

1 Supervisor Johnson, Jr., Chairman,
2 By the Committee on Finance reporting on:

3
4 File No. 25-74
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6 A resolution by the Committee on Finance relating to an informational report from the
7 Comptroller, Office of the Comptroller, regarding the 2025 year-end fiscal projection for
8 Milwaukee County

9
10 **A RESOLUTION**
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12 WHEREAS, on March 13, 2025, the Committee on Finance reviewed Reference
13 File 25-74, an informational report from the Office of the Comptroller regarding
14 Milwaukee County's 2025 year-end fiscal projection; and

15 WHEREAS, in a report dated March 5, 2025, reflecting fiscal activity through
16 January 31, 2025, the Comptroller projects a county-wide deficit of approximately \$7.6
17 million for 2025; and

18 WHEREAS, the primary drivers of this projected deficit include shortfalls in:

- 19
- 20 • Office of the Sheriff: \$6.8 million
 - 21 • Community Reintegration Center: \$3.7 million
 - 22 • Sales Tax Revenue: \$7.2 million

23 which are partially offset by projected surpluses in:

- 24
- 25 • Investment Earnings: \$4.9 million
 - 26 • Appropriation for Contingencies \$5.1 million

27 ; and

28 WHEREAS, while the fiscal forecast is expected to fluctuate throughout the year,
29 proactive measures must be taken to prevent a budget shortfall at year-end; and

30 WHEREAS, in July 2024, the Comptroller reported to the Committee on Finance
31 that the County could face a deficit of up to \$19 million, prompting the Office of Strategy,
32 Budget and Performance to develop a corrective action plan (File No. 24-755), which
33 the County Board adopted in September of 2024; and

34 WHEREAS, the 2024 budget shortfall was mitigated through many items, aided
35 by unspent American Rescue Plan Act (ARPA) funds, capital project surpluses, and a
36 \$5.23 million withdrawal from the County's Debt Service Reserve; and

37 WHEREAS, with many one-time budget solutions already utilized, fewer options
remain to offset future deficits, potentially requiring greater draws from the Debt Service
Reserve; and

38 WHEREAS, minimizing the reliance on the Debt Service Reserve is critical to
39 maintaining the County's long-term financial stability, requiring alternative budget saving
40 solutions; and

41 WHEREAS, the Administration, led by the Office of Strategy, Budget and
42 Performance, should develop a comprehensive plan to balance the budget for
43 policymaker review and approval; now, therefore,

44 BE IT RESOLVED, that the Director, Office of Strategy, Budget and Performance
45 is requested to develop a cross-functional workgroup to develop a plan that includes,
46 but is not limited to:

- 47 • Minimizing the impact on the Debt Service Reserve while addressing the
48 projected deficit.
49
- 50 • Identifying permanent solutions to reduce or eliminate budget deficits in the
51 Office of the Sheriff and Community Reintegration Center.
52
- 53 • Collaborating with the Chief Judge to expand the use of virtual hearings for
54 noncriminal court proceedings, thereby reducing bailiff services.
55
- 56 • Providing an update on the Wisconsin Policy Forum's November 2023 report,
57 *Partnering Up – A scan of Back Office Service Sharing Possibilities for the City*
58 *and County of Milwaukee.*

59 ; and

60 BE IT FURTHER RESOLVED, that the Director, Office of Strategy, Budget and
61 Performance shall provide regular updates on the status of the budget deficit reduction
62 efforts and seek approval from the County Board any for items requiring authorization.