



Office of the Comptroller

# Milwaukee County

Scott B. Manske • Comptroller

DATE: March 11, 2022

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

FROM: Cynthia (CJ) Pahl, Financial Services Manager

SUBJECT: Fiscal Report of December 2021 for Milwaukee County

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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.

## 2021 Year-end Projection

Based on financial results through December 31, 2021, Milwaukee County's projected 2021 year-end fiscal status is a **\$33.6 million surplus**. It is important to note that this is the first year-end in the County's new financial system – Infor. These numbers are subject to change as the Comptroller's Office continues the year-end close.

Period	Projected Year End Position	Annual Projection	Change from Prior Projection
December 2021	Surplus	\$33.6 million	\$9.3 million
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

Significant changes exceeding \$500,000 include:

- Change in net fiscal position – Courts – surplus increase of \$1.1 million
- Change in net fiscal position – County Treasurer – surplus increase of \$0.6 million
- Change in net fiscal position – Register of Deeds – surplus increase of \$1.0 million
- Change in net fiscal position – Sheriff – deficit reduction of \$0.9 million
- Change in net fiscal position – DOT – Highways Maintenance – surplus of \$3.7 million
- Change in net fiscal position – DHHS – surplus reduction of \$0.7 million
- Change in net fiscal position – Earnings on Investments – deficit reduction of \$1.2 million
- Change in net fiscal position – Sales Tax – surplus increase of \$3.5 million
- Change in net fiscal position – Contingency – surplus reduction of \$0.9 million
- Change in net fiscal position – Fringe Benefits – surplus increase of \$1.8 million
- Change in net fiscal position – IMSD – surplus increase of \$1.0 million
- Change in net fiscal position – Debt Retirement and Interest – surplus increase of \$1.3 million

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

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of December 31, 2021 Period 12								
Agency	Description	2021 Projected Revenues	2021 Budgeted Revenues	Revenue Variance	2021 Projected Expenditures	2021 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
<b>General Fund Departments</b>								
100	County Board	-	-	-	1,113,980	1,218,711	104,731	104,731
103	Governmental Affairs	-	-	-	321,102	322,674	1,572	1,572
109	Office of African American Affairs	-	-	-	1,167,303	1,491,801	324,498	324,498
110	County Executive	-	-	-	850,932	863,132	12,200	12,200
112	Personnel Review Board	-	-	-	165,281	263,596	98,315	98,315
113	Corporation Counsel	(62,897)	(200,000)	(137,103)	1,391,256	1,531,907	140,651	3,547
114	Human Resources	(1,561)	(6,200)	(4,639)	4,803,030	5,336,453	533,423	528,784
115	Dept of Administrative Services	(12,211,858)	(13,462,779)	(1,250,921)	38,795,751	40,828,353	2,032,602	781,681
200	Combined Court Related Operations	(12,223,017)	(12,157,059)	65,958	26,433,783	29,423,145	2,989,362	3,055,320
243	Dept. of Child Support Enforcement	(16,230,641)	(17,166,894)	(936,254)	17,137,391	18,251,805	1,114,414	178,160
290	Courts - Pre-Trial Services	(1,180,621)	(1,200,027)	(19,406)	6,197,194	6,255,997	58,803	39,397
301	Election Commission	(69,322)	(45,750)	23,572	576,722	684,790	108,068	131,640
309	County Treasurer	(2,520,265)	(2,030,000)	490,265	808,311	974,852	166,541	656,805
327	County Clerk	(298,466)	(523,352)	(224,886)	955,105	981,078	25,973	(198,912)
340	Register of Deeds	(6,956,247)	(4,554,500)	2,401,747	1,027,669	1,073,394	45,725	2,447,473
370	Office of the Comptroller	(339,061)	(143,000)	196,061	4,865,090	4,781,532	(83,558)	112,503
400	Sheriff	(11,616,071)	(12,354,252)	(738,181)	47,165,294	47,527,318	362,025	(376,156)
430	House of Correction	(5,717,862)	(5,585,842)	132,020	50,634,045	50,502,025	(132,020)	(0)
450	District Attorney	(5,680,609)	(5,871,687)	(191,078)	11,869,350	12,603,212	733,862	542,784
480	Emergency Management	(1,461,906)	(1,285,035)	176,871	8,188,759	8,004,782	(183,977)	(7,107)
490	Medical Examiner	(3,842,729)	(3,761,139)	81,590	5,053,631	5,075,034	21,403	102,993
509	Transportation Services	(1,973,900)	(1,738,081)	235,819	2,020,563	1,920,154	(100,409)	135,410
510	DOT - Highway Maintenance	(23,965,227)	(23,226,616)	738,611	20,570,202	23,539,185	2,968,983	3,707,594
580	DOT - Admin Div	(1,033,749)	(637,773)	395,976	2,047,568	1,700,038	(347,530)	48,446
800	Department of Human Services	(156,767,431)	(224,023,764)	(67,256,333)	192,898,067	260,154,400	67,256,333	-
900	Department of Parks	(21,868,596)	(20,371,368)	1,497,228	39,111,848	39,348,104	236,256	1,733,484
950	Zoological Department	(21,496,308)	(24,743,145)	(3,246,837)	15,234,520	17,654,554	2,420,034	(826,803)
970	Milwaukee Public Museum	-	-	-	3,593,500	3,593,500	-	-
991	University Extension	(42,147)	(100,000)	(57,853)	397,224	514,631	117,407	59,554
<b>Non-Departmentals</b>								
190	Revenue Non-Departmental	(436,905,061)	(418,292,884)	18,612,177	-	-	-	18,612,177
1992	Earnings on Investments	(2,919,330)	(2,703,902)	215,428	-	-	-	215,428
1996	Sales Tax	(84,802,078)	(69,815,511)	14,986,567	-	-	-	14,986,567
194	General Non-Departmental	(120,522,133)	5,315,969	125,838,102	208,207,788	90,124,004	(118,083,784)	7,754,318
1945	Contingency	(414,556)	-	414,556	(521,663)	1,268,244	1,789,907	2,204,463
1950	Fringe Benefits	(105,830,671)	(113,195,258)	(7,364,587)	213,422,527	225,539,330	12,116,803	4,752,217
1972	Wage/Benefit Supplemental	-	-	-	-	1,900,000	1,900,000	1,900,000
199	Parks Non-Departmental	-	-	-	3,513,688	3,513,688	-	-
<b>Total General Fund</b>		<b>(864,987,683)</b>	<b>(788,165,178)</b>	<b>76,822,505</b>	<b>717,115,948</b>	<b>680,057,850</b>	<b>(37,058,098)</b>	<b>39,764,407</b>
<b>Other Funds</b>								
116	Information Management Services	(165,755)	(303,858)	(138,103)	15,325,443	16,464,227	1,138,784	1,000,681
117	Risk Management	-	-	-	10,172,298	10,626,901	454,603	454,603
504	DOT - Airport Division	(85,152,274)	(93,939,143)	(8,786,869)	85,152,274	93,957,049	8,786,869	-
530	DOT - Fleet Management	(15,397,951)	(16,746,316)	(1,348,365)	15,330,966	16,193,929	862,963	(485,402)
560	DOT - Transit/Paratransit System	(136,148,675)	(124,899,739)	11,248,936	142,629,235	131,380,299	(11,248,936)	-
550	DAS - Utility	(1,839,361)	(4,139,410)	(2,300,049)	2,764,062	4,151,288	1,387,226	(912,823)
630	Behavioral Health Division	(190,440,182)	(190,754,992)	(314,810)	241,476,902	247,282,765	5,805,863	5,491,053
996	Debt Retirement and Interest	(14,189,740)	(12,244,020)	1,945,720	49,297,572	48,676,617	(620,955)	1,324,765
120	Capital Improvements	(82,316,489)	(82,316,489)	-	156,237,338	156,237,338	-	-
<b>Total Other Funds</b>		<b>(525,484,672)</b>	<b>(525,040,109)</b>	<b>444,563</b>	<b>703,060,648</b>	<b>708,506,186</b>	<b>5,427,633</b>	<b>6,872,877</b>
<b>Expendable Trusts</b>								
50003	Zoo Expendable Trusts	(2,460,252)	(1,698,180)	762,072	944,818	1,704,861	760,043	1,522,115
50004	COVID Expendable Trust	(223,450)	-	223,450	8,196,924	10,270,976	2,074,052	2,297,502
50005	Parks Expendable Trusts	(176,129)	-	176,129	3,630	294,000	290,370	466,499
50006	OPD Expendable Trusts	(1,900)	(10,000)	(8,100)	-	10,000	10,000	1,900
50007	BHD Expendable Trusts	-	-	-	60,845	17,200	(43,645)	(43,645)
50008	Airport Expendable Trusts	(8,378,296)	-	8,378,296	8,321,360	-	(8,321,360)	56,936
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	3,646	-	(3,646)	51,941	-	(51,941)	(55,587)
<b>Total Expendable Trusts</b>		<b>(11,236,381)</b>	<b>(1,708,180)</b>	<b>9,528,201</b>	<b>17,579,518</b>	<b>12,297,037</b>	<b>(5,282,481)</b>	<b>4,245,720</b>
<b>Projected Surplus (Deficit)</b>		<b>(1,401,708,735)</b>	<b>(1,314,913,466)</b>	<b>86,795,269</b>	<b>1,437,756,113</b>	<b>1,400,861,073</b>	<b>(36,912,946)</b>	<b>50,883,004</b>
Less Expendable Trusts								(4,245,720)
To/From Reserves								(7,500,000)
Contribution (to)/from Behavioral Health Reserves								(5,491,053)
<b>Total Projected Surplus (Deficit)</b>								<b>33,646,231</b>

<b>Unallocated Contingency Fund</b>	
<b>2021 Adopted Balance</b>	<b>\$ 4,950,000</b>
<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)
File #22-107 WO9726 911 System Compliance	\$ (393,203)
WO0117012 Marcus Center Roof Replacement Project	\$ (668,717)
DOT-Highway Division North Shop Garage Maintenance	\$ (100,000)
File #21-1015 Roof Replacement Del Porter Pavilion	\$ (50,000)
File #21-1072 Sherman Park Lighting Plan, Design, Upgrade	\$ (75,000)
WO660012 - McDot Admin Building HVAC Replacement Project	\$ (500,000)
Additions: Land Sale Revenue	\$ 414,556
Additions: CNA Insurance Check	\$ 521,663
<b>Current Available Balance</b>	<b>\$ 2,154,463</b>
<b>Allocated Contingency Fund</b>	
<b>2021 Adopted Balance</b>	<b>\$ 50,000</b>
<i>Allocated Items</i>	
Rock Sports Complex Sound Study	\$ 50,000
<b>Current Available Balance</b>	<b>\$ 50,000</b>

<b>Debt Service Reserve Activity and Projected 2021 Ending Balance</b>	
<b>2021 Starting Balance</b>	\$ 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 #22-114 WO0117 Marcus Center Roof Replacement	\$ (538,892)
File #21-494 Unspent Bonds Reallocation	\$ (1,781,569)
File #21-928 MCDOT Admin Bldg HVAC Replacement	\$ (101,817)
Projected 2021 Surplus	\$ 28,000,000
<b>2021 Projected Balance</b>	<b>\$ 94,019,031</b>
**The approved \$8.8M has been reduced by \$1.6 due to receipt of less revenue relating to the Miller Park Testing Site.	

**Committee Action**

This is an informational report only.



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Scott B. Manske  
Comptroller



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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

**County Board (Agency 100) *\$0.1 million surplus***

The County Board ended with a surplus in commodities and services, which offset a minor deficit in personnel services.

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

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

**Department of Human Resources (Agency 114) *\$0.5 million surplus***

The Department of Human Resources ended with a surplus of \$0.5 million due to lower than budgeted medical fees, savings in employee engagement survey appropriations, and fewer submissions from employees for education/seminar reimbursement.

**Department of Administrative Services (Agency 115) *\$0.8 million surplus***

The Department of Administrative Services (DAS) ended with an overall surplus of \$0.8 million due to salary savings throughout the department's divisions. Surpluses in Economic Development of \$0.5 million were due to savings in professional services and surpluses in Facilities of \$0.7 million were largely due to lower internal service charges to facilities for Sheriff charges, other departmental labor and internal cross charge adjustments.

**DAS – Information Management Services Division (Agency 116) *\$1.0 million surplus***

DAS – IMSD ended with a surplus of \$1.0 million. Savings was largely due to personnel savings, minor office equipment savings, and depreciation savings of \$0.5 million.

**DAS – Risk Management (Agency 117) *\$0.5 million surplus***

DAS – Risk Management ended with a surplus of \$0.5 million. Savings was due to surplus salaries, savings in professional services, and savings in various insurance premiums.

**Clerk of Courts (Agency 200) *\$3.0 million surplus***

The Clerk of Courts ended with an overall surplus of \$3.0 million. Revenues slightly exceeded budget, and surplus expenditures of \$3.0 million 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 ended with a surplus due to higher than budgeted state performance revenue and medical support liability revenue.

**Election Commission (Agency 301) *\$0.1 million surplus***

The Election Commission ended with a surplus due to savings in commodities and services.

**County Treasurer (Agency 309) *\$0.7 million surplus***

The County Treasurer ended with a surplus due to higher than budgeted revenues. Interest on delinquent property tax exceeded budget by nearly \$0.5 million.

**County Clerk (Agency 327) *(\$0.2 million deficit)***

The County Clerk ended with a deficit due to marriage ceremony fees being under budget.

**Register of Deeds (Agency 340) *\$2.4 million surplus***

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

**Office of the Comptroller (Agency 370) *\$0.1 million surplus***

The Office of the Comptroller ended with a surplus due to higher than budgeted revenues related to the P-card services.

**Sheriff (Agency 400) *(\$0.4 million deficit)***

The MCSO ended with a revenue deficit of \$0.7 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 came in under budget by \$0.4 million. Personnel costs generated a deficit of \$1.4 million, driven by an overtime deficit of \$4.1 million. This amount is offset by \$2.5 million in a salary savings. Savings of \$1.9 million in commodities and services further offset the overall deficit.

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

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

**Medical Examiner (Agency 490) *\$0.1 million surplus***

The Medical Examiner ended with a surplus of \$0.1 million largely due to revenue exceeding budget.

**DOT – Transportation Services (Agency 509) *\$0.1 million surplus***

The DOT – Transportation Services Division ended with a surplus due largely to revenue exceeding budget.

**DOT- Highway Maintenance (Agency 510) *\$3.7 million surplus***

The DOT – Highway Maintenance Division ended with an overall surplus of \$3.7 million. Total revenues exceeded budget by \$0.7 million largely due to additional reimbursement of \$1.9 million under the RMA contract with the State. Expenditures were under budget by \$3.0 million, largely due to savings in salaries and interdepartmental charges for fleet services. Also increasing the surplus in this budget is \$0.7 million in fringe savings that is not part of the countywide breakeven.

**Parks Department (Agency 900)**

***\$1.7 million surplus***

The Parks Department exceeded its revenue budget of \$19.7 million by \$1.5 million. Golf revenues exceeded budget by nearly \$2.0 million, which is offset by other revenue deficits throughout the department. Overall expenditures were slightly under budget, with surpluses in salaries offsetting other expenditure deficits throughout the department.

**Zoological Department (Agency 950)**

***(\$0.8 million deficit)***

The Zoological Department ended the revenue deficit of \$3.2 million, largely due to a deficit in group sales and general visitor revenue. The department has expenditure surpluses of \$2.4 million that offset this deficit.

**Debt Retirement and Interest (Agency 996)**

***\$1.3 million surplus***

Debt Retirement and Interest has a surplus due to the final payment from Froedtert for the sale of Doyne Hospital exceed budget.

**Appropriation for Contingency (Org 1945)**

***\$2.2 million surplus***

The Appropriation for Contingency ended with a balance of \$2.2 million (both allocated and unallocated) that will fall to the bottom line.

**Fringe Benefits (Org 1950)**

***\$4.8 million surplus***

Fringe benefits ended with a total surplus of \$13.5 million. Savings in prescription drug benefits of \$1.6 million and higher than budgeted prescription rebates resulted in savings of \$7.6 million. Overall healthcare claims were also less than budget by \$2.8 million. FSA costs exceeded budgeted by \$0.6 million and Medicare reimbursement exceeded budget by \$0.6 million. Pension costs were \$1.0 million less than anticipated due to contributions from employees exceeding budget by over \$1.0 million. Although the overall surplus is \$13.5 million, the portion that falls to the bottom line in the fringe benefit budget is \$4.8 million. The remaining surpluses are 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 was not moved to departments and will fall to the bottom line.

**Earnings on Investments (Org 1992)**

***\$0.2 million surplus***

Due to low market rates, the County earned at a very low rate for 2021. However, due to the GASB 31, the County maintains a reserve of prior year surpluses relating to changes in investments due to mark-to-market changes. Per GASB rules, the contribution from this reserve for 2021 offsets the deficits in investment earnings.

**Sales Tax (Org 1996)**

***\$15.0 million surplus***

Sales tax collected for the months of January through December 2021 totaled \$92,063,661.14. This amount exceeded the total countywide budget (capital and operating) by \$15.0 million.