



**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

Office of the Comptroller

DATE : March 27, 2014
TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors
FROM : Scott B. Manske, Comptroller
SUBJECT: 2014 Fiscal Projection for Milwaukee County – (February 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 a monthly update to the projection of 2014 year-end financial results fiscal report that was submitted to the County Board and County Executive during the March 2014 cycle of the County Board.

Updated 2014 Year-end Fiscal Projection – February 2014

The Office of the Comptroller is continuing to review departmental fiscal reports for 2014 but due to there being only two months of fiscal activity it is too early to issue a projection on the year end position of the County. The Office of the Comptroller will begin work on the first quarter fiscal report upon the closing of Accounting Period 3 and will issue a full first quarter report at the committee's meeting in May, 2013.

However, the purpose of this report is to alert the County Board to certain anticipated fiscal issues facing the County. These fiscal issues at the present time and detailed below have an overall positive variance for the County.

Projected Variances to the 2014 Adopted Budget

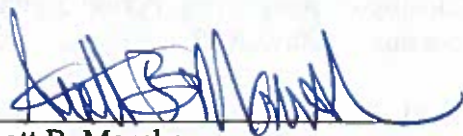
The following are projected significant variances from the 2014 Adopted Budget:

Department	Issue	Surplus/Deficit vs. Budget
Courts	Projected deficit in Bail Forfeitures/interest on investments and contributions from reserves	(\$150,000)
Register of Deeds	Decrease in Recording Fees and Real Estate Transfer Fees	(\$400,000)
Sheriff	Projected deficits in traffic citation revenue, US Marshall inmate housing revenue, county trunk	(\$4,100,000)

	maintenance revenue and salary, wages and social security of \$2.7M (which is an improvement over the \$3.3M reported in January) due to filled unfunded positions, overtime and security related staffing.	
HOC	Overtime costs due to unfilled CO positions and increased estimate of inmate medical costs in addition to a lower projected revenue surplus.	(\$1,658,000)
DOT-Fleet Maintenance	Increased costs for Vehicle Repair Parts and utilities.	(\$350,000)
DOT-Transit	Actual OPEB valuation	\$2,580,000
Contingency Fund - Unallocated	Any unused balance falls to the bottom line at the end of the fiscal year. Current unallocated balance is \$4,203,086.	\$4,203,086
Contingency Fund – Allocated	The 2014 Adopted Budget included allocated funding of \$3,314,130.	\$0
Contingency Fund – Land Sale Program	Payment of \$5.0 million was received from UWM Innovation Park and per the adopted Budget \$3,750,000 was placed into an Allocated Contingency within the Contingency Fund. Funds are intended to be awarded to Departments per the policy established in the Adopted Budget.	\$0

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