



Office of the Comptroller

Scott B. Manske, Comptroller

DATE: May 11, 2023

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

FROM: Cynthia (C.J.) Pahl, Financial Services Director, Office of the Comptroller

SUBJECT: 2023 Fiscal Projection for Milwaukee County – (For Information Only)

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.

2023 Year-end Fiscal Projection as of March 31, 2023

Based on financial results through the most recent reporting period, prior monthly reports submitted by departments and known projected actions, Milwaukee County's projected 2023 year-end fiscal status is a **surplus of \$10.6 million**. This projection is based on the most current reports from departments and best estimates of countywide expenditure and revenue impacts.

Period	Projected Year End Position	Annual Projection	Change from Prior Projection
March 2023	Surplus	\$10.6 million	\$3.2 million
February 2023	Surplus	\$7.4 million	N/A

Major changes since the last report are:

- Fringe Benefits – surplus of \$3.5 million

The table on the following page shows the fiscal status of each department. To better help demonstrate month-over-month changes, the table at the end of this report provides a summary of the fiscal information provided by departments for each month of the fiscal year.

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of March 31, 2023 Period 3								
Agency	Description	2023 Projected Revenues	2023 Budgeted Revenues	Revenue Variance	2023 Projected Expenditures	2023 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
General Fund Departments								
100	County Board	-	-	-	1,259,692	1,259,692	-	-
103	Governmental Affairs	-	-	-	400,490	400,490	-	-
109	Office of Equity	(100,000)	(100,000)	-	1,170,492	1,170,492	-	-
110	County Executive	-	-	-	957,708	957,708	-	-
112	Personnel Review Board	-	-	-	212,609	267,035	54,426	54,426
113	Corporation Counsel	(292,556)	(292,556)	-	1,611,507	1,611,507	-	-
114	Human Resources	(6,000)	(6,000)	-	6,332,894	6,332,894	-	-
115	Dept of Administrative Services	(9,595,864)	(9,595,864)	-	41,479,021	41,479,021	-	-
118	Strategy, Budget, and Performance	-	-	-	2,583,226	2,583,226	-	-
200	Combined Court Related Operations	(13,796,736)	(12,324,873)	1,471,863	31,912,231	30,636,664	(1,275,567)	196,296
243	Dept. of Child Support Services	(16,909,905)	(16,909,905)	-	19,600,499	19,600,499	-	-
290	Courts - Pre-Trial Services	(607,571)	(533,247)	74,324	6,451,590	6,311,166	(140,424)	(66,100)
301	Election Commission	(45,750)	(45,750)	-	606,646	606,646	-	-
309	County Treasurer	(2,030,000)	(2,030,000)	-	949,438	949,438	-	-
327	County Clerk	(494,820)	(494,820)	-	1,027,452	1,027,452	-	-
340	Register of Deeds	(4,588,323)	(4,589,000)	(677)	1,292,978	1,292,552	(426)	(1,103)
370	Office of the Comptroller	(175,000)	(143,000)	32,000	5,365,861	5,365,861	-	32,000
400	Sheriff	(12,224,603)	(12,053,903)	170,700	51,251,418	51,095,372	(156,046)	14,654
430	Community Reintegration Center	(4,572,931)	(6,130,568)	(1,557,637)	55,254,061	56,841,381	1,587,320	29,683
450	District Attorney	(5,431,050)	(5,431,050)	-	13,255,579	13,255,579	-	-
480	Emergency Management	(1,452,427)	(1,452,427)	-	10,908,518	10,908,518	-	-
490	Medical Examiner	(4,699,121)	(4,699,121)	-	6,366,014	6,478,521	112,507	112,507
509	Transportation Services	(1,897,616)	(1,897,620)	(4)	2,346,903	2,345,852	(1,051)	(1,055)
510	DOT - Highway Maintenance	(26,709,096)	(26,709,096)	-	27,027,250	27,027,250	-	-
580	DOT - Admin Div	(439,984)	(1,438,405)	(998,421)	612,137	1,610,558	998,421	-
800	Department of Human Services	(154,980,495)	(154,980,495)	-	192,634,503	192,634,503	-	-
900	Department of Parks	(22,356,101)	(22,356,101)	-	47,143,422	47,143,422	-	-
950	Zoological Department	(20,469,837)	(20,469,837)	-	24,363,975	24,363,975	-	-
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(100,000)	(100,000)	-	464,898	464,898	-	-
Non-Departmentals								
190	Revenue Non-Departmental	(457,767,942)	(453,815,910)	3,952,032	-	-	-	3,952,032
1996	Sales Tax	(93,656,281)	(90,656,281)	3,000,000	-	-	-	3,000,000
1992	Earnings on Investments	(5,382,871)	(5,382,871)	-	-	-	-	-
194	General Non-Departmental	2,669,539	2,669,539	-	88,341,054	95,535,338	7,194,284	7,194,284
1945	Contingency	-	-	-	-	4,694,284	4,694,284	4,694,284
1950	Fringe Benefits	(104,244,960)	(104,244,960)	-	212,148,521	215,648,521	3,500,000	3,500,000
1972	Wage/Benefit Supplemental	-	-	-	3,773,096	2,773,096	(1,000,000)	(1,000,000)
199	Parks Non-Departmental	-	-	-	3,429,688	3,429,688	-	-
Total General Fund		(759,074,189)	(755,930,009)	2,973,480	650,113,753	658,487,198	8,373,445	11,517,624
Other Funds								
116	Information Management Services	(108,500)	(108,500)	-	14,644,241	14,644,241	-	-
117	Risk Management	-	-	-	11,269,207	11,269,207	-	-
504	DOT - Airport Division	(98,823,695)	(99,054,355)	(230,660)	98,823,695	102,692,007	230,660	0
530	DOT - Fleet Management	(19,982,074)	(19,982,074)	-	19,886,316	19,886,316	-	-
560	DOT - Transit/Paratransit System	(127,063,427)	(127,063,427)	-	137,660,223	137,660,223	-	-
550	DAS - Utility	(726,000)	(1,626,000)	(900,000)	1,600,000	1,600,000	-	(900,000)
630	Behavioral Health Division	(181,214,549)	(181,214,549)	-	242,249,321	239,256,487	(2,992,834)	(2,992,834)
996	Debt Retirement and Interest	(8,887,009)	(8,887,009)	-	44,399,702	44,399,702	-	-
50004	COVID Expendable Funds	-	-	-	-	-	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(140,694,670)	(140,694,670)	-	205,534,284	205,534,284	-	-
Total Other Funds		(577,391,425)	(578,522,084)	(1,130,660)	761,422,748	762,298,226	(2,762,174)	(3,892,834)
Expendable Trusts								
50003	Zoo Expendable Trusts	(1,779,814)	(1,779,814)	-	1,840,411	1,840,411	-	-
50005	Parks Expendable Trusts	(417,797)	(417,797)	-	429,313	429,313	-	-
50006	OPD Expendable Trusts	-	-	-	-	-	-	-
50007	BHD Expendable Trusts	-	-	-	-	-	-	-
50008	Airport Expendable Trusts	-	-	-	-	-	-	-
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-
Total Expendable Trusts		(2,197,611)	(2,197,611)	-	2,269,724	2,269,724	-	-
Projected Surplus (Deficit)		(1,338,663,224)	(1,336,649,704)	1,842,820	1,413,806,225	1,423,055,148	5,611,271	7,624,791
Less Expendable Trusts		-	-	-	-	-	-	-
Contribution (to)/from Behavioral Health Reserves		-	-	-	-	-	-	2,992,834
Total Projected Surplus (Deficit) - with Contingency								10,617,624
Total Projected Surplus (Deficit) - without Contingency								5,923,340

Debt Service Reserve Activity and Projected 2023 Ending Balance	
2023 Starting Balance	\$ 108,454,924
<i>2023 Activity</i>	
2023 Budget Commitment	\$ (7,836,307)
2023 Budget Contribution to Project WC020901	\$ (10,000,000)
Project Closed WM0053012	\$ 57,790
File #23-442 - Debt Service Reserve Transfer to General County Debt Service	\$ (291,844)
2023 Projected Balance	\$ 90,384,563
Unallocated Contingency Fund	
2023 Adopted Balance	\$ 5,000,966
<i>County Board Approved Actions</i>	
File #23-259 - Medical Examiner Autopsy Support	\$ (200,000)
File #23-389 - Wil-O-Way Facility Improvements	\$ (52,229)
File #23-442 - General County Debt Service Transfer to Contingency	\$ 45,547
File #23-336 - MATC Faculty and Students Together Fund (FAST)	\$ (100,000)
Current Available Balance	\$ 4,694,284

Committee Action

This is an informational report only.



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

DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2023

Combined Court Related Operations (Agency 200) *\$0.2 million surplus*

The Combined Court Related Operations is currently projecting a surplus of \$0.2 million. Revenues are anticipated to exceed budget by \$1.5 million due largely to a surplus in state grants and reimbursements. Expenditures are also projected to exceed budget by \$1.3 million due largely to unbudgeted personnel costs.

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

The Medical Examiner is projecting a surplus due to unspent personnel costs.

Non-Departmental Revenue

Sales Tax (Org 1996) *\$3.0 million surplus*

Fiscal year 2022 sales tax receipts totaled \$97.9 million, which is slightly below the 2023 budgeted amount by \$0.8 million. Assuming a 4.0 percent year-over-year increase, the County will realize a surplus of at least \$3.0 million. While the Comptroller is reporting this as a known surplus, caution should be exercised with respect to the use of this surplus as only two months of 2023 sales tax payments has been received, and payments can fluctuate greatly from estimates.

Non-Departmental Expenditures

Appropriation for Contingency (Org 1945) *\$4.7 million surplus*

The current projection for the Appropriation for Contingency assumes that the entire \$4.7 million of the current contingency appropriation is not spent and is used to offset departmental and non-departmental deficits.

Fringe Benefits (Org 1950) *\$3.5 million surplus*

The Office of the Comptroller monitors healthcare and pharmacy claims regularly and with little movement in the lower census count, the County is likely to experience a surplus of roughly \$3.5 million in 2023. Healthcare costs tend to rise towards the later part of the year when participants reach their deductibles and out-of-pocket maximums, so caution should be used exercised with respect to the use of this surplus as only 4 months of claims have been recorded.

Wage/Benefit Modification (Org 1972) *(\$1.0 million deficit)*

Org 1972 – Wages and Benefits Modification – includes a centralized salary abatement of \$1.0 million (which reduces the overall County budget for salaries by \$1.0 million); salary appropriations of \$2.2 million to fund the recommendations of the compensation study currently being conducted by the Department of Human Resources; and salary appropriations of \$1.6 million to fund the correctional officer increase of \$1.50 in pay period 10. This projection assumes that the \$3.8 million in additional salary dollars are spent and that the remaining \$1.0 million in salary abatements remains to be offset either through departmental salary surpluses or other surpluses achieved in the budget.

Milwaukee County

Cummulative Summary of Monthly Departmental Projections

Agency	Description	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	FINAL
General Fund Departments														
100	County Board	-	-	-										
103	Governmental Affairs	-	-	-										
109	Office of Equity	-	-	-										
110	County Executive	-	-	-										
112	Personnel Review Board	42,899	57,637	54,426										
113	Corporation Counsel	-	-	-										
114	Human Resources	-	-	-										
115	Dept of Administrative Services	-	-	-										
118	Strategy, Budget, and Performance	-	-	-										
200	Combined Court Related Operations	-	-	196,296										
243	Dept. of Child Support Services	-	-	-										
290	Courts - Pre-Trial Services	-	-	(66,100)										
301	Election Commission	-	NR	NR										
309	County Treasurer	-	NR	NR										
327	County Clerk	-	NR	NR										
340	Register of Deeds	-	-	(1,103)										
370	Office of the Comptroller	-	32,000	32,000										
400	Sheriff	-	8,829	14,654										
430	Community Reintegration Center	-	17,186	29,683										
450	District Attorney	-	-	NR										
480	Emergency Management	-	-	-										
490	Medical Examiner	-	-	112,507										
509	Transportation Services	-	-	(1,055)										
510	DOT - Highway Maintenance	-	-	-										
580	DOT - Admin Div	-	-	-										
800	Department of Human Services	-	-	-										
900	Department of Parks	-	-	NR										
950	Zoological Department	-	-	-										
970	Milwaukee Public Museum	-	-	-										
991	University Extension	4,265	4,265	-										
Non-Departmentals														
190	Revenue Non-Departmental	4,473,203	4,473,488	3,952,032										
1996	Sales Tax	3,000,000	3,000,000	3,000,000										
1992	Earnings on Investments	-	-	-										
194	General Non-Departmental	3,800,966	3,800,966	7,194,284										
1945	Contingency	4,800,966	4,748,737	4,694,284										
1950	Fringe Benefits	-	-	3,500,000										
1972	Wage/Benefit Supplemental	(1,000,000)	(1,000,000)	(1,000,000)										
199	Parks Non-Departmental	-	-	-										
Other Funds														
116	Information Management Services	-	-	-										
117	Risk Management	-	-	-										
504	DOT - Airport Division	-	-	-										
530	DOT - Fleet Management	-	-	-										
560	DOT - Transit/Paratransit System	-	-	-										
550	DAS - Utility	(900,000)	(900,000)	(900,000)										
630	Behavioral Health Division	-	(1,356,163)	(2,992,834)										
996	Debt Retirement and Interest	-	-	-										
50004	COVID Expendable Funds	-	-	-										
10024	COVID Expendable Funds	-	-	-										
120	Capital Improvements	-	-	-										

NR=No Report