



Office of the Comptroller

Scott B. Manske, Comptroller

DATE: July 15, 2022

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

FROM: Scott B. Manske, Comptroller
Cynthia (C.J.) Pahl, Financial Services Director

SUBJECT: 2022 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.

2022 Year-end Fiscal Projection as of May 31, 2022

Based on financial results through May 31, 2022, prior monthly reports submitted by departments and known projected actions, Milwaukee County's projected 2022 year-end fiscal status is a **deficit**. This projection is based on the most current reports from departments and best estimates of countywide revenue impacts.

This fiscal report assumes that the budgeted \$4.0 million in correctional officer premium pay is fully funded with American Rescue Plan Act funding as no surplus is available to offset the ARPA funding pursuant to File 21-941.

Period	Projected Year End Position	Annual Projection	Change from Prior Projection
May 2022	Deficit	(\$0.8 million)	\$0.1 million
April 2022	Deficit	(\$0.9 million)	(\$0.9 million)
March 2022	Breakeven	\$0 ¹	N/A

Major changes since the last report are:

- DAS – IMSD – deficit increase of \$0.1 million
- Combined Courts Related Operations – surplus of \$0.5 million
- House of Correction – surplus of \$0.3 million
- Parks Department – surplus of \$0.1 million
- Contingency Fund – surplus decrease of \$0.8 million

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

¹ March projection included a surplus of \$2.4 million which was reduced to \$0 to offset CO premium pay per File 21-941.

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of May 31, 2022 Period 05								
Agency	Description	2022 Projected Revenues	2022 Budgeted Revenues	Revenue Variance	2022 Projected Expenditures	2022 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
General Fund Departments								
100	County Board	-	-	-	1,246,318	1,246,318	-	-
103	Governmental Affairs	-	-	-	297,162	297,320	158	158
109	Office of Equity	(1,500)	-	1,500	846,939	1,214,163	367,224	368,724
110	County Executive	-	-	-	877,070	892,382	15,312	15,312
112	Personnel Review Board	-	-	-	205,044	260,528	55,484	55,484
113	Corporation Counsel	(206,189)	(206,189)	-	1,520,062	1,520,062	-	-
114	Human Resources	(6,000)	(6,000)	-	5,747,033	5,747,033	-	-
115	Dept of Administrative Services	(11,657,615)	(13,368,273)	(1,710,658)	41,057,599	41,548,946	491,347	(1,219,310)
118	Strategy, Budget, and Performance	(95,733)	(95,733)	-	2,477,537	2,560,860	83,323	83,323
200	Combined Court Related Operations	(12,445,655)	(11,879,242)	566,413	30,136,375	30,066,769	(69,606)	496,807
243	Dept. of Child Support Enforcement	(16,492,397)	(16,563,182)	(70,785)	18,537,573	18,644,823	107,250	36,465
290	Courts - Pre-Trial Services	(955,981)	(955,981)	-	6,510,929	6,510,929	-	-
301	Election Commission	(79,428)	(79,428)	-	953,661	953,661	-	-
309	County Treasurer	(2,030,000)	(2,030,000)	-	922,472	922,472	-	-
327	County Clerk	(553,001)	(553,001)	-	1,028,516	1,028,516	-	-
340	Register of Deeds	(4,886,925)	(4,854,667)	32,258	1,269,117	1,275,032	5,915	38,174
370	Office of the Comptroller	(211,469)	(143,000)	68,469	5,153,291	5,153,291	-	68,469
400	Sheriff	(13,405,760)	(12,368,294)	1,037,466	50,130,981	49,100,544	(1,030,437)	7,029
430	House of Correction	(6,562,869)	(6,881,209)	(318,340)	53,328,433	53,909,155	580,722	262,382
450	District Attorney	(5,446,409)	(5,446,409)	-	12,322,795	12,835,947	513,152	513,152
480	Emergency Management	(1,411,524)	(1,360,486)	51,038	9,833,202	9,703,890	(129,312)	(78,274)
490	Medical Examiner	(3,686,424)	(3,711,424)	(25,000)	5,146,067	5,271,189	125,122	100,122
509	Transportation Services	(1,797,312)	(1,900,763)	(103,451)	2,182,937	2,286,388	103,451	-
510	DOT - Highway Maintenance	(24,365,311)	(24,365,311)	-	24,628,398	24,628,398	-	-
580	DOT - Admin Div	(946,263)	(946,263)	-	1,439,827	1,439,827	-	-
800	Department of Human Services	(182,822,232)	(181,780,671)	1,041,561	224,033,516	217,140,738	(6,892,778)	(5,851,217)
900	Department of Parks	(21,788,415)	(21,687,165)	101,250	43,049,109	43,090,878	41,769	143,019
950	Zoological Department	(19,897,292)	(20,798,196)	(900,904)	26,141,722	27,042,626	900,904	-
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(65,200)	(100,000)	(34,800)	360,647	444,964	84,317	49,517
Non-Departmentals								
190	Revenue Non-Departmental	(438,467,598)	(434,520,626)	3,946,972	-	-	-	3,946,972
1996	Sales Tax	(85,069,864)	(82,069,864)	3,000,000	-	-	-	3,000,000
194	General Non-Departmental	(537,464)	(537,464)	-	95,296,983	96,611,968	1,314,985	1,314,985
1945	Contingency	(76,159)	(76,159)	-	-	3,914,985	3,914,985	3,914,985
1950	Fringe Benefits	(111,919,981)	(111,919,981)	-	222,163,453	222,163,453	-	-
1972	Wage/Benefit Supplemental	-	-	-	2,500,000	(100,000)	(2,600,000)	(2,600,000)
199	Parks Non-Departmental	-	-	-	3,329,688	3,329,688	-	-
Total General Fund		(770,821,966)	(767,138,977)	3,682,989	673,511,003	670,179,306	(3,331,697)	351,291
Other Funds								
116	Information Management Services	(141,266)	(186,799)	(45,533)	15,155,119	14,975,349	(179,770)	(225,303)
117	Risk Management	-	-	-	11,196,114	11,229,866	33,752	33,752
504	DOT - Airport Division	(95,143,248)	(95,143,248)	-	95,143,269	95,143,269	-	-
530	DOT - Fleet Management	(18,828,941)	(18,828,941)	-	18,437,647	18,437,647	-	-
560	DOT - Transit/Paratransit System	(131,844,355)	(131,844,355)	-	140,504,293	140,504,293	-	-
550	DAS - Utility	(665,000)	(4,271,714)	(3,606,714)	1,594,545	4,282,736	2,688,191	(918,523)
630	Behavioral Health Division	(196,891,748)	(205,042,922)	(8,151,174)	252,036,482	260,187,656	8,151,174	-
996	Debt Retirement and Interest	(8,459,311)	(8,459,311)	-	44,918,870	44,918,870	-	-
50004	COVID Expendable Funds	-	-	-	-	-	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(139,660,616)	(139,660,616)	-	201,723,516	201,723,516	-	-
Total Other Funds		(591,493,220)	(603,251,107)	(11,757,888)	765,554,736	776,427,854	10,873,118	(1,110,073)
Expendable Trusts								
50003	Zoo Expendable Trusts	(1,394,107)	(1,394,107)	-	1,400,248	1,400,248	-	-
50005	Parks Expendable Trusts	-	-	-	-	-	-	-
50006	OPD Expendable Trusts	-	-	-	-	-	-	-
50007	BHD Expendable Trusts	-	-	-	17,200	17,200	-	-
50008	Airport Expendable Trusts	-	-	-	-	-	-	-
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-
Total Expendable Trusts		(1,394,107)	(1,394,107)	-	1,417,448	1,417,448	-	-
Projected Surplus (Deficit)								
Projected Surplus (Deficit)		(1,363,709,292)	(1,371,784,191)	(8,074,899)	1,440,483,187	1,448,024,608	7,541,420	(758,782)
Less Expendable Trusts								-
Contribution (to)/from Behavioral Health Reserves								-
Correctional Officer Premium Pay								-
Total Projected Surplus (Deficit)								(758,782)

Debt Service Reserve Activity and Projected 2022 Ending Balance	
2022 Starting Balance	\$ 66,752,459
<i>2022 Activity</i>	
2021 Estimated Projected Yearend Surplus	\$ 33,000,000
2022 Budget Commitment	\$ (7,339,034)
File #22-628 April 2022 Lapsed Projects	\$ 2,378,133
File #22-701 Bond/Note Reallocation	\$ (1,910,395)
File #22-704 Other Project Adjustments	\$ (505,661)
2022 Projected Balance	\$ 92,375,502
Unallocated Contingency Fund	
2022 Adopted Balance	\$ 5,000,464
<i>County Board Approved Actions</i>	
File #21-985 MATC FAST Fund	\$ (50,000)
File #22-292 Climate Adaption Group	\$ (30,000)
File #21-1089 Irgens Land Sale Revenue	\$ 76,159
File #22-436 Capital Project WI020701	\$ (150,000)
File #22-395 Goat Landscaping Demonstration Project	\$ (11,000)
File #22-400 Rock Sports Center Sound Study	\$ (200,000)
File #22-308 One Milwaukee Taskforce	\$ (100,000)
File #22-109 HR Life Works Contract	\$ (36,000)
File #22-525 MCAP and Shelter Care Program	\$ (538,128)
File #22-662 Commission on Youth	\$ (27,000)
File #22-681 ARPA Funds Match for Aging Services	\$ (300,513)
File #22-701 Unspent Bond Proceeds	\$ 1,028,585
File #22-704 Unspent Bond Proceeds	\$ 359,608
File #22-761 McKinley Beach Restoration	\$ (712,190)
File #22-969 Trimborm Farms	\$ (220,000)
File #22-799 Rollerskating at Red Arrow Park	\$ (175,000)
Current Available Balance	\$ 3,914,985
Allocated Contingency Fund	
2022 Adopted Balance	\$ -
<i>Allocated Items</i>	
	\$ -
Current Available Balance	\$ -

Committee Action

This is an informational report only.



Scott B. Manske
Comptroller



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

DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2022

Office of Equity (Agency 109)

\$0.4 million surplus

The Office of Equity is projecting a surplus of \$0.4 million largely due to vacancies within the department.

Department of Administrative Services (Agency 115)

(\$1.2 million deficit)

The Department of Administrative Services (DAS) is projecting a deficit of \$1.2 million. This is due to the expected termination of the State of Wisconsin rental agreement for the Coggs Center as of September 30, 2022, resulting in a revenue loss of \$862,000. The department is anticipating a revenue shortfall of \$735,000 as labor charges to capital and operating projects are less than budgeted due to vacancies and reorganization efforts; this is offset by salary savings of \$843,000 throughout the FMD. Steam costs are anticipated to exceed budget by \$601,000 due to the 2020 President's Day cost recovery by WE Energies.

DAS – Information Management Services Division (Agency 118)

(\$0.2 million deficit)

The DAS – Information Management Services Division is projecting a deficit of \$0.2 million which is largely driven by increases in major contract due to growing digital storage, digital telephone support, and other IT services of \$0.6 million. This is offset by vacancy savings of \$0.4 million.

Office of Strategy, Budget, and Performance (Agency 118)

\$0.1 million surplus

The Office of Strategy, Budget, and Performance is projecting a surplus due to vacancies within the department.

Combined Court Related Operations (Agency 200)

\$0.5 million surplus

The Combined Court Related Operation is currently projecting a surplus of \$0.5 million. This is largely due to revenue surpluses in bail forfeiture, legal fee recoveries, and other fees.

House of Correction (Agency 430)

\$0.3 million surplus

The House of Correction is projecting a surplus in its salary and social security account of roughly \$2.4 million which offsets the overtime deficit of roughly \$2.0 million. An additional surplus of \$1.0 million is projected in commodities.

District Attorney (Agency 450)

\$0.5 million surplus

The District Attorney is projecting surpluses in various objects within the Commodities and Services accounts.

Emergency Management (Agency 480)

(\$0.1 million deficit)

The Office of Emergency Management is projecting a deficit largely due to salaries exceeding budget resulting in deficit of \$150,000.

Medical Examiner (Agency 490)

\$0.1 million surplus

The Medical Examiner is projecting a surplus of \$100,000 due to a vacant assistant medical examiner position. Expenses relating to body transport are increasing due to an expected increase in costs of 50 percent with newly signed contracts.

Department of Health and Human Services (Agency 800)

(\$5.9 million deficit)

The Department of Health and Human Services is projecting a deficit of \$5.9 million. This is largely due to the average daily population (ADP) at the Lincoln Hills, Copper Lake, and Mendota Juvenile Treatment Center exceeding budget by 22; this results in a deficit of \$8.2 million. Additional expenses of \$0.3 million are expected due to the increased census in the detention. These deficits are offset by \$1.5 million in savings expected from reduced enrollment in Wraparound and Bakari. Vacancies are resulting in a surplus of \$0.6 million. Additional revenue of \$1.7 million in Youth Aids and \$0.2 million in BCA are expected to be carried over from the 2021 State contract to offset the deficit. Additionally, a deficit of approximately \$0.5 million in Wisconsin Medicaid Cost Reporting (WIMCR) is anticipated for 2022.

Parks Department (Agency 900)

\$0.1 million surplus

The Department of Parks, Recreation, and Culture is projecting of surplus of \$0.1million. The surplus is due to revenues exceeding budget relating to marina sales.

Appropriation for Contingency (Org 1945)

\$3.9 million surplus

The current projection for the Appropriation for Contingency assumes that the entire \$3.9 million of the current contingency appropriation is not spent and is used to offset departmental and non-departmental deficits.

Wage/Benefit Modification (Org 1972)

(\$2.6 million deficit)

The funding in this unit includes an appropriation of \$2.5 million for salary adjustments which is projected to be spent in 2022. Additionally, a centralized salary abatement of \$2.6 million is included, which reduces the overall County budget for salaries by \$2.6 million. The \$2.6 million amount will need to be offset by other surpluses throughout the County.

Sales Tax (Org 1996)

\$3.0 million surplus

The 2021 sales tax collections of approximately \$92 million represents the greatest annual growth (16%) in over a decade after experiencing negative growth (-4%) in 2020 because of the global pandemic. The 2022 Budget anticipates total sales tax collections of approximately \$90 million. The County has received four of the twelve sales tax collections related to 2022. Based

on the last 12 months of collections, the Office of the Comptroller is currently projecting 2022 sales tax collections to be \$93 million for 2022. This estimate is approximately \$3 million higher than the 2022.

As more collections are received, the Office of the Comptroller will continue to monitor and adjust the estimate as appropriate.