

NON-DEPARTMENTAL REVENUES (1800) BUDGETDepartment: **Non-Departmental Revenues**UNIT NO. **1800**FUND: **General — 0001****BUDGET SUMMARY**

Category	2015 Actual	2016 Actual	2017 Budget	2018 Budget	2018/2017 Variance
Revenues					
1901 Unclaimed Money	\$1,250,000	\$0	\$1,250,000	\$0	(\$1,250,000)
1933 Land Sales	\$0	\$0	\$1,000,000	\$0	(\$1,000,000)
1937 Potawatomi Allocation	\$3,922,304	\$4,086,243	\$4,184,628	\$4,184,628	\$0
1993 State Shared Taxes	\$31,274,464	\$31,282,380	\$31,229,789	\$31,259,289	\$29,500
1994 State Exempt Computer Aid	\$4,194,716	\$4,485,818	\$4,922,176	\$5,008,256	\$86,080
1995 Milwaukee Bucks Sports Arena	\$0	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	\$0
1996 County Sales Tax Revenue*	\$70,949,426	\$73,008,568	\$74,468,703	\$75,726,406	\$1,257,703
1998 Surplus from Prior Years	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$0
1999 Other Misc. Revenue	\$1,092,795	\$1,872,645	\$906,516	\$100,000	(\$806,516)
Total Revenue	\$117,683,703	\$115,735,654	\$118,961,812	\$117,278,579	(\$1,683,233)

*The figures stated above are presented as gross sales tax collections for clarity. Org 1996 contains net sales tax collections in the Operating Budget \$70,881,788 after allocations to capital improvements of \$4,844,618

Department Mission: The objective of the non-departmental revenue agencies is to properly account for revenue sources that are not under the jurisdiction of any single department. The Office of Performance, Strategy, and Budget (DAS-PSB) has primary responsibility for budgeting and accounting for these revenues. The Non-Departmental revenue budgets are based on historical trends, current economic data, contract terms, and policy changes at the State and Federal level as appropriate.

Prior to enacting any direct service cuts, departments will work with the Department of Administrative Services – Performance, Strategy, and Budget to identify opportunities to re-organize, streamline, consolidate, eliminate, or otherwise reduce duplication and the cost of administrative expenditures within County government. The initiative shall include a review of prior internal and external audits, consulting reports, workgroup activities, and studies. In addition, the effort should include a critical reassessment of any expenditure of contract funds for non-core services.

Budgeted Amounts are based on the following:

Unclaimed Money: Pursuant to Section 59.66 of the Wisconsin Statutes, the County Treasurer is to publish a notice that the Treasurer’s Office possesses unclaimed money. If no legal claim is made within the time specified in such notice, all funds and interest earned are to be turned over to the General Fund of the County treasury. Every other year, the Treasurer widely advertises unclaimed funds before they are forfeited. As a result, this revenue fluctuates from one year to the next and is difficult to predict. There are no funds budgeted in 2018 for Unclaimed Money as the County only publishes unclaimed funds every other year.

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Land Sales: Accounts for the sale of County land in accordance with state statute. Monies received through this revenue stream will be allocated in accordance with established policies on one-time revenues and Chapter 6 of the Milwaukee County Code of Ordinances as amended through File # 17-204.

Potawatomi Revenues: Represents payments, based on Class III Net Win during the period July 1, 2017 to June 30, 2018 by the Potawatomi Bingo Casino per contract. The amount is net of allocations to operating departments (see below). The 2017 net win payment was \$4,169,411. Based on actual receipts, the Class III Net Win for 2018 is budgeted at the 2017 level of \$4,184,628.

DHHS-Behavioral Health Division (Org. 6300)

- \$337,203 to support the Community Services Section programs
- \$500,000 is budgeted to support Alcohol and Other Drug Abuse (AODA) treatment through the Non-Temporary Assistance to Needy Families (TANF) AODA Voucher System.

Department of Health and Human Services (Org. 8000)

- \$350,000 to increase the level of revenue in the Division's Birth-to-Three program to avoid a reduction in Federal revenue due to non-compliance with the Maintenance of Effort expenditure requirement.
- \$201,320 to support the programs of the Delinquency and Court Services Division.
- \$100,000 to provide case management services for homeless and disabled veterans

State Shared Taxes: Represents payment from the State under the County and Municipal Aid payment program. The base payment is given to each County on a per capita basis. The Utility Payment compensates local governments for costs incurred in providing services to tax exempt public utilities. Wisconsin State Statute 48.561(3) requires the Wisconsin Department of Administration to reallocate \$20,101,300 from Milwaukee County's shared revenue allocation to the Wisconsin Child Welfare Program. State Shared Revenues to the County are projected to hold steady in 2018. As outlined in 2015 Wisconsin Act 60 ("Act 60"), Milwaukee County is required to commit \$4,000,000 annually to the construction of the Milwaukee Bucks Sports Arena. See Org. Unit 1800-1995 for further explanation.

	2015	2016	2017	2018
<u>STATISTICAL SUPPORTING DATA</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Base Payment	\$ 47,026,480	\$ 47,023,962	\$ 47,023,962	\$ 47,023,962
Utility Payment	4,065,202	4,240,985	4,307,127	4,336,604
Subtotal State Shared Taxes	\$ 51,091,682	\$ 51,264,947	\$ 51,331,089	\$ 51,360,566
State Child Welfare Reallocation	(20,101,300)	(20,101,300)	(20,101,300)	(20,101,300)
Total State Shared Taxes	\$ 30,990,382	\$ 31,163,647	\$ 31,229,789	\$ 31,259,266

State Exempt Computer Aid: Represents State payments to compensate for the exemption of computers from property tax rolls, per 1997 Wisconsin Act 237. The formula for determining the county share of State Exempt Computer Aid was discontinued in the 2017-19 Wisconsin State Budget and replaced with a flat increase of 1.47% in 2018 and a percentage equal to the inflation rate thereafter. Revenue from State Exempt Computer Aid is budgeted at \$5,008,256 for 2018.

Milwaukee Bucks Sports Arena: 2015 Wisconsin Act 60 was enacted August 12, 2015, relating to constructing a sports and entertainment arena and related facilities. The legislation's intent was to ensure the Milwaukee Bucks of the NBA remain located in Milwaukee County. In development of Act 60, the County Executive in 2015 committed Milwaukee County taxpayers to contribute \$4 million per year for twenty years for a total payment of

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\$80 million. No separate approvals were sought or required from the County Board of Supervisors and/or through a binding referendum of voters. The State began collection of the \$4 million annual payment, starting in 2016 and ending in 2035, by reducing the State Shared Revenues otherwise paid to Milwaukee County. (See Org. Unit 1993-State Shared Taxes above.) To acknowledge this long-term funding commitment, and to not fill the revenue loss through the use of county reserves or cuts to public safety or other critical services, additional tax levy was required to fund the obligation to build the Milwaukee Sports Arena. This non-departmental account was created to make it clear that the residents of Milwaukee County are making a significant contribution to the construction of the new Sports Arena and the future of Milwaukee. It is the policy of Milwaukee County that this non-departmental account be included in each annual budget until the County's financial commitment is satisfied.

County Sales Tax Revenue: 2018 sales tax collections are projected to increase slightly from the 2017 Adopted Budget. The net sales tax budgeted in Org 1996 is the gross sales tax collections of \$75,726,406, less an allocation for capital improvements. An allocation of \$30,671,593 is provided for 2018 debt service, resulting in the remainder of sales tax revenues for general fund purposes.

<u>STATISTICAL SUPPORTING DATA</u>	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
Gross Sales Tax Collections	\$ 72,213,155	\$ 70,198,473	\$ 75,795,118	\$ 77,075,222
State Administrative Fee	(1,263,730)	(1,300,407)	# (1,326,415)	(1,348,816)
County Sales Tax Collections	\$ 70,949,425	\$ 66,307,500	\$ 74,468,703	\$ 75,726,406
Less Sales Tax Allocated to				
Capital Improvements	\$ (9,326,269)	\$ (9,326,269)	\$ (6,843,500)	\$ (4,844,618)
County Net Sales Tax Collections	\$ 61,623,156	\$ 56,981,231	\$ 67,625,203	\$ 70,881,788
Less Allocations to Debt Service	(33,957,244)	(33,957,244)	(33,616,438)	(30,671,593)
Available for General Fund	\$ 27,665,912	\$ 23,023,987	\$ 34,008,765	\$ 40,210,195

Surplus (Deficit) from Prior Year: Represents the County's 2016 surplus of \$5,000,000 applied to the County's 2018 budget per 59.60 of Wisconsin State Statutes.

Other Miscellaneous Revenue: Includes all other revenue sources, including closure of Tax Increment Financing (TIF) districts. Revenue of \$83,000 related to the closure of TIF districts #17, #18, #27 & #28 in Milwaukee is budgeted in 2018. Any revenue in excess of the amount budgeted shall be allocated in a manner consistent with the County's financial policy related to land sales and one time revenues.