

# 2024 Budget Adjustment Summary File 24-755



**MILWAUKEE  
COUNTY**

# Overview

- In July 2024, Comptroller's office projected a potential 2024 deficit in the range of \$17M to \$19M
  - Deficit primarily due to declining sales tax revenues, increased health care costs, sheriff and CRC overtime, corrections food contract increase
- File 24-755 includes proposed budget adjustments and changes that would address a \$19 million deficit including:
  - \$17.44 million in budget adjustments
  - \$1.56 million departmental projection updates



# Update

- Updated reporting from the Comptroller's Office projects a \$12.2 million deficit in 2024
  - September 2024 year-end fiscal projection (File 24-73)
- Recommendations in the resolution for file 24-755 have not been changed based on the following:
  - County's annual budget historically includes a \$5M surplus assumption. If a surplus is not realized in 2024 this will create a gap in the 2026 budget.
  - Proposal includes a Debt Service Reserve (DSR) withdrawal of up to \$5.2 million which would not be used if it is not needed at 2024 year-end. DSR could be maintained for future use.
  - Fiscal projections change monthly



# Summary

Budget Adjustment Summary	Amount
Capital Budget Adjustments	(3,443,469)
Operating Budget Adjustments	(5,611,000)
ARPA Budget Adjustments	(3,462,665)
2023 Surplus / Debt Service Reserve	(5,226,866)
Sheriff Staffing Study	300,000
<b>Subtotal Budget Adjustments</b>	<b>(17,444,000)</b>
Departmental Projection Updates	(1,556,000)
<b>Total</b>	<b>(19,000,000)</b>



# Capital Project Budget Adjustments

Item	Amount	Brief Description
Lyons Playground Replacement	(170,000)	Projected Surplus
Public Safety Data Interoperability	(37,381)	Projected Surplus
CJIS Remediation	(24,628)	Projected Surplus
911 System Compliance	(93,177)	Projected Surplus
Zoo Aquatic & Reptile Center Structural Repairs - Design	(31,522)	Projected Surplus (Design)
Greenfield Park – Eliminate High Voltage - DESIGN	(15,000)	Projected Surplus (Design)
Inmate Processing Area/Holding Cell Completion - Design	(25,863)	Projected Surplus (Design)
Asset Protection-Remediation Services-Phase 2	(126,195)	Projected Surplus (Design)
CRC Powerhouse Windows - DESIGN	(175,000)	Projected Surplus (Design)
Kitchen Upgrades - Clinton Rose Senior Center - Design	(125,000)	Projected Surplus (Design)
Parks Lighting Improvements - 2024	(300,000)	Deferral
Park Bridges - Repairs & Replacements Phase 3	(77,000)	Deferral
Courthouse Monument & Waypoint Signage	(171,503)	Reduced Allocation
Clinton/Rose Façade Upgrades	(800,000)	Projected Surplus Tax Levy Reduction (Former ARPA)
Digital Transformation	(1,271,200)	Reduced Allocation (\$10M to \$8.7M) Tax Levy Reduction (Former ARPA)
<b>Total</b>	<b>(3,443,469)</b>	

# Operating Budget Adjustments

Item	Amount	Brief Description
Transit Funding Adjustment	(2,200,000)	Levy Reduction, Increase Fed Funds
Compensation Study Funding Adjustment	(2,300,000)	Projected surplus
ARPA Evaluation	(611,000)	Projected Surplus
Trauma Response Program	(500,000)	Reduced Allocation
<b>Total</b>	<b>(5,611,000)</b>	



# ARPA Budget Adjustments

Item	Amount	Brief Description
New DHHS Admin Coggs Building	(900,000)	Projected Surplus (furniture purchases)
Fuel Inventory Management System	(12,522)	Projected Surplus
Forensic Science Center	(500,000)	Projected Surplus
On-Site Health Clinic Creation	(100,000)	Projected Surplus
DHHS ARPA Administration	(100,000)	Projected Surplus
Affordable Housing	(1,000,000)	Reduced Allocation (\$16M to \$15M)
		Reduced Allocation
Market Match Program	(300,000)	Projected Unspent funds 2024 year-end
Upstart Kitchen	(412,500)	Cancel Project
MCDOT Fleet Management Bldg Solar PV System	(37,643)	Project completed
<b>Subtotal ARPA - SLFRF Budget Adjustments</b>	<b>(3,362,665)</b>	
ARPA Local Assistance Funds (LATCF) Allocation	(100,000)	ARPA funds not yet allocated
<b>Total ARPA</b>	<b>(3,462,665)</b>	

Notes:

- ARPA funds reallocated to cover increased public health and safety operational expenses, or other eligible operational expenses
- ARPA SLFRF changes recommended by ARPA Task Force

# 2023 Surplus / Debt Service Reserve

- File 24-801 from the Comptroller reports a \$28.8 million year-end surplus for 2023
- Surplus funds are deposited into the Debt Service Reserve
- 2024 budget adjustment proposal includes a Debt Service Reserve withdrawal of up to \$5,226,866 to address the 2024 deficit
  - If the funds are not needed at year-end, depending upon actual results, they may remain in reserve
- County's annual budget historically includes a \$5M prior year surplus assumption. If the County surplus ends up being \$5M or greater, reserve funds would not be utilized.





# Department Projection Changes

Item	Amount	Brief Description
Youth Justice Census	(500,000)	Anticipated savings from lower than budgeted youth census
Corrections Medical Contract	(500,000)	Unspent funds related to medical contract / dental services
Parks Revenue and Expense Projection Updates	(400,000)	Improved estimates from Parks & encumbrance reductions
Parks - Unspent Matching Funds	(156,000)	Unspent matching amenities fund, separate Parks resolution
<b>Total</b>	<b>(1,556,000)</b>	

- These items reflect anticipated changes to departmental 2024 fiscal projections
- No budget action is requested for these department projection changes



# Sheriff Staffing Study

- \$300,000 funding requested for external Sheriff's Office Staffing Analysis
- To be performed by independent outside contractor with expertise in consulting for municipal law enforcement agencies
- Goals of study to:
  - Provide staffing plan and recommendations
  - Evaluate organizational needs to maximize performance
  - Identify operational improvements, technological enhancements, other opportunities for continuous improvement



# Questions





**MILWAUKEE  
COUNTY**