



Office of the Comptroller

Milwaukee County

Scott B. Manske • Comptroller

DATE: December 5, 2021

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

FROM: Cynthia (CJ) Pahl, Financial Services Manager

SUBJECT: Fiscal Report of October 2021 for Milwaukee County

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.

2021 Year-end Projection

Based on financial results through October 31, 2021, prior monthly reports submitted by departments and known projected actions, Milwaukee County's projected 2021 year-end fiscal status is a **\$24.3 million surplus**.

Period	Projected Year End Position	Annual Projection	Change from Prior Projection
October 2021	Surplus	\$24.3 million	\$7.0 million
August 2021	Surplus	\$17.3 million	\$6.1 million
July 2021	Surplus	\$11.2 million	\$1.9 million
May 2021	Surplus	\$9.3 million	\$1.8 million
April 2021	Surplus	\$7.5 million	(\$0.5 million)
March 2021	Surplus	\$8.0 million	n/a

This projection is based on the most current reports from departments and best estimates of countywide revenue impacts. No revenue from the American Rescue Plan Act is assumed.

Major changes since the last report are:

- Change in net fiscal position – Sales Tax – surplus increase of \$1.5 million
- Change in net fiscal position – Fringe Benefits – surplus of \$3.0 million
- Change in net fiscal position – Contingency – surplus decrease of \$2.0 million
- Change in net fiscal position – DAS – surplus increase of \$0.1 million
- Change in net fiscal position – DAS IMSD – deficit reduction of \$0.5 million⁶.
- Change in net fiscal position – Department of Child Support Services – surplus increase \$0.2 million
- Change in net fiscal position – Register of Deeds – surplus increase of \$1.4 million
- Change in net fiscal position – District Attorney – surplus increase of \$0.2 million
- Change in net fiscal position – Zoological Department – deficit reduction of \$1.0 million
- Change in net fiscal position – Parks – surplus increase of \$0.6 million
- Change in net fiscal position – Human Resources – surplus increase of \$0.2 million

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

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of October 31, 2021 Period 10								
Agency	Description	2021 Projected Revenues	2021 Budgeted Revenues	Revenue Variance	2021 Projected Expenditures	2021 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
General Fund Departments								
100	County Board	-	-	-	1,218,711	1,218,711	-	-
103	Governmental Affairs	-	-	-	322,674	322,674	-	-
109	Office of African American Affairs	-	-	-	1,210,446	1,491,801	281,355	281,355
110	County Executive	-	-	-	846,235	863,132	16,897	16,897
112	Personnel Review Board	-	-	-	198,132	263,596	65,464	65,464
113	Corporation Counsel	(200,000)	(200,000)	-	1,531,907	1,531,907	-	-
114	Human Resources	(4,000)	(6,200)	(2,200)	4,933,209	5,184,163	250,954	248,754
115	Dept of Administrative Services	(12,616,966)	(13,462,779)	(845,814)	39,990,186	41,258,469	1,268,283	422,469
200	Combined Court Related Operations	(11,818,900)	(12,157,059)	(338,159)	27,280,322	29,579,287	2,298,965	1,960,806
243	Dept. of Child Support Enforcement	(17,210,782)	(17,166,894)	43,888	18,859,760	19,044,986	185,226	229,114
290	Courts - Pre-Trial Services	(1,200,027)	(1,200,027)	-	6,255,997	6,255,997	-	-
301	Election Commission	(45,750)	(45,750)	-	684,790	684,790	-	-
309	County Treasurer	(2,037,333)	(2,030,000)	7,333	966,963	974,852	7,889	15,223
327	County Clerk	(523,352)	(523,352)	-	981,078	981,078	-	-
340	Register of Deeds	(5,935,071)	(4,554,500)	1,380,571	1,045,834	1,073,394	27,560	1,408,132
370	Office of the Comptroller	(143,000)	(143,000)	-	4,781,532	4,781,532	-	-
400	Sheriff	(11,778,165)	(12,354,252)	(576,087)	48,573,445	47,857,314	(716,131)	(1,292,218)
430	House of Correction	(5,151,931)	(5,585,842)	(433,911)	49,477,739	50,083,174	605,435	171,524
450	District Attorney	(5,759,275)	(5,659,906)	99,369	11,991,126	12,391,431	400,305	499,673
480	Emergency Management	(1,304,048)	(1,285,035)	19,013	7,889,454	8,004,782	115,328	134,341
490	Medical Examiner	(3,408,580)	(3,761,139)	(352,559)	4,733,426	5,075,034	341,608	(10,951)
509	Transportation Services	(1,738,081)	(1,738,081)	-	2,033,644	2,033,644	-	-
510	DOT - Highway Maintenance	(23,226,616)	(23,226,616)	-	23,539,185	23,539,185	-	-
580	DOT - Admin Div	(1,181,299)	(1,166,299)	15,000	1,713,333	1,758,333	45,000	60,000
800	Department of Human Services	(164,788,545)	(169,971,196)	(5,182,651)	204,238,070	210,156,864	5,918,794	736,143
900	Department of Parks	(20,068,802)	(19,654,289)	414,513	37,418,056	38,360,103	942,047	1,356,560
950	Zoological Department	(22,249,559)	(24,743,145)	(2,493,586)	22,070,802	23,912,368	1,841,566	(652,020)
970	Milwaukee Public Museum	-	-	-	3,593,500	3,593,500	-	-
991	University Extension	(57,853)	(100,000)	(42,147)	398,836	514,631	115,795	73,648
Non-Departmentals								
190	Revenue Non-Departmental	(429,634,106)	(418,326,302)	11,307,804	-	-	-	11,307,804
1992	Earnings on Investments	(1,770,000)	(2,737,320)	(967,320)	-	-	-	(967,320)
1996	Sales Tax	(81,315,511)	(69,815,511)	11,500,000	-	-	-	11,500,000
194	General Non-Departmental	2,196,435	2,196,435	-	85,289,627	93,244,791	7,955,164	7,955,164
1945	Contingency	-	-	-	-	3,055,164	3,055,164	3,055,164
1950	Fringe Benefits	(116,314,792)	(116,314,792)	-	222,539,330	225,539,330	3,000,000	3,000,000
1972	Wage/Benefit Supplemental	-	-	-	1,333,867	3,233,867	1,900,000	1,900,000
199	Parks Non-Departmental	-	-	-	3,483,688	3,483,688	-	-
Total General Fund		(739,885,605)	(736,865,228)	3,020,377	617,551,707	639,519,211	21,967,504	24,987,882
Other Funds								
117	Risk Management	-	-	-	10,375,573	10,626,901	251,328	251,328
116	Information Management Services	(162,786)	(303,858)	(141,072)	16,034,566	16,123,497	88,931	(52,141)
504	DOT - Airport Division	(88,650,520)	(93,939,143)	(5,288,623)	88,650,520	93,957,049	5,306,529	17,906
530	DOT - Fleet Management	(16,746,316)	(16,746,316)	-	16,733,122	16,719,537	(13,585)	(13,585)
560	DOT - Transit/Paratransit System	(128,899,739)	(124,899,739)	4,000,000	135,380,299	131,380,299	(4,000,000)	-
550	DAS - Utility	(3,087,742)	(4,139,410)	(1,051,668)	4,001,225	4,151,288	150,063	(901,604)
630	Behavioral Health Division	(182,663,128)	(190,576,992)	(7,913,864)	245,529,552	247,099,719	1,570,167	(6,343,697)
996	Debt Retirement and Interest	(10,878,070)	(10,878,070)	-	47,565,840	47,565,840	-	-
120	Capital Improvements	(287,783,314)	(287,783,314)	-	324,800,481	324,800,481	-	-
Total Other Funds		(718,871,615)	(729,266,842)	(10,395,227)	889,071,177	892,424,611	3,353,434	(7,041,793)
Expendable Trusts								
50003	Zoo Expendable Trusts	-	(1,207,070)	(1,207,070)	-	1,213,751	1,213,751	6,681
50005	Parks Expendable Trusts	-	-	-	-	294,000	294,000	294,000
50006	OPD Expendable Trusts	-	(10,000)	(10,000)	-	10,000	10,000	-
50007	BHD Expendable Trusts	-	-	-	-	17,200	17,200	17,200
50008	Airport Expendable Trusts	-	-	-	-	-	-	-
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-
Total Expendable Trusts		-	(1,217,070)	(1,217,070)	-	1,534,951	1,534,951	317,881
Projected Surplus (Deficit)		(1,458,757,221)	(1,467,349,140)	(8,591,919)	1,506,622,884	1,533,478,773	26,855,889	18,263,970
Less Expendable Trusts								(317,881)
Contribution (to)/from Behavioral Health Reserves								6,343,697
Total Projected Surplus (Deficit)								24,289,786

Debt Service Reserve Activity and Projected 2021 Ending Balance	
2021 Starting Balance	\$ 82,599,983
<i>2021 Activity</i>	
2021 Budget Commitment	\$ (5,711,360)
File 20-937 (Committing 2020 anticipated surplus for County purposes)**	\$ (7,201,635)
File # 21-89 Bonds to Pay Debt Service/Levy to Contingency	\$ (111,727)
File #21-402 Park Major Maintenance	\$ (35,000)
File #21-518 MPM Fire Panel Replacement Surplus to Pay Debt Service	\$ (1,098,952)
File #21-494 Unspent Bonds Reallocation	\$ (1,781,569)
File #21-928 MCDOT Admin Bldg HVAC Replacement	\$ (101,817)
2021 Projected Balance	\$ 66,557,923
**The approved \$8.8M has been reduced by \$1.6 due to receipt of less revenue relating to the Miller Park Testing Site.	

Unallocated Contingency Fund	
2021 Adopted Balance	\$ 4,950,000
<i>Approved Actions</i>	
Surplus Bid Premiums	\$ 111,727
Reclassify Clerk Positions	\$ (25,787)
Fund Independent Redistricting Committee	\$ (80,000)
File #21-227 McKinley Beach Safety Study	\$ (70,000)
File #21-399 Sport Court at Sherman Park	\$ (141,000)
File #21-457 Dontre Hamilton Bench in Red Arrow Park	\$ (3,000)
File #21-467 Lake Park Bridge Rehab/Reconstruction	\$ (1,015,000)
Surplus Taxable General Obligation Promissory Notes Series 2018F	\$ 1,098,952
File #21-489 Create position and purchase modern technology	\$ (67,000)
File #21-526 Rename Lindbergh Park to Lucille Berrien Park	\$ (9,750)
File #21-494 Levy Financed Capital Projects	\$ 1,486,154
File #21-622 Replace Variable Refridgerant Flow (VRF) at MCDOT admin. Building	\$ (600,000)
File # 21-606 MPM Collections Protection	\$ (93,500)
File #21-608 Modification of WT079 –MCTS Fleet Maintenance Roof Replacement	\$ (521,663)
File #21-792B Vital Records Destruction	\$ (400,000)
File #21-928 War Memorial Garage Doors	\$ (30,000)
File #21-928 Human Resources Employee Engagement/Compensation Consulting/Coaching	\$ (203,000)
File #21-928 IMSD Mainframe Operations	\$ (340,730)
File #21-992 Parks Workforce Development Program for Lifeguards	\$ (100,000)
File #21-941 CO Premium Pay	\$ (941,239)
Current Available Balance	\$ 3,005,164
Allocated Contingency Fund	
2021 Adopted Balance	\$ 50,000
<i>Allocated Items</i>	
Rock Sports Complex Sound Study	\$ 50,000
Current Available Balance	\$ 50,000

Committee Action

This is an informational report only.



Scott B. Manske
Comptroller



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

cc: Supervisor Jason Haas, Chairman, Finance & Audit Committee
Finance & Audit Committee
Joseph Lamers, Director, Department of Administrative Services - PSB
Shanin Brown, Committee Coordinator, County Clerk
Stephen Cady, Research Director, Office of the Comptroller

DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2021

Office of African American Affairs (Agency 109) *\$0.3 million surplus*

The Office of African American Affairs is currently projecting a surplus of \$0.3 million largely due to vacancies within the department.

Department of Human Resources (Agency 114) *\$0.2 million surplus*

The Department of Human Resources is projecting an overall surplus of \$0.2 million due to salary savings and contractual savings due to lower than budgeted medical fees.

Department of Administrative Services (Agency 115) *\$0.4 million surplus*

The Department of Administrative Services (DAS) is projecting an overall surplus of \$0.4 million due to salary savings throughout the department's divisions.

Clerk of Courts (Agency 200) *\$2.0 million surplus*

The Clerk of Courts is projected an overall surplus of \$2.0 million. Revenues are anticipated to deficit by \$0.3 million due to a reduction in marriage license fees, bail forfeitures, and child support reimbursement (which is partially offset by expenditure savings). Surplus expenditures of \$2.3 million offset the revenue deficit and are due to surpluses in salary and contractual services, including guardian ad litem fees, adversary counsel fees, interpreter fees, and juror fees.

Department of Child Support Services (Agency 243) *\$0.2 million surplus*

The Department of Child Support Services is projecting a surplus due to higher than budgeted state performance revenue and medical support liability revenue.

Register of Deeds (Agency 340) *\$1.4 million surplus*

The Register of Deeds is projecting a surplus due to higher than budgeted revenues. Tapestry revenue, digital imaging, recording fees, real estate transfer fees, and ROD internet access fees are all exceeding budget.

Sheriff (Agency 400) *(\$1.3 million deficit)*

The MCSO is projecting a revenue deficit of \$0.6 million in 2021 due to various revenue impacts largely related to the pandemic. Citation, forfeiture, process service, and foreclosure revenues are all expected to be less than budget. Inmate telephone revenue is also expected to be less than budget due to a lower ADP and free weekly calls provided to inmates. Total expenditures are expected to exceed budget by \$0.7 million. Personnel costs are expected to generate a deficit of \$2.2 million, driven by an overtime deficit of \$3.9 million and social security tax deficit of \$0.3 million. This amount is offset by \$1.5 million in a salary adjustment budget and \$0.5 million other

personnel expenditures. Additional savings are projected in contractual services and commodities to bring the net deficit to \$1.3 million.

House of Correction (Agency 430) *\$0.2 million surplus*

The House of Correction is projecting a surplus of \$0.2 million. Revenues are projected to be under budget by \$0.4 million largely due to shortfalls in monitoring revenue. Offsetting this deficit is an expenditure surplus in overall personnel costs of \$0.4 million and commodities costs of \$0.3 million.

District Attorney (Agency 450) *\$0.5 million surplus*

The District Attorney is projecting a surplus of \$0.5 million largely due to salary savings.

Office of Emergency Management (Agency 480) *\$0.1 million surplus*

The Office of Emergency Management is projecting a surplus due to the savings related to the General Engineering Company contract and municipal fire department EMS services agreements.

Department of Health and Human Services (Agency 800) *\$0.8 million surplus*

The Department of Health and Human Services (DHHS) is projecting an overall surplus of \$0.8 million. The department is anticipating an expenditure deficit of \$458,00 due to daily rate increases from the DOC, which is expected to be offset with additional Youth Aids revenue of \$301,000. The department is also experiencing a salary surplus in the Division of Youth and Family Services (DYFS) as well as significantly reduced WRAP charges which are largely contributing to the current surplus.

Parks Department (Agency 900) *\$1.4 million surplus*

The Parks Department is anticipating exceeding its revenue budget of \$19.7 million by \$0.4 million. Golf revenues are exceeding budget by nearly \$2.0 million, which is offset by other revenue deficits throughout the department. Surpluses in personnel of \$0.5 million and in commodities and services of \$0.4 million are also contributing to the surplus.

Zoological Department (Agency 950) *(\$0.7 million deficit)*

Per the Zoological Department's most recent reports, the revenue deficit is now projected to be \$2.5 million, largely due to a deficit in group sales and general visitor revenue. The department has expenditure surpluses of \$1.8 million that are currently offsetting this deficit.

Appropriation for Contingency (Org 1945) *\$3.1 million surplus*

The current projection for the Appropriation for Contingency assumes that the entire \$3.1 million of the current contingency appropriation (both allocated and unallocated) is not spent and is used to offset departmental and non-departmental deficits.

Fringe Benefits (Org 1950)

\$3.0 million surplus

The current projection for the Fringe is a total surplus of \$9.2 million. This savings is due to savings in overall health claims being \$2.9 million less than budget and the cancellation of the stop loss contract which resulted in a \$2.1 million savings. Savings of \$1.8 million in prescription drug claims is also expected, as well as additional rebates of \$1.0 million. Employee pension contribution revenue is also exceeding budget by \$1.4 million. Although the overall surplus is \$9.2 million, the portion that will fall to the bottom line is only expected to be roughly \$3.0 million due to the portions of fringe benefit that are budgeted and retained by the Behavioral Health Division, and other departments that have revenue offsets such as the Airport, Highways, and Fleet Management.

Wage/Benefit Modification (Org 1972)

\$1.9 million surplus

The funding in this unit is to provide departments with salary appropriations for increases related to the building and trades; equity-based salary adjustments; and mid-year COLAs provided to employees. This funding may be subsequently moved to departments to offset salary deficits caused by these position actions in a subsequent cycle.

Earnings on Investments (Org 1992)

(\$1.0 million deficit)

The current projection for Investment Earnings is a \$1.0 million deficit. Due to low market rates, the County is earning at a low rate for 2021.

Sales Tax (Org 1996)

\$11.5 million surplus

The Office of the Comptroller is currently projecting 2021 sales tax collections to be \$88.5 million for 2021. This estimate is \$11.5 million higher than the 2021 Budget.