

2024 Proposed Budget Overview



Comptroller

Mission: Provide accurate and transparent financial services to City of Milwaukee departments and citizens.

Finance & Personnel Committee

Budget Hearing: 9/29/23

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2024 Budget Summary

Category	2023 Adopted Budget	2024 Proposed Budget	Amount Change	Percent Change
FTEs - O&M	41.00	14.39	-26.61	-65%
FTEs - Other	10.00	37.61	27.61	276%
Total Positions Authorized	56	56	0	0%
Salaries and Wages	\$2,834,853	\$1,113,161	-\$1,721,692	-61%
Fringe Benefits	1,275,684	500,922	-774,762	-61%
Total	\$4,110,537	\$1,614,083	-\$2,496,454	-61%
ARPA Salaries	\$0	\$2,100,000	\$2,100,000	-
ARPA Fringe Benefits	0	945,000	945,000	-
Total & ARPA	\$0	\$4,659,083	\$4,659,083	-

- **Positions:**

- FTE's increased by 1 from 51 to 52 but no change in authorized positions

- **Salaries & Wages**

- Increased from 2023 due to market study, 2% raises and 1% longevity pay
- Fund Financial Systems Analyst – Held in 2023

Operating & Equipment Expenses

Category	2023 Adopted Budget	2024 Proposed Budget	Amount Change	Percent Change
Operating Expenditures	258,000	260,000	2,000	1%
Equipment	50,000	50,000	0	0%
Total	\$308,000	\$310,000	\$2,000	1%

- **Operation**

- Increase of \$2,000 from 2023 in Professional Services for Governmental Accounting Standards Board (GASB)

- **Equipment**

- \$50,000 to replace computers and IT equipment for a 4-year replacement cycle

Special Purpose Accounts

Account Description	2023 Adopted Budget	2024 Proposed Budget	Amount Change	Percent Change
Annual Payment to DNR	\$7,100	\$7,100	\$0	0%
Bds. & Comm. Reimbursement Expense	16,000	16,000	0	0%
Contribution Fund General	2,900,000	2,900,000	0	0%
Firemen's Relief Fund	177,000	190,000	13,000	7%
Reserve for 27th Payroll	1,500,000	1,500,000	0	0%
Total	\$4,600,100	\$4,613,100	\$13,000	0%

- Pursuant City Charter 20.18(2), 1/8 of Fire insurance premium state aid payment received goes to support Fireman's Relief fund

Revenues

Description	2023 Adopted Budget	2024 Proposed Budget	Amount Change	Percent Change
Charges for Services	\$510,000	\$500,000	\$-10,000	-2%
Total	\$510,000	\$500,000	\$-10,000	-2%

- Slight reduction in anticipated revenues by 2% for charges for service

Key Performance Measures

Indicators	2022 Actual	2023 Projected	2024 Planned
Percent of actual revenues to revenue estimate	102.7%	100%	100%
Internal audit work products	12	8	8
Unqualified audit opinion by the city's independent auditor	Yes	Yes	Yes

2024 Major Updates - Department

- Funding restored for Financial Systems Analyst, which has been unfunded since 2021
 - Restoring this position will improve response times for FMIS/HRMS service requests, increase frequency of citywide training, and allow other Systems Support staff to focus on ERP implementation
- 2nd year of contracting for IT audits
 - Arrangement has been successful so far this year



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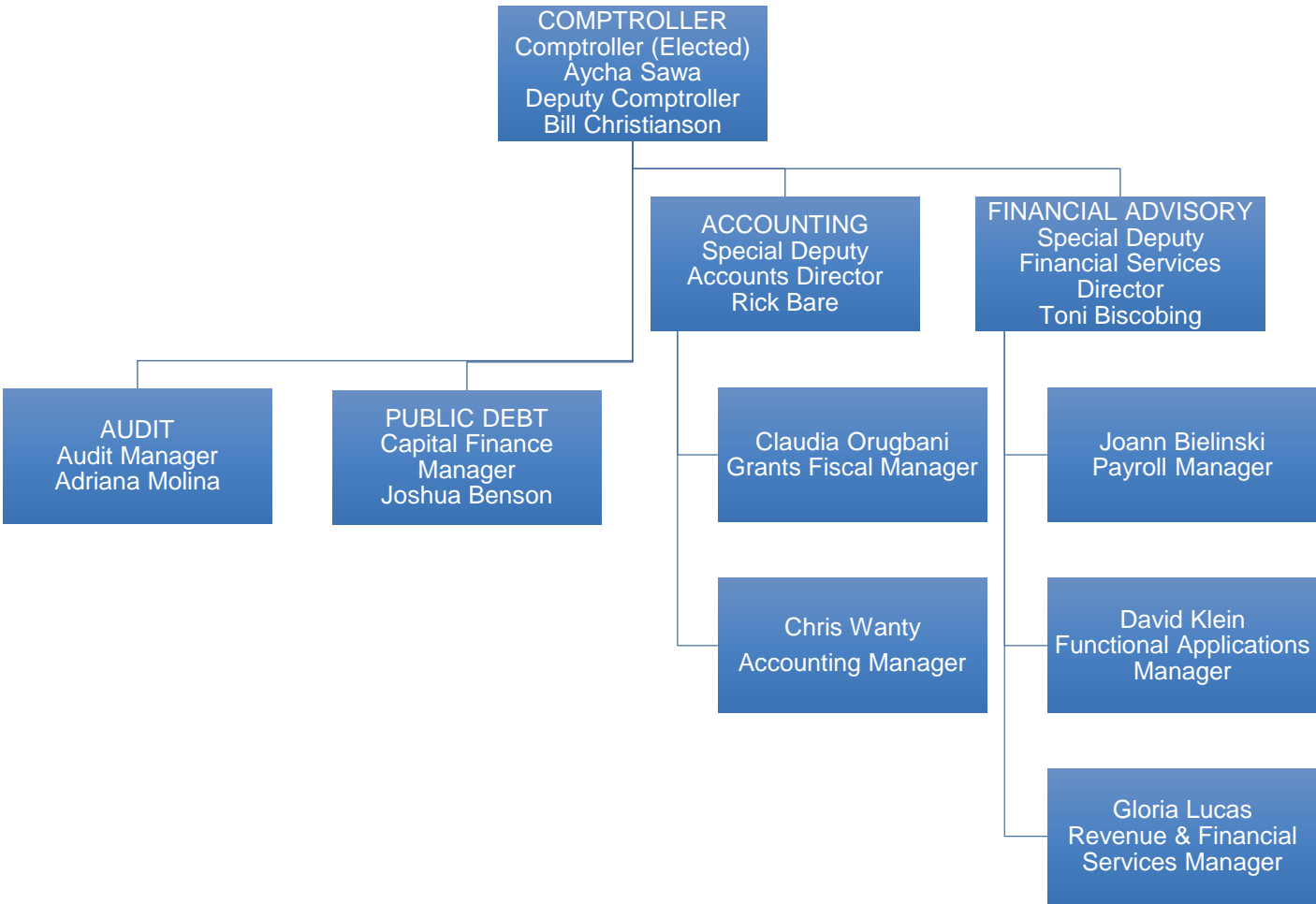
2024 Budget Hearing

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City of Milwaukee Comptrollers Office



Department Demographics



	Female	Male	Total	%
Asian	3	1	4	8%
Black	6	3	9	19%
Hispanic	6	1	7	15%
White	15	13	28	58%
Total	30	18	48	100%
%	63%	37%	100%	



Administration oversees and manages the Comptroller's Office which is empowered with the financial oversight of the City

- Senior Management Team
 - Comptroller
 - Deputy Comptroller
 - Accounting Director
 - Financial Services Director
- Awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting for 2021 financial statements (ACFR)
- Launched Open Checkbook

General Accounting



General Accounting establishes accounting policies and procedures for all City departments

- Processed 73,307 vouchers representing \$1.2 billion in payments
- Processed 2,751 journals representing 69,000 journal entry lines
- Processed 1,607 Interdepartmental Requisition and Invoices (IRIs)
- Maintain information for over 8,000 current suppliers
- Account for 3,998 Tax Deed properties valued at \$44 million
- **City Budget** – analyze, reconcile and load into FMIS
- **Financial Reporting** – Responsible for preparing Annual Comprehensive Financial Report (ACFR). Received unmodified (clean) audit opinion from independent external auditors. Responsible for the City receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting. Accounting Manager and Assistant Accounting Manager were awarded individual Certificates of Achievement from GFOA.



Revenue and Cost exercises fiscal administrative oversight for the City's federal and state grants and sub-awards granted to other entities

- Completed 24 subrecipient desk reviews and issued management decisions within the compliance period
- Conducted 24 site and preliminary reviews
- Processed 10,609 cost reports and AP vouchers
- Completed grant funds financial statements for the Annual Comprehensive Financial Report and other required grant reports
- **Financial Reporting** – Completed/submitted single audit report timely with no material weakness in internal controls – \$210 million expenditures. Grants Fiscal Manager and Assistant Grants Fiscal Manager were awarded individual Certificates of Achievement from GFOA.

Payroll Administration



Payroll Administration manages Citywide employee payments and taxation

- Produces 200,000 documents annually, inclusive of pay advices, pay checks, 941 Employment Tax Reporting, 941x amendments mainly due to worker's compensation reclasses, W-2's, W-2c, USERRA pay and pension compliance, SSA reporting, and garnishment administration.
- Process over \$470 million in pay annually
- Processed and paid \$103.9 million in State/Federal withholding, Social Security, Medicare taxes
- Audits all payroll time entry to assure it is paid according to MCO and laws
- Offers expert advice and training in payroll and taxation, including knowledge of other state tax laws necessary to administer payroll
- Five payroll team members, collectively with 104 years of City experience, and two Certified Payroll Professionals (CPP). Staff has engaged in over 100 hours of compliance, taxation, and management training in 2023, so far.
- Last pay period, employee compliance for direct deposit was at 99.1%



Internal Audit performs operational, financial, IT, and compliance audits of City departments

- Passed 2019-2021 Yellow Book Peer Review in 2022 with highest rating possible
- Will complete 8 Audits (3 consultant-led) in 2023
- Completed 3 Annual Reports in 2023: Annual Work Plan, Fraud Hotline Annual Report, and Annual Audit Finding Follow-Up
- Plan 8 Audits for 2024 plus 3 Annual Reports above



Financial Advisory provides independent financial analysis

- Prepares independent revenue estimates for City's Budget
- Calculates Citywide fringe benefit and indirect cost rates
- Calculates sewer user rates for recovery of sewer service charges
- Compiles annual Municipal Financial Report which is the basis for State Transportation Aids
- Certifies tax levies for all taxing jurisdictions and prepares Comptroller's Annual Combined Property Tax Report
- Analyzed and reviewed 7 TIDs and Amendments year to date



Public Debt manages the City's \$1 billion debt program

- Manages City's access to sources of liquidity
- Executes bond sales to finance the City's capital program
- Ongoing compliance with IRS and SEC requirements
- Maintains relationships with Rating Agencies and Investors
- Acts as staff for the City's Public Debt Commission



Systems Support administers the Citywide financial and human resources information systems and provides IT support throughout the Comptroller's Office

- Provides functional assistance citywide for finance and HR applications
- Oversees internal financial reporting and provides analysis regarding financial system data
- Supports remote work needs for Comptroller staff
- Functions as Comptroller's Office lead on the ERP replacement project.

Racial Equity & Inclusion Growth Strategy



Three Growth Pillars: *How will we scale in the future?*

Commitment and Foundation

- Revamp Diversity Statement to be more inclusive
- Internal and external policies
- Leadership engagement
- Training

Workforce

- Breaking barriers to reach out to our community for job postings
- Have ongoing conversations

Community Involvement

- Translate PAFR, Fraud Hotline brochure, tax bill insert (Hmong & Spanish)
- Include translated materials on website





What has been done in the last 12 months and what will be done

Highlights

- Utilized results from REI Survey to create Growth Pillars
- Equity and Inclusion Statement included with Office Work Rules beginning 2022
- REI Leadership Training
- Access to Language Line & Multiple translated financial reports
- Launched Open Checkbook
- Implement volunteer opportunities

Focus

- **Commitment and Foundation**
 - Formalized Growth Strategy for internal and external stakeholders
- **Workforce**
 - Training/Learning Opportunities
 - Policies and procedures
 - Volunteer Opportunities
- **Community Access and Involvement**
 - More translated reports
 - Open Checkbook