

COMPTRROLLER (3700) BUDGET

DEPT: Comptroller

UNIT NO. 3700
FUND: General - 0001

Budget Summary

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Personnel Costs	\$4,731,502	\$3,539,224	\$3,864,976	\$3,922,127	\$57,151
Operation Costs	\$599,187	\$564,320	\$581,243	\$645,525	\$64,282
Debt & Depreciation	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0
Interdept. Charges	(\$42,790)	(\$44,386)	(\$45,990)	(\$47,600)	(\$1,610)
Total Expenditures	\$5,287,899	\$4,059,157	\$4,400,229	\$4,520,052	\$119,823
Direct Revenue	\$330,663	\$224,895	\$315,431	\$143,000	(\$172,431)
Intergov Revenue	\$0	\$0	\$0	\$0	\$0
Indirect Revenue	\$0	\$0	\$0	\$184,180	\$184,180
Total Revenues	\$330,663	\$224,895	\$315,431	\$327,180	\$11,749
Tax Levy	\$4,957,236	\$3,834,263	\$4,084,798	\$4,192,872	\$108,074
Effective Tax Levy*	\$4,037,366	\$3,878,649	\$4,084,798	\$4,192,872	\$108,074
Full-Time Pos. (FTE)**	55.9	54.3	55.5	56.0	0.5
Seas/Hourly/Pool Pos.	0	0	0	0	0
Overtime \$	\$9,280	\$3,771	\$0	\$0	\$0

* This Effective Tax Levy excludes interdepartmental charges and fringe benefit costs.

** The 2019 Budget FTEs include Vacancy & Turnover & Overtime.

Department Mission: The Office of the Comptroller maintains Milwaukee County's accounting books, monitors and reports on budget versus actual fiscal results, prepares annual financial reports of the government and government agencies, and analyzes proposals for the use of County funds. The Office works to ensure that fiscal decisions are made based on sound financial information.

Department Description: The Office of the Comptroller is made up of seven service areas:

1. Administration/Fiscal Services provides management of the Office, reviews fiscal notes and contracts, and conducts fiscal projections and special studies.
2. Central Accounting prepares countywide monthly financial reports, publishes the Comprehensive Annual Financial Report, and maintains various accounting systems.
3. Central Payables establishes countywide vendor payment procedures.
4. Central Capital issues debt and monitors departmental capital programs financed with debt.
5. Central Payroll is responsible for countywide payroll procedures and payroll processing.
6. Audit Services audits the fiscal concerns of Milwaukee County, monitors the propriety of departmental record keeping throughout the County, audits agencies receiving County funds or providing services to the County, and maintains a hotline service to receive information regarding waste, fraud, and abuse of Milwaukee County resources.
7. Research Services provides research and analysis, drafts resolutions and ordinances, and provides independent and nonpartisan research services for the County Board and the County Executive at their request.

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Major Changes: For 2020, the Office of the Comptroller is requesting an overall tax levy increase of \$108,074 which is a combination of the loss of Payment Plus revenue of \$173,431 offset by the requested 1.6 percent expenditure reduction of \$65,356. With an expected cost-to-continue exceeding \$4.5 million, funding in 2020 is critical to the successful launch and implementation of the ERP. With full implementation expected in 2020, the Comptroller will need to provide critical staffing as the County adapts to the new system. Furthermore, the Comptroller's budget will lose revenue related to Payment Plus as it is expected that this program will no longer be favored by County vendors under the new ERP. To offset the Payment Plus revenue cut, the ERP Capital Project will provide some financial relief by sharing the cost of Comptroller positions that are playing an instrumental role in the ERP implementation.

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Strategic Program Area 1: Administration/Fiscal Services

Service Provision: Mandated

Strategic Outcome: High-Quality, Responsive Services

What we Do: Activity				
Item	2017 Actual	2018 Actual	2019 Target	2020 Target
Provide fiscal projections to County Board & County Executive	12	12	12	12
Provide monthly summaries of contract notifications	12	12	12	12
Review contracts as to funds available	Approx. 1,400	Approx. 1,400	1,400	1,400
Implemented Purchase Card, Travel Card, and Payment Plus Programs, resulting in revenue	\$308,340	\$206,315	\$257,000	\$143,000

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$658,537	\$501,302	\$579,951	\$610,009	\$30,058
Revenues	\$169	\$0	\$0	\$184,180	\$184,180
Tax Levy	\$658,368	\$501,302	\$579,951	\$425,829	(\$154,122)
FTE Positions	4.2	5	4.2	5.7	1.5

How Well We Do It: Performance Measures				
Performance Measure	2017 Actual	2018 Actual	2019 Target	2020 Target
GFOA Award for Excellence in Financial Reporting	1	1	1	1
Unqualified Audit Opinion	1	1	1	1
Maintain or improve Bond Rating:				
Standard & Poor's	AA Stable	AA Stable	AA Stable	AA Stable
Moody's	Aa2 Stable	Aa2 Stable	Aa2 Stable	Aa2 Stable
Fitch	AA+ Stable	AA+ Stable	AA+ Stable	AA+ Stable

Strategic Overview: The Administration Section houses the elected County Comptroller and the Office's Financial Services Section. Per Wisconsin Statutes §59.255, the Comptroller is responsible for administering the financial affairs of the County, providing fiscal notes and fiscal analyses of all matters requested, and providing a five-year fiscal forecast.

Strategic Implementation: This section of the budget includes an abatement of \$65,357, representing the Comptroller's 1.6 percent cut from the 2019 Adopted Budget. In addition, revenue increases of \$184,180 from ERP project costs are budgeted here to offset dedicated ERP staff throughout the department. Operational costs also increase in 2020 in part related to the ERP system and other costs that were transferred to the Comptroller from IMSD. This section also includes \$61,675 in annualized 2018 / 2019 DOSAA funding for the entire department. It is anticipated that these annualized increases will be given out in the 4th quarter of 2019 and will need to be budgeted for in 2020.

COMPTROLLER (3700) BUDGET

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Strategic Program Area 2: Central Accounting

Service Provision: Mandated

Strategic Outcome: High Quality, Responsive Services

What we Do: Activity				
Item	2017 Actual	2018 Actual	2019 Target	2020 Target
Produces the Annual CAFR and single Audit Report	1	1	1	1
Closes financial system on annual basis	1	1	1	1
Prepares countywide financial reports	12	12	12	12

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$519,025	\$394,737	\$446,296	\$516,364	\$70,068
Revenues	\$0	\$0	\$0	\$0	\$0
Tax Levy	\$519,025	\$394,737	\$446,296	\$516,364	\$70,068
FTE Positions	6.6	5.2	6.4	7.3	0.9

Strategic Overview: The Central Accounting Section is responsible for preparing the County's Comprehensive Annual Financial Report pursuant to Wisconsin Statutes and GAAP. This unit also prepares countywide monthly financial reports and maintains the County's various accounting systems.

Strategic Implementation: This Section will continue to implement the ERP system in 2020.

COMPTRROLLER (3700) BUDGET

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Strategic Program Area 3: Central Payables

Service Provision: Administrative

Strategic Outcome: High Quality, Responsive Services

What we Do: Activity				
Item	2017 Actual	2018 Actual	2019 Target	2020 Target
Pays County's bills for services and commodities	Approx. \$171M	Approx. \$173M	\$175M	\$177M

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$629,439	\$494,368	\$504,956	\$454,198	(\$50,758)
Revenues	\$313,026	\$206,315	\$298,431	\$125,000	(\$173,431)
Tax Levy	\$316,413	\$288,053	\$206,525	\$329,198	\$122,673
FTE Positions	9.7	9.3	7	9	2

Strategic Overview: The Central Payables Section is responsible for ensuring accurate and timely payment to the thousands of County vendors. It also establishes countywide vendor payment procedures.

Strategic Implementation: This Section will continue to implement the ERP System in 2020. The County receives rebates from US Bank under the Western States Contracting Alliance agreement. This revenue has been decreasing since vendors prefer to be paid electronically rather than through the Payment Plus program. Payment Plus revenue decreases to \$0 in 2020 due to ERP, while Purchase Card revenue increases.

COMPTRROLLER (3700) BUDGET

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UNIT NO. 3700
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Strategic Program Area 4: Central Capital

Service Provision: Mandated

Strategic Outcome: High Quality, Responsive Services

What We Do: Activity Data				
Activity	2017 Actual	2018 Actual	2019 Target	2020 Target
Debt Issuances	4	6	4	4
Monitor Capital Program	ongoing	ongoing	ongoing	ongoing
Provide Carryover Report	1	1	1	1

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$269,682	\$225,952	\$225,688	\$231,960	\$6,272
Revenues	\$0	\$0	\$0	\$0	\$0
Tax Levy	\$269,682	\$225,952	\$225,688	\$231,960	\$6,272
FTE Positions	2	2	2	2	0

Strategic Overview: Pursuant to Wisconsin Statutes §59.255(2)(a), the Central Capital Section is responsible for overseeing all of the County's debt, including issuance of debt and monitoring debt-finance capital programs.

Strategic Implementation: This Section will continue to implement the ERP system in 2020.

COMPTRROLLER (3700) BUDGET

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Strategic Program Area 5: Central Payroll

Service Provision: Administrative

Strategic Outcome: High Quality, Responsive Services

What We Do: Activity Data				
Activity	2017 Actual	2018 Actual	2019 Target	2020 Target
Processes payroll	26	26	26	26
Issues W-2s	1	1	1	1
Oversee Travel Cards	No activity	No activity	No activity	Approx. 75

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$799,115	\$649,951	\$647,140	\$570,772	(\$76,368)
Revenues	\$17,468	\$18,580	\$17,000	\$18,000	\$1,000
Tax Levy	\$781,646	\$631,371	\$630,140	\$552,772	(\$77,368)
FTE Positions	11.7	11.7	12.0	10.3	(1.7)

Strategic Overview: Pursuant to Milwaukee General Ordinances, the Central Payroll Section is responsible for countywide payroll processing. This Unit also is responsible for administering the County’s payroll and time reporting system.

Strategic Implementation: This Section will implement the ERP system’s payroll functions in 2020. Two Payroll Specialists and one Payroll Systems Coordinator are abolished. Two Payroll Team Leads are created to coordinate the ERP payroll functions.

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Strategic Program Area 6: Audit Services

Service Provision: Mandated

Strategic Outcome: High Quality, Responsive Services

What We Do: Activity Data				
Activity	2017 Actual	2018 Actual	2019 Target	2020 Target
Fraud, Waste, and Abuse Allegations Processed	115	91	91	91
Bank Reconciliations Performed	716	767	748	748

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$2,046,765	\$1,534,100	\$1,698,846	\$1,835,401	\$136,555
Revenues	\$0	\$0	\$0	\$0	\$0
Tax Levy	\$2,046,765	\$1,534,100	\$1,698,846	\$1,835,401	\$136,555
FTE Positions	17.6	17.6	16.9	17.7	0.8

Strategic Overview: Pursuant to Wisconsin Statutes §59.255(2)(i), the Audit Services Division is responsible for performing all audit functions related to County government. These functions are all to be performed in accordance with government auditing standards issued by the Comptroller General of the United States.

Strategic Implementation:

In 2015, the Audit Services Division entered into a Professional Service Agreement for Baker Tilly Virchow Krause, LLP, to assist the Office of the Comptroller in the compilation and completion of the Comprehensive Annual Financial Report and to provide other financial assistance. This Agreement was subsequently extended and amended three times. The contractor is documenting year-end closing procedures among other duties. The Audit Services Division is authorized to enter into a Fourth Amendment to the Agreement with Baker Tilly in order to increase the Agreement by \$25,000 (resulting in a \$140,000 total contract amount) and extend the Agreement through December 31, 2020.

As authorized by the County Board in File 14-704, Baker Tilly Virchow Krause, LLP, will continue to audit the County's basic financial statements during 2020 for the year ended December 31, 2019, and provide a final audit report as part of a 2020 Professional Service Agreement. Baker Tilly committed to a Disadvantaged Business Enterprise goal of 34% on this contract.

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Strategic Program Area 7: Research Services

Service Provision: Administrative

Strategic Outcome: High Quality, Responsive Services

What We Do: Activity Data				
Activity	2017 Actual	2018 Actual	2019 Target	2020 Target
Produce Annual Budget Overview	1	1	1	1
Prepare resolutions for elected officials	Approx. 59	Approx. 46	70	70
Provide professional administrative staff for legislative meetings	109	101	115	115

Category	2017 Actual	2018 Actual	2019 Budget	2020 Budget	2020/2019 Variance
Expenditures	\$365,337	\$258,749	\$297,352	\$301,348	\$3,996
Revenues	\$0	\$0	\$0	\$0	\$0
Tax Levy	\$365,337	\$258,749	\$297,352	\$301,348	\$3,996
FTE Positions	4	4	4	4	0

Strategic Overview: Pursuant to Wisconsin Statutes §59.52(32), the Research Services Section was created by the County Board to provide independent and nonpartisan research services for the County Board and the County Executive.

Strategic Implementation: There are no major changes in 2020.