

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE : January 18, 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 (Dec 2012)+

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 by using the 3rd quarter fiscal report that was submitted to the County Board and County Executive during the December 2012 cycle of the County Board.

Updated 2012 Year-end Fiscal Projection – December 2012

Based on financial results through the 3rd quarter of 2012 and updated information from certain departments the County is projected to have a surplus of \$7.0 million for 2012. The Milwaukee County's projected 2012 surplus as of the third quarter was \$ 8.7 million. The projected surplus as of the 2nd quarter of 2012 was \$5.6 million.

The projected surplus assumes a balance of \$903,264 in the contingency fund is applied to offset departmental and non-departmental deficits. There is a pending appropriation transfer of \$38,579 that could reduce the available surplus in the contingency fund to \$864,685 should it be approved at the County Board meeting on February 7, 2013.

Update Fiscal Status since 3rd Quarter Report was Issued

The following changes were made to departmental year-end projections previously submitted to the County Board in December 2012:

Department	Previous Projection	New Projection	Change
Medical Examiner	\$64,300	(\$90,000)	(\$154,300)
Parks Department	(\$236,869)	\$0	\$236,869
Zoological Department	(\$259,200)	(\$512,252)	(\$253,052)
2011 Furlough Payments	\$0	(\$1,426,000)	(\$1,426,000)
Contingency Fund	\$988,885	\$903,264	(\$85,621)
Total Change			(\$1,682,104)

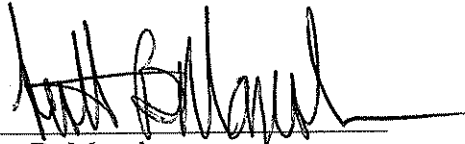
A report of major departmental variances is attached to this report.

2012 Pension Contribution

The 2012 Budget includes an appropriation of \$27.4 million for contributions toward the County's Employee Retirement System (ERS) plan. Based upon the most recent actuarial report for ERS, the County is only required to contribute \$24.9 million to the pension plan in 2012. The required contribution is \$2.5 million less than the amount budgeted. The County Board and County Executive approved the original appropriation to ERS. Therefore, the County Board must approve any change to the pension contribution from the amount included in the budget. The projected surplus does not include any savings from a reduced pension contribution for 2012 pending board action

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 and Personnel Committee
Supervisor David Cullen, Co-Chairman, Finance, Audit and Personnel Committee
Finance, Audit and Personnel Committee
Patrick Farley, Director, Department of Administrative Services
Craig Kammholz, Fiscal and Budget Administrator
Stephen Cady, Fiscal and Budget Analyst, County Board
Carol Mueller, Head Committee Clerk, County Board
Department Heads

Milwaukee County – Updated 2012 Fiscal Projection (Dec 2012)				
Major Departmental Surplus/ Deficits				
Dept	Department Name	Current Projection	Projection as of Sept 30, 2012	Projection as of June 30, 2012
1150	Das- Risk Management	\$115,000	\$115,000	\$0
1160	Das-IMSD	\$0	\$0	\$0
1140	Department of Human Resources	\$336,400	\$336,400	\$0
2000	Combined Courts	\$29,500	\$29,500	\$159,900
3090	County Treasurer	\$582,800	\$582,800	
3400	Register of Deeds	\$330,200	\$330,200	\$424,400
4000	Sheriff's Office	(\$2,546,900)	(\$2,546,900)	(\$1,622,600)
4500	District Attorney	(\$189,100)	(\$189,100)	(\$255,000)
4900	Medical Examiner	(\$90,000)	\$64,300	\$60,000
5300	DOT - Fleet Services	(\$245,700)	(\$245,700)	(\$76,900)
5600	DOT - Transit/Paratransit	\$4,926,400	\$4,926,400	\$2,935,700
5800	DOT - Administration	\$146,800	\$146,800	\$0
6300	Behavioral Health Division	(\$789,800)	(\$789,800)	(\$1,709,100)
7900	Department on Aging	\$500,000	\$500,000	\$0
7990	Department of Family Care (CMO)	(\$1,200,800)	(\$1,200,800)	(\$1,385,200)
7990	Contribution from Family Care Reserve	\$1,200,800	\$1,200,800	\$1,385,200
8000	Department of Health and Human Services	\$1,671,400	\$1,671,400	\$1,289,600
9000	Department of Parks, Recreation and Culture	\$0	(\$236,869)	(\$475,289)
9500	Zoological Department	(\$512,252)	(\$259,200)	\$0
	2011 Furlough Payments	(\$1,426,000)	\$0	\$0
	Other	\$58,279	\$58,279	\$650,483
	Departmental Total	\$2,897,027	\$4,493,510	\$1,381,194
Non Departmental				
Dept	Department Name	Current Projection	Projection as of Sept 30, 2012	Projection as of June 30, 2012
120	Capital Projects	\$0	\$0	\$0
1945	Unallocated Contingency Fund	\$903,624	\$988,885	\$989,000
1950	Fringe Benefits	\$3,803,898	\$3,803,898	\$3,803,898
1991	Reserve for Delinquent Property Taxes	\$0	\$0	\$0
1993	State Shared Revenue	(\$195,000)	(\$195,000)	(\$195,000)
1996	Sales Tax Revenue	\$600,000	\$600,000	\$600,000
9960	Debt Service Fund/Frodttert Lease Payment	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
		\$4,112,522	\$4,197,783	\$4,197,898
	Projected County Surplus(Deficit)	\$7,009,549	\$8,691,293	\$5,579,092