	1,840,411	-	-
50005	Parks Expendable Trusts	(417,797)	(417,797)	-	429,313	429,313	-	-
50006	OPD Expendable Trusts	-	-	-	-	-	-	-
50007	BHD Expendable Trusts	-	-	-	-	-	-	-
50008	Airport Expendable Trusts	-	-	-	-	-	-	-
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-
Total Expendable Trusts		(2,197,611)	(2,197,611)	-	2,269,724	2,269,724	-	-
Projected Surplus (Deficit)		(1,338,109,326)	(1,334,828,306)	3,281,020	1,430,774,922	1,438,165,950	2,804,960	6,085,980
Less Expendable Trusts								-
Contribution (to)/from Behavioral Health Reserves								1,356,163
Total Projected Surplus (Deficit) - with Contingency								7,442,143
Total Projected Surplus (Deficit) - without Contingency								2,693,406

Debt Service Reserve Activity and Projected 2023 Ending Balance	
2023 Starting Balance	\$ 108,454,924
<i>2023 Activity</i>	
2023 Budget Commitment	\$ (7,836,307)
2023 Budget Contribution to Project WC020901	\$ (10,000,000)
Project Closed WM0053012	\$ 57,790
2023 Projected Balance	\$ 90,676,407
Unallocated Contingency Fund	
2023 Adopted Balance	\$ 5,000,966
<i>County Board Approved Actions</i>	
File #23-259 - Medical Examiner Autopsy Support	\$ (200,000)
File #23-389 - Wil-O-Way Facility Improvements	\$ (52,229)
Current Available Balance	\$ 4,748,737

Committee Action

This is an informational report only.

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

DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2023

Non-Departmental Revenue

Sales Tax (*Org 1996*) ***\$3.0 million surplus***

Fiscal year 2022 sales tax receipts totaled \$97.9 million, which is slightly below the 2023 budgeted amount by \$0.8 million. Assuming a 4.0 percent year-over-year increase, the County will realize a surplus of at least \$3.0 million. While the Comptroller is reporting this as a known surplus, caution should be exercised with respect to the use of this surplus as only one month of 2023 sales tax payments has been received, and payments can fluctuate greatly from estimates.

Non-Departmental Expenditures

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*) ***(\$1.0 million deficit)***

Org 1972 – Wages and Benefits Modification – includes a centralized salary abatement of \$1.0 million (which reduces the overall County budget for salaries by \$1.0 million); salary appropriations of \$2.2 million to fund the recommendations of the compensation study currently being conducted by the Department of Human Resources; and salary appropriations of \$1.6 million to fund the correctional officer increase of \$1.50 in pay period 10. This projection assumes that the \$3.8 million in additional salary dollars are spent and that the remaining \$1.0 million in salary abatements remains to be offset either through departmental salary surpluses or other surpluses achieved in the budget.

