



COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Office of the Comptroller
Scott B. Manske, Comptroller

DATE : April 29, 2014
TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors
FROM : Scott B. Manske, Comptroller
SUBJECT: Monthly Update of the 2013 Fiscal Projection of Milwaukee County (Pre Year End Audit Report) (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 an updated report on 2013. A final report will be issued once the year end audit is concluded.

Based on final unaudited financial results through the end of 2013, updated information from certain departments, and analysis performed by the Office of the Comptroller, the County is projected to end 2013 with a surplus of \$22.5 million. The projected surplus assumes a balance of \$1,741,152 in the contingency fund is applied to offset departmental and non-departmental deficits. This is a *preliminary estimate* and should not be considered the final results for 2013. A final report will be issued once the year end audit is concluded.

As of March 27 2014, Milwaukee County's projected surplus was \$15.0 million.

The following table lists areas with substantial changes since the March 27, 2014 update

Area	Change	Prior Projection	Current Projection	Variance
District Attorney	Salary surplus due to unanticipated turnover	\$92,800	\$518,700	\$425,900
DOT Highway	Fringe Benefits costs less than anticipated	(\$24,200)	\$645,900	\$670,100
Sheriff	Fund transfer to correct for crosscharges and abatements after de-merger	(\$1,639,800)	(\$216,900)	\$1,422,900
HOC	Fund transfer to correct for crosscharges and abatements after de-merger	(\$219,400)	(\$1,394,000)	(\$1,174,600)

CMO	Increased revenue (both member and capitation) and lower member service costs than what was expected	\$3,633,900	\$7,861,900	\$4,228,000
CMO Reserves	Any surplus or deficit in the CMO increases or decreases the reserve and is tax levy neutral	(\$3,663,900)	(\$7,861,900)	(\$4,228,000)
Fringe Benefits	Year-end breakeven process yielded additional savings	\$5,000,000	\$7,974,600	\$2,974,600
Debt Service Fund	Refinancing resulted in lower costs for 2014	\$4,922,000	\$6,970,237	\$2,048,237

The County Board at its meeting on April 24, 2014 approved File No. 14-288 which approved all but \$5.0 million of the 2013 surplus would be deposited into the Debt Service Reserve. Based upon current data, a deposit of \$17.5 million is anticipated.

Committee Action

This is an informational report only. This report should be referred to and reviewed by the Finance, Personnel and Audit Committee.



Scott B. Manske
Comptroller

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
Stephen Cady, Research Director, Office of the Comptroller
Department Heads

Milwaukee County			
Projection for 2013 - Based on Activity as of Period 14-3, 2014			
Dept	Department Name	Prior Report	Current Proj
1040	Community Business Development Partners	(8,100)	(58,600)
1140	Human Resources	38,600	(11,800)
1190	Economic Development	305,900	280,900
1135	Labor Relations	211,800	208,700
2000	Combined Courts	(435,300)	(425,600)
2900	Pre Trial Services	90,100	(110,800)
3010	Election Commission	(74,300)	33,400
3400	Register of Deeds	(110,400)	(208,200)
3090	Treasurer	1,250,400	1,406,600
3700	Comptroller	91,800	282,400
4000	Sheriff's Office	(1,639,800)	(216,900)
4300	HOC	(219,400)	(1,394,000)
4500	District Attorney	92,800	518,700
4900	Medical Examiner	49,300	43,300
5100	DOT Highway	(24,400)	645,900
5500	DAS-Utilities	(475,000)	(602,400)
5600	DOT - Transit/Paratransit System	1,979,400	2,630,200
6300	Behavioral Health Division	(1,459,700)	(1,598,700)
7900	Department on Aging	370,500	445,000
7990	Department of Family Care (CMO)	3,633,900	7,861,900
7990	Contribution From/(To) Family Care Reserve	(3,633,900)	(7,861,900)
8000	Department of Health and Human Services	6,560,800	6,428,400
9000	Department of Parks, Recreation and Culture	263,600	178,700
9500	Zoological Department	(1,089,700)	(1,121,000)
	Other Departments not shown above	461,300	1,049,411
	Departmental Total	6,230,200	8,403,611
Various	Capital Projects Funding	-	-
1945	Unallocated Contingency Fund	1,741,152	1,741,152
1950	Fringe Benefits	5,000,000	7,974,600
1991	Reserve for Delinquent Property Taxes	(500,000)	(478,400)
1992	Earnings on Investments	(711,411)	(497,011)
1993	State Shared Revenue	-	128,400
1996	Sales Tax Revenue	(1,700,000)	(1,704,299)
9960	Debt Service Fund/Froedtert Lease Payment	4,922,000	6,970,237
	Non-Departmental Total	8,751,741	14,134,679
	Projected County Surplus (Deficit)	\$ 14,981,941	\$ 22,538,289

