

# **2000 PLAN AND BUDGET SUMMARY**

CITY OF MILWAUKEE

STATE OF WISCONSIN

Department of Administration  
Budget and Management Division

David Riemer  
Administration Director

Laura J. Engan  
Budget and Management Director

## Budget and Management Staff:

Gary M. Langhoff

Sam Abbas (Intern)

Toni F. Biscobing

Deborah A. Carroll (Intern)

Nancy Engelhardt

Colleen Forrest

LaQuisha D. Harrell

Crystal E. Ivy

Craig Kammholz

Rhonda U. Kelsey

Eric C. Pearson

Sandra J. Rotar

Dore M. Rozwadowski

Linda Schubert-Ross

Dennis A. Yaccarino

# GUIDE TO BUDGET DOCUMENTS

## PLAN AND BUDGET SUMMARY

A document containing an overview of economic conditions in Milwaukee; a fiscal summary of the 2000 budget; an economic forecast for Milwaukee; detailed narrative descriptions of each department's mission, objectives, outcome measures and related activities; and a summary of appropriations by expenditure category. This document is printed annually in proposed and final form as follows: the *Proposed Plan and Executive Budget Summary* contains the Mayor's Executive Budget as presented to the Common Council for review. The *Plan and Budget Summary* contains the budget as adopted by the Common Council.

## BUDGET

The official City of Milwaukee line-item budget. It provides a listing of all appropriation accounts by department. It is published after final budget adoption.

## SIX-YEAR CAPITAL PLAN

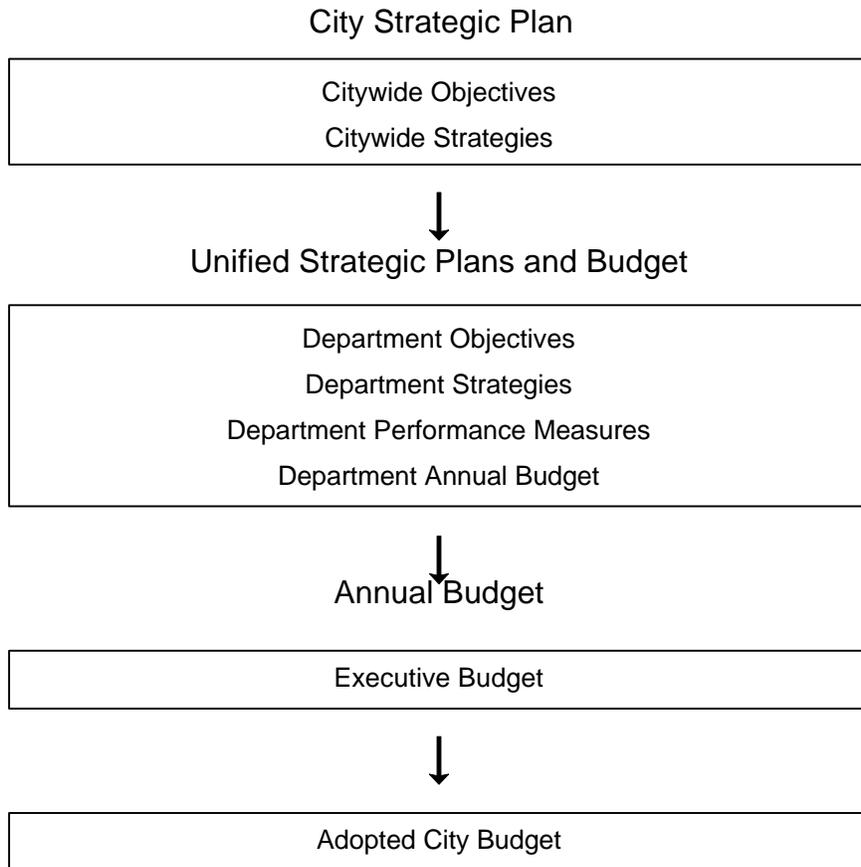
A presentation of the city's six-year capital program. It includes details on planning, financing, infrastructure, and urban development undertakings involved in the capital plan. It is published the spring following budget adoption.

To obtain copies of the:  
*Proposed Plan and Executive Budget Summary,*  
*Plan and Budget Summary,*  
*Budget, or*  
*Six-Year Capital Plan,*

Contact:  
Budget and Management Division  
City Hall - Room 307  
200 East Wells Street  
Milwaukee, WI 53202  
(414) 286-3741  
(414) 286-5475 (fax)

Visit the Budget and Management Home Page at:  
[www.ci.mil.wi.us/citygov/doa/bmd/bmd.htm](http://www.ci.mil.wi.us/citygov/doa/bmd/bmd.htm)

# BUDGET AND PLANNING PROCESS



**CALENDAR DATE**

**ACTIVITY**

January-March	Departments Prepare Plans, Objectives, and Performance Measures
March 18	Departments Receive Budget Materials
May 11*	Plans and Budget Requests Due
June 21-23	Mayor's Public Hearings on Plans and Budgets
July-September	Mayor's Executive Plan and Budget Review
September 28**	Plan and Budget Submitted to Common Council
Oct. 4 – Nov. 12	Legislative Hearings
November 4 & 5 Days	Finance and Personnel Committee Budget Amendment
November 12***	Common Council Action on Budget

\* Second Tuesday in May  
 \*\* Legal Deadline September 28  
 \*\*\* Legal Deadline November 14

## ELECTED OFFICIALS

MAYOR ..... John O. Norquist  
CITY ATTORNEY ..... Grant F. Langley  
CITY COMPTROLLER ..... W. Martin Morics  
CITY TREASURER ..... Wayne F. Whittow

## COMMON COUNCIL

PRESIDENT ..... John R. Kalwitz

### DISTRICT

### ALDERPERSON

FIRST .....	Marvin E. Pratt
SECOND .....	John R. Kalwitz
THIRD .....	Michael S. D'Amato
FOURTH .....	Paul A. Henningsen
FIFTH .....	Daniel F. Schramm
SIXTH .....	Marlene E. Johnson-Odom
SEVENTH .....	Fredrick G. Gordon
EIGHTH .....	Wayne P. Frank
NINTH .....	Donald F. Richards
TENTH .....	George C. Butler
ELEVENTH .....	Annette E. Scherbert
TWELFTH .....	James N. Witkowiak
THIRTEENTH .....	Jeffrey A. Pawlinski
FOURTEENTH .....	Suzanne M. Breier
FIFTEENTH .....	Thomas G. Nardelli
SIXTEENTH .....	Michael J. Murphy
SEVENTEENTH .....	Willie L. Hines, Jr.

## MUNICIPAL JUDGES

BRANCH 1 ..... Vincent Bobot  
BRANCH 2 ..... Louis B. Butler, Jr.  
PRESIDING JUDGE, BRANCH 3 ..... James A. Gramling, Jr.

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John O. Norquist

Mayor

City of Milwaukee

January, 2000

**Budget Transmittal Statement  
From Milwaukee Mayor John O. Norquist**

This budget deals head-on with large challenges yet strengthens the health and safety of Milwaukee children, families, and neighborhoods with the fewest tax dollars required.

I want to express my gratitude to everyone in city government who worked to assemble this year's budget. In particular, I'd like to thank City Attorney Grant Langley, and budget director Laura Engan, who labored to resolve outstanding pension issues.

Yes, we face some serious budgetary challenges this year, and we are prepared to meet them - calmly and strategically - as we have handled all twelve city budgets the Council and I have worked on together.

I believe in Milwaukee. I believe in the strengths of our community and I believe in the enormous potential our people have to improve life in this city.

Property values and wealth continue to grow in the city, so do the number of jobs here. Milwaukee is a more and more attractive place to live, visit and do business - just ask Rockwell International, Firststar, Allen-Edmond Shoes, American General Financial Group's Life Division, and others who have chosen to locate, expand and prosper here. This is a good time for Milwaukee.

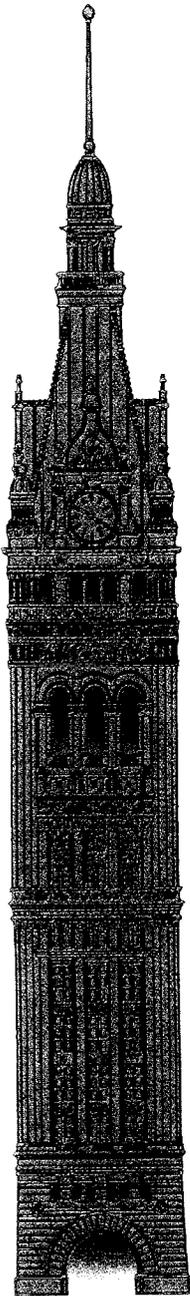
And, just think about Milwaukee's future.

We have an education system that is becoming a real system. Public schools, Charter and Choice schools have refocused their mission -- serving students and parents first and graduating young people with the knowledge and skills to succeed for the rest of their lives. April's election brought a new, reform-minded school board and superintendent, and a new era of cooperation to improve our public schools.

Our police, fire, and health departments remain focused on improving safety for our children and all our residents. By reducing crime, preventing fires and injuries, and fighting to reduce lead poisoning and increase immunization rates, Milwaukee's future, and the future of our children, is brighter.

And that future is brighter because we have built on the historic, natural advantages of Milwaukee. We have a city that works; a city with beautiful buildings and natural settings; a city with solid neighborhoods where residents share concerns and goals; a culture of hard work and quality production.

Under the stewardship of my administration and the Milwaukee Common Council, we have agreed on city budgets that promote these strengths. We've worked together to solve problems. Our actions and our mission as the leaders of the government have been to build



Office of the Mayor  
City Hall  
200 East Wells Street  
Milwaukee,  
Wisconsin  
53202  
(414) 286-2200  
fax (414) 286-3191



a better Milwaukee by adding value to the lives of our people - and that has been my goal in putting together this budget.

The city budget for the year 2000 includes a total tax levy that is slightly smaller than this past year's tax levy. We continue our commitment to keep increases in spending below the rate of inflation. We owe that to our taxpayers.

Some people had made dire predictions about the year 2000 budget . . . anticipating big layoffs and huge tax increases. That's not what we ended up with. This budget reduces the number of positions, but because of the hiring freeze and other efficiencies the human impact is minimized.

I don't relish cutting jobs from city government. We value the work every city employee does. Just think about what we ask of them . . . in the dead of winter, in the middle of the night, city employees plow the streets clear of snow . . . our police risk their lives to protect us . . . when a water main breaks city employees fix it even if the outside temperature is twenty degrees below zero . . . and when a fire drives the temperature inside a burning house to four hundred degrees, we ask city employees to go in and extinguish the flames. Our city employees deserve good salaries . . . and they deserve good pension benefits. But as important as their efforts are, we also owe a lot to our taxpayers. Taxpayers deserve good city service at the lowest possible cost.

Yet, the city of Milwaukee continues to have more city employees per capita than any other local community with the exception of River Hills . . . and, obviously, the wealth of River Hills puts it in an entirely different situation. We ask a lot of Milwaukee taxpayers when municipal employment is so high.

The extraordinary challenge of resolving legal disputes over our city pension fund has been the focus of much of our attention in the last nine months. We will not resolve our pension disputes by creating a financial crisis five years from now . . . or ten years from now, even though some unions asked us to do just that. The offer we made, about a thirteen percent pension increase for every employee and retiree, is a generous and fair method of distributing more than \$400 million in surplus pension accounts. In fact, existing city pensions are far greater than most Milwaukee taxpayers could ever dream of having themselves.

We have made progress toward a settlement, and it is my hope a pension agreement could be finalized within several months.

There is a small group of retirees who need our help and who have not been litigating to enhance their benefits. With your assistance, I want to help the members of the Fire and Police Annuity and Benefit Funds. They were not represented in the pension talks. No one made demands on their behalf. But their benefits have been frozen -- for some, at remarkably low amounts.

This budget includes \$300,000, a modest improvement for the 636 members of this plan. Most of the money will be distributed to retirees and their spouses whose benefits fall below the poverty level. I'm sure you'll agree. It's the right thing to do.

While this city budget is frugal, the people of Milwaukee will not see significant service reductions. We will

provide the good service residents expect and demand. And I am pleased to say that in some important cases, services are being improved, including:

- ▶ The budget includes additional health protections for our children by continuing our nationally recognized lead abatement program. We have received encouraging updates on the progress of our pilot lead abatement ordinance. We've attained a significant reduction in the number of lead poisoned children. Our latest efforts protect children before lead poisons their blood. And, if we can avoid lead poisoning, we can avoid the health and developmental problems that accompany lead poisoned kids. The benefit from this program is far greater than its cost . . . in fact, it's immeasurable.
- ▶ A significant new investment in computers in our public libraries while some cities are cutting back their library services. We will add 125 new computers to increase the connection between Milwaukee residents and the Internet, and to improve access for people who do not have . . . or cannot afford . . . home computers.

Technology is a growing component of library services and I'm proud of the progress and innovation our public library has shown in this field. One interesting aspect of our library's program is an innovative project in which high school students are paid to help members of the public navigate their way through the library's computers. Grants from public and private agencies have helped expand computer technology at our libraries.

- ▶ Within the last year we've developed new and productive partnerships with Milwaukee's public schools. This budget continues to reflect the commitment we've made to address critical needs of MPS. Since 1988, the investment by the city and our redevelopment authority of more than \$160-million dollars has eliminated the MPS "deferred maintenance" problem - and made MPS a more attractive resource for parents. I have proposed a Compact for Excellence, in which city and MPS work together to make our schools safer, offer more and improved neighborhood schools, and expanded after-school alternatives for young people.
- ▶ Working with schools and private foundations, the city's forestry department has begun replacing portions of asphalt playgrounds with trees and green space, adding to the city's natural canopy. And, guess what, the kids love it.
- ▶ We have a partnership with MPS, organized labor, the business community, and Jane Pettit to move ahead with a new Milwaukee Tech High School. We all agree that Milwaukee children should get the best preparation for their future careers . . . and that's what we're going to provide.

I have proposed some changes in the structure of some parts of city government to improve the efficient delivery of key services:

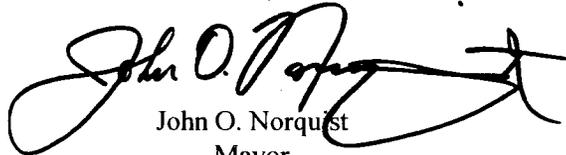
- ▶ For example, our fire department will play an increased role in emergency medical responses. New equipment and some added service will bring a quicker emergency response for people who need an ambulance.

- ▶ You will also see some changes in the Department of Administration where city computer system services will be streamlined. In the Department of City Development, our new Mainstreets marketing program will help neighborhood business districts improve their appearance and success.
- ▶ Our highly successful effort to fight drug dealing, the Drug Abatement program, which up until 1999 had received state funding, will continue with local resources. The work of the police and other departments in Drug Abatement has been splendid. Since its inception Drug Abatement has shut more than 6,000 drug houses, and neighborhoods all around the city are safer as a result.

The people of Milwaukee have high expectations of city government. We hear that regularly in the phone calls and letters sent to city hall. This budget meets those expectations.

This budget, guided by fairness and frugality, gives Milwaukee a stronger fiscal foundation for the 21st century and makes it a place people will continue to choose to live, work and prosper.

Thank you,

A handwritten signature in black ink, appearing to read "John O. Norquist". The signature is fluid and cursive, with a large initial "J" and "N".

John O. Norquist  
Mayor

**MARVIN E. PRATT**

Alderman

1st ALDERMANIC DISTRICT

City Hall, Room 205

200 East Wells Street

Milwaukee, Wisconsin 53202-3570

Office 286-2221



CHAIR:  
Finance & Personnel Committee  
Labor Policy Committee

VICE CHAIR:  
Steering & Rules Committee

MEMBER:  
Judiciary & Legislation Committee  
Deferred Compensation Board  
Central Board of Purchases  
Greater Milwaukee  
Convention & Visitors Bureau  
Wisconsin Center Board

## **FINANCE & PERSONNEL COMMITTEE REPORT ON THE 2000 ADOPTED CITY BUDGET**

Each year, the Finance & Personnel Committee reviews the Mayor's Proposed Executive Budget for the City of Milwaukee, and submits its recommended amendments to the full Common Council. On November 12, 1999, the Council adopted a 2000 City Budget. There were no mayoral vetoes.

Every budget season provides its own challenges and opportunities, but the 2000 City Budget review was a veritable conundrum precipitated by lack of a global pension settlement and a shortfall in anticipated state aid. The Mayor's Proposed 2000 Budget called for a tax rate of \$9.85 per \$1,000 of assessed valuation. The Common Council's actions ultimately resulted in a rate of \$9.69, two cents less than last year.

I wish to thank my colleagues on the Finance & Personnel Committee, Vice-Chair Ald. Suzanne Breier, Ald. Michael Murphy, Ald. Daniel Schramm and Ald. James Witkowiak for their commitment to maintaining basic services and enhancing the quality of life in our City, while containing costs. This budget season was the first time a Finance Committee budget hearing was held away from City Hall. On Monday, October 18, 1999 a public hearing on the proposed budgets for the Fire Department, Police Department and Library was held at the Center Street Library, 2727 W. Fond du Lac Avenue. I commend my committee colleagues for their efforts at "bringing the budget to the community," and hope that additional budget hearings will be held in neighborhood settings in future years, too.

**The Council's approach to the 2000 Budget keyed on maintaining quality services provided to taxpayers while respecting the state expenditure restraint program guidelines to ensure future state aid, making a conservative withdrawal from the tax stabilization fund to protect cash reserves, and implementing an increase in the sewer maintenance fee to more evenly distribute actual costs among property owners.**

Shifting \$12.9 million for relief and relay sewers from the Capital Improvements Budget to the Sewer Maintenance Fund's Budget, a mayoral initiative approved by the Council by amendment, provided the City with a cashlike instrument to reduce the tax levy by approximately \$10 million. The impact of the Sewer Capital Transfer amendment lowered the tax rate per \$1,000 of assessed value by about 65 cents and increased the sewer fee for the typical Milwaukee single family household by \$11.62, which was in addition to the initial increase of \$7.06 in the Mayor's Proposed Budget submitted to the Council on September 28, 1999.

Implementation of new user fees and enhancement of existing revenue streams is one tool available to City policy makers to reduce reliance on the property tax for funding government operations. Revenue of \$19.3 million related to fines and forfeitures for violating municipal ordinances is included in the 2000 Budget, an increase of \$2.5 million from the 1999 Budget. The \$2.5 million increase includes \$1 million due to an ordinance change increasing fines for various parking-related violations; \$500,000 related to an increase in parking checker activity resulting from their relocation from the Police Department to the Parking Fund; \$500,000 from improved collection processes; and \$400,000 from a \$5 increase in the late fee to cover the cost of administration related to the state driver license suspension program.

The 2000 City Budget includes an anticipated payment of \$3,380,000 from the Forest County Potawatomi related to a gaming agreement reached with the City in 1999. The Mayor's Proposed Budget had counted these funds as part of General City Revenue. However, by amendment, the Council moved the funds to an account within the Permanent Improvement Fund to allow use of the funds for aldermanic initiatives in future years. In 2000, the \$3.4 million payment will be transferred from the special fund to general revenue, to avoid tax levy impact..

**Common Council initiatives which were approved as part of the 2000 Adopted Budget include:**

- Restoring position authority and funding for the provision of Library Bookmobile service to residential stops across the City.
- Restoring 4 Safety Specialist positions in the Department of Public Works to enable continued employee safety education and a reduction in employee injuries.
- Restoring 6 positions of Sanitation Supervisor in the Sanitation Division – Department of Public Works to maintain service levels in all neighborhoods.
- Providing \$50,000 in a Special Purpose Account for a joint media campaign with the State of Wisconsin relating to handgun violence.

- Providing \$25,000 in a Special Purpose Account for the Canadian-American Police Games.
- Adding position authority in the Employees' Retirement System office to enable adequate staffing in anticipation of implementation of a global pension settlement and a new pension management information system.

**In anticipation of preparation for the Year 2001 Budget process, the Common Council may wish to consider the following:**

- As the City's largest revenue source, Intergovernmental Aid, continues to decline and fails to keep pace with inflation rates, the Council may wish to consider new proposals for expanded user charges.
- With annual multi-million dollar liability related to various pension-related lawsuits looming, we must continue to work together with other City officials, employees, labor representatives and retirees to reach a global settlement of all outstanding pension issues.
- In order to protect the City's credit rating, the Council may wish to establish a formal policy regarding the ongoing balance of the Tax Stabilization Fund, to exert more influence on budget planning.

We are poised at a historic moment in time, the Millennium. It is also a critical point in the City of Milwaukee's history; the Common Council and the mayoral administration must work together to preserve the ideal of what Milwaukee was, and what it can be in the future.

Respectfully submitted,



Marvin E. Pratt  
Alderman, 1<sup>st</sup> District  
Chair, Finance & Personnel Committee

## **THE VALUE OF MILWAUKEE**

Milwaukee exists because it possesses natural economic advantages which cause people and businesses to concentrate in large and increasing numbers. As a result of the proximity and connectedness of Milwaukee's diverse people and enterprises, huge benefits flow -- jobs are created, markets are formed and expanded, wealth is created, and surplus wealth leads to culture.

## **OUR VISION FOR MILWAUKEE**

We want Milwaukee to become an even more desirable place to live and work. Our city's attributes include:

- dynamic and accessible markets gainfully employing citizens;
- safe, strong, and beautiful neighborhoods with well-maintained housing and a healthy environment; and,
- a flourishing culture recognized for its arts, recreation, museums, and institutions of education.

## **MISSION**

City government is dedicated to reducing spending while giving residents and businesses the highest quality services possible. The city also works to create local, state, and federal policies (especially transportation, welfare, and education policies) that enhance the natural advantage of Milwaukee. We are committed to:

- providing a safe, secure environment for citizens and visitors;
- promoting an economic climate that supports job creation;
- creating opportunities that make citizens successful; and,
- providing a sound and highly reliable physical infrastructure, including transportation and water systems, and a safe, healthy environment.

# MILWAUKEE'S CHILDREN: INVESTING IN OUR FUTURE

## INTRODUCTION

As the world stands on the threshold of a new millennium, many will look back, reflecting on past achievements. Others may gaze into the future, with grandiose ideas, attempting to define a world yet to come. The following pages will describe some of Milwaukee's recent accomplishments and its plans and priorities for the days to come. However, this narrative will not turn its attention toward compiling a catalog of the successes of yesterday. Nor will it define bold plans and visions for tomorrow. Instead, much like the city's efforts in 2000 and beyond, this introduction will focus its attention on the city's children, the real future of Milwaukee.

Children hold boundless promise of things to come. They will become our future mayors, presidents, doctors, nurses, astronauts, chief executive officers and librarians. In order for them to reach their goals — to fulfill their limitless promise — the community must invest in them today. Today's children have opportunities virtually unimagined 20 years ago, thanks to technology that has revolutionized learning and communications and has opened numerous doors for employment in fields that did not even exist at the beginning of the decade. However, today's children also confront issues and concerns unique to their time: violence in school, on the street, and at home; widespread availability and use of drugs; classrooms that fail to teach; teen pregnancy and sexually-transmitted diseases. No generation has ever enjoyed greater opportunities. No generation has faced greater risk.

In order to prepare our children for life in the 21<sup>st</sup> century, to help them exploit the advantages available to them and avoid the ever-present dangers, we must "invest" in them now. Moreover, we must invest in them by doing more than simply building libraries or providing health services. Milwaukee must make neighborhoods viable and safe for our children to live and play. Affordable and safe housing, as well as economic opportunity, provide the cornerstones of healthy neighborhoods.

The City of Milwaukee remains committed to meeting the needs of its children. The city will meet this goal either by providing services where appropriate or by strongly encouraging the necessary changes at other levels of government. From BadgerCare to school choice, the City of Milwaukee has exerted its leadership to improve the quality of life for all of the city's children.

## EDUCATING MILWAUKEE'S CHILDREN: THE CITY'S ROLE

The successful education of Milwaukee's children plays a vital role in both their success and the future success of the city. A bright, healthy, inquisitive child, eager to learn and creatively taught today, will likely find better jobs and greater opportunities to succeed tomorrow. For this reason, the City of Milwaukee has become a strong and vocal advocate for efforts to improve the quality of education for Milwaukee's school children. Over the past decade the city has continually sought to enhance the effectiveness of all Milwaukee schools and to promote excellence in the classroom through a variety of budget and non-budget initiatives.

### Partnership for the Future: Compact for Excellence

On April 23, 1999, Mayor John Norquist sent a letter to the newly elected Milwaukee school board in which he called on all stakeholders in Milwaukee education to enter into a "Compact for Excellence." This compact calls for a citywide coalition that will settle for nothing less than the successful education of all of Milwaukee's children. The "Compact for Excellence" signals the beginning of a new era of cooperation between the city and the recently-elected board for the Milwaukee Public Schools (MPS), as well as the new MPS superintendent, Dr. Spence Korte'.

Since forging this new alliance, the city and MPS have worked vigorously to address issues related to school safety, increasing educational opportunities for all of Milwaukee's children, and improving extended educational programs. Moreover, Dr. Korte'

has sought to extend cooperative efforts between the city and MPS to other stakeholders in teaching Milwaukee's children, inviting the Archdiocese of Milwaukee to join in efforts to work together — schools both public and private — to educate *ALL* of Milwaukee's children.

### City Support for the MPS Building Maintenance Program

The city has most directly supported Milwaukee's public schools and assisted in the education of Milwaukee's youth through ongoing provision of funds for the MPS school maintenance and construction program. Since 1988, the city has allocated almost \$110 million, with an additional \$17 million included in the 2000 budget, to improve the physical environment in which a majority of Milwaukee's children learn. Through this concerted effort, the city and MPS reversed a 20-year legacy of deferring maintenance in school buildings. Milwaukee can once again take pride in knowing that the physical plant within the Milwaukee Public Schools system — its school buildings, classrooms, and gyms — once again are prepared to meet the needs of MPS students.

In addition to eliminating the backlog of deferred maintenance projects, the city has also allocated millions of dollars toward the remodeling and/or expansion of schools which provide innovative and creative educational opportunities. Schools such as Rufus King High School; Roosevelt Middle School; Milwaukee School of Languages; and the

Conservatory of Lifelong Learning have all recently undergone remodeling as a result of the city's efforts.

One special capital project for schools enjoys a significant level of city funding and support. The reconstruction of Milwaukee Trade and Technical High School remains a very high priority for the City of Milwaukee. Following years of neglect at the Milwaukee Tech facility, the city took the initiative to repair or replace the decaying structure. By providing leadership, through its commitment to provide \$15 million to either improve the existing building or to build a new school, the city encouraged a groundswell of support for the initiative, including the gracious offer by Mrs. Jane Pettit to provide additional funds needed to build a new school.

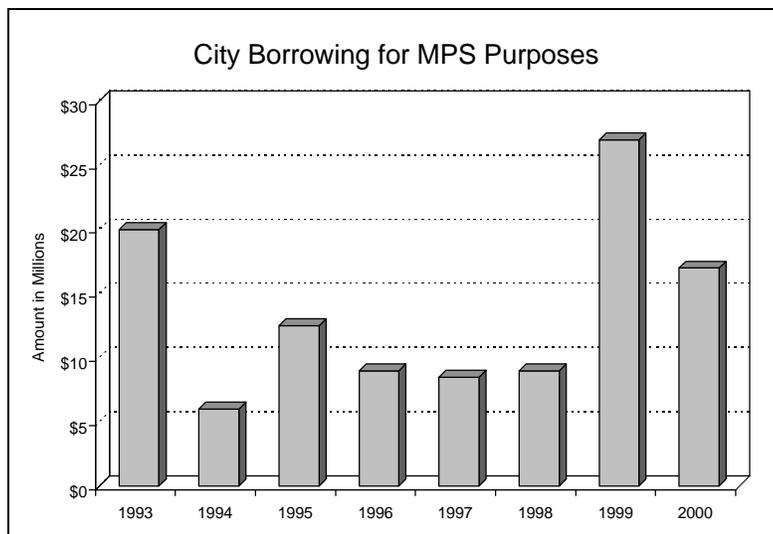
In addition to providing direct assistance by funding capital improvements for MPS, the city has provided assistance in other critical areas related to education. These areas include school safety, increased educational opportunities, and extended/after-school programs. In each of these areas city officials, working together with representatives from the Milwaukee Public Schools, have helped to make significant changes that improve the quality of life for some of the city's youngest residents.

### Making Schools Safer

Children cannot learn in an unsafe and undisciplined environment. Threats to personal safety endanger both children and teachers. Constant disruptions can make learning difficult for even the most enthusiastic students. To help ensure a safe, disciplined environment where learning can thrive, the city has introduced the following initiatives:

- **School Safety Officers:** This initiative, while not yet formally approved, will dedicate one officer from each of the seven police districts to enhance school safety.
- **Safety Summit:** Mayor Norquist and Police Chief Arthur Jones convened a summit of MPS and Milwaukee Police Department personnel to discuss security in Milwaukee's public schools. As a result of this summit, MPS is presently reworking its school safety plan to ensure that all of Milwaukee's public schools are safe.

Figure 1



As a result of these efforts, Milwaukee schools will enhance its ability to provide a secure learning environment and a safe haven for children.

### **Increasing Educational Opportunities**

In its strategic plan, the City of Milwaukee strongly advocates for allowing parents to choose a school for their children. Some may elect to have their children attend a school within their neighborhood. Others may choose to send their kids to a particular school specializing in arts, languages, or sciences, located elsewhere in the city. The key component to the city's position is the assertion that parents can best decide which school provides the right opportunities for their children, rather than having a bureaucratic organization make those decisions for them. To this end, the city has strongly supported a series of important initiatives:

- **School Choice:** The Milwaukee Parental Choice Program (MPCP) has been ruled constitutional, allowing over 8,000 low-income students to attend private schools during the 1999-2000 school year. The school choice program not only offers parents what they want, more educational options for their children, it also provides MPS with a significant incentive to improve in order to retain and attract students.
- **Charter Schools:** Whether a school is chartered by MPS, the City of Milwaukee, MATC, or UWM the result is the same, innovation with accountability. The charter school law in Milwaukee allows for the creation of unique and innovative educational programs that respond to the needs of parents and children. The traditional bureaucratic chains that often stifle innovation in traditional public schools do not bind these schools. In addition, because their right to exist is predicated upon the achievement of the students in their care, charter schools provide parents with added assurance that the school to which they are sending their child will do all that is necessary to make sure their student excels.
- **Neighborhood Schools Initiative:** Under this plan, adopted by the state legislature, forced busing in Milwaukee would come to an end and additional neighborhood schools would be constructed in the most over-subscribed parts of the city. As a result of this initiative, parents and

students will have more educational options to choose from within Milwaukee. The city's Redevelopment Authority (RACM) will play a direct role in this initiative by being the issuer of the bonds used to finance new school construction.

### **Extended Programs**

Children need places to learn and play safely after the school day ends. To create such environments, city, MPS officials and others have worked together to provide public and private recreation, child care, and educational programs. These extended programs offer parents a safe after-school environment where their children can continue to learn academically and socially. Some of recent initiatives in this important area launched with city assistance include:

- **Milwaukee Reads:** To attack the problem of illiteracy among young people, in the fall of 1991 Mayor Norquist kicked off Milwaukee Reads, a yearlong campaign—since repeated every year—to promote literacy. Included within this overall effort is a summer reading program targeted at elementary school students and a homework help program offered in the newly refurbished Children's Room of the Central Library.
- **Summer School:** Summer school constitutes a vital part of the overall effort to educate Milwaukee children. Summer school provides a constructive environment in which students not only retain what they learn during the school year but also actually expand their knowledge. It also provides children with activities and learning tasks that help keep them out of trouble by occupying their time during the long summer months. The Police Department assists the summer school program by providing crossing guards during the summer school season.
- **Safe and Sound:** Children who engage in positive activities are less likely commit crimes. This simple premise underlies the successful "Safe and Sound" program. This initiative, created with the assistance of city and MPS officials, along with United States Attorney Thomas Schneider and United States Senator Herb Kohl, is a crime fighting initiative which concentrates on three areas: tough law enforcement, positive alternatives for children and neighborhood organizing. Safe and Sound Places provide youths

with a safe place to go during the times when crime among those 18 and under is highest: after-school, weekends and summer hours. A variety of activities are available at Safe and Sound sites, including academic, recreational and social programming to stimulate young minds.

### **Bringing Technology to the City's Children**

The ability to use and understand rapidly-changing technology has become an increasingly valuable asset in today's job market. In 1995, the Milwaukee Public Library took the first of numerous steps to help prepare Milwaukee's children for the information technology jobs of the future. That year, the library became the envy of library systems throughout the metropolitan area, implementing a \$1.3 million technology initiative that enhanced the Library's technological infrastructure and provided many users with access to computers and the internet for the first time.

The city proposed this initiative as a way of ensuring access to technology resources for those who are least able to afford it. A 1996 survey done by the Milwaukee Public Library showed that only 38% of respondents owned a computer. Moreover, only half of those with a computer owned a modem (hardware needed to allow a computer to connect to the internet.) The library survey shows that city residents lack familiarity with technology resources. Just over one-third of city residents own computers. Fewer than one in five has access to the internet. The library, with more than 300 public use computers, provides the majority of Milwaukee residents with the opportunity to understand computer technology and to explore the information phenomena of the internet. Each library has a computer lab with software ranging from educational materials to job seeking resources. In the 2000 budget, the library will allocate \$250,000 for computer replacement.

In the years since implementation of this initiative, the library has received numerous grants to enhance and expand its technology resources. In 1998, the Gates Library Foundation Urban Leadership Grant awarded the library \$168,000 to construct four computer labs and purchase additional software. In 1999, the library received a grant from the State of Wisconsin that will allow them to work cooperatively with Milwaukee Public Schools to develop a service delivery model and standardized curriculum for training library patrons, MPS parents, and the general com-

munity on technology information resources. As part of this initiative, MPL will hire high school students as computer troubleshooters for library computer users. Because this generation is the first to realize the full potential of technology, they are better able to help those unfamiliar with computers. This initiative will allow the library to draw upon the expertise of young people to help provide a valuable resource for the entire community.

### **Betty Brinn Children's Room**

The Betty Brinn Children's Room represents the Library's largest recent commitment to Milwaukee's children. Funded jointly by the city and the Library Foundation, this new area in the Central Library is located in the space formerly occupied by the Discovery World Museum. Filling 15,000 square feet, the Children's Room offers 30 computers, a puppet theatre, an activity center – and a 14-foot lighthouse – that capture the minds and imaginations of its young visitors.

The opening of the new Children's Room has allowed the library to expand their program activities. During Spring Break 1999, the library hosted "Ameritech Make Friends and Spring Break". Activities included storytelling by First Stage Milwaukee along with various other activities. This six-day event drew more than 3,100 people to the Central Library, helping it to achieve an increase of more than 50% in overall program attendance.

The Betty Brinn Children's Room represents an unqualified success in many different ways. It shows that the city can take on large initiatives to improve the quality of life for Milwaukee's children. It also shows what can be achieved when the public and private sectors share a common goal. However, the greatest success of the Betty Brinn Children's Room lies in the imaginations it reaches, introducing children (of all ages) throughout the city to the joys and wonder of reading.

## **PROTECTING THE HEALTH OF MILWAUKEE'S CHILDREN**

**A**t times children may seem literally indestructible. Blessed with limitless energy, they frequently recover from common illnesses — which can lay low adults for weeks at a time — seemingly in

hours. However, to other threats, including afflictions such as measles or lead poisoning, they remain particularly vulnerable. Moreover, because of their constant proximity to large numbers of other children, they transmit illnesses, both harmless and threatening, far more readily than do adults.

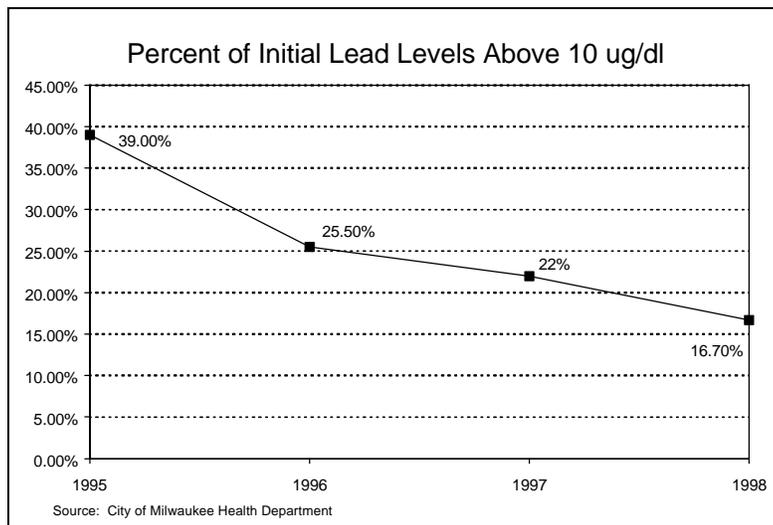
The health of Milwaukee's children remains a singular concern. Healthy children enjoy greater opportunities to succeed both in and out of school. Healthy children will miss fewer days of school, which, in turn, increases their ability to learn. Children who are absent frequently may fall behind in school, become frustrated, and ultimately fail.

Many causes of missed school days are preventable. Regular health exams, appropriate immunizations and reducing lead hazards can reduce the number of days missed. The City of Milwaukee Health Department, working with its many partners in the private and non-profit sectors, continues its efforts to improve the health status of Milwaukee's children.

### Combating Lead Poisoning

Lead poisoning presents one of the greatest health risks for Milwaukee's youth. It also represents one of the city's biggest challenges. Approximately 16.7% of newly screened children have lead levels of 9ug/dl or higher, the Centers for Disease Control (CDC) threshold for lead poisoning. However, in certain areas of the city the rate of children with lead levels above the threshold can reach as high as 66%.

Figure 2



The 16.7% lead poisoning average represents significant improvement from levels recorded in the city just four years ago, decreasing by nearly 60% since 1995 (See Figure 2). However, it still far exceeds the national average of approximately 4.4% of children screened with elevated blood lead levels. Milwaukee's aging housing stock represents the principal culprit in the high incidence of lead poisoning; nearly two-thirds of the city's housing units were built prior to 1950. Moreover, within low-income areas of the city many owners have transformed these homes into non-owner occupied rental units.

A 1999 initiative aims to reduce lead levels in areas of Milwaukee where they pose the greatest threat. The lead pilot ordinance requires owners of all rental units built before 1950 in two high-risk neighborhoods to abate lead hazards. Following completion of abatement, they will receive a certificate of compliance. The Health Department will use the information collected to create a registry of lead safe housing that will enable parents looking for a place to live to identify lead-free housing options within the pilot neighborhoods.

The lead pilot ordinance takes a unique, common sense approach to solving lead poisoning problems. Previously, most lead abatement efforts centered on secondary prevention, eliminating lead hazards to prevent further harm to a child already found to have elevated lead levels. The city's lead pilot ordinance focuses instead on primary prevention, that is, reducing the risk of a child being lead poisoned by abating homes before the child becomes exposed to lead hazards. A \$3 million grant from the U.S. Department of Housing and Urban Development helps fund this important lead prevention effort. Most of the funding goes directly to property owners to assist them in making necessary repairs that will reduce the risk of lead poisoning in children.

### Ensuring Access to Health Care

In 1999, Wisconsin became the first state not only to create, but to receive federal approval for a health care alternative for families without health insurance. Many families in need of health care either earn too much to qualify for Medicaid or do not receive insurance from their employers. BadgerCare was created to fill that gap. BadgerCare will cover families

who would otherwise slip through the health care safety net; those with incomes up to 200% of the federal poverty level. As increasing numbers of individuals successfully make the transition from welfare to work, BadgerCare will offer a realistic health care alternative for working families.

The City of Milwaukee represents a key stakeholder in the successful implementation of BadgerCare. The leadership of the Health Department and the Department of Administration have helped to ensure that the BadgerCare program adequately addresses the needs of Milwaukee's residents. However, the work does not stop with creation of a program. The city's next challenge is to enroll all eligible families.

The Health Department will play a major role in enrolling families in BadgerCare. In 1998, the Health Department entered into a contract with the State of Wisconsin to assist families on getting into the health care system. Many families without health insurance rely on the health department for services. As department representatives come into contact with members of uninsured families, whether in a public health clinic, in school, or at home, they will assess whether the family may qualify for BadgerCare and advise qualifying families on how to enroll. BadgerCare will help to improve the health of the community by providing access to appropriate preventive health care for all Milwaukee families.

## **CREATING VIABLE AND SAFE NEIGHBORHOODS**

Adding value to city neighborhoods has been a cornerstone of city efforts over the past ten years. Increasing public safety, raising education levels and reducing lead poisoning represent just a few of the city's efforts to create viable, safe neighborhoods. In 1999, Milwaukee implemented a major new initiative designed to improve the quality of life within city neighborhoods. Creation of the new Department of Neighborhood Services has helped to make government more responsive and improve coordination of services provided to neighborhood residents. This initiative represents only one of many programs that add to the quality of life for families in Milwaukee.

## **Metcalfe Park Community Center**

In 1999, the Department of City Development initiated the Metcalfe Park project to create a major central city educational and recreational facility for children. The Community Center will be located immediately adjacent to Metcalfe Park on North Avenue between 33<sup>rd</sup> and 35<sup>th</sup> Streets. The facility will include a Boys and Girls Club, a 500 student elementary and middle school, a performance theater, and a Discovery Center equipped with books, computers, Internet access, distance learning capabilities, and more.

The site will also contain a combination football and soccer field, softball diamond, tennis courts, basketball courts and a school playground. Funding for this project includes Community Development Block Grant (CDBG) funds as well as funds provided by the Helen Bader Foundation, the Jane Pettit Foundation, the Cudahy Fund, and the kids of Metcalfe Park.

The Community Center benefits both children and the surrounding community. It will offer a positive and protective environment for children, not only helping to educate them, but also providing them with a safe place to enjoy recreational activities after school hours. In addition, the Community Center will serve as a catalyst for retail and commercial services development on North Avenue and it will encourage significant housing rehabilitation efforts in the immediate area.

## **Greening Milwaukee's Schools**

In 1999, the Department of Public Works Forestry Division initiated the Greening Milwaukee's Schools project in an effort to bring trees and grass back onto our children's playgrounds. During the 1950's many public school playgrounds in Milwaukee (and nationwide) were paved over to reduce maintenance costs. The result today is public school playgrounds devoid of trees, grass, and a playable surface for children.

Asphalt playgrounds have average temperatures 10 to 15 degrees hotter than playgrounds shaded with trees. Asphalt playgrounds also increase the risk of injury to children falling on hard surfaces. Playgrounds with trees offer a more hospitable and safer

play environment, free from hard surfaces and extreme temperatures. In addition, playgrounds with trees offer educational and instructional opportunities for teachers and learning opportunities for children.

In 1999, the Forestry division piloted a demonstration "greening" project at 53<sup>rd</sup> Street School. Prior to the project, 53<sup>rd</sup> Street School had a playground that consisted of approximately three acres of asphalt. However, thanks to the cooperative efforts of MPS and the Forestry Division, the playground now has a grassy area with trees that spans approximately  $\frac{3}{4}$  of an acre. MPS began the project, providing funding to remove the asphalt and excavate the selected location. In turn, the Forestry Division laid down topsoil and sod and planted trees to create the new greenspace.

For educational purposes, the Forestry Division used an extensive variety of tree species on the 53<sup>rd</sup> Street School playground. The division planted 31 trees, consisting of eleven different species. The extensive variety of trees planted allows for teachers to use the trees for educational purposes. Children will learn to identify different types of trees through the size and shape of the leaves and the differences in tree bark. The newly-created grassy area also includes an open amphitheater which teachers can use as an outdoor classroom, for storytelling, or for poetry reading, and students can enjoy as a shady place to relax during recess.

The Forestry Division, in cooperation with MPS, plans to expand the Greening Milwaukee's Schools project to other schools in 2000. The city and MPS share a common goal in these endeavors: to end the trend that began in the 1950's of paving playgrounds with asphalt and create a new trend for 2000 and beyond that focuses on trees and the benefits that they provide to the environment, neighborhoods, and our children.

### **Totlots**

Building and maintaining play areas provides a wide range of benefits to Milwaukee's children. Clean, safe, well-maintained play areas provide parents with a nearby opportunity for their children to play. While there, kids can act out their imaginations, play with other children, and otherwise let out some of their abundant youthful energy. At the same time,

parents who accompany their children will often meet other parents, share child-raising experiences, and talk about goings-on in the neighborhood. This process, in its own small way, helps to build and strengthen the bonds that create strong stable city neighborhoods.

The Department of Public Works Buildings and Fleet Division has responsibility for constructing and maintaining playlots, totlots, and some greenspaces throughout the city. The division operates and maintains 47 non-supervised recreational areas and 10 passive greenspaces totaling 69 acres. The division also cares for 76 play areas on City of Milwaukee recreation facilities. Maintenance of these areas includes continual updating of equipment and play surfaces to ensure good condition and to meet safety and ADA accessibility standards. Buildings and Fleet also builds and rebuilds playgrounds and play fields operated by the Milwaukee Public School District. These areas comprise 37 playgrounds and playfields totaling 296 acres.

As part of the 2000 Capital Improvements Budget, the Buildings and Fleet Division has allocated \$450,000 to make improvements to the following play areas:

- Carmen Playfield
- La Follette School
- Cleveland Playground
- Manitoba School
- Gra-Ram
- Morgandale School
- Grandville School
- 97<sup>th</sup> and Thurston

In addition, the division makes minor improvements annually to other totlots, playlots, playgrounds, and playfields throughout the city to ensure the quality and safety of our children's play areas.

### **Internet Property Database**

In 1999, the Department of Neighborhood Services made available to city residents access to a database containing a wide-range of property-related information. Internet users can now enter a property address on the city's web page and obtain data about a property, including the recorded property owner, a contact phone number, a history of building code

inspections, building code complaints, and violations — everything from information about abandoned automobiles, to asbestos contaminants, to litter.

For each city address, the system will also provide a range of property-related information. The interface provides property characteristics and assessed value information from the Assessor's Office, tax bill information from the City Treasurer Office, and voter registration data from the Election Commission. Landlords, tenants, city officials, prospective buyers, and the general public can now easily access this information by visiting the city's World Wide Web site.

## PROTECTING PUBLIC SAFETY

Public safety represents the single most important issue to the majority of city residents. In response to citizen concerns, the city has added 219 sworn police position between 1990 and 1998. As a result, the city's FBI reported crimes has decreased 12.3% during the same time period.

### "Quality of Life" Initiative

Curbing crime remains the Police Department's highest priority. However, the department also recognizes that other factors affect the condition of city neighborhoods. Beginning in 1996, the Milwaukee Police Department implemented a "quality of life" initiative to help improve neighborhoods by enforcing laws prohibiting minor offenses such as playing loud music, speeding, and public intoxication. By prosecuting lesser municipal violations, the police department increases its presence in city neighborhoods and prevents the occurrence of more serious crime.

### Safe Schools Initiative

The Milwaukee Police Department and Milwaukee Public Schools (MPS) are currently considering a proposal to implement a safe schools initiative beginning in 2000. The initiative will augment the existing safety services currently provided by MPS.

Currently, MPS assigns seven safety supervisors/coordinators to each district area, which coincide with the geographic district assignments of the Milwaukee Police Department. Three additional safety supervisors/coordinators provide operations

supervision to other MPS facilities, including alternative schools and elementary schools.

If approved, the safe schools initiative will dedicate one police officer in each of the seven police districts to enhance school safety. In turn, MPS will provide funding for 5.83 FTEs to defray the costs of this initiative.

### Drug Abatement Program

Keeping drugs and their associated crimes out of city neighborhoods represents a key element to making those neighborhoods safer. Too often innocent children get caught in the crossfire of a drug deal gone bad. Milwaukee has taken strong, vigorous steps to reduce the risk that the sale and use of drugs pose to our children.

The city's Drug Abatement Program will enter into its ninth year of operation in 2000. The Drug Abatement Program seeks to increase each year the number of drug-related arrests, drug seizures and firearms confiscations by 10% from the previous year. The program also strives to identify and eliminate five "open air" or street drug markets each month. Initially funded for an eight-year period by the State of Wisconsin, the grant expired on June 20, 1999. However, the highly-successful program will continue into 2000 with tax-levy supported funding.

In 1998, the most recent year for which statistics are available; the Drug Abatement Program led to 4,100 drug-related arrests, 6,650 drug seizures and 390 firearm confiscations. The same year, the program seized 22,140 grams of illegal substances and over \$300,000 in cash. Since its inception, Milwaukee's Drug Abatement Program has helped to close more than 6,500 drug houses across the city.

In order to achieve the program's goals, the Milwaukee Police Department organizes and coordinates the efforts of a number of city, county, state and federal drug enforcement units. In addition, a "Weed and Seed" grant received by the police department will establish a community-policing project in a specific drug abatement target area. Officers assigned to the Drug Abatement Program will work together with officers assigned to the Weed and Seed target area as well as with federal agencies, including the DEA, the FBI and ATF, to target drug dealers within the project area.

The Drug Abatement Program also affords an opportunity to the Milwaukee Police Department to work closely with the Public Safety Section of the City of Milwaukee Housing Authority to share information regarding drug problems in public housing developments. Drug investigations in public housing have been and will continue to be coordinated with the Housing Authority to enhance drug abatement efforts.

Along with these multi-jurisdictional efforts, officers working through the Drug Abatement Program will continue their community policing efforts. Drug abatement personnel will work with block clubs and community groups, through community liaisons, to identify and report street level drug dealing.

Further, the Drug Abatement Program will continue its community drug resistance education efforts, including the highly successful landlord-training program. The landlord-training program will continue to emphasize training of rental property owners on methods of identifying drug activity and keeping it out of their properties.

### **Truancy Abatement and Burglary Suppression Program**

The Truancy Abatement and Burglary Suppression (TABS) program will enter its seventh year of successful operation in 2000, intervening with truant students to try to keep them in school and out of trouble. TABS will accomplish its mission by promoting school attendance through a collaborative approach involving students, parents, schools, law enforcement and the Boys and Girls Clubs of Greater Milwaukee.

In 2000, the TABS program will include a staff of thirteen members. The Milwaukee Police Department will provide the program with four officers, who will work in teams of two. These officers will search the streets during school hours, identifying truants and conveying them to one of the two centers operated by the Boys and Girls Clubs of Greater Milwaukee. The Milwaukee County Sheriff's Department will furnish two deputies who will provide on site security at each center.

The Milwaukee Public Schools will provide three school liaisons to complete initial intake

with students. These liaisons have access to students' current attendance information and will bear the responsibility for contacting parents regarding their children. TABS will also include one School Social Worker to conduct follow-up activities with habitual truants and their families.

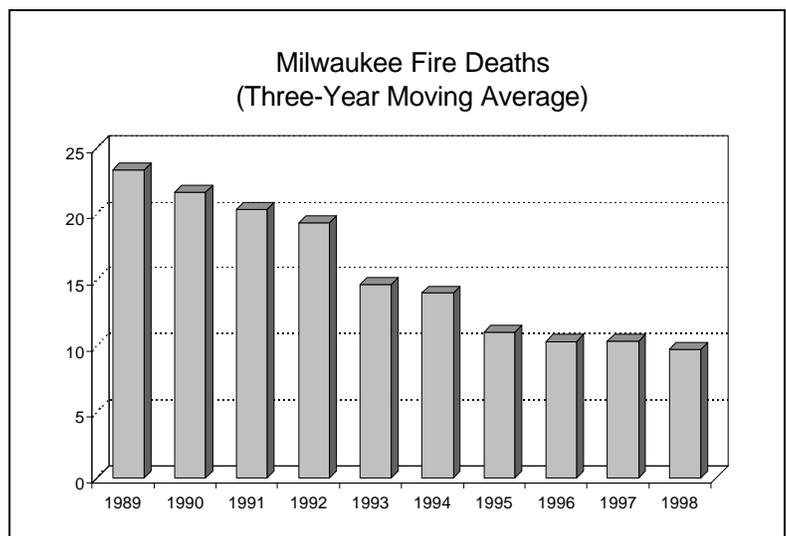
TABS has proven to be a highly successful collaboration between the city, the county, and MPS. Since the TABS program began, daytime burglary in Milwaukee has decreased 33%, and daytime aggravated battery has decreased 29%. More important, evidence suggests that TABS has a lasting impact. In a recent sample of students who went through the TABS program, 73% returned to school the next day, 66% remained in school on the 15<sup>th</sup> day, and 64% were still in school 30 days later.

### **Project FOCUS**

In addition to protecting citizens from crime, Milwaukee strives to reduce the danger to its residents, especially children, from fire and other hazards. As Figure 3 illustrates, Milwaukee has succeeded in preventing deaths from fires, reducing the three year average of fire deaths from 23.33 in 1989 to 9.7 in 1998. This achievement results from the tireless efforts of Milwaukee's Fire Department, who believe that even a single fire death is one too many.

Much of the increase in fire safety results from FOCUS (Fire Fighters Out Creating Urban Safety), the Fire Department's major fire prevention program.

Figure 3



The department presents this educational program twice annually (Spring and Fall), directing efforts at areas of the city with the highest incidence of fire-related death and structural damage due to fire. The program involves firefighters going into target neighborhoods and talking with residents to promote fire safety. Firefighters also check and install smoke detectors in single-family homes. Since the program's inception in 1992, the Fire Department has visited over 30,000 homes, installed over 15,000 smoke detectors and replaced 10,000 smoke detector batteries.

Since implementation of FOCUS fire-related fatalities have declined markedly, to twelve per year, a 55% reduction. The number of children's lives claimed by fire has also fallen, by 64%, to an annual average of five.

### **Survive Alive House**

The Milwaukee Fire Department will continue to emphasize fire safety and prevention through its "Survive Alive" program. In 2000 the program will enter into its eighth year of teaching Milwaukee's children how to survive the perils of fire.

In 1997, the department added a mobile survive alive facility to compliment the permanent facility. The mobile unit allows the department to reach younger children and those who have difficulty getting to the fixed-site "Survive Alive" house. In addition, the mobile unit allows the Fire Department to visit various neighborhood festivals that are held throughout the city.

Both facilities are designed to educate students between the ages of seven and twelve about fire safety and prevention as well as how to plan and execute an actual fire escape. In 1998, the most recent year for which data is available, the program has run 477 sessions. The attendance at these sessions includes 29,470 children and 1,645 adults. Since 1992, the program has graduated over 115,500 "young firefighters".

### **MILWAUKEE'S ECONOMY REVITALIZED: ECONOMIC CONDITIONS AND FORECAST**

Over the past 25 years significant change has reshaped the Midwest regional economy. Gone

are many of the smoke-belching factories that once produced both critical manufactured goods and family-supporting jobs. Today, in their place stand gleaming office towers, signaling the shift from a manufacturing-based to a service-based economy.

At one point during the 1960's, Milwaukee's share of manufacturing jobs exceeded the U.S. share by over 50%. By 1997, manufacturing's share had shrunk to just under 20%, virtually identical to the U.S. share. Part of this loss of local manufacturing jobs results from increased demand for services. The economic focus in the Midwest (and across the U.S.) has shifted away from the tradesmen who made goods to the bankers, doctors, painters, and plumbers who provide services. However, part of the loss also resulted from a migration of manufacturing from the Midwest and Northeast to the South and West where cheaper labor and "right to work" laws proved an irresistible lure for many firms.

Milwaukee's urban economy faced additional challenges through this period as well. The advent of the superhighway encouraged migration farther and farther from central cities into increasingly remote outlying suburbs. Between 1970 and 1990, population in Milwaukee declined by more than 12%, from 717,000 to 628,000. During that period, many residents with mobility — and money — left Milwaukee, leaving behind a less skilled, lower-income population. As a result, during the same twenty-year period the poverty rate in the city doubled (from 11% to 22%). Many former city residents started new businesses close to home in the suburbs, creating economic growth at the edges of the urban area, forcing the city to compete increasingly for economic development and jobs.

Looking ahead from 1970, the prospect of twenty years of declining population, growing competition from outlying suburban areas for firms and jobs, a dwindling manufacturing sector, and a large and persistent poverty problem would have invoked dire predictions about Milwaukee's future. However, such dire predictions have clearly failed to come true. Many of the changes affecting the city's economy appear to have "bottomed out" during the early 1990s. In the late 1990s, Milwaukee has rebounded with a much more diverse economy, firmly grounded in a growing service sector but retaining a strong core of its original manufacturing base.

Table 1

THE MILWAUKEE ECONOMY: HISTORY AND FORECAST (GCP in thous. 92 chain weighted \$)								
Prepared by: City of Milwaukee, Budget and Management Division								
	ACTUAL					ESTIMATE	FORECAST	
	1992	1993	1994	1995	1996	1997	1998	1999
GROSS CITY PRODUCT	17,452,879	17,845,772	17,209,873	17,538,573	18,361,093	18,482,675	18,789,875	18,926,091
GCP GROWTH	2.1%	2.3%	-3.6%	1.9%	4.7%	0.7%	1.7%	0.7%
GDP GROWTH	2.7%	2.3%	3.5%	2.0%	2.8%	3.8%	3.4%	2.2%
CONSTRUCTION	387,124	371,212	352,758	333,120	343,744	362,393	379,063	380,200
Construction Growth	-10.4%	-4.1%	-5.0%	-5.6%	3.2%	5.4%	4.8%	0.3%
MANUFACTURING	3,597,561	3,814,362	4,205,883	4,556,680	4,702,123	4,680,936	4,734,593	4,747,467
Manufacturing Growth	-2.3%	6.0%	10.3%	8.3%	3.2%	-0.5%	1.1%	0.3%
T.C.P.U.	1,916,688	2,018,435	2,006,924	1,743,881	1,787,792	1,770,227	1,775,538	1,777,313
T.C.P.U. Growth	3.7%	5.3%	-0.6%	-13.1%	2.5%	-1.0%	0.3%	0.1%
WHOLESALE TRADE	1,157,322	1,142,084	1,068,006	1,127,888	1,242,728	1,246,113	1,294,267	1,322,226
Wholesale Trade Growth	4.8%	-1.3%	-6.5%	5.6%	10.2%	0.3%	3.9%	2.2%
RETAIL TRADE	1,272,602	1,274,137	1,248,401	1,256,159	1,265,094	1,199,911	1,227,696	1,247,339
Retail Trade Growth	-1.8%	0.1%	-2.0%	0.6%	0.7%	-5.2%	2.2%	1.6%
F.I.R.E.	4,053,602	4,175,464	3,812,894	4,168,135	4,381,322	4,421,945	4,464,528	4,478,606
F.I.R.E. Growth	2.8%	3.0%	-8.7%	9.3%	5.1%	0.9%	1.0%	0.3%
SERVICES	5,065,951	5,048,088	4,512,856	4,349,135	4,636,128	4,797,835	4,911,656	4,970,392
Services Growth	6.0%	-0.4%	-10.6%	-3.6%	6.6%	3.5%	2.5%	1.2%

**Economic Growth**

Since 1992, the U.S. economy has enjoyed a period of vigorous economic growth. Not surprisingly, the strong performance of the national economy has lifted the Milwaukee economy as well. Over the past five years, Milwaukee's Gross City Product (GCP) has increased at an annualized rate of 1.2%, compared with an annualized rate of 3.1% for the U.S. as a whole (see Table 1). The 1.9 percentage point difference (3.1-1.2) between the National Product and City Product in the most recent five year period is consistent with historical differences in rates of growth. Between 1977 and 1991, real Gross Domestic Product (GDP) grew at an annual rate of 2.6% compared to 0.8% for the city, a 1.6 percentage point difference. Primary contributors to growth in City Product have been the manufacturing and FIRE (financial, insurance and real estate) sectors. Beginning in 1995, the "Other Services" sector has shown strong growth.

The city's manufacturing sector has been surprisingly robust since 1992, surpassing FIRE to reestablish itself as the city's second largest sector in terms of output by 1997 (see Figure 4). Though the manufacturing sector continued to experience declines in employment over this period (see Table 2), large productivity increases have more than compensated for em-

ployment losses to keep this sector a vibrant part of the city's economy.

For 1998 and 1999, the Budget and Management Division forecasts real GCP growth of 1.7% in 1998 and 0.7% in 1999. The slow down of the city economy in 1999 reflects an expected slowdown in the national economy brought about by a decline in exports to Asia and uncertainty created by recent volatility in the stock market.

Figure 4

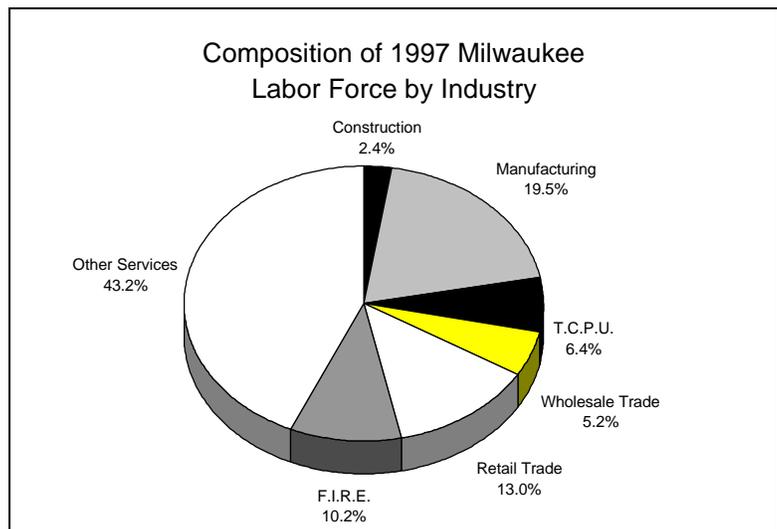


Table 2

## Milwaukee Job Trends: History

	ACTUAL EMPLOYMENT					
	1992	1993	1994	1995	1996	1997
<b>TOTAL</b>	307,244	314,747	308,830	308,252	315,355	317,289
Change from prior year		7,503	-5,917	-578	7,103	1,934
<b>CONSTRUCTION</b>	7,572	7,340	7,431	7,057	7,373	7,773
Change from prior year		-232	91	-374	316	400
<b>MANUFACTURING</b>	62,647	63,404	64,367	64,152	62,303	61,901
Change from prior year		757	963	-215	-1,849	-402
<b>T.C.P.U.</b>	20,626	21,040	20,470	20,222	20,671	20,296
Change from prior year		414	-570	-248	449	-375
<b>WHOLESALE TRADE</b>	17,074	16,317	14,996	15,963	16,521	16,566
Change from prior year		-757	-1,321	967	558	45
<b>RETAIL TRADE</b>	45,254	44,734	44,222	44,126	43,417	41,180
Change from prior year		-520	-512	-96	-709	-2,237
<b>F.I.R.E.</b>	32,247	33,048	31,498	32,532	32,906	32,471
Change from prior year		801	-1,550	1,034	374	-435
<b>SERVICES</b>	121,813	128,853	125,837	124,365	132,149	137,079
Change from prior year		7,040	-3,016	-1,472	7,784	4,930
<b>Percentage Manufacturing of Total Employment - MIL</b>	20.4%	20.1%	20.8%	20.8%	19.8%	19.5%
<b>Percentage Manufacturing of Total Employment - US</b>	20.6%	20.3%	19.8%	19.4%	18.1%	17.7%

Source: ES-202 Data Adjusted to Include Public School Employees

## Employment and Wages

From an employment perspective, the number of jobs increased by 0.4% from 1996 to 1997, reflecting the 0.5% annual growth rate experienced since 1992. Most of this job growth has been driven by the "Other Services" sector (see Table 2 and Figure 5) which has grown 2.0% annually since 1992 and by 3.3% between 1996 and 1997. With the exception of the construction sector which grew 5.4% between 1996 and 1997, employment growth in other sectors remained flat or declined. Within the "Other Services" sector, business and professional services (excluding medical and legal services) accounted for over three-fourths of the job growth during the most recent five-year period.

The manufacturing sector's share of employment continued to show convergence to the U.S. share through the 1990s (see Table 2). However, after reaching parity in 1992, the city's advantage over the U.S. in manufacturing share again began to grow, widening to 2 percentage points in 1997. Worker wages in Milwaukee showed real growth between 1992 and 1997. Real wages increased by 1.5% annually in Milwaukee during the period compared to 0.7% for the U.S. as a whole. The other services and FIRE sectors showed the strongest

growth, increasing annually by 1.4% and 2.7% respectively (see Figure 6).

## Property Values and the Tax Base

In 1999, the city's equalized property values stood at \$16.7 billion. The increase was 2.9% from 1998 in nominal terms and 1.0% in real terms. Residential property values drove the real increase in property values, growing by 4.1% in real terms since 1998.

Figure 5

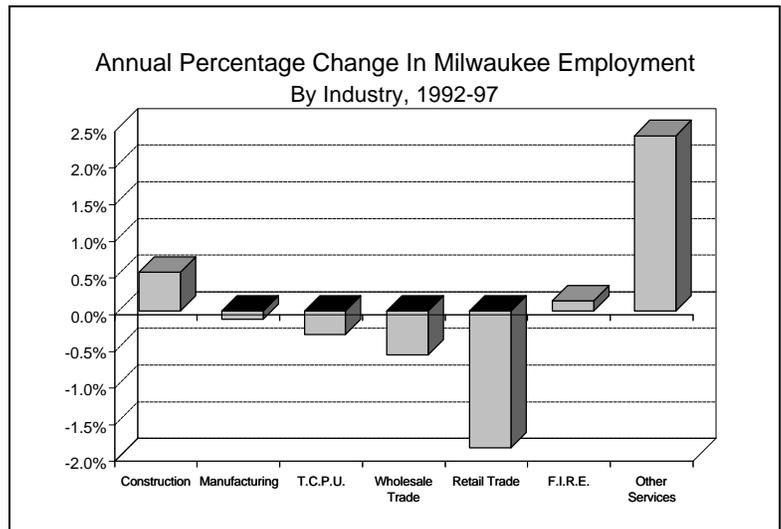
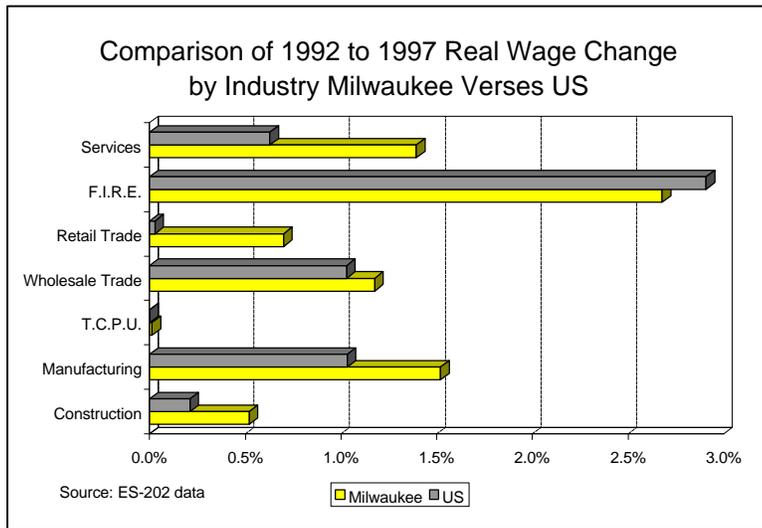


Figure 6



Manufacturing equalized values increased by 2.7%, and commercial values increased by 3.8%. Growth in commercial values reversed a past trend of declining commercial values. Personal property experienced a real decrease of 4.8%. This was due to the exemption of computers as personal property. The reduction due to this change is approximately \$400 million in property value.

The Budget and Management Division forecasts that the city's equalized property value will continue to show real growth of more than 1.0% annually through the year 2001 based on an expectation of continued strong growth in residential property values.

### Other Year 2000 Initiatives

While the city has placed considerable emphasis on improving the quality of life for its children, the 2000 budget includes a number of other important initiatives. While these programs do not directly affect Milwaukee's children, they do impact future economic activity in the city and the quality of life for all city residents.

**Improvements to Emergency Medical Services:** In recent years the Fire Department has responded to increasing numbers of calls for Emergency Medical Services (EMS). To improve response times and make better use of resources, in 2000 the department will add three new full-time Advanced Life Support

(ALS) paramedic units (to create a total of eight ALS units), with funding for the additional vehicles and personnel provided through an agreement with Milwaukee County.

At the same time, the department will keep two of the existing paramedic engines as full-time fire squads, creating a total of four Basic Life Support (BLS) units. The change proposed by the Fire Department will not only improve patient care and provide for more timely response, it will also distribute the EMS workload more evenly, thereby improving paramedic staff morale.

Milwaukee County will cover the daily cost of adding two paramedics for each new ALS medical unit, funding the improvements as a grant, beginning in 2000. The county payment will eliminate any tax levy impact of the plan; the overall effect on the budget totals slightly less than \$200,000.

### Police and Fire Annuity & Benefit Supplement

Recognizing the contribution made to the city by fire and police department retirees who served the city prior to 1947, the city will provide supplemental benefits to members of the Police and Fire Annuity and Benefit funds in 2000. The overall increase will total \$300,000, and will be distributed based on the annuitants' date of retirement and need. Of the total increase, \$75,000 will be distributed based on year of retirement and the remaining \$225,000 will be based on need.

Under this initiative, all 636 annuitants of the Police and Fire A&B funds will receive a portion of the supplement, which will be based on year of retirement. This component of the supplement consists of a sliding scale percentage increase in benefits based on the decade in which the year of retirement falls. The sliding scale percentage increases for retirements in earlier decades.

In addition to the year of retirement component, certain annuitants will also receive a supplement increase based on need. The need-based component will be provided only to those with pension amounts that fall below the U.S. Census Bureau's poverty threshold. Of the 636 annuitants in the police and Fire A&B funds, approximately 474, or 75%, will re-

ceive a supplement increase based on need. The need-based supplement is calculated as a percentage of the difference between the current benefit amount and the poverty threshold.

### **Parking Enforcement Improvements**

Historically, the city has spread parking enforcement activities across several departments and agencies. This has led to a fragmented approach that limits the city's ability to achieve its parking enforcement goals. Milwaukee can potentially improve its parking enforcement and revenue collection efforts by consolidating parking operations within a single cohesive system.

The 2000 budget takes the first step toward creating this system. Three parking enforcement functions – parking checkers, the night call-in desk, and the tow desk – will transfer from the Police Department to the Department of Public Works (DPW). DPW currently performs several parking enforcement functions, including administering the citation processing contract and operating the city tow lot. Consolidating additional parking activities within DPW will create a more cohesive organizational structure that will improve the efficiency and effectiveness of the city's parking enforcement efforts.

### **Passenger Ferry Service**

The 2000 budget includes funding for a high-speed passenger ferry across Lake Michigan. This initiative is part of the Port of Milwaukee's efforts to expand the uses of the Port to passenger use as well as freight transportation. The capital budget allocates \$1.9 million for south harbor tract improvements, including a terminal and ramping system. These infrastructure improvements are necessary to support passenger service. A private entity will fund construction and operation of the ferry or cruise ship

### **Downtown Revitalization Continues**

In 1999, the City of Milwaukee approved the Downtown Plan, a comprehensive model for the future of Downtown Milwaukee. As the commercial and artistic center of the metropolitan area, downtown has much to offer for both residents and visitors. However, much of the downtown area's potential remains unrealized. The plan contains a vision to tap that

potential, creating a blueprint for the future of Milwaukee's downtown.

Begun in 1997, the process of creating a new downtown plan reached out to politicians, business officials, educational leaders and city taxpayers. The Department of City Development and its team of architects held many Visual Preference Surveys™. During these surveys, the public could vote on the types of streetscapes and design they prefer to see downtown. The overall goal was to create consistency and coordination in the look of downtown.

The plan will bring a bold new look to downtown and near downtown in the 21<sup>st</sup> century. By agreement between the city, county and state, a portion of the Park East Freeway will be demolished and the land underneath will be available for development. In addition, the Harley Davidson Company will build a showcase museum in Schlitz Park, just north of downtown. These changes will attract more visitors to the downtown area and encourage additional development.

### **Sewer Capital Funding**

In 2000 Milwaukee continues its efforts to maintain its competitive standing with neighboring municipalities and to distribute more equitably the costs for providing certain services. The city's 2000 budget will incorporate certain expenses related to sewer capital improvements into the Sewer Maintenance Fund. By moving these capital expenditures onto the maintenance fee, costs for sewer services will be borne primarily by those who most heavily use the service. However, certain sewer-related capital projects managed by the DPW-Infrastructure Services Division, including expansion of capacity and developer-financed sewer programs, will remain part of the city's capital improvement budget. The amount in new and existing sewer construction for 2000 is \$21.1 million, with \$14.6 million in the Sewer Maintenance Fund and \$6.5 million in the city's capital budget.

### **Improving Accountability of City Departments**

In order to remain competitive Milwaukee must use available resources in the most cost-effective manner possible. To this end, in 1999 city departments reassessed the way in which they measure the success of

their programs and activities. Program success does not depend on how many children are immunized or how many inspection orders are issued (inputs). To best gauge the effective use of resources departments must measure the rate of age-appropriate immunizations and the rate that orders are completed (outputs).

For 2000, departments citywide will implement a series of new program measures that better reflect the goals and objectives of individual programs. Using the city's new financial management information system, departments will have the ability to track more accurately program and activity costs. As a result, policymakers will have the information they need to determine the cost-effectiveness of various programs. Better information will enable better decisions concerning the city's priorities and the appropriate allocation of funds.

## MILWAUKEE'S FUTURE

The future for Milwaukee's children remains bright. The cooperative and concerted efforts of the city, schools (both public and private), and other local governments have led to safer streets and classrooms, plentiful choices in education, learning opportunities in city libraries, clean and safe places to play, and city neighborhoods filled with life.

However, the work does not end here. As they grow, children must continue to learn and graduate from high school with the appropriate tools to go on to college or to enter the workforce. They need to feel safe in their neighborhoods. They need to grow up in strong households with family-sustaining jobs. The City of Milwaukee will continue its efforts to pursue and support initiatives that will improve the lives of children, until and beyond the time that they become parents with children of their own.



## 2000 ADOPTED BUDGET AND TAX RATE COMPARED TO PRIOR YEAR

PURPOSE OF EXPENDITURE AND FUNDING SOURCE	1999 ADOPTED BUDGET*	2000 ADOPT BUDGET*	CHANGE 2000 MINUS 1999-ADOPTED	TAX RATE / \$1,000		
				1999 ADOPTED	2000 ADOPT	CHANGE 2000 MINUS 1999-ADOPTED
<b>A. GENERAL CITY PURPOSES</b>						
1. Budget (Expend. Auth.)	\$442,462,666	\$450,924,070	\$8,461,404			
2. Non Tax Levy Funding	395,299,338	395,539,012	239,674			
3. Tax Levy Funding	47,163,328	55,385,058	8,221,730	\$2.98	\$3.58	\$0.60
<b>B. EMPLOYEE RETIREMENT</b>						
1. Budget (Expend. Auth.)	\$40,144,233	\$49,155,740	\$9,011,507			
2. Non Tax Levy Funding	4,857,127	12,484,891	7,627,764			
3. Tax Levy Funding	35,287,106	36,670,849	1,383,743	\$2.23	\$2.37	\$0.14
<b>C. CAPITAL IMPROVEMENTS</b>						
1. Budget (Expend. Auth.)	\$108,690,925	\$85,710,056	\$-22,980,869			
2. Non Tax Levy Funding	94,799,805	83,072,576	-11,727,229			
3. Tax Levy Funding	13,891,120	2,637,480	-11,253,640	\$0.88	\$0.17	\$-0.71
<b>D. CITY DEBT</b>						
1. Budget (Expend. Auth.)	\$96,705,927	\$106,243,430	\$9,537,503			
2. Non Tax Levy Funding	46,262,444	57,270,048	11,007,604			
3. Tax Levy Funding	50,443,483	48,973,382	-1,470,101	\$3.19	\$3.16	\$-0.03
<b>E. DELINQUENT TAX</b>						
1. Budget (Expend. Auth.)	\$1,400,000	\$1,400,000	\$0			
2. Non Tax Levy Funding	0	0	0			
3. Tax Levy Funding	1,400,000	1,400,000	0	\$0.09	\$0.09	\$0.00
<b>F. CONTINGENT FUND</b>						
1. Budget (Expend. Auth.)	\$5,400,000	\$5,000,000	\$-400,000			
2. Non Tax Levy Funding	0	0	0			
3. Tax Levy Funding	5,400,000	5,000,000	-400,000	\$0.34	\$0.32	\$-0.02
<b>SUBTOTAL (A+B+C+D+E+F)</b>						
1. Budget (Expend. Auth.)	<b>\$694,803,751</b>	<b>\$698,433,296</b>	<b>\$3,629,545</b>			
2. Non Tax Levy Funding	<b>541,218,714</b>	<b>548,366,527</b>	<b>7,147,813</b>			
3. Tax Levy Funding	<b>153,585,037</b>	<b>150,066,769</b>	<b>-3,518,268</b>	<b>\$9.71</b>	<b>\$9.69</b>	<b>\$-0.02</b>
<b>G. PARKING FUND</b>						
1. Budget (Expend. Auth.)	\$29,727,464	\$25,401,779	\$-4,325,685			
2. Non Tax Levy Funding	29,727,464	25,401,779	-4,325,685			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
<b>H. GRANT AND AID</b>						
1. Budget (Expend. Auth.)	\$67,088,507	\$72,385,581	\$5,297,074			
2. Non Tax Levy Funding	67,088,507	72,385,581	5,297,074			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
<b>I. INTERNAL SERVICE AGENCIES</b>						
1. Budget (Expend. Auth.)	\$7,207,516	\$0	\$-7,207,516			
2. Non Tax Levy Funding	7,207,516	0	-7,207,516			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
<b>J. WATER DEPARTMENT</b>						
1. Budget (Expend. Auth.)	\$92,264,069	\$79,999,526	\$-12,264,543			
2. Non Tax Levy Funding	92,264,069	79,999,526	-12,264,543			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
<b>K. SEWER MAINTENANCE FUND</b>						
1. Budget (Expend. Auth.)	\$9,695,024	\$30,475,620	\$20,780,596			
2. Non Tax Levy Funding	9,695,024	30,475,620	20,780,596			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
<b>SUBTOTAL (G+H+I+J+K)</b>						
1. Budget (Expend. Auth.)	<b>\$205,982,580</b>	<b>\$208,262,506</b>	<b>\$2,279,926</b>			
2. Non Tax Levy Funding	<b>\$205,982,580</b>	<b>\$208,262,506</b>	<b>\$2,279,926</b>			
3. Tax Levy Funding	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL (A thru L)</b>						
1. Budget (Expend. Auth.)	<b>\$900,786,331</b>	<b>\$906,695,802</b>	<b>\$5,909,471</b>			
2. Non Tax Levy Funding	<b>747,201,294</b>	<b>756,629,033</b>	<b>9,427,739</b>			
3. Tax Levy Funding	<b>153,585,037</b>	<b>150,066,769</b>	<b>-3,518,268</b>	<b>\$9.71</b>	<b>\$9.69</b>	<b>\$-0.02</b>

Tax Rates and Assessed Value - 2000 proposed rate column is based on an estimated assessed value of \$15,486,959,081 as of December 14, 1999.

**PROPERTY TAX PROFILE**  
**COMBINED PROPERTY TAX RATES 1996-2000**  
**(PER \$1,000 ASSESSED VALUATION, ROUNDED TO THE NEAREST FULL CENT)**  
**(RATES MAY NOT ADD DUE TO ROUNDING)**

	1996	1997	1998	1999	2000
City of Milwaukee (controlled by the Common Council)					
General City Purposes	\$3.21	\$3.42	\$2.93	\$2.98	\$3.58
Provision for Employee Retirement	2.41	2.47	2.32	2.23	2.37
Capital Improvement Program	1.40	0.75	0.79	0.88	0.17
City Debt (Including School Debt)	3.00	3.14	3.49	3.19	3.16
Delinquent Tax Fund	0.11	0.09	0.10	0.09	0.09
Common Council Contingent Fund	<u>0.40</u>	<u>0.38</u>	<u>0.37</u>	<u>0.34</u>	<u>0.32</u>
Subtotal - City of Milwaukee	\$10.53	\$10.24	\$9.99	\$9.71	\$9.69
Area Board of Vocation, Technical and Adult Education District 9	\$2.10	\$2.01	\$2.11	\$2.01	\$2.16
Milwaukee School Board	15.70	12.00	10.85	10.97	10.38
Metropolitan Sewerage District	2.81	1.72	1.77	1.72	1.80
State - Forestry	0.21	0.20	0.21	0.20	0.21
Milwaukee County	<u>5.74</u>	<u>5.72</u>	<u>5.96</u>	<u>5.72</u>	<u>5.82</u>
Subtotal - Other Taxing Bodies	\$26.56	\$21.65	\$20.90	\$20.62	\$20.37
Total Combined Tax Rate	\$37.09	\$31.89	\$30.89	\$30.33	\$30.06
State Tax Credit	\$-1.86	\$-2.46	\$-2.35	\$-2.04	-\$2.00
Net Tax Rate	\$35.23	\$29.43	\$28.54	\$28.29	\$28.06

**PROPERTY TAX LEVIES FOR COMMON COUNCIL CONTROLLED PURPOSES**

	1996	1997	1998	1999	2000
General City Purposes	\$44,118,202	\$49,861,354	\$43,115,927	\$47,163,328	\$55,385,058
Provision for Employee Retirement	33,161,592	35,994,880	34,126,351	35,287,106	36,670,849
Capital Improvement Program	19,266,775	10,937,300	11,700,172	13,891,120	2,637,480
City Debt	41,246,191	45,723,072	51,346,908	50,443,483	48,973,382
Delinquent Tax Fund	1,500,000	1,300,000	1,400,000	1,400,000	1,400,000
Common Council Contingent Fund	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,400,000</u>	<u>5,400,000</u>	<u>5,000,000</u>
Total Property Tax Levies for Common Council Controlled Purposes	\$144,792,760	\$149,316,606	\$147,089,358	\$153,585,037	\$150,066,769

**TAXABLE ASSESSED VALUATION**  
**City of Milwaukee 1996-2000**

	1996	1997	1998	1999	2000
Residential	\$7,765,567,060	\$8,402,290,620	\$8,457,841,610	\$9,093,197,600	\$9,163,659,090
Commercial	4,540,620,060	4,741,241,000	4,751,563,914	5,123,443,125	5,104,209,557
Manufacturing	<u>541,535,800</u>	<u>570,908,100</u>	<u>571,006,100</u>	<u>625,806,100</u>	<u>633,181,600</u>
Total Real Estate	\$12,847,722,920	\$13,714,439,720	\$13,780,411,624	\$14,842,446,825	\$14,901,050,247
Personal Property	\$1,128,925,980	\$1,136,166,880	\$1,133,725,610	\$1,229,667,210	\$873,822,920
Total Taxable Assessed Valuation	\$13,976,648,900 (a)	\$14,850,606,600 (b)	\$14,914,137,234 (c)	\$16,072,114,035 (d)	\$15,774,873,167 (e)

\* Amount Includes Tax Increment District Assessed Value.

- (a) Based upon assessed values as of November 29, 1995.
- (b) Based upon assessed values as of December 4, 1996.
- (c) Based upon assessed values as of December 5, 1997.
- (d) Based upon assessed values as of December 2, 1998.
- (e) Based upon assessed values as of December 14, 1999.

**COMPARISONS BY BUDGET SECTION  
BETWEEN 2000 ADOPTED AND 1999 ADOPTED BUDGETS  
REVENUES, TAX LEVIES AND RESULTING CHANGES**

	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>A. GENERAL CITY PURPOSES</b>			
Appropriations			
Salaries and Wages	\$288,011,272	\$290,747,303	\$2,736,031
Fringe Benefits	84,759,702	71,952,616	-12,807,086
Operating Expenditures	57,980,137	57,760,958	-219,179
Equipment Purchases	12,434,327	11,498,241	-936,086
Special Funds	84,036,930	90,917,568	6,880,638
Fringe Benefit Offset	<u>-84,759,702</u>	<u>-71,952,616</u>	<u>12,807,086</u>
TOTAL APPROPRIATIONS	\$442,462,666	\$450,924,070	\$8,461,404
Funding Sources			
General City Revenues	\$382,479,338	\$384,289,012	\$1,809,674
Tax Stabilization Fund Withdrawal	12,820,000	11,250,000	-1,570,000
Property Tax Levy	<u>47,163,328</u>	<u>55,385,058</u>	<u>8,221,730</u>
TOTAL REVENUES	\$442,462,666	\$450,924,070	\$8,461,404
<b>B. EMPLOYEE RETIREMENT</b>			
TOTAL APPROPRIATIONS	\$40,144,233	\$49,155,740	\$9,011,507
Funding Sources			
Non-Property Tax Revenue	\$4,857,127	\$12,484,891	\$7,627,764
Property Tax Levy	<u>35,287,106</u>	<u>36,670,849</u>	<u>1,383,743</u>
TOTAL REVENUES	\$40,144,233	\$49,155,740	\$9,011,507
<b>C. CAPITAL IMPROVEMENTS</b>			
TOTAL CAPITAL IMPROVEMENTS PROGRAM APPROPRIATIONS	\$108,690,925	\$85,710,056	\$-22,980,869
Funding Sources			
1. BORROWING (General Obligation)			
a. New	\$64,919,067	\$63,526,453	\$-1,392,614
b. Carryover	(91,170,361)	(91,999,702)	(829,341)
2. BORROWING (Tax Incremental Districts)			
a. New	\$10,800,000	\$8,000,000	\$-2,800,000
b. Carryover	(22,900,000)	(20,234,180)	(2,665,820)
3. SPECIAL ASSESSMENTS (Internal Borrowing)			
a. New	\$4,214,988	\$3,827,923	\$-387,065
b. Carryover	(12,458,067)	(12,178,725)	(279,342)
4. CASH FINANCED			
a. FROM REVENUES			
1. New	\$14,865,750	\$7,718,200	\$-7,147,550
2. Carryover	(18,000,000)	(0)	(18,000,000)
b. FROM TAX LEVY	<u>13,891,120</u>	<u>2,637,480</u>	<u>-11,253,640</u>
c. TOTAL CASH FINANCED	\$28,756,870	\$10,355,680	\$-18,401,190
TOTAL REVENUES (Capital Improvements)	\$108,690,925	\$85,710,056	\$-22,980,869

	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>D. CITY DEBT</b>			
TOTAL APPROPRIATIONS (Includes borrowing for Milwaukee Public Schools)	\$96,705,927	\$106,243,430	\$9,537,503
Funding Sources			
Revenues	\$28,368,602	\$30,909,053	\$2,540,451
TID Increments	6,805,524	14,010,105	7,204,581
Special Assessments	0	0	0
Delinquent Tax Revenue	11,088,318	12,350,890	1,262,572
Property Tax Levy	<u>50,443,483</u>	<u>48,973,382</u>	<u>-1,470,101</u>
TOTAL REVENUES	\$96,705,927	\$106,243,430	\$9,537,503
<b>E. DELINQUENT TAX</b>			
TOTAL APPROPRIATIONS	\$1,400,000	\$1,400,000	\$0
Funding Sources			
TOTAL REVENUE (Property Tax Levy)	\$1,400,000	\$1,400,000	\$0
<b>F. COMMON COUNCIL CONTINGENT FUND</b>			
TOTAL APPROPRIATIONS	\$5,400,000	\$5,000,000	\$-400,000
Funding Sources			
TOTAL REVENUE (Property Tax Levy)	\$5,400,000	\$5,000,000	\$-400,000
<hr/>			
SUBTOTALS (ITEMS A THROUGH F)			
CITY BUDGET APPROPRIATIONS (Excluding Special Revenue Accounts) Less: Non-Property Tax Revenues	\$694,803,751 <u>541,218,714</u>	\$698,433,296 <u>548,366,527</u>	\$3,629,545 <u>\$7,147,813</u>
PROPERTY TAX LEVIES	\$153,585,037	\$150,066,769	\$-3,518,268
<hr/>			
SPECIAL REVENUE ACCOUNTS (ITEMS G THROUGH K)			
<b>G. PARKING</b>			
TOTAL APPROPRIATIONS	\$29,727,464	\$25,401,779	\$-4,325,685
Funding Sources			
Current Revenues	\$13,858,304	\$13,294,088	\$-564,216
Capital Improvements from Reserves	10,000,000	10,000,000	0
Withdrawal from Reserves	0	0	0
Parking Enforcement Offset	0	2,107,691	2,107,691
New Borrowing	5,869,160	0	-5,869,160
Other Funding (Carryover Borrowing)	(4,578,000)	(2,043,000)	(2,535,000)
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	\$29,727,464	\$25,401,779	\$-4,325,685
<b>H. GRANT AND AID</b>			
TOTAL APPROPRIATIONS	\$67,088,507	\$72,385,581	\$5,297,074
Funding Sources			
Grantor Share	\$67,088,507	\$72,385,581	\$5,297,074
Out of Pocket Current Year	0	0	0
In Kind-City	0	0	0
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	\$67,088,507	\$72,385,581	\$5,297,074

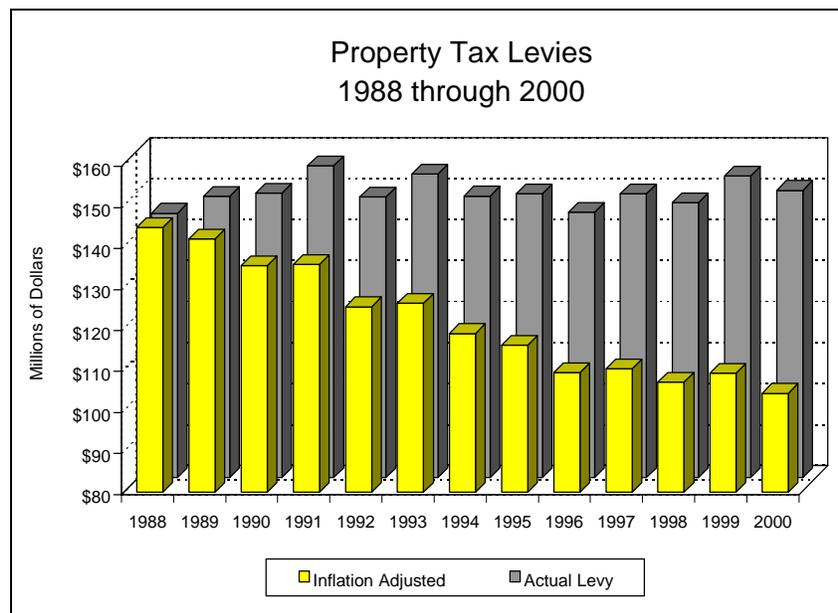
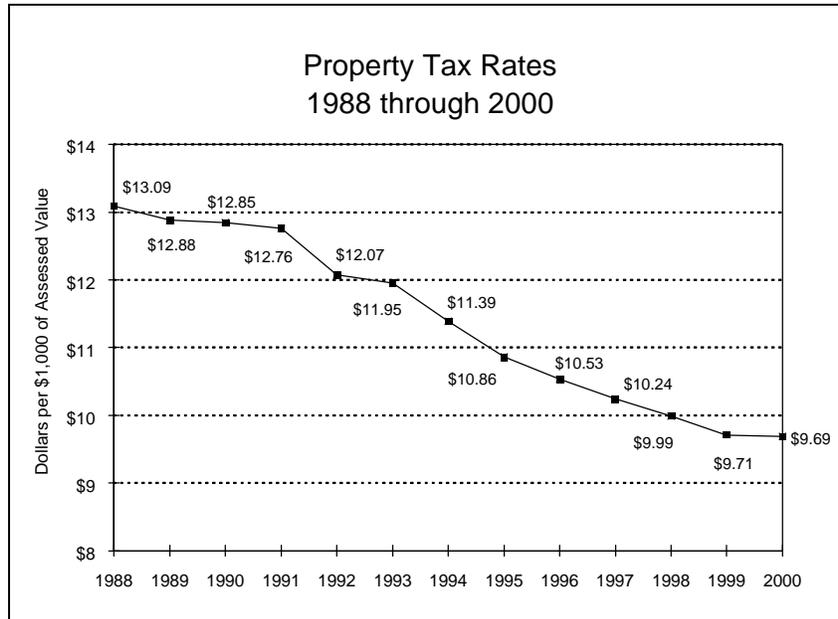
	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>I. INTERNAL SERVICE AGENCIES</b>			
TOTAL APPROPRIATIONS	\$7,207,516	\$0	\$-7,207,516
TOTAL REVENUES	\$7,207,516	\$0	\$-7,207,516
<b>J. WATER WORKS</b>			
Appropriations			
Operating Budget	\$50,139,069	\$49,234,526	\$-904,543
Capital Improvements Program	24,300,000	12,120,000	-12,180,000
Debt Service (Principal and Interest)	9,200,000	8,400,000	-800,000
Withdrawal from Retained Earnings	<u>8,625,000</u>	<u>10,245,000</u>	<u>1,620,000</u>
TOTAL APPROPRIATIONS	\$92,264,069	\$79,999,526	\$-12,264,543
Funding Sources			
Current Operating Revenues	\$55,266,000	\$62,445,000	\$7,179,000
Non-Operating Revenues	5,652,277	5,290,246	-362,031
Proceeds from Borrowing	14,300,000	0	-14,300,000
Use of Retained Earnings	17,045,792	12,264,280	-4,781,512
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	\$92,264,069	\$79,999,526	\$-12,264,543
<b>K. SEWER MAINTENANCE</b>			
Appropriations			
Operating Budget	\$9,695,024	\$15,915,620	\$6,220,596
Capital Improvements Program	<u>\$0</u>	<u>\$14,560,000</u>	<u>\$14,560,000</u>
TOTAL APPROPRIATIONS	\$9,695,024	\$30,475,620	\$20,780,596
Funding Sources			
Sewer User Fee	\$9,522,524	\$15,539,870	\$6,017,346
Equipment Contribution	107,500	61,250	-46,250
Charges For Services	65,000	146,500	81,500
Miscellaneous Revenue	0	168,000	168,000
Proceeds from Borrowing	<u>0</u>	<u>14,560,000</u>	<u>14,560,000</u>
TOTAL REVENUES	\$9,695,024	\$30,475,620	\$20,780,596
<b>SUBTOTALS SPECIAL REVENUE ACCOUNT BUDGETS (ITEMS G THROUGH K)</b>			
TOTAL BUDGETS	\$205,982,580	\$208,262,506	\$2,279,926
TOTAL REVENUES (NON-PROPERTY TAX)	\$205,982,580	\$208,262,506	\$2,279,926
<b>GRAND TOTALS (ITEMS A THROUGH K)</b>			
BUDGET APPROPRIATIONS	\$900,786,331	\$906,695,802	\$5,909,471
LESS: NON-PROPERTY TAX REVENUES	\$747,201,294	\$756,629,033	\$9,427,739
PROPERTY TAX LEVIES	\$153,585,037	\$150,066,769	\$-3,518,268

NOTE: All adopted budgets for the governmental funds are prepared in accordance with the modified accrual basis of accounting, except for the treatment of the fund balance reserved for tax stabilization. For budget purposes, the fund balance reserved for tax stabilization is reflected as other financing sources. However, for accounting purposes it is reflected as part of the overall fund balance.

# PROPERTY TAX RATE AND LEVY COMPARISON

The graphs below show adopted property tax rates and levies for the City of Milwaukee from 1988 through 2000. The 2000 tax rate of \$9.69 is \$0.02 lower than the 1999 rate of \$9.71. The 2000 tax levy

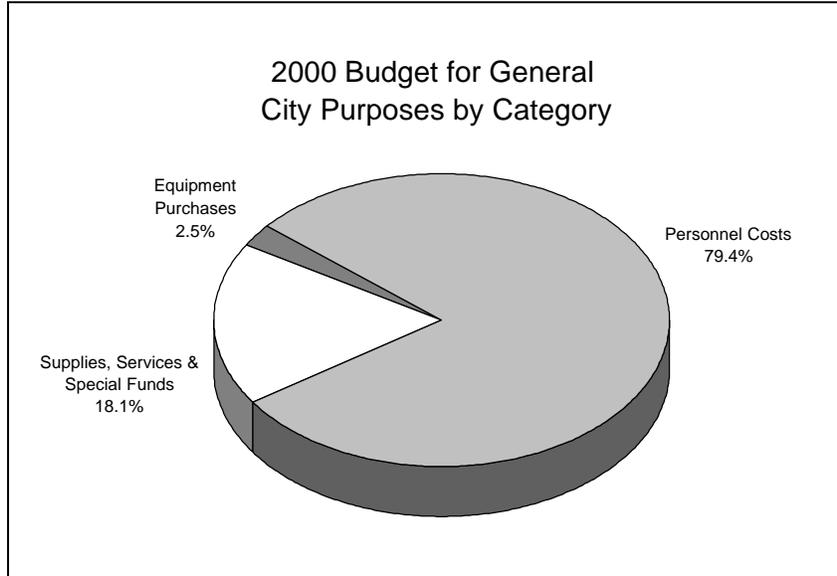
of \$150.1 million is a decrease of \$3.5 million from the 1999 levy of \$153.6 million. Since 1988, the property tax rate has decreased by \$3.40, from \$13.09 in 1988 to the 2000 rate of \$9.69.



## GENERAL CITY PURPOSES SPENDING

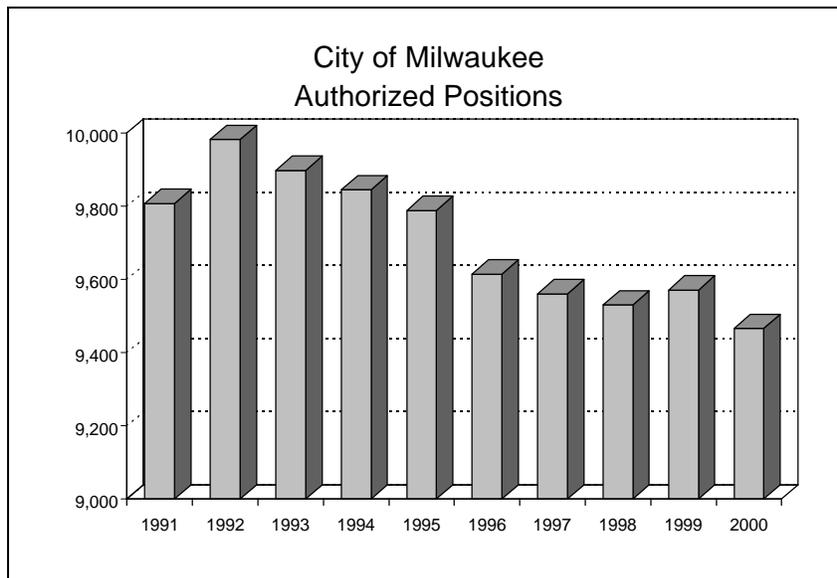
The pie chart below depicts the proportions of general city purposes spending allocated to personnel costs (79.4%); supplies, services, and special funds

(18.1%); and equipment purchases (2.5%) in the 2000 budget.



The following bar graph indicates changes in authorized positions from 1991 to 2000. Funding for personnel costs (which include salary and wage) relates directly to the number of positions authorized

citywide. Excluding temporary and seasonal staff, the 2000 budget reflects a net reduction of 105 positions from 1999 levels (9,571 in 1999 to 9,466 in 2000).



## ESTIMATED FULL-TIME EQUIVALENTS BY DEPARTMENT

	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Administration, Dept. of (DOA)	47.50	87.30	39.80
Assessor's Office	65.00	66.00	1.00
Attorney, City	62.46	61.86	-0.60
City Development	70.29	68.35	-1.94
Common Council-City Clerk	104.50	105.50	1.00
Comptroller	53.75	54.50	0.75
Court, Municipal	44.00	44.00	0.00
Debt Commission, Public	2.00	2.00	0.00
Election Commission*	6.00	6.00	0.00
Employee Relations, Dept. of (DER)	68.00	65.00	-3.00
Fire and Police Commission	12.00	10.65	-1.35
Fire Department	1,203.00	1,127.20	-75.80
Health	243.55	242.05	-1.50
Library	361.78	357.78	-4.00
Mayor's Office	16.10	16.10	0.00
Neighborhood Services, Dept. of	181.18	176.33	-4.85
Police Department	2,815.90	2,658.10	-157.80
Port of Milwaukee	20.00	20.00	0.00
Dept. of Public Works (DPW) (Operating Total)	(1,360.60)	(1,294.64)	(-65.96)
DPW-Administrative Services	58.75	63.75	5.00
DPW- Buildings and Fleet	425.70	395.60	-30.10
DPW-Forestry	168.52	164.71	-3.81
DPW-Infrastructure Services	310.40	273.60	-36.80
DPW-Sanitation	397.23	396.98	-0.25
Special Purpose Accounts	7.30	7.30	0.00
Treasurer, City	35.70	35.90	0.20
<b>TOTAL</b>	<b>6,780.61</b>	<b>6,506.56</b>	<b>-274.05</b>
<b>INTERNAL SERVICE AGENCIES</b>			
DOA-Central Services Division	74.80	0.00	-74.80
<b>TOTAL</b>	<b>74.80</b>	<b>0.00</b>	<b>-74.80</b>
<b>PENSIONS</b>			
Employes' Retirement System	27.50	27.50	0.00
Policemen's Annuity and Benefit Fund Administration	0.54	0.54	0.00
<b>TOTAL</b>	<b>28.04</b>	<b>28.04</b>	<b>0.00</b>
Parking	32.00	89.50	57.50
Sewer Maintenance Fund	101.00	101.90	0.90
Water Works	432.77	389.38	-43.39
<b>GRAND TOTAL</b>	<b>7,449.22</b>	<b>7,115.38</b>	<b>-333.84</b>

\* Election Commission does not include Election Inspectors, Election Registrars, and Temporary Office Assistants (47.32 FTEs 2000) due to extreme fluctuations between election and non-election years.

## CHANGE IN POSITIONS: 2000 ADOPTED BUDGET VS. 1999 ADOPTED BUDGET

DEPARTMENT	1998 <u>BUDGET</u>	1999 <u>ADOPTED</u>	2000 <u>ADOPTED</u>	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>GENERAL CITY PURPOSES</b>				
Administration, Department of	72	72	138	66
Assessor's Office	72	71	71	0
Attorney, City	67	68	67	-1
Building Inspection	214	0	0	0
Common Council-City Clerk	108	109	110	1
City Development, Department of	897	838	300	-538
Comptroller	74	73	67	-6
Court, Municipal	50	55	55	0
Debt Commission, Public	5	5	5	0
Election Commission	1,725	1,327	1,717	390
Employee Relations, Department of	108	105	103	-2
Fire Department	1,124	1,125	1,146	21
Fire and Police Commission	17	17	16	-1
Health	430	378	374	-4
Library	416	419	446	27
Mayor's Office	22	22	22	0
Neighborhood Services	0	291	277	-14
Police Department	2,986	3,010	2,933	-77
Port of Milwaukee	37	35	35	0
Public Works, Department of (Total)	(3,485)	(3,526)	(3,454)	(-72)
DPW-Administrative Services	66	66	71	5
DPW-Buildings and Fleet	1,149	1,207	1,179	-28
DPW-Forestry	341	341	307	-34
DPW-Infrastructure Services	815	815	801	-14
DPW-Sanitation	1,114	1,097	1,096	-1
SPA-Board of Zoning Appeals	10	11	11	0
SPA-Deferred Compensation	2	2	2	0
SPA-Intern Program	8	8	8	0
Treasurer, City	66	65	65	0
<b>GENERAL CITY PURPOSES TOTAL</b>	11,995	11,632	11,422	-210
<b>*GENERAL CITY PURPOSES TOTAL (Without Part-time Election Positions)</b>	10,276	10,311	9,711	-600
<b>INTERNAL SERVICE AGENCIES</b>				
DOA-Central Services Division	108	108	0	-108
DOA-Milwaukee Information Systems	0	0	0	0
DOA-Standards and Procurement Division-Central Reproduction and Records Storage	0	0	0	0
DER-Training	2	0	0	0
<b>INTERNAL SERVICE AGENCIES TOTAL</b>	110	108	0	-108
<b>PENSIONS</b>				
Employes' Retirement System	25	33	72	39
Policemen's Annuity and Benefit Fund	1	1	1	0
<b>PENSIONS TOTAL</b>	26	34	73	39
<b>PARKING FUND</b>	25	32	99	67
<b>WATER WORKS</b>	490	443	412	-31
<b>SEWER MAINTENANCE FUND</b>	188	190	190	0
<b>TOTAL BUDGETED POSITIONS</b>	12,834	12,439	12,196	-243
<b>*TOTAL BUDGETED POSITIONS (Without Part-time Election)</b>	11,115	11,118	10,485	-633

**COMPARISON OF 2000 ADOPTED EXPENDITURES AND FUNDING SOURCES  
WITH PRIOR YEARS, BY MAJOR BUDGET SECTIONS AND SUBSECTIONS**

**SECTION 1. CITY BUDGET UNDER THE CONTROL OF THE COMMON COUNCIL**

	1997 ACTUAL** EXPENDITURES	1998 ACTUAL** EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
<b>A. GENERAL CITY PURPOSES</b>					
1. BUDGETS FOR GENERAL CITY PURPOSES					
Administration, Department of	\$3,552,162	\$3,425,569	\$3,560,113	\$9,231,027	\$5,670,914
Assessor's Office	4,533,348	4,551,969	4,477,889	4,245,524	-232,365
Attorney, City	5,375,502	5,439,773	5,533,781	5,537,412	3,631
Building Inspection	9,365,882	9,919,521	0	0	0
City Development, Department of	4,328,658	3,974,374	4,970,453	4,560,194	-410,259
Common Council-City Clerk	6,889,079	6,671,061	7,163,188	7,100,688	-62,500
Comptroller	5,088,127	4,549,760	4,523,390	4,085,792	-437,598
Court, Municipal	2,858,137	2,822,258	3,282,219	3,205,077	-77,142
Debt Commission, Public	470,851	517,100	492,103	521,784	29,681
Election Commission	1,670,766	1,234,873	927,960	1,415,998	488,038
Employee Relations, Department of	4,718,886	4,646,806	4,447,910	4,043,771	-404,139
Fire and Police Commission	887,447	877,968	930,436	876,807	-53,629
Fire Department	73,047,407	76,729,598	76,794,526	67,938,765	-8,855,761
Health Department	16,466,267	17,482,055	14,629,571	14,182,671	-446,900
Library Board	19,624,718	20,338,036	21,015,451	20,676,311	-339,140
Mayor's Office	1,227,295	1,173,552	1,219,631	1,193,244	-26,387
Neighborhood Services, Dept. of	0	0	12,570,361	12,183,263	-387,098
Police Department	156,892,036	159,319,708	160,397,251	149,812,727	-10,584,524
Port of Milwaukee	2,002,719	1,847,341	2,206,183	2,220,060	13,877
Public Works Department: (Total)	(107,198,182)	(102,549,474)	(104,322,355)	(101,090,613)	(-3,231,742)
Administrative Services	6,590,444	8,717,793	7,498,364	7,192,245	-306,119
Buildings and Fleet	33,362,895	30,419,325	31,804,085	30,344,791	-1,459,294
Forestry	8,782,707	9,151,416	9,730,095	9,742,061	11,966
Infrastructure Services	28,495,444	23,417,679	23,057,446	21,719,040	-1,338,406
Sanitation	29,966,692	30,843,261	32,232,365	32,092,476	-139,889
Special Purpose Accounts	73,142,302 *	88,065,402 *	90,817,060	105,865,773	15,048,713
Treasurer, City	2,588,216	2,802,411	2,940,537	2,889,185	-51,352
Fringe Benefit Offset	0	0	-84,759,702	-71,952,616	12,807,086
<b>TOTAL BUDGETS FOR GENERAL CITY PURPOSES</b>	<b>\$501,927,987</b>	<b>\$518,938,609</b>	<b>\$442,462,666</b>	<b>\$450,924,070</b>	<b>\$8,461,404</b>
* Special Purpose Account expenditures do not include wage supplement funding. These funds are reflected in departmental expenditures.					
2. SOURCE OF FUNDS FOR GENERAL CITY PURPOSES (REVENUES)					
Taxes and Payment in Lieu of Taxes	\$10,396,735	\$10,100,220	\$15,055,100	\$10,904,700	-\$4,150,400
Licenses and Permits	7,599,031	8,119,185	7,923,300	8,758,900	835,600
Intergovernmental Revenue	271,795,863	278,964,628	277,943,100	279,056,500	1,113,400
Charges for Services	20,321,937	23,266,348	26,363,514	33,911,312	7,547,798
Fines and Forfeits	15,578,395	16,137,613	16,772,400	19,306,000	2,533,600
Miscellaneous Revenue	19,957,000	20,356,659	23,980,016	18,465,600	-5,514,416
Fringe Benefits	89,672,981	96,250,167	14,133,623	13,850,000	-283,623
Cost Recovery	205,644	186,977	308,285	36,000	-272,285
<b>TOTAL REVENUES</b>	<b>\$435,527,586</b>	<b>\$453,381,797</b>	<b>\$382,479,338</b>	<b>\$384,289,012</b>	<b>\$1,809,674</b>
Tax Stabilization Fund Withdrawals	16,326,000	17,600,000	12,820,000	11,250,000	-1,570,000
Property Tax Levy	49,861,354	43,115,936	47,163,328	55,385,058	8,221,730
<b>TOTAL FINANCING FOR GENERAL CITY PURPOSES</b>	<b>\$501,714,940</b>	<b>\$514,097,733</b>	<b>\$442,462,666</b>	<b>\$450,924,070</b>	<b>\$8,461,404</b>

\*\*Expenditures include funding carried over from prior years.

	1997 ACTUAL** EXPENDITURES	1998 ACTUAL** EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
<b>B. EMPLOYEE RETIREMENT</b>					
1. BUDGETS FOR EMPLOYEE RETIREMENT					
FIREMEN'S PENSION FUND					
Pension Contribution	\$290,214	\$274,552	\$285,127	\$275,000	\$-10,127
POLICEMEN'S PENSION FUND					
Pension Contribution	\$8,118	\$126,830	\$344,042	\$100,944	\$-243,098
Administration	65,522	105,492	109,048	105,194	-3,854
Employer's Share of Employees' Annuity Contribution	23,802	3,941	4,000	4,000	0
EMPLOYEE'S RETIREMENT FUND					
Pension Contribution	\$154,954	\$175,000	\$196,000	\$1,835,000	\$1,639,000
Administration	4,530,414	5,356,838	4,230,099	12,320,437	8,090,338
Employer's Share of Employees' Annuity Contribution	19,145,622	19,284,675	19,500,000	19,014,050	-485,950
SOCIAL SECURITY					
Social Security Tax	\$14,470,397	\$14,717,858	\$15,435,900	\$15,435,900	\$0
FORMER TOWN OF LAKE EMPLOYEES' RETIREMENT FUND					
Pension Contribution	\$8,817	\$8,817	\$8,817	\$34,015	\$25,198
FORMER TOWN OF LAKE FIREMEN'S PENSION FUND					
Pension Contribution	<u>\$31,191</u>	<u>\$31,191</u>	<u>\$31,200</u>	<u>\$31,200</u>	<u>\$0</u>
TOTAL BUDGETS FOR EMPLOYEE RETIREMENT	\$38,729,051	\$40,085,194	\$40,144,233	\$49,155,740	\$9,011,507
2. SOURCE OF FUNDS FOR EMPLOYEE RETIREMENT					
Charges to Other Gov't'l Units	\$3,561,080	\$3,713,555	\$4,485,191	\$3,795,307	\$-689,884
Fringe Benefits - Pension	192,908	234,818	371,936	352,266	-19,670
Charges to Retirement Fund	0	0	0	8,337,318	8,337,318
Property Tax Levy	<u>35,994,880</u>	<u>34,135,168</u>	<u>35,287,106</u>	<u>36,670,849</u>	<u>1,383,743</u>
TOTAL FINANCING FOR EMPLOYEE RETIREMENT	\$39,748,868	\$38,083,541	\$40,144,233	\$49,155,740	\$9,011,507
<b>C. CAPITAL IMPROVEMENTS</b>					
1. BUDGETS FOR CAPITAL IMPROVEMENTS					
Special Capital Projects or Purposes	\$10,596,036	\$19,201,219	\$18,701,120	\$13,025,000	\$-5,676,120
Assessor's Office	20,547	855	0	0	0
Attorney, City	0	0	0	45,300	45,300
City Development, Department of Common Council - City Clerk	18,401,182	14,287,061	12,940,000	10,850,000	-2,090,000
Court, Municipal	0	90,052	100,000	0	-100,000
Fire Department	1,774,396	1,940,095	100,000	1,600,000	1,500,000
Health Department	1,482,815	3,877,763	243,300	141,000	-102,300
Library Board	671,969	1,784,923	1,966,000	880,000	-1,086,000
Neighborhood Services, Dept. of	0	0	600,000	1,770,000	1,170,000
Police Department	961,273	941,074	13,018,000	21,093,180	8,075,180
Port of Milwaukee	370,396	2,055,213	680,000	2,150,000	1,470,000
Department of Public Works (Total):	(\$49,196,899)	(\$57,192,542)	(\$60,322,505)	(\$34,155,576)	\$26,166,929
Administration	320,859	189,976	0	70,000	70,000
Buildings and Fleet	6,854,651	8,463,501	5,990,000	4,510,000	-1,480,000
Forestry	1,027,250	1,688,915	1,529,000	598,000	-931,000
Infrastructure	40,193,635	46,411,203	52,141,005	28,977,576	-23,163,429

\*\*Expenditures include funding carried over from prior years.

	1997 ACTUAL** EXPENDITURES	1998 ACTUAL** EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
Sanitation	800,504	438,947	662,500	0	-662,500
Treasurer, City	<u>3,156</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL BUDGETS FOR CAPITAL IMPROVEMENTS - Other than</b>					
Parking and Water Department	\$83,478,669 *	\$101,370,797 *	\$108,690,925	\$85,710,056	\$-22,980,869
<b>2. SOURCE OF FUNDS FOR CAPITAL IMPROVEMENTS</b>					
General Obligation Borrowings					
New Borrowing	\$50,478,037	\$64,599,576	\$64,919,067	\$63,526,453	\$-1,392,614
Carryover Borrowing	0	0 (a)	91,170,361 (a)	91,999,702 (a)	829,341 (a)
Tax Increment Dist. - Public Impr.					
New Borrowing	16,215,252	15,732,000	10,800,000	8,000,000	-2,800,000
Carryover Borrowing	0	0 (a)	22,900,000 (a)	20,234,180 (a)	-2,665,820 (a)
Anticipated Special Assessments					
New Authorizations	4,112,655	2,295,000	4,214,988	3,827,923	-387,065
Carryover Special Assessments	0	0 (a)	12,458,067 (a)	12,178,729 (a)	-279,338 (a)
Capital Improvement Revenues					
Cash Revenues	1,868,025	8,080,418	14,865,750	7,718,200	-7,147,550
Carryover Capital Revenues	0	(a)	18,000,000 (a)	0 (a)	-18,000,000 (a)
Property Tax Levy	<u>10,804,700</u>	<u>11,700,172</u>	<u>13,891,120</u>	<u>2,637,480</u>	<u>-11,253,640</u>
<b>TOTAL FINANCING FOR CAPITAL IMPROVEMENTS - Other than</b>					
Parking and Water Department	\$83,478,669 *	\$102,407,166 *	\$108,690,925	\$85,710,056	\$-22,980,869
(a) Reiteration of prior year's authority, does not affect Budget totals.					
* Does not include school board expenditures.					
<b>D. CITY DEBT (INCLUDING SCHOOL PURPOSES)</b>					
<b>1. BUDGET FOR CITY DEBT</b>					
Bonded Debt (Principal)	\$58,627,235	\$60,761,000	\$63,022,155	\$67,962,312	\$4,940,157
Bonded Debt (Interest)	<u>29,958,030</u>	<u>32,419,121</u>	<u>36,879,691</u>	<u>41,532,160</u>	<u>4,652,469</u>
Subtotal	\$88,585,265	\$93,180,121	\$99,901,846	\$109,494,472	\$9,592,626
LESS: Prepayment					
Prepayment Deduction (PDAF)					
Special Assessment	<u>-3,033,825</u>	<u>-3,069,462</u>	<u>-3,195,919</u>	<u>-3,251,042</u>	<u>-55,123</u>
<b>TOTAL BUDGET FOR CITY DEBT (a)</b>	<b>\$85,551,440</b>	<b>\$90,110,659</b>	<b>\$96,705,927</b>	<b>\$106,243,430</b>	<b>\$9,537,503</b>
(a) Included in City Debt amounts above are the following amounts for School Purposes, not controlled by Common Council:					
		Milwaukee School Board			
		1997	\$10,302,092		
		1998	\$11,342,500		
		1999	\$12,057,347 (est.)		
		2000	\$12,635,000 (est.)		
<b>2. SOURCE OF FUNDS FOR CITY DEBT</b>					
Revenues	\$23,520,069	\$21,936,510	\$28,368,602	\$30,909,053	\$2,540,451
TID Increments from Prior Year	8,220,818	8,586,489	6,805,524	14,010,105	7,204,581
Special Assessments	0	0	0	0	0
Delinquent Tax Revenues	11,120,443	11,467,117	11,088,318	12,350,890	1,262,572
Property Tax Levy	<u>45,723,072</u>	<u>51,346,908</u>	<u>50,443,483</u>	<u>48,973,382</u>	<u>-1,470,101</u>
<b>TOTAL FINANCING FOR CITY DEBT</b>	<b>\$88,584,402</b>	<b>\$93,337,024</b>	<b>\$96,705,927</b>	<b>\$106,243,430</b>	<b>\$9,537,503</b>

\*\*Expenditures include funding carried over from prior years.

	1997 ACTUAL** EXPENDITURES	1998 ACTUAL** EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
<b>E. DELINQUENT TAX</b>					
1. BUDGET FOR DELINQUENT TAX					
Delinquent Tax Fund	\$1,300,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0
2. SOURCE OF FUNDS FOR DELINQUENT TAX					
Property Tax Levy	\$1,300,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0
<b>F. COMMON COUNCIL CONTINGENT FUND</b>					
1. BUDGET FOR COMMON COUNCIL CONTINGENT FUND					
Common Council Contingent Fund	\$4,307,167	\$4,598,524	\$5,400,000	\$5,000,000	-\$400,000
2. SOURCE OF FUNDS FOR COMMON COUNCIL CONTINGENT FUND					
Property Tax Levy	\$4,307,167	\$4,598,524	\$5,400,000	\$5,000,000	-\$400,000
Expenditure experience represents transfers and expenditures authorized by resolution.					
<b>SUBTOTAL BUDGET AUTHORIZATIONS - COMMON COUNCIL CONTROLLED PURPOSES</b> (Except Water and Special Revenue Accounts)					
	\$715,294,314	\$756,503,783	\$694,803,751	\$698,433,296	\$3,629,545
Non-Tax Levy	571,142,873	607,627,280	541,218,714	548,366,527	7,147,813
Tax Levy	<u>147,991,173</u>	<u>146,296,708</u>	<u>153,585,037</u>	<u>150,066,769</u>	<u>-3,518,268</u>
<b>SUBTOTAL FINANCING FOR (ESTIMATED REVENUES) - COMMON COUNCIL CONTROLLED BUDGETS (Except Water and Special Revenue Accounts)</b>					
	\$719,134,046	\$753,923,988	\$694,803,751	\$698,433,296	\$3,629,545
Special Revenue Accounts Sections G through K					
<b>G. PARKING</b>					
1. BUDGET FOR PARKING PROGRAM					
Operating and Maintenance Expense	\$11,461,747	\$12,458,873	\$13,656,060	\$15,401,779	\$1,745,719
Capital Improvement Program	1,524,453	7,093,810	5,869,160	0	-5,869,160
Addition to Parking Reserves-Capital	0	0	202,244	0	-202,244
Capital Improvements to be Financed From Available Cash Reserves	<u>0</u>	<u>0</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>0</u>
<b>TOTAL BUDGET FOR PARKING</b>	\$12,986,200	\$19,552,683	\$29,727,464	\$25,401,779	-\$4,325,685
2. SOURCE OF FUNDS FOR PARKING PROGRAM					
Parking Permits	\$1,329,503	\$1,322,785	\$1,329,500	\$1,352,300	\$22,800
Meters	3,233,378	3,311,454	3,356,000	3,513,500	157,500
Rental and Lease of Facilities	5,444,860	5,364,229	5,932,804	5,828,288	-104,516
Towing of Vehicles	2,532,094	2,454,451	3,240,000	2,600,000	-640,000
Miscellaneous	<u>24,647</u>	<u>5,954</u>	<u>0</u>	<u>0</u>	<u>0</u>
Financing of Parking Operation - Subtotal	\$12,564,482	\$12,458,873	\$13,858,304	\$13,294,088	-\$564,216

\*\*Expenditures include funding carried over from prior years.

	1997 ACTUAL** EXPENDITURES	1998 ACTUAL** EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
Other Funding Sources:					
Withdrawal from Reserves	136,718	329,810	0	0	0
Parking Enforcement Offset	0	0	0	2,107,691	2,107,691
Capital Improvements to be Financed From Available					
Cash Reserves	0	0	10,000,000	10,000,000	0
New Borrowing	285,000	6,764,000	5,869,160	0	-5,869,160
Carryover Borrowing	0	0	4,578,000 (a)	2,043,000 (a)	-2,535,000 (a)
Experience Adjustment	0	0	0	0	0
Other Funding Sources - Subtotal	421,718	7,093,810	15,869,160	12,107,691	-3,761,469
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FINANCING FOR PARKING	\$12,986,200	\$19,552,683	\$29,727,464	\$25,401,779	\$-4,325,685

(a) Reiteration of prior year's authority does not affect budget totals.

#### H. GRANT AND AID PROJECTS (EXCEPT CAPITAL)

##### 1. BUDGET FOR GRANT AND AID PROJECTS

Grantor Share (non-City)	\$62,820,198	\$55,630,872	\$67,088,507	\$72,385,581	\$5,297,074
Out of Pocket City Share (Current Tax Levy)	19,360	325	0	0	0
In-Kind City Share	<u>14,358,352</u>	<u>11,543,413</u>	<u>20,449,476</u>	<u>15,552,604</u>	<u>-4,896,872</u>
TOTAL FOR GRANT AND AID PROJECTS (EXCEPT CAPITAL)	\$77,197,910	\$67,174,610	\$87,537,983	\$87,938,185	\$400,202
Less In-kind City Share	\$0	\$0	\$-20,449,476	\$-15,552,604	\$4,896,872
TOTAL FOR GRANT AND AID	\$77,197,910	\$67,174,610	\$67,088,507	\$72,385,581	\$5,297,074

##### 2. SOURCE OF FUNDS FOR GRANT AND AID PROJECTS

Grantor Share (non-City)	\$62,820,198	\$55,630,872	\$67,088,507	\$72,385,581	\$5,297,074
Out of Pocket City Share	19,360	325	0	0	0
In-Kind City Share	14,358,352	11,543,413	0	0	0
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FINANCING FOR GRANT AND AID PROJECTS (EXCEPT CAPITAL)	\$77,197,910	\$67,174,610	\$67,088,507	\$72,385,581	\$5,297,074

#### I. INTERNAL SERVICE AGENCIES

##### 1. BUDGETS FOR INTERNAL SERVICE AGENCIES

DOA - Central Services Division	\$6,188,920	\$6,231,970	\$7,207,516	\$0	\$-7,207,516
DER - Training Section	<u>379,660</u>	<u>295,176</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL BUDGETS FOR INTERNAL SERVICE AGENCIES	\$6,568,580	\$6,527,146	\$7,207,516	\$0	\$-7,207,516

##### 2. SOURCE OF FUNDS FOR INTERNAL SERVICE AGENCIES

CHARGES FOR SERVICES OF:					
DOA - Central Services Division	\$6,188,920	\$6,231,970	\$7,207,516	\$0	\$-7,207,516
DER - Training Section	379,660	295,176	0	0	0
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FINANCING FOR INTERNAL SERVICE AGENCIES	\$6,568,580	\$6,527,146	\$7,207,516	\$0	\$-7,207,516

\*\*Expenditures include funding carried over from prior years.

	1997 ACTUAL** EXPENDITURES	1998 ACTUAL** EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
<b>J. WATER WORKS</b>					
1. BUDGET FOR WATER WORKS-DEPARTMENT OF PUBLIC WORKS					
Operating Budget	\$48,258,837	\$57,980,268	\$59,339,069	\$57,634,526	\$-1,704,543
Capital Improvements Program	29,323,381	43,905,633	24,300,000	12,120,000	-12,180,000
Debt Service (Principal and Interest)	0	0	0	0	0
Deposits to Special Accounts (Retained Earnings)	<u>15,625,000</u>	<u>15,650,000</u>	<u>8,625,000</u>	<u>10,245,000</u>	<u>1,620,000</u>
<b>TOTAL EXPENDITURES AND DEPOSITS</b>	<b>\$93,207,218</b>	<b>\$117,535,901</b>	<b>\$92,264,069</b>	<b>\$79,999,526</b>	<b>\$-12,264,543</b>
2. SOURCE OF FUNDS FOR WATER WORKS					
Operating Revenue	\$54,863,250	\$54,603,984	\$55,266,000	\$62,445,000	\$7,179,000
Non-Operating Revenue	5,770,131	2,995,272	4,277,277	5,290,246	1,012,969
Retained Earnings	19,643,837	37,019,492	18,420,792	12,264,280	-6,156,512
Proceeds from Borrowing	12,930,000	22,917,153	14,300,000	0	-14,300,000
Property Tax Levy	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SOURCE OF FUNDS FOR WATER WORKS</b>	<b>\$93,207,218</b>	<b>\$117,535,901</b>	<b>\$92,264,069</b>	<b>\$79,999,526</b>	<b>\$-12,264,543</b>
<b>K. SEWER MAINTENANCE</b>					
1. BUDGET FOR SEWER MAINTENANCE					
Operating Budget	<u>\$0</u>	<u>\$8,219,927</u>	<u>\$9,695,024</u>	<u>\$30,475,620</u>	<u>\$20,780,596</u>
<b>TOTAL BUDGET FOR SEWER MAINTENANCE</b>	<b>\$0</b>	<b>\$8,219,927</b>	<b>\$9,695,024</b>	<b>\$30,475,620</b>	<b>\$20,780,596</b>
2. SOURCE OF FUNDS FOR SEWER MAINTENANCE					
Sewer User Fee	\$0	\$8,502,769	\$9,522,524	\$15,539,870	\$6,017,346
Equipment Contribution	0	0	107,500	61,250	-46,250
Charges for Services	0	87,601	60,000	146,000	86,000
Plat and Plan Review	0	0	5,000	500	-4,500
Miscellaneous Revenue	0	0	0	168,000	168,000
Proceeds from Borrowing	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,560,000</u>	<u>14,560,000</u>
<b>TOTAL SOURCE OF FUNDS FOR SEWER MAINTENANCE</b>	<b>\$0</b>	<b>\$8,590,370</b>	<b>\$9,695,024</b>	<b>\$30,475,620</b>	<b>\$20,780,596</b>
<b>SUBTOTAL BUDGET AUTHORIZATION FOR SPECIAL REVENUE ACCOUNTS</b>	<b>\$189,959,908</b>	<b>\$219,010,267</b>	<b>\$205,982,580</b>	<b>\$208,262,506</b>	<b>\$2,279,926</b>
<b>SUBTOTAL ESTIMATED REVENUES FOR SPECIAL REVENUE ACCOUNTS</b>	<b>\$189,959,908</b>	<b>\$219,380,710</b>	<b>\$205,982,580</b>	<b>\$208,262,506</b>	<b>\$2,279,926</b>
<b>TOTAL ALL BUDGETS UNDER CONTROL OF THE COMMON COUNCIL* (Incl. Water and Special Revenue Accounts)</b>	<b>\$905,254,222</b>	<b>\$975,514,050</b>	<b>\$900,786,331</b>	<b>\$906,695,802</b>	<b>\$5,909,471</b>
<b>TOTAL FINANCING REVENUES OF BUDGETS UNDER CONTROL OF COMMON COUNCIL (Incl. Water and Special Revenue Accounts)</b>	<b>\$909,093,954</b>	<b>\$973,304,698</b>	<b>\$900,786,331</b>	<b>\$906,695,802</b>	<b>\$5,909,471</b>

\* Expenditures include funding carried over from prior years.

Note: All adopted budgets for the governmental funds are prepared in accordance with the modified accrual basis of accounting, except for the treatment of the fund balance reserved for tax stabilization. For budget purposes, the fund balance reserved for tax stabilization is reflected as other financing sources. However, for accounting purposes it is reflected as part of the overall fund balance.

\*\*Expenditures include funding carried over from prior years.

**SECTION II. SUMMARY OF BORROWING AUTHORIZATIONS  
(INCLUDING SCHOOL PURPOSES)**

	<u>1998</u>	<u>1999</u>	<u>2000</u>
<b>General Obligation Bonds or Short-Term Notes</b>			
New Borrowing			
General City Purposes	\$67,436,076	\$70,788,227	\$63,526,453
Schools	<u>9,000,000</u>	<u>27,000,000</u>	<u>17,000,000</u>
Subtotal New Borrowing	\$76,436,076	\$97,788,227	\$80,526,453
Carryover Borrowing*	<u>(106,866,205)</u>	<u>(111,578,361)</u>	<u>(122,087,702)</u>
SUBTOTAL	\$76,436,076	\$97,788,227	\$80,526,453
<hr/>			
<b>Special Assessment Borrowing</b>			
New Borrowing	\$4,122,743	\$4,214,988	\$3,827,923
Carryover Borrowing*	<u>(12,898,199)</u>	<u>(12,458,067)</u>	<u>(12,178,725)</u>
SUBTOTAL	\$4,122,743	\$4,214,988	\$3,827,923
<hr/>			
<b>Contingency Borrowing</b>			
New Borrowing	\$28,600,000	\$55,000,000	\$45,000,000
Carryover Borrowing*	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
SUBTOTAL	\$28,600,000	\$55,000,000	\$45,000,000
<hr/>			
<b>Tax Incremental District Borrowing</b>			
New Borrowing	\$8,300,000	\$10,800,000	\$8,000,000
Carryover Borrowing*	<u>(25,014,780)</u>	<u>(22,900,000)</u>	<u>(20,234,180)</u>
SUBTOTAL	\$8,300,000	\$10,800,000	\$8,000,000
<hr/>			
<b>Delinquent Taxes Borrowing</b>			
New Borrowing	\$15,000,000	\$15,000,000	\$15,000,000
Carryover Borrowing*	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
SUBTOTAL	\$15,000,000	\$15,000,000	\$15,000,000
<hr/>			
<b>Revenue Anticipation Borrowing</b>			
New Borrowing	\$205,000,000	\$215,000,000	\$240,000,000
Carryover Borrowing*	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
SUBTOTAL	\$205,000,000	\$215,000,000	\$240,000,000
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<b>Water Works Borrowing</b>			
New Borrowing	\$0	\$14,300,000	\$0
Carryover Borrowing*	<u>(46,688,000)</u>	<u>(0)</u>	<u>(14,300,000)</u>
SUBTOTAL	\$0	\$14,300,000	\$0
<hr/>			
<b>Sewer Maintenance Fund Borrowing</b>			
New Borrowing	\$0	\$0	\$14,560,000
Carryover Borrowing*	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
SUBTOTAL	\$0	\$0	\$14,560,000
<hr/>			
<b>Total - All Borrowing</b>			
New Borrowing	\$337,458,819	\$412,103,215	\$406,914,376
Carryover Borrowing*	<u>(191,467,184)</u>	<u>(146,936,428)</u>	<u>(168,800,607)</u>
TOTAL	\$337,458,819	\$412,103,215	\$406,914,376

\* Not included in budget totals, reiteration of prior years authority.

**2000 SALARY AND WAGE INFORMATION USED FOR BUDGET PURPOSES  
(FOR INFORMATIONAL PURPOSES ONLY)**

The salary and rates shown in the following salary and wage schedule are based on the most current information available as of the date of the adoption of the 2000 Budget. (Please refer to note at the end of schedule for procedure and assumption utilized in determining salary and wage appropriations in the 2000 budget.)

**CURRENT RATES  
(MINIMUM - MAXIMUM)**

Pay Range	Annual Rate		Pay Range	Annual Rate		Pay Range	Annual Rate		Pay Range	Annual Rate		Pay Range	Annual Rate	
	Minimum	Maximum		Minimum	Maximum		Minimum	Maximum		Minimum	Maximum		Minimum	Maximum
001	28,503	- 39,900	252	30,410	- 33,959	425 *	25,317	- 28,008	558	34,843	- 42,803	732	29,970	- 36,648
002	30,372	- 42,515	254	29,637	- 34,332	430	25,906	- 28,480	559	40,094	- 46,233	733	30,464	- 37,586
003	32,367	- 45,312	255	30,766	- 34,332	435 *	26,437	- 29,129	560	38,468	- 43,920	734	30,464	- 37,957
004	34,504	- 48,305	258	31,019	- 35,173	437	25,733	- 29,582	565	39,592	- 45,533	740	27,723	- 30,384
005	36,780	- 51,495	260	31,271	- 35,181	440	27,041	- 29,811	572	35,984	- 41,870	741	28,353	- 31,186
006	39,198	- 54,882	262	31,650	- 35,633	441	27,301	- 30,071	576	40,812	- 48,293	742	28,622	- 32,047
007	41,784	- 58,494	264	31,992	- 35,729	445 *	27,588	- 30,529	585	42,032	- 52,002	746	32,785	- 36,057
008	44,524	- 62,332	265	32,225	- 36,325	450	26,935	- 31,159	587	42,568	- 50,769	785	39,364	- 46,813
009	47,476	- 66,463	268	32,422	- 36,936	455 *	28,854	- 32,168	589	43,862	- 49,368	786		48,042
010	50,596	- 70,835	270	33,055	- 37,570	460 *	29,536	- 33,101	590	45,258	- 56,008	796	44,275	- 52,518
011	53,941	- 75,515	272	22,962	- 25,224	475	30,345	- 36,423	591	46,231	- 56,175	801	31,705	- 42,934
012	57,483	- 80,476	274	26,195	- 27,955	478	28,162	- 37,581	592	29,918	- 35,900	804	42,088	- 44,852
013	61,263	- 85,775	275	33,055	- 38,283	480 *	16,846	- 23,275	593	33,161	- 40,143	805	42,858	- 45,622
014	65,311	- 91,439	276	29,164	- 30,924	490	23,482	- 28,432	594	34,345	- 41,672	808	44,347	- 47,967
015	69,611	- 97,454	278	32,923	- 34,276				595	35,625	- 43,262	810	46,372	- 49,626
016	74,194	- 103,876	280		36,335	500 *	26,437	- 29,129	596	36,985	- 44,915	812	47,998	- 51,254
017	79,084	- 110,721	282	35,265	- 40,457	503	24,844	- 29,672	598	41,397	- 50,282	813	46,121	- 56,112
018	84,299	- 118,015	285	35,456	- 40,730	504	26,437	- 30,529	599	42,258	- 58,248	831	40,606	- 49,406
019	89,851	- 125,788	290	36,759	- 46,565	505 *	27,588	- 30,529	600	24,140	- 29,148	834	43,920	- 53,437
020	95,768	- 134,080				508 *	26,753	- 30,820	602	28,083	- 34,399	835	45,677	- 55,572
			300	21,719	- 25,652	510	28,205	- 31,297	604	32,778	- 43,892	836	47,504	- 57,796
030		1,500	305	22,508	- 26,182	515 *	27,075	- 33,101	606	38,572	- 49,624	839	53,437	- 65,012
036		2,500	309	22,264	- 27,316	516	28,854	- 32,773	607	48,368	- 57,665	842	60,106	- 73,129
037		3,500	310 *	23,392	- 27,316	520	29,536	- 33,101	619	31,575	- 37,728	850	26,690	- 45,424
040		5,280	314	23,716	- 27,864	522	29,608	- 33,541	620	32,952	- 44,701	851	26,067	- 45,424
041		5,500	324	24,777	- 28,480	525	30,254	- 34,074	621	37,453	- 44,701	853	33,799	- 48,135
047		40,322	325	25,906	- 28,480	526	29,608	- 35,413	622	39,086	- 50,769	856	43,378	- 50,748
050		15,001	329 *	25,309	- 29,129	528	29,868	- 34,816	624	47,453	- 44,701	857	48,796	- 59,366
			330	26,437	- 29,129	529	19,599	- 20,930	626	42,568	- 50,769	858	29,876	- 39,868
148	40,367	- 95,550	335	27,040	- 29,811	530 *	31,022	- 35,119	627	46,362	- 55,267	862	45,114	- 54,890
			338	27,316	- 30,118	532 *	29,546	- 35,185	628	48,368	- 57,665	863	54,890	- 66,779
200	21,233	- 26,294	340	27,588	- 30,529	534	30,764	- 36,259	630	54,992	- 65,505	865	61,740	- 75,117
205 *	22,905	- 27,958	344	27,075	- 31,297	535 *	31,893	- 36,259	635	27,743	- 31,814	867	84,497	- 102,802
210	24,358	- 28,504	345	28,205	- 31,297	540	32,826	- 37,490	640	29,608	- 33,541			
215	26,603	- 29,174	347	29,274	- 31,602	541	32,826	- 38,926	642	34,704	- 42,083			
220	26,867	- 29,499	350	28,854	- 32,168	542	34,319	- 38,926	644	40,067	- 48,686			
225	27,133	- 29,824	355	29,536	- 33,101	545 *	33,799	- 38,743	665	29,548	- 34,265			
230	27,349	- 30,118	360	30,254	- 34,074	546	33,799	- 41,321	666	30,640	- 41,465			
235	27,967	- 30,884				547	34,704	- 42,083	694	33,316	- 37,813			
238	28,284	- 31,243	400 *	19,177	- 24,000	549	38,468	- 45,178	696	36,591	- 42,002			
240	28,602	- 31,602	404 *	20,242	- 25,120	550	34,843	- 39,868	698	37,843	- 43,463			
245	29,287	- 32,378	405 *	21,372	- 25,120	552	34,843	- 39,950	704	29,157	- 31,986			
247	30,609	- 33,938	406	20,614	- 25,583	553	34,843	- 41,401	710	30,330	- 33,385			
248	29,636	- 32,965	410 *	22,263	- 26,197	555	35,984	- 41,087	722	25,798	- 30,958			
249	29,697	- 33,199	415 *	23,392	- 27,316	556	35,984	- 43,876	724	25,414	- 32,485			
250	29,987	- 33,552	424	23,392	- 28,008	557 *	36,792	- 41,879	726	27,212	- 33,507			

\* These rates apply to positions represented by District Council 48, AFSCME, AFL-CIO. Rates for positions that are not represented by a certified bargaining unit and those represented by Local 61, Laborers' International Union, in the DPW - Sanitation Division differ somewhat, as specified in the Salary Ordinance.

CURRENT RATES (Continued)

<u>Pay Range</u>	<u>Hourly Rate</u>						
900	5.29	927	8.81 - 10.51	948 ***	76.50	978	21.87
902	5.17 - 5.66	928	9.67 - 12.02	950	35.00	981	18.94
904	5.81 - 5.96	929	8.96 - 9.45	951	14.86 - 15.99	982	18.83
906	5.44 - 6.44	930	9.12 - 9.82	954	16.60	983	19.13
908	6.58	931	12.42 - 13.30	955 **	16.33	984	19.64
910	5.85 - 6.83	934 **	19.30	956	19.80	985	20.66
912	6.58 - 7.60	936 **	20.94	957	20.32	986	20.25
916	7.60 - 8.12	939	10.68 - 10.94	958	21.25	987	19.82
918	6.69 - 7.81	940	13.76 - 15.10	960	20.55	988	21.36
923	7.69 - 8.66	943	10.00	961	21.07	989	23.48
924	8.20 - 10.08	944	12.00	962	20.86	990	21.89
925 **	8.08	945	13.00	974	13.41 - 16.70	991	21.97
926	8.42 - 8.76	947 ***	64.73	975	10.94 - 19.68	992	23.52
						993	21.11

\*\* Official Rate - Biweekly

\*\*\* Official Rate - Daily

**2000 Budget - For 2000 Budget Purposes**

The individual salary and wage rate lines were based on 1998 rates of pay for most salary groups with the exception of MPA members of the Police Department, and Local 215 members of the Fire Department. In addition, \$18.6 million was provided within the Wages Supplement Fund to supplement departmental salary and wage accounts during 2000 on an "as needed" basis and to cover shortages caused by wage rate changes.

**SCHOOL BOARD BUDGET**  
**(NOT UNDER THE CONTROL OF THE COMMON COUNCIL)**  
**(FOR INFORMATION PURPOSES ONLY)**

**A. BUDGET FOR SCHOOL BOARD\***

	<u>1996-1997</u> <u>BUDGET</u>	<u>1997-1998</u> <u>BUDGET</u>	<u>1998-1999</u> <u>BUDGET</u>	<u>1999-2000</u> <u>BUDGET</u>
Appropriations and Expenditures	<u>\$732,371,361</u>	<u>\$756,183,206</u>	<u>\$814,241,252</u>	<u>\$831,112,595</u>
TOTAL APPROPRIATIONS AND EXPENDITURES	\$732,371,361	\$756,183,206	\$814,241,252	\$831,112,595

**B. SOURCE OF FUNDS FOR SCHOOL BOARD\***

Non-Property Tax Revenue and Surpluses	\$557,532,982	\$596,620,930	\$640,748,300	\$670,551,588
<b>TAX LEVIES</b>				
Property Tax Levy	<u>\$174,838,379</u>	<u>\$159,562,276</u>	<u>\$173,492,952</u>	<u>\$160,561,007</u>
TOTAL FINANCING OF SCHOOL BOARD BUDGET	\$732,371,361	\$756,183,206	\$814,241,252	\$831,112,595

\*School Board budget is based on fiscal year ending June 30.



**I. CITY BUDGET UNDER THE CONTROL  
OF THE COMMON COUNCIL**

**PROPERTY TAX SUPPLEMENTED FUNDS**

**SUMMARY OF EXPENDITURES**

<b>EXPENSE CATEGORY</b>	<b>1998 ACTUAL EXPENDITURES</b>	<b>1999 ADOPTED BUDGET</b>	<b>2000 ADOPTED BUDGET</b>	<b>CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED</b>
A. General City Purposes	\$518,938,609	\$442,462,666	\$450,924,070	\$8,461,404
B. Employee Retirement	40,085,194	40,144,233	49,155,740	9,011,507
C. Capital Improvements	101,370,797	108,690,925	85,710,056	-22,980,869
D. City Debt	90,110,659	96,705,927	106,243,430	9,537,503
E. Delinquent Tax Fund	1,400,000	1,400,000	1,400,000	0
F. Contingent Fund	4,598,524	5,400,000	5,000,000	-400,000
<b>TOTAL</b>	<b>\$756,503,783</b>	<b>\$694,803,751</b>	<b>\$698,433,296</b>	<b>\$3,629,545</b>



**A. GENERAL CITY PURPOSES**

**1. BUDGET APPROPRIATIONS AND EXPENDITURES**



# DEPARTMENT OF ADMINISTRATION

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## EXECUTIVE SUMMARY

**MISSION:** To make Milwaukee one of the nation's most attractive cities in which to live, work, and do business.

**STRATEGIC ISSUES:** Influence forces external to city government to strengthen Milwaukee's position as a thriving economic, social, and cultural center.

Use the department's resources to assure Milwaukee's government provides cost-effective services that add value to the city.

Build alliances with other U.S. cities, rural areas, and regional decision-makers to persuade state and federal policymakers to create better solutions regarding low-income adults, transportation, housing, and the environment.

**INITIATIVES FOR 2000:** Improve information management, enhance policy development, increase information systems coordination, and provide for support of FMIS by moving activities and resources from the Milwaukee Information Systems section of the Central Services Division (an internal service fund) and elsewhere into a newly created Division of Information and Technology Management.

Merge printing and records management activities formerly housed in the Central Services Division with functions of the Purchasing Division to create a new Business Operations Division.

Work with neighborhood groups and federal, state, and local officials to ensure an accurate and reliable count of Milwaukee's population for the 2000 decennial census

Employ advantages offered by the FMIS Purchasing module to simplify and make more efficient the procurement process.

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## BACKGROUND

In 1989, the City of Milwaukee implemented a cabinet form of government. As part of that restructuring, the city also consolidated various administrative and policymaking activities formerly performed by the Department of Budget and Management Analysis, the Department of Intergovernmental Fiscal Liaison, the Central Board of Purchases, and the Community Development Agency into a newly-created Department of Administration (DOA).

DOA plays a critical role "behind the scenes" in providing government services. The Purchasing Division works with departments throughout the city to ensure that they obtain the goods and services needed to meet their objectives. The Budget and

Management Division develops the Mayor's budget and provides invaluable analysis and recommendations on fiscal and management issues that affect the city. The Intergovernmental Relations Division vigorously represents the city's interests with both the state and federal governments. Community Development Block Grant works to distribute equitably grant funds to city agencies and neighborhood organizations. The Equal Opportunities and Enterprise Program helps represent the interests of disadvantaged local businesses in their efforts to obtain city and other government contracts. The Administration Division assists in development of strategic policy and guides the direction of information management.

In 2000 the department will reorganize to enhance further its ability to provide several of these critical services. DOA will create a new Information and Technology Management Division to improve management and coordination of the city's far-flung

information and information systems. The reorganization will also merge printing and records management activities with purchasing functions in a new Business Operations Division.

**OBJECTIVE 1**

**Influence policies and leverage resources beyond city government so as to improve the quality of life for city residents by increasing the number of jobs available and reducing the ratio of persons looking for work compared to job openings to 1.30:1 or less.**

**OUTCOME HISTORY**

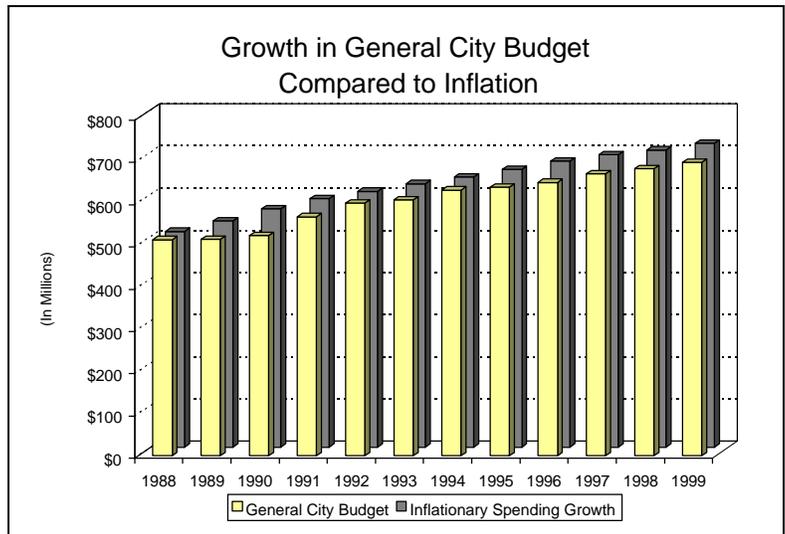
The 2000 budget provides \$687,325 in tax levy funding to support the department's efforts to provide jobs and improve the quality of life of Milwaukee's residents. Federal Community Block Grants will provide an additional \$1,026,434 toward this goal. The department will measure its success in achieving this objective by improving or maintaining the ratio of persons looking for or expected to work to the number of job openings in the Milwaukee metropolitan area.

DOA contributes to the success of this measure in a variety of ways. The Intergovernmental Relations Division focuses on reducing the tax burden on residents and businesses by achieving more equitable state revenue sharing and school aid formulas. The Community Block Grant office administers and monitors services and activities that enrich and improve the quality of life in Milwaukee. The Budget and Management Division works to reduce the cost of city government, keeping increases in city spending below the rate of inflation (see Figure 1) and leaving more money (with which businesses can create jobs) in the private economy.

**Program Result Measures:** In 2000, DOA will implement a new program result measure for this objective. The Intergovernmental Relations Division will track the number of items in the city's annual legislative agenda that are enacted by the state legislature. Many of the activities of the Administration Division of DOA also contribute to this objective.

	1998 Experience	1999 Budget	2000 Projection
Ratio of persons looking for work to the number of job openings in the Metro-Milwaukee area.	0.94:1	1.35:1	1.25:1
<b>Funding by Source:</b>			
Operating Funds	\$586,242	\$678,204	\$687,325
Grant and Reimbursable	1,767,461	1,124,154	1,026,434
<b>Total:</b>	<b>\$2,353,703</b>	<b>\$1,802,358</b>	<b>\$1,713,759</b>

Figure 1



During the course of 2000, DOA-Administration will work to develop meaningful new measures for these programs.

**ACTIVITIES**

- Administration of Community Development Block Grants
- Equal Opportunities Enterprise programs

- Telecommunication policies and regulation
- Purchasing activities
- Intergovernmental relations and lobbying
- Budget development

**PROGRAM CHANGES**

**Ensuring Access to Health Care:** In mid-1999, the federal government gave official approval to BadgerCare, a program dedicated to providing access to health care for many uninsured Wisconsin families. BadgerCare will enable Milwaukee families earning less than 185% of the poverty level and lacking health insurance to obtain comprehensive health care through HMOs at a cost not to exceed 3.5% of family income.

Access to affordable health care remains a critical component to the success of the Wisconsin Works (W-2) program. Entry-level positions for persons newly emerging into the workforce frequently lack sufficient health care benefits. Moreover, starting salaries for these positions do not support purchase of costly private benefits. The City of Milwaukee and the Department of Administration has played a key role in advocating for creation of the BadgerCare initiative, to ensure that individuals entering the job force through W-2 obtain access to affordable health

care coverage for themselves and their families. As BadgerCare becomes operational in the year 2000, the city and DOA will continue to play an active part in the implementation process.

**Community Development Block Grant Emphasizes Outcomes and Integrated Neighborhood Development for Fiscal Year 2000:** Beginning in Fiscal Year 2000 all organizations funded with Community Development Block Grant (CDBG) funds will be required to identify and measure outcomes associated with the funding. The long-term outcomes expected from the expenditure of CDBG funds are:

- Reduced Crime
- Reduced Unemployment
- Increased Property Values
- Improved Quality of Life

A new initiative for FY 2000 and beyond will emphasize targeting of CDBG funds for housing, economic development and public services in small geographic areas in order to make a clear and measurable impact in CDBG neighborhoods. The model for this initiative is the stunning success along Martin Luther King Drive which has witnessed a resurgence of commercial and residential activity in recent years.

**OBJECTIVE 2**

**Strengthen Milwaukee’s competitive position within the region through a reduction in the share of Milwaukee’s economy used for city taxes by adopting a tax rate of no more than 120% of the metropolitan area average by the year 2000.**

**OUTCOME HISTORY**

The 2000 budget provides \$1,433,368 in tax levy funding to support the city’s efforts to strengthen Milwaukee’s competitive position in the marketplace. As shown in Figure 2, Milwaukee’s 1998 tax rate (adopted in 1997) totaled 115.9% of the average property tax rate of other municipalities in the metropolitan area, exceeding for the first time the city’s tax rate goal of 120% of the metropolitan area average. For the 1999 budget the city again surpassed its goal, adopting a tax rate equal to 116.0% of the metro area average.

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
City tax rate as a percent of metro area average.	115.9%	116.6%	116.6%
<b>Funding by Source:</b>			
Operating Funds	\$1,519,832	\$1,765,100	\$1,433,368
<b>Total:</b>	\$1,519,832	\$1,765,100	\$1,433,368

The city will again meet its goal of remaining competitive with surrounding municipalities for the third consecutive year in 2000 despite a number of significant challenges. Shrinking state aids, arbitration-driven wage settlements that consistently exceed the rate of inflation, and uncertainty regarding court-ordered payments into an overfunded pension

system present major obstacles to the city's efforts to reduce costs, preserve service levels, and maintain the dramatic improvement in its tax rate compared to the metropolitan average. Notwithstanding these challenges however, in 2000 the city will generally preserve existing high service levels and keep the city's tax rate at 116.6% of the metro-area average, matching the outcome set for 1999.

To meet this challenge, the department will focus its activities in 2000 on numerous strategies including: 1) lowering the cost of doing business in the city by reducing the role and cost of local government; 2) allocating capital budget resources to needs that increase Milwaukee's overall attractiveness for private sector investment; 3) conducting efficient, competitive purchasing processes; and 4) maintaining and improving the efficacy of the state shared revenue program as a means of bridging the fiscal disparities among Wisconsin municipalities.

**Program Result Measures:** DOA institutes several new program result measures for this objective with the 2000 budget. The Budget and Management Division will supplement its existing measures of limiting budget growth to the rate of inflation and the share of local economy devoted to general city government. Beginning in 2000, the division will monitor the inflation-adjusted value of city infrastructure, track the accuracy of forecasts, and review the percentage of program evaluation recommendations implemented.

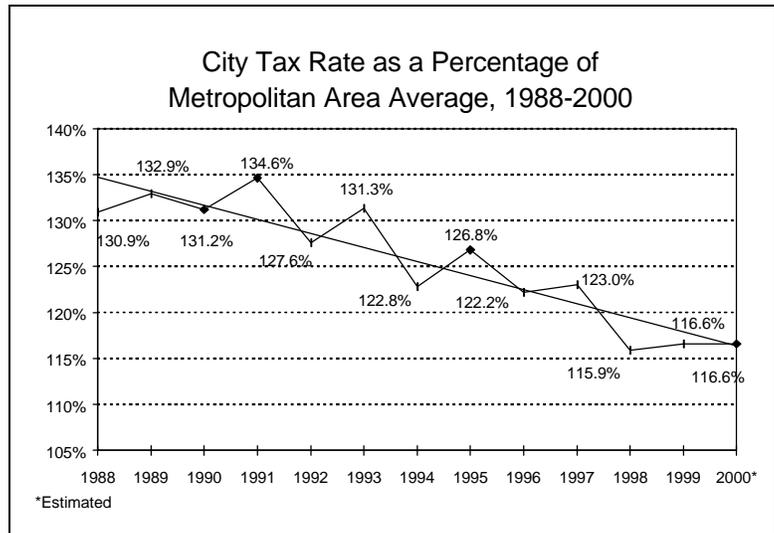
## ACTIVITIES

- Administration
- Budget analysis
- Capital financing and debt management
- Intergovernmental relations
- Purchasing

## PROGRAM CHANGES

**Year 2000 Decennial Census:** The federal government will conduct its decennial census in 2000. Population numbers discovered during this process will play a major role in numerous aid formulae that help determine both federal and state funding. In recent years, estimates have consistently underre-

Figure 2



ported Milwaukee's population, leading to a loss to the city of federal and state aid.

Milwaukee's population, as determined by the 2000 census, will affect the amount of shared revenue the city receives from the State of Wisconsin. Many federal funding programs distribute funding based on a population component as well. Nationwide, the disposition of an estimated \$200 billion in funds annually will depend on population counts reported by the 2000 census. An accurate count of the city's population will enable Milwaukee to claim its fair share of these substantial revenues. For this reason the city will make a concerted effort to ensure that every Milwaukee resident gets counted.

The city has been here before. In the years preceding the 1990 census, estimates predicted a significant decline in the city's population, to levels below 600,000. Based on these projections, the state underfunded shared revenue payments to the city, reflecting the expectation that the census would show fewer people residing in the City of Milwaukee. However, a determined effort, spearheaded by DOA, led to the reporting of nearly 40,000 more inhabitants than anticipated. Ten years later similar projections again predict a sizable decrease in the city's population and the city intends again to prove these estimates wrong. Aided by \$165,000 in funds contained within a special purpose account, DOA will work to ensure an accurate and reliable count of every city resident.

**OBJECTIVE 3**

**Provide services and tools to other city departments that lead to improved city management and maintenance of the city's fiscal health as measured by maintaining or improving the city's bond rating.**

**OUTCOME HISTORY**

The city continues to maintain its AA+ bond rating and in 2000 the various DOA divisions will contribute \$1,646,342 in tax levy funded activities toward this objective. The Budget and Management Division will continue to act as a resource for other departments to assist in strategic planning, developing performance measures, and evaluating the success and effectiveness of specific programs.

The Business Operations Division (consisting of the former Purchasing Division and the Milwaukee Printing and Records section of the Central Services Division) will help city departments purchase critical goods and services by seeking the best combination of price and value while ensuring that competitive bidding requirements are met. Business Operations will also provide a cost-effective solution for departmental printing and records management needs.

**Program Result Measures:** The new Business Operations Division will implement a number of new program result measures in 2000. For formal and informal bids and formal requests for proposals, the division will track the average number of days between requisition receipt date and purchase order mailing. The division will continue to monitor performance of the Procard program by the number of cardholders at the end of each quarter and the number of Procard transactions. New program result measures for inventory and salvage operations include the total value of inventory, inventory turnover rate, number of cars auctioned and revenue earned from auction, and revenue earned from sealed bids.

**ACTIVITIES**

- Information resource policy analysis
- Intergovernmental lobbying
- Procurement of goods and services
- Printing and records storage

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Maintain the city's bond rating.</b>	Aa1/AA+	Aa1/AA+	Aa1/AA+
<b>Funding by Source:</b>			
Operating Funds	\$1,319,495	\$1,116,809	\$1,646,342
<b>Total:</b>	\$1,319,495	\$1,116,809	\$1,646,342

**PROGRAM CHANGES**

**Create Business Operation Division:** In 2000 the Purchasing Division will combine with the former Milwaukee Printing and Records section of the Central Services Division to form a new operating division within DOA: the Business Operations Division. Business Operations will consolidate all existing purchasing functions with printing and records management activities. The Procurement Services Section of the Business Operations Division will continue to provide city departments with expertise and assistance in the purchasing process. The Milwaukee Printing and Records Section (MPR) will offer the same high quality printing, mail room, microfilm, archiving, and other services on a reimbursable basis.

The combination of these two organizations will result in a management restructuring for the printing and records management section. The Operations Manager position, formerly responsible for directing printing operations only, will be replaced with a newly created Printing and Records Manager position (salary grade 7), which will oversee all section operations, including both printing and records management activities. A second new position, Printing Operations Supervisor (salary grade 2) will receive responsibility for printing operations. Records management duties will pass from the eliminated Records and Forms Specialist position to the Microfilm Supervisor position, upgraded to salary grade 2. This new organizational structure for MPR, with more clearly defined lines of authority, will better establish accountability within the section for printing and records management activities.

**Reduce Complexity of Procurement Process:** In September 1999, the city completed implementation of the Purchasing and Inventory modules of the PeopleSoft enterprise management system. Begin-

ning in 2000, the new Business Operations Division will seek to use this advanced technology to improve business practices and further streamline the city's purchasing process. Business Operations envisions development of additional reports and queries within the system that will enhance procurement-related workflow management and thus, allow for more efficient use of existing resources.

Business Operations will further seek to make procurement information and on-line data more acces-

sible to user departments, reducing the amount of time spent on duplicative and cumbersome administrative tasks. Other initiatives to simplify the purchasing process include verification of the city's purchasing vendor base and development of a system to automate bid delivery. These and other changes will continue the progress made toward reducing complexity and increasing efficiencies in procurement related activities.

**OBJECTIVE 4**

**Manage information and information systems more effectively so as to maximize their value to city residents and city departments.**

**OUTCOME HISTORY**

In an age when information has become increasingly central to our daily lives, the effective management of that information - and the systems that maintain it - grows increasingly in importance. At a time when school children can instantaneously learn about an earthquake half a world away, sports aficionados can follow their team's exploits via a live internet feed, and investors can check in real-time the value of their portfolios the city must also ensure that it collects, stores, and maintains valuable information properly and that it uses that information to best advantage in the decision-making process.

The newly created Information and Technology Management Division will play a role similar to that of BMD in the area of information systems policy, development, and coordination. ITMD will update the city's Strategic Information Plan, advise policy-makers on information-related issues, coordinate departmental information systems, evaluate requests for technology improvements, and maintain existing infrastructure systems, including "CityNet", the city's wide area network, and "CityWeb", Milwaukee's presence on the World Wide Web. ITMD will also continue to play a role in support services, providing desktop and network systems maintenance to departments on a reimbursable basis

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
Number of "hits" on city web pages.	N/A	N/A	5,000,000
Number of persons accessing the city's internet site.	N/A	N/A	30,000
Percentage of customers satisfied with services provided.	N/A	N/A	85.0%
<b>Funding by Source:</b>			
Operating Funds	\$0	\$0	\$5,463,992
<b>Total:</b>	\$0	\$0	\$5,463,992

**Program Result Measures:** The Information and Technology Management Division has established as its objective making information more widely available to both city residents and departments. To track progress toward improving access to information, the division will measure the change in the number of city users with access to CityNet, as well as the number of departments with a presence on the city's internet web server. The division will also measure its success at implementing changes to information policy by monitoring the number of policy standards adopted.

**ACTIVITIES**

- Administration
- Budget analysis
- Capital financing and debt management
- Intergovernmental relations
- Purchasing

## PROGRAM CHANGES

**Information Management and Internal Service Delivery Improvements:** In 1992, the City of Milwaukee implemented a new system for providing information services to departments. The "Internal Service Improvement Project", or ISIP as it became known, moved many information management and systems decisions away from a rigid and highly centralized control structure and into city departments.

Instead of requiring departments to use the city's information systems service provider, ISIP allocated funding to departments, allowing them to choose their own supplier of information services. At the same time, ISIP converted the city's existing information systems service provider to an internal service fund that billed city departments for services delivered. As such, it had to compete actively for the business of departments seeking services.

ISIP also separated policy development from service provision activities, moving all policy-related functions out of the service providing agency. ISIP created a separate "Information Resource Management" section (IRM) within DOA with the responsibility to create and monitor information standards, provide policy planning, and coordinate systems development.

ISIP proved highly successful at distributing decision-making authority and increasing departmental accountability for decisions made. Departments sought and obtained solutions that best met their information systems needs at the lowest cost. Moreover, the city's internal information service provider not only survived the transition, but thrived within an emerging competitive environment.

However, much as the private economy functions best when certain public goods - such as police and fire services - are provided and paid for centrally, the city has determined that it can enhance the environment created by ISIP and more effectively manage information if it provides centrally certain information infrastructure "public goods", such as open access to the city's wide-area network or its internet server. Centralization of policy-related activities will also allow for better coordination in systems development, leading to lower costs and increased efficiencies.

To achieve these goals, the budget for 2000 will create within the Department of Administration a new Information and Technology Management Division (ITMD). This division will oversee information and telecommunications policy development, provide open access to critical infrastructure services, and continue to offer competitive services (on a reimbursable basis) for maintenance of desktop and network hardware. ITMD will also establish information and information systems standards, coordinate systems development, and work with departments and the Budget and Management Division to ensure systems compatibility and open data exchange.

The newly created Chief Information Officer (CIO) position will head the division, reporting directly to the Director of Administration and supervising the activities of three sections: Information and Communications Policy, Corporate Information Services, and Geographic Information Systems Services. The Information and Communications Policy Section will focus on issues evaluation, development and implementation of standards, and coordination of systems development.

Corporate Information Services will assist in systems coordination by working with departments and the budget office to ensure that information systems initiatives remain consistent with the city's information and technology goals and that they provide ready access to information for users both inside and outside the city at a reasonable cost. Corporate Information Services will also ensure that city departments receive open access to critical information and communications infrastructure. Desktop and network maintenance services, formerly known as "CityCare" will fall under the responsibility of Corporate Information Services, which will provide these services to departments on a reimbursable basis.

The Geographic Information System Services (GIS) section will continue to support access to a highly specialized workstation-based system integrating digital maps and data. GIS will offer these services to high-end city users, as part of the city's infrastructure services, and to agencies and businesses outside of city government on a billable basis. GIS will also work to develop lower-cost alternatives - such as internet- or intranet-based solutions - that can bring integrated maps and data to desktop computers throughout the city as well as to city residents.

In addition to maintenance of existing information systems, in 2000 ITMD will assume responsibility for long-term support of the city's Financial Management Information System (FMIS). Formerly under the aegis of the Comptroller's Office, moving the enterprise management systems support into ITMD will consolidate multiple information support systems and eliminate costly redundancies. Moreover, integrating support for FMIS into the city's existing support infrastructure will create access to a larger resource pool, provide for seamless provision of services, and allow for cross-training of Corporate Information Services staff. Expertise in maintaining the PeopleSoft-based enterprise-wide system will become broad as well as deep.

In the 2000 budget ITMD expects to absorb - either with staff resources or through existing funds allocated in the Information Technology services account - unanticipated costs relating to support for the PeopleSoft enterprise system. DOA and ITMD believe that budgeted funds and resources should meet or exceed any foreseen need for system support. However, without any substantive prior experience in supporting a system of this size and complexity, some margin for error exists. Therefore, should unanticipated problems arise that exceed available resources, ITMD may seek additional funding, through a contingent fund request, to obtain support expertise from outside vendors.

The financials component of the FMIS will require a software upgrade prior to September 2000, after which time the vendor will no longer support the city's current version. The 2000 budget for ITMD includes \$250,000 in a special purpose account to

procure the assistance of an outside vendor with PeopleSoft experience to assist in this critical upgrade.

Multiple position changes will result from the reorganization. Forty-six existing positions in the Milwaukee Information Systems section (MIS) of CSD will transfer into the new ITMD, as will two positions currently assigned to the FMIS project team through the Comptroller's Office. Several former MIS positions will move into the Administration Division of DOA. The Information Resource Manager position will also move from DOA-Administration into ITMD.

Positions created in ITMD include the aforementioned Chief Information Officer, a Database Administrator, two Information Technology Specialists, an Enterprise Systems Manager, a Technical Systems Specialist, and a Security Administrator. A new Communications Policy Coordinator position, which replaces the Cable Franchise Officer position in the Administration Division of DOA, was transferred to the Common Council-City Clerk's Office by Council amendment.

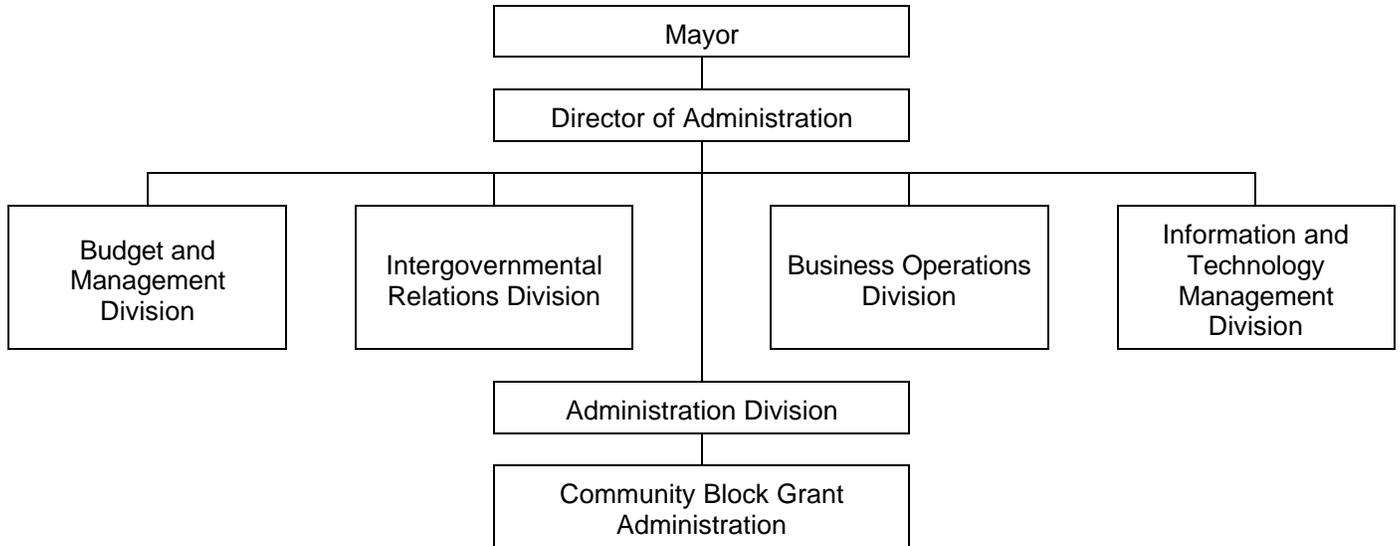
The reorganization also will eliminate or re-title several positions within the Comptroller's Office. Reductions there include one vacant FMIS Project Manager position and an Office Assistant III position. The FMIS Project Director position within the Comptroller's Office will receive the new title of Financial Systems Director. In all, the information systems reorganization will eliminate 40 positions (10.8 FTE) - many of them part-time data entry positions - with no layoff of existing staff.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	49.00	47.50	87.30	39.80
FTEs - Other	18.00	18.00	34.95	16.95
Total Positions Authorized	72	72	138	66
DLH - Operations and Maintenance	75,954	84,284	157,140	72,856
DLH - Other Funds	28,117	31,200	62,910	31,710
<b>EXPENDITURES</b>				
Salaries and Wages	\$2,167,453	\$2,248,776	\$4,292,224	\$2,043,448
Fringe Benefits	699,658	764,584	1,373,513	608,929
Supplies and Materials	27,902	0	0	0
Equipment and Facility Rent	14,363	0	0	0
Services	406,805	0	0	0
Operating Expenditures	0	456,253	2,157,800	1,701,547
Equipment	25,928	15,500	126,250	110,750
Special Funds	83,460	75,000	1,281,240	1,206,240
<b>TOTAL</b>	<b>\$3,425,569</b>	<b>\$3,560,113</b>	<b>\$9,231,027</b>	<b>\$5,670,914</b>
<b>REVENUES</b>				
Charges for Services	\$69,497	\$3,639,117	\$7,476,650	\$3,837,533
Licenses and Permits	0	0	0	0
Miscellaneous	3,494,555	3,558,000	563,000	-2,995,000
<b>TOTAL</b>	<b>\$3,564,052</b>	<b>\$7,197,117</b>	<b>\$8,039,650</b>	<b>\$842,533</b>

**CAPITAL PROJECTS** - None

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
<b>Administration</b>			
1	1.00	Management and Accounting Officer (Operating Funding \$55,500)	Transfer from Administration Section, Central Services Division.
1	1.00	Client Services Representative (Operating Funding \$35,983)	
-1	-1.00	Information Management Analyst (Operating Funding \$-39,198)	Position eliminated through consolidation of information system support.
-1	-1.00	Budget Director (MMSD) (Non-operating Funding \$-88,923)	Position in MMSD vacated by incumbent.
-1	-1.00	Cable Franchise Officer (Operating Funding \$-62,161)	Position retitled to Communications Policy Coordinator and transferred to City Clerk's Office.
-1	-1.00	Enterprise Community Grant Coordinator (Non-operating Funding \$-36,780)	Position eliminated due to grant expiration.
0	-1.00	Office Assistant II (Non-operating Funding \$-26,125)	FTE reduction due to operating efficiencies.
<b>Budget and Management</b>			
-1	-0.50	Budget & Mgmt. Analyst - Sr. (Operating Funding \$-14,840)	Position elimination due to operating efficiencies.
<b>Business Operations</b>			
1	1.00	Printing and Records Manager (Non-operating Funding \$53,365)	New position.
1	1.00	Printing Operations Supervisor (Non-operating Funding \$33,290)	
1	1.00	Lead Offset Press Operator (Non-operating Funding \$31,233)	Positions transferred from Milwaukee Printing and Records Section, Central Services Division.
1	1.00	Duplicating Equipment Operator II (Non-operating Funding \$30,109)	
2	2.00	Mail Processor (Non-operating Funding \$55,438)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
1	1.00	Microfilm Supervisor (Non-operating Funding \$42,514)	Positions transferred from Milwaukee Printing and Records Section, Central Services Division.
1	1.00	Microfilm Technician II (Non-operating Funding \$31,233)	
1	1.00	Microfilm Technician I (Non-operating Funding \$30,519)	
1	1.00	Microfilm Processor (Non-operating Funding \$25,093)	
1	1.00	Computer Assistant I (Non-operating Funding \$29,769)	
1	0.00	Offset Press Operator II (auxiliary) (Non-operating Funding \$0)	
1	0.00	Mail Processor II (auxiliary) (Non-operating Funding \$0)	
5	1.25	MPR Aide (auxiliary)(0.25 FTE) (Non-operating Funding \$10,200)	
<b>Information and Technology Management</b>			
1	0.50	Information Systems Director (Operating Funding \$58,002)	Position transferred from Milwaukee Information Systems Section, Central Services Division.
1	0.50	Chief Information Officer (Operating Funding \$47,505)	New positions.
1	1.00	Security Administrator (Operating Funding \$62,332)	
1	1.00	Administrative Assistant II (Operating Funding \$34,681)	Positions transferred from Milwaukee Information Systems Section, Central Services Division.
1	1.00	Information Systems Manager (Operating Funding \$95,720)	
1	1.00	Office Supervisor I (Operating Funding \$36,520)	
2	2.00	Systems Analyst/Project Leader (Operating Funding \$139,538)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
1	1.00	Systems Analyst/Project Leader (Operating Funding \$75,514)	New position.
1	1.00	Systems Analyst Senior (Operating Funding \$56,865)	Transfer from Comptroller's Office to provide enterprise systems support.
1	1.00	Project Assistant II (Operating Funding \$41,558)	Positions transferred from Milwaukee Information Systems Section, Central Services Division.
1	1.00	Systems Analyst Manager (Operating Funding \$79,235)	
1	1.00	Data Base Administrator (Operating Funding \$62,660)	New positions.
1	1.00	Enterprise Systems Manager (Operating Funding \$75,886)	
7	7.00	Systems Analyst Sr. (Operating Funding \$377,551)	Positions transferred from Milwaukee Information Systems Section, Central Services Division.
1	1.00	Systems Analyst Sr. (Operating Funding \$58,125)	Transfer from Comptroller's Office to provide enterprise systems support.
3	3.00	Programmer Analyst (Operating Funding \$137,255)	Positions transferred from Milwaukee Information Systems Section, Central Services Division.
1	1.00	Computer Programmer II (Operating Funding \$36,357)	
1	1.00	Systems Analyst/Project Leader (Operating Funding \$69,769)	
2	2.00	Systems Analyst Senior (Operating Funding \$122,446)	
1	1.00	Operations Analyst (Operating Funding \$35,527)	
1	1.00	Computer Scheduler (Operating Funding \$30,936)	
1	1.00	Computer Operator III (Operating Funding \$33,010)	
1	1.00	Computer Operator II (Operating Funding \$30,446)	
1	1.00	Systems Analyst/Project Leader (Operating Funding \$69,769)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
1	1.00	Network Systems Integrator (Operating Funding \$56,865)	Positions transferred from Milwaukee Information Systems Section, Central Services Division.
1	1.00	Computer Operations Coordinator (Operating Funding \$42,456)	
2	2.00	Network Analyst Senior (Operating Funding \$80,077)	
2	2.00	Information Technology Specialist (Operating Funding \$61,125)	New positions.
1	1.00	Computer Programmer II (Operating Funding \$27,820)	Positions transferred from Milwaukee Information Systems Section, Central Services Division.
1	1.00	Network Analyst Asst. (Operating Funding \$39,288)	
1	1.00	Geographic Info. Systems Manager (Operating Funding \$64,634)	
2	2.00	Systems Analyst Sr. (Operating Funding \$80,257)	
1	1.00	Systems Analyst Specialist (Operating Funding \$52,171)	
1	1.00	Programmer Analyst (Operating Funding \$47,123)	
1	1.00	Systems Analyst/Project Leader (Operating Funding \$64,627)	
2	1.00	Computer Programmer II (Operating Funding \$32,245)	
1	1.00	Systems Analyst/Project Leader (Operating Funding \$59,595)	
66	57.75	<b>TOTAL DOA CHANGES</b>	

**Central Services Division changes**

<b>Administration</b>			
-1	-1.00	Central Services Manager (Non-operating Funding \$-77,567)	Positions eliminated through consolidation of information system support and business operations.
-1	-1.00	Customer Service Rep. II (Non-operating Funding \$-29,920)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Accounting Assistant II (Non-operating Funding \$-31,359)	Positions eliminated through consolidation of information system support and business operations.
-1	-1.00	Client Services Manager (Non-operating Funding \$-79,702)	
-1	-1.00	Professional Services Manager (Non-operating Funding \$-32,567)	
-1	-1.00	Business Development Rep. (Non-operating Funding \$-45,362)	
<b>Milwaukee Information Systems</b>			
-1	-1.00	Systems Analyst Lead (Non-operating Funding \$-68,702)	Transfer to Police Department.
-1	-1.00	Technical Systems Analyst (Non-operating Funding \$-60,084)	
-1	-1.00	Programmer Analyst (Non-operating Funding \$-46,231)	
-1	-1.00	Microcomputer Hardware Tech. (Non-operating Funding \$-30,350)	Positions eliminated through consolidation of information system support.
-1	0.00	Customer Service Rep. II (Non-operating Funding \$0)	
-3	-1.00	Computer Assistant II (Non-operating Funding \$-29,254)	
-1	-1.00	Computer Operator II (Non-operating Funding \$-30,445)	
-1	-0.50	Computer Operator Aide (Non-operating Funding \$-11,955)	
-2	-2.00	Computer Assistant I (Non-operating Funding \$-60,418)	
-3	0.00	Data Entry Operator II (Non-operating Funding \$0)	
-1	-0.25	Lead Data Entry Aide (Non-operating Funding \$-4,097)	
-15	-3.75	Data Entry Aide (Non-operating Funding \$-20,183)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	0.00	Computer Assistant I (auxiliary) (Non-operating Funding \$0)	Positions eliminated through consolidation of information system support.
-1	0.00	Data Entry Operator I (auxiliary) (Non-operating Funding \$0)	
-1	0.00	Data Entry Operator III (auxiliary) (Non-operating Funding \$0)	
<b><del>Milwaukee Printing and Records</del></b>			
-1	-1.00	Operations Manager (Non-operating Funding \$-55,585)	Positions eliminated through consolidation of business operations.
-1	-1.00	Records and Forms Specialist (Non-operating Funding \$-50,343)	
-42	-20.5	<b>TOTAL CSD CHANGES</b>	

# ASSESSOR'S OFFICE

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## EXECUTIVE SUMMARY

- MISSION:** To administer the city's assessment program in a manner that assures public confidence in the accuracy, efficiency, and fairness of the assessment process.
- STRATEGIC ISSUES:** Ensure that costs for services are distributed equitably while promoting the public good.
- Provide services and activities that add value to the city and ensure they are provided in the most customer-focused, cost-effective way possible.
- INITIATIVES FOR 2000:** Conduct a citywide revaluation.
- Complete the agency's conversion from a mainframe-based information system to a network-based system.
- Streamline department operations by restructuring the property appraiser classifications.
- 

## BACKGROUND

The Assessor's Office is responsible for uniformly and accurately assessing all taxable property in the City of Milwaukee. Accurate assessments ensure that all areas of the city and all classes of property equitably share responsibility for property taxes.

In recent years, the department has focused on improving its valuation systems by upgrading and migrating from the mainframe computer. By maximizing technology, the department has been able to improve quality while reducing costs.

Another major function of the Assessor's Office is to provide public information and assistance. The Assessor's Office continues to focus on more efficient, user-friendly methods to provide this service. By using technology to make this information readily available, the Assessor's Office has significantly reduced the number of assessment objections and telephone calls for data while dramatically increasing the availability of property information and the number of customers serviced via the Internet.

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## OBJECTIVE 1

**To guarantee accurate and equitable distribution of property taxes as measured by industry standards.**

### OUTCOME HISTORY

The primary goal of the assessment process is to ensure costs for municipal services are distributed equitably through the property tax. The assessment industry has established standards that prescribe statistical measures to determine the accuracy of property assessments. The most common of these include the coefficient of dispersion and the price-related differential. Both measures compare as-

essed values against actual selling prices for similar properties to determine assessment quality. The Assessor's Office has consistently met or exceeded both statutory and industry standards for these measures, indicating a high degree of accuracy in valuing properties (see Figure 1).

The assessment process includes ongoing cyclical inspection of real property and maintenance of all property and ownership records; review and field verification of sales; inspection of properties on which building permits have been issued; ongoing analysis of sales data and assessment equity; proc-

essing assessment appeals; audits of personal property; processing personal property returns; creating real and personal property assessment rolls; and determining eligibility for property tax exemptions.

An ideal property assessment program is one in which assessments are updated annually to assure all properties are assessed at market value. The benefits of carrying out an annual assessment program, however, must be weighed against ongoing costs, staffing limitations, value trends, availability of market data, and public support of the process.

Currently, assessments are updated biennially to assure an equitable distribution of taxes. The Assessor's Office continues to modernize its computer systems and streamline its operations with annual assessments as its goal following the year 2002 revaluation. In 2000, \$3.4 million is allocated to assessment activities.

**ACTIVITIES**

- Assessment of property

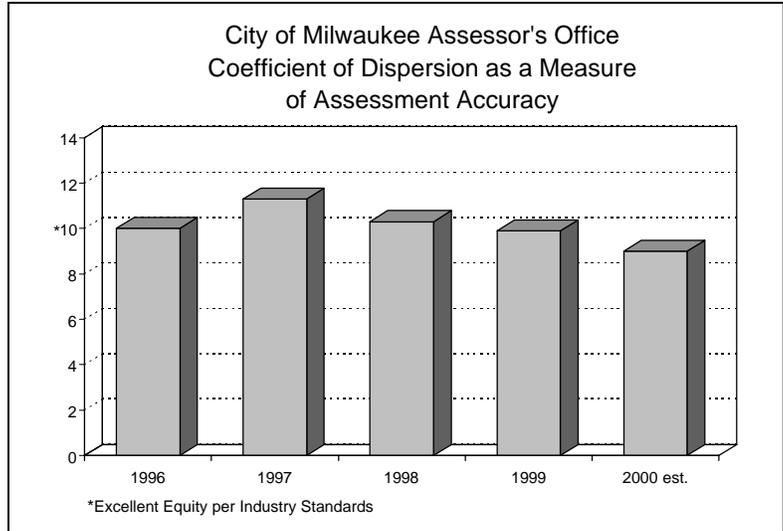
**PROGRAM CHANGES**

**Complete Mainframe Conversion:** In 2000, the Assessor's Office will complete migration of its information systems by transferring its remaining two systems to its client-server network-based system. Following migration of the city's personal property and objections systems from the mainframe, information from these databases will become available to all departments through the city's wide-area network.

**State Exemption of Computers From Tax Base:** For 2000 tax levy purposes, the city's assessed value will not include any valuation of computers for commercial and manufacturing properties. This state-imposed change eliminates approximately \$400 million in equalized value from the city's tax base. For 2000, the state will reimburse the city for this tax

	1998 Experience	1999 Budget	2000 Projection
Assessment Level.	93.6%	97.0%	100.0%
Coefficient of Dispersion.	<10.3	<10.0	<10.0
Price-related Differential.	1.02	1.02	1.00
<b>Funding by Source:</b>			
Operating Funds	\$3,596,056	\$3,538,482	\$3,353,964
<b>Total:</b>	\$3,596,056	\$3,538,482	\$3,353,964

Figure 1



base loss by providing a direct revenue payment (\$3.5 million) to the city.

**Revaluation:** In 2000, the Office of the Assessor will conduct a revaluation of all property in the City of Milwaukee. This revaluation will mark the first time that all values will be generated using client server technology. As in the past, values will be accessible through many avenues: via the Internet, at city libraries, and at the Assessor's office. In April 2000, property assessment notices with current market values will be mailed to all property owners in Milwaukee.

**OBJECTIVE 2**

**To increase customer satisfaction with the assessment process by delivering cost-effective, customer-focused service.**

**OUTCOME HISTORY**

An important measure of the quality of assessments is customer satisfaction with the assessment process as measured by the number of assessment appeals. The Wisconsin State Constitution and state law require an appeal process for those wishing to contest the assessment of their property. The Board of Assessors and the Board of Review hear appeals – affording citizens the opportunity to voice concerns or contest an assessment. The department’s goal is to maintain the average number of assessment objections for each two-year revaluation cycle at less than 2% and the number of formal appeals to the Board of Review at less than 0.5% of all real and personal property assessments.

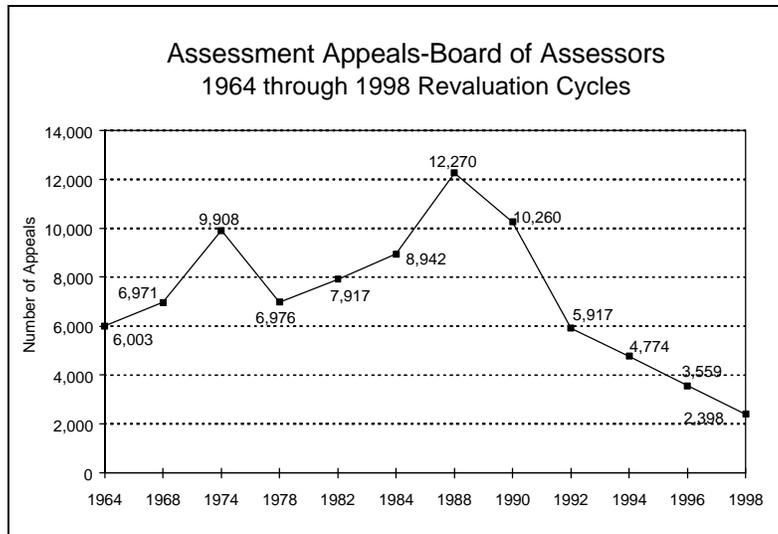
In recent years, efforts have focused on improving assessment accuracy, providing public information and education, and increasing access to assessment and sales data so as to reduce the number of objections. This has resulted in an 80% reduction in appeals since the 1988 revaluation. The Assessor’s Office remains committed to continuing this trend by increasing opportunities for customer access to information (see Figure 2).

The number of assessment appeals has steadily declined since 1988. The department anticipates an even lower number of appeals for 2000. The budget allocates \$891,560 for processing assessment appeals during 2000.

As a major provider of property information, the Assessor’s Office has found that computer technology enhances its ability to deliver efficient, customer-focused service. Automation of some processes via Internet, electronic updating of ownership data, and distribution of assessment information at local libraries have all proven effective at increasing

	1998 Experience	1999 Budget	2000 Projection
Objections to Board of Appeals.	1.6%	<2.0%	<2.0%
Objections to Board of Review.	0.03%	<0.05%	<0.05%
<b>Funding by Source:</b>			
Operating Funds	\$955,913	\$939,407	\$891,560
<b>Total:</b>	\$955,913	\$939,407	\$891,560

Figure 2



access to property information while increasing efficiency.

The Assessor’s Office continues to examine innovative ways to maximize the benefits provided by technology, improve quality, and reduce costs while increasing customer satisfaction. The challenge remains, however, to improve interdepartmental access to shared data as more and more departments begin to migrate systems from the mainframe computer.

**ACTIVITIES**

- Assessment Appeals
- Delivery of public information and education

**OTHER ACTIVITIES AND CHANGES**

**Restructure Property Appraiser Classification:** In 2000, Assessor's Office management and union representatives will implement a plan to restructure the property appraisal classification. This plan will enable the department to assign assessment work more efficiently. Team and quality management techniques will be used to assign work strategically. The

department anticipates that this change will improve customer service and the quality of assessments.

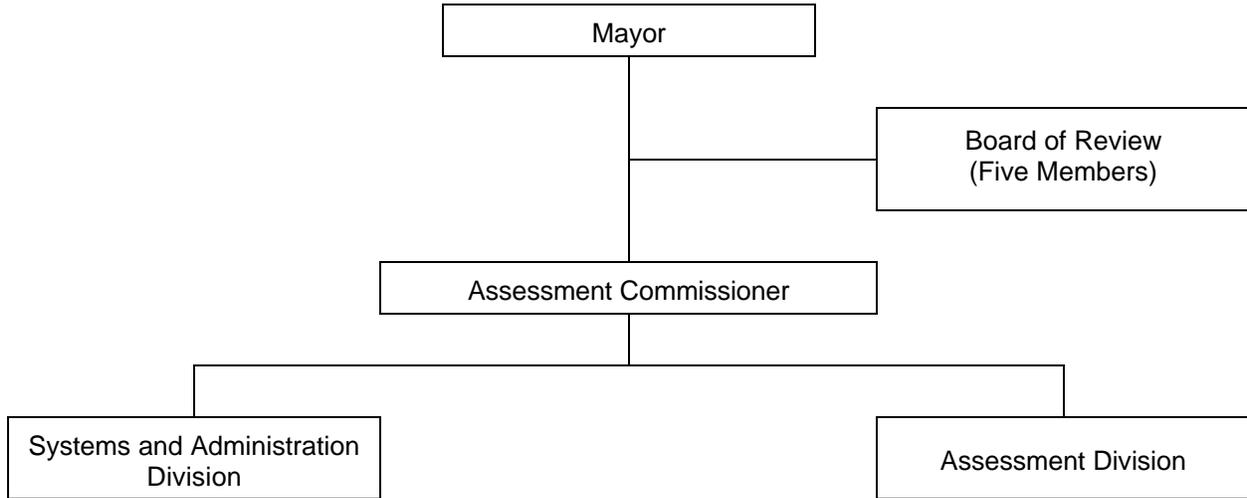
**Information Technology Support:** Funding of \$101,300 has been eliminated from the Assessor's budget to reflect the elimination of charges to departments for general systems support and network services.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	67.00	65.00	66.00	1.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	72	71	71	0
DLH - Operations and Maintenance	121,020	110,720	122,800	12,080
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$2,953,829	\$2,905,392	\$2,902,232	\$-3,160
Fringe Benefits	973,726	987,833	928,714	-59,119
Supplies and Materials	21,296	0	0	0
Equipment and Facility Rent	44,062	0	0	0
Services	464,318	0	0	0
Operating Expenditures	0	509,664	314,578	-195,086
Equipment	0	0	0	0
Special Funds	94,738	75,000	100,000	25,000
<b>TOTAL</b>	<b>\$4,551,969</b>	<b>\$4,477,889</b>	<b>\$4,245,524</b>	<b>\$-232,365</b>
<b>REVENUES</b>				
Charges for Services	\$25,206	\$300,800	\$25,400	\$-275,400
<b>TOTAL</b>	<b>\$25,206</b>	<b>\$300,800</b>	<b>\$25,400</b>	<b>\$-275,400</b>

**CAPITAL PROJECTS** - None

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	0	Assessment Analysis SPC (Operating Funded \$0)	Elimination of vacant auxiliary position
1	1	Office Assistant II (Operating Funded \$27,510)	New position
-18	-18	Property Appraiser II (Operating Funded \$-726,401)	Reclassification.
-11	-11	Property Appraiser III (Operating Funded \$-464,125)	
-6	-6	Property Appraiser IV (Operating Funded \$-307,457)	
-1	-1	Property Appraiser V (Operating Funded \$-55,855)	
33	33	Senior Property Appraiser (Operating Funded \$1,461,326)	
3	3	Property Appraiser (Operating Funded \$92,512)	
0	1	<b>TOTAL</b>	

# CITY ATTORNEY

## EXECUTIVE SUMMARY

- MISSION:** To provide quality legal services and successfully meet clients' needs in accordance with the City Charter and statutory requirements.
- STRATEGIC ISSUES:** Improve effectiveness of office management and procedures through enhanced technology and increased productivity.
- Provide quality legal services to clients.
- Effectively address city liability issues.
- INITIATIVES FOR 2000:** Implement Phase II of the Legal Automation Project, a matter and case management system.
- Continue enforcement of the public nuisance abatement and drug house abatement ordinances.
- Pursue *in personam* actions against those who are delinquent in the payment of real estate taxes.
- Eliminate one vacant Assistant City Attorney position.

## BACKGROUND

The City Attorney is a publicly elected official who serves a four-year term. The City Attorney conducts all of the legal business for the city and its "clients," including departments, boards, commissions, and other agencies of city government. The City Attorney's Office handles city litigation and keeps a docket of cases to which the city may be a party, provides legal advice and opinions, and prepares

and examines legislation for the Common Council. In addition, the City Attorney is responsible for drafting all legal documents that are required in conducting the business of the city, collecting claims and delinquencies, and prosecuting violations of city ordinances. The City Attorney's Office is also responsible for the city's liability risk management function.

## OBJECTIVE 1

**To protect the legal interests of the city and its various agencies, departments, boards and commissions as measured by the percent of cases resolved by pre-trial evaluation and the percent of claims which result in lawsuits.**

### OUTCOME HISTORY

The primary objective of the City Attorney's Office is to protect the overall legal interests of the City of Milwaukee. To reflect the focus of many of its activities and programs the department has created a new objective for

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Claims that result in lawsuits.</b>	N/A	N/A	15%
<b>Cases resolved by pre-trial evaluation.</b>	59.0%	59.0%	59.0%
<b>Funding by Source:</b>			
Operating Funds	\$5,439,773	\$5,533,781	\$5,537,412
Special Purpose Accts.	10,771,061	3,300,000	3,075,000
Capital Budget	0	0	45,300
<b>Total:</b>	<b>\$16,210,834</b>	<b>\$8,833,781</b>	<b>\$8,657,712</b>

2000. Two indicators will measure this objective. The first is the percent of cases resolved by pre-trial evaluation. After a defendant has passed through intake, the City Attorney's Office will try to resolve the case without further court appearances. If cases can be resolved in this manner, court time can be used for more serious offenses. As Figure 1 shows, from 1993 to 1995 the percent of cases resolved by pre-trial evaluation steadily increased. However in more recent years, the percent has leveled out.

The second measure is the percent of claims that result in lawsuits. When claims between the city and claimant cannot be resolved, they expose the city to increased liability and additional time spent in court. Therefore, it is in the best interests of the city to minimize the number of claims that proceed to litigation.

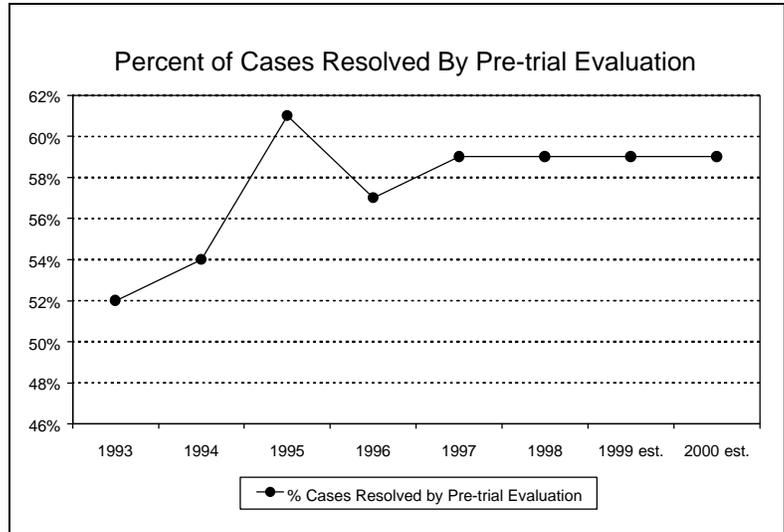
In 1999, the City Attorney's Office developed new programs and associated activities with a greater level of detail regarding the activities supporting these programs. For example, collection enforcement includes areas such as real estate, eviction and rent collection, subrogation, bankruptcy, collection contract, and mortgage foreclosures. All of the programs and activities are listed below.

In addition, the City Attorney's Office has developed new internal management indicators and results measures to monitor workload and effectiveness. While retaining some of the existing measures, the new measures now include items that were not previously measured, such as *in personam* actions. Other indicators are more specific than they were previously. For example, "documents drafted and reviewed" has been broken down into corporate, government, and financing documents. This provides a more accurate assessment of the City Attorney's workload.

While the city's new Financial Management Information System provided the impetus for the new programs and result measures, the City Attorney's Office

new legal automation system provides additional benefits in terms of measuring workload and productivity. Beginning with implementation of PC DOCS, Document Management and Retrieval Sys-

Figure 1



tem, in 1998, the City Attorney's Office acquired the ability to track electronically its work product by document type, client name, and legal section, among other search criteria. The PC DOCS system will assist the City Attorney's Office in locating and reusing prior work product and to measure more accurately staff workload distribution.

Once fully implemented, the legal automation system will allow the City Attorney's Office to:

- Improve its reporting to city departments and policymakers,
- Maximize its efficiency through better calendaring and docket management, and
- Manage office workload through better reporting from the docket system.

In the 2000 budget, the City Attorney's Office will eliminate one position of Assistant City Attorney for a savings of \$23,220. This position was created in the 1999 budget and is currently vacant. There is no anticipated impact due to this reduction.

#### PROGRAMS AND ACTIVITIES

- Prepare and review documents
  - Corporate and General Documents
- Special legal services
  - Police Legal Services
  - Legislation Review
  - Meetings Attended and Client Counseling
  - Risk Management
  - Outside Counsel/Expert Witness
- Represent the city in litigation cases

- Liability Claims
- Civil Actions
- Administrative Hearings
- Litigation Documents
- Payroll Damages and Claims
- Collection enforcement
  - Real Estate Taxes
  - Eviction and Rent Collection
  - Collection Contract
  - Mortgage Foreclosures
  - Other Collection Cases
- Ordinance violation prosecution
  - Municipal and Circuit Court Prosecutions
  - Case Review
- Continuing Legal Education

## PROGRAM CHANGES

**Implement Phase II of the Legal Automation System:** The department anticipates that Phase II of the Legal Automation System, a matter and case management system, will be fully implemented in 2000. In 1995, the department received \$337,000 to fund Phase I of the system and Phase II was funded in 1998. The 2000 budget includes \$68,214 for the Legal Automation System.

**Public Nuisance Actions:** The City Attorney's Office has developed a program to reduce public nuisances in our community. Reducing public nuisances contributes greatly to the quality of life in the

City of Milwaukee. Public nuisance lawsuits are undertaken when other city enforcement efforts have failed.

Cases may be filed on behalf of the Department of Neighborhood Services when owners refuse to repair their properties, even after the court imposes significant forfeitures. The Police Department refers cases regarding neighborhood disturbances or drug houses where property owners' management has contributed to the activity. If the owner does not abate the nuisance as a result of court action, a receiver is appointed, who will repair the building, evict problem tenants, or eliminate the environmental conditions that allow for criminal activity to flourish. Through the use of these new legal tools, the City Attorney has been able to help maintain the property tax base and to restore peace and quiet to city neighborhoods.

**In Personam Actions:** In 1997, the Common Council took advantage of changes in state law, passing an ordinance allowing the City Attorney to pursue *in personam* actions against property owners and any assets they hold besides the delinquent property in question. Since that time, the city has collected almost \$1 million through use of *in personam* actions. Through the use of this additional tool, the City Attorney expects that collecting payments owed to the city will become more effective and efficient.

## OTHER ACTIVITIES AND CHANGES

**Special Purpose Accounts:** The City Attorney is responsible for administering four special purpose accounts: Damages and Claims Fund, Outside Counsel and Expert Witness Fund, Insurance Fund, and the Collection Contract.

The Damages and Claims Fund pays for general liability judgments against the city. In 2000, the funding level will total \$1,900,000, the same as 1999. Expenditures from the account in 1998 were \$8,983,424. This large amount resulted from payment of a \$7.1 million judgment against the city.

The Outside Counsel and Expert Witness Fund will be funded at \$250,000 in 1999, an increase of \$50,000 from 1999. This account is used to bring in other law firms when the city needs to retain outside counsel, as well as witnesses who have specialized expertise

in certain fields. The increase for this account in 2000 results from higher than anticipated costs of legal expenses relating to various ongoing lawsuits.

The 2000 budget includes \$400,000 for the Insurance Fund, a decrease of \$50,000 from 1999. This fund pays city premiums for policies such as property insurance, auto liability, and public officials bonds.

The 2000 budget also allocates \$525,000 for the Collection Contract special purpose account. This is a decrease of \$225,000 from 1999. During 1999, the city's contract with Kohn Law Firm was amended so that Kohn's expenses are deducted prior to remitting collections to the city. Funding is still needed in this account for the City Treasurer's Office to completely account for personal property tax payments and to fund the Municipal Court's collection contract.

**Information Technology Services:** In 2000, the way city departments receive information technology services will significantly change. Due to this

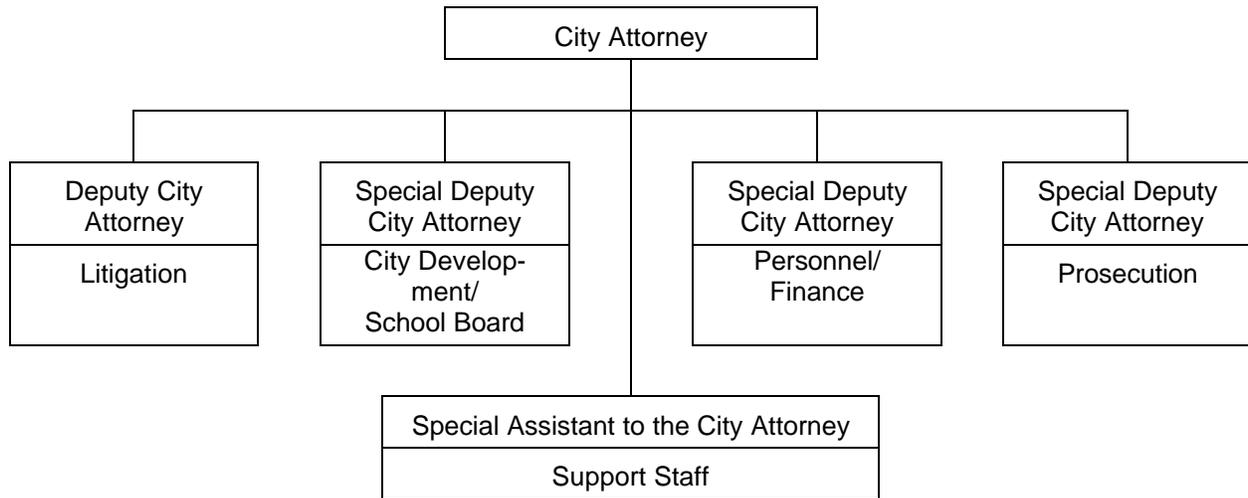
change, a total of \$68,600 has been deducted from the City Attorney's budget.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	57.54	62.46	61.86	-0.60
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	67	68	67	-1
DLH - Operations and Maintenance	119,696	112,428	111,348	-1,080
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$3,511,706	\$3,674,330	\$3,748,332	\$74,002
Fringe Benefits	1,184,661	1,249,272	1,199,466	-49,806
Supplies and Materials	39,182	0	0	0
Equipment and Facility Rent	4,607	0	0	0
Services	453,784	0	0	0
Operating Expenditures	0	533,179	466,400	-66,779
Equipment	64,398	62,000	55,000	-7,000
Special Funds	<u>181,435</u>	<u>15,000</u>	<u>68,214</u>	<u>53,214</u>
<b>TOTAL</b>	<b>\$5,439,773</b>	<b>\$5,533,781</b>	<b>\$5,537,412</b>	<b>\$3,631</b>
<b>REVENUES</b>				
Charges for Services	<u>\$588,477</u>	<u>\$300,800</u>	<u>\$294,800</u>	<u>\$-6,000</u>
<b>TOTAL</b>	<b>\$588,477</b>	<b>\$300,800</b>	<b>\$294,800</b>	<b>\$-6,000</b>

**CAPITAL PROJECTS** - Include \$45,300 for lobby alterations.

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

<b>POSITIONS</b>	<b>FULL-TIME EQUIV.</b>	<b>POSITION TITLE</b>	<b>REASON</b>
-1	-0.60	Assistant City Attorney (A) (Y) (Operating Funding \$-23,220)	Elimination of a vacant position.
-1	-0.60	<b>TOTAL</b>	

# DEPARTMENT OF CITY DEVELOPMENT

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## EXECUTIVE SUMMARY

**MISSION:** To improve the quality of life of Milwaukee citizens by being a strong and reliable partner in efforts to develop those assets that make Milwaukee a good place to live, work, do business, and play.

**STRATEGIC ISSUES:** Increase job opportunities for city residents and expand the city's tax base by strengthening and diversifying the city's economic base.

Lead the community's development-related decision-making processes to achieve a productive balance between competing land uses and economic interests, ensuring that the physical and economic growth of the city adds value in the urban context.

Enhance and expand the city's housing assets.

Promote the city as a desirable place in which to invest, live, and work.

**INITIATIVES FOR 2000:** Develop neighborhood commercial land-use plan that can be customized for specific neighborhoods. Implement neighborhood retail marketing strategy.

Merge plan examination functions into the Development Center and begin incorporating Development Center systems into citywide data base.

Continue implementing the Menomonee Valley redevelopment plan adopted in 1998.

Oversee construction of the Metcalfe Park Community Center.

Facilitate construction of new owner-occupied housing at the Cherokee Point, Beer Line, and the Granville Estates developments.

Begin implementing the Downtown Plan.

Transfer Youth Initiative program to the Private Industry Council.

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## BACKGROUND

The Department of City Development (DCD) has a wide range of responsibilities in housing, planning, development, business assistance, and marketing. While responsibilities are diverse within the department, nearly every program and project in which DCD is involved requires cooperative efforts with citizens, businesses, and neighborhoods.

One aspect of DCD's active partnership is its provision of assistance to commissions, authorities, and citizen boards. DCD's activities include administration and support for the:

- Housing Authority
- Redevelopment Authority
- Milwaukee Economic Development Corp.

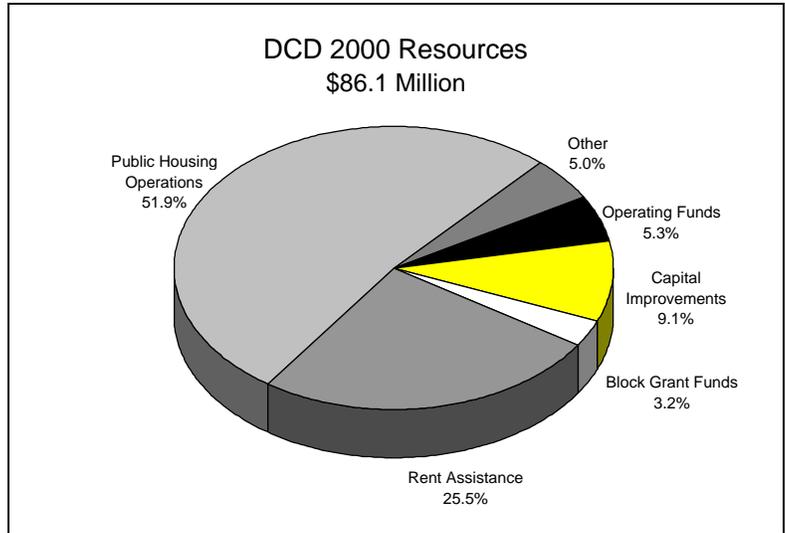
In addition, DCD provides advisory and other support to the:

- City Plan Commission
- Historic Preservation Commission
- Milwaukee Arts Board
- Board of Zoning Appeals
- Business Improvement Districts

- Fourth of July Commission
- Martin Luther King Celebration Board
- Common Council Committee on Economic Development.

City funding to support the department's operating efforts represents only a small portion, roughly 5.3%, of the total resources it controls and uses to fulfill its mission (see Figure 1). Besides city resources, the department expects to administer approximately \$73.7 million from a variety of non-city funding sources, including federal block grant funds (\$2.8 million), federal rent assistance funds (\$23.0 million), federal public housing funds (\$32.7 million), and other grants (\$16.2 million). All told, DCD anticipates that it will receive and have responsibility for approximately \$86.1 million in funding for fiscal year 2000.

Figure 1



DCD also oversees \$4.0 million in special purpose accounts used by other organizations.

**OBJECTIVE 1**

**Support investment that leads to retaining and creating jobs and tax base in the City of Milwaukee.**

**OUTCOME HISTORY**

One of DCD's objectives is to facilitate job creation and retention near Milwaukee residents. In a tight metropolitan labor market, Milwaukee has a relatively large number of potential employees which assists DCD's efforts to attract employers to Milwaukee. When DCD provides business assistance through small business loans, facade grants, or development zone certification, it tracks the jobs retained and jobs created as a result of its actions. During 1998, DCD assisted 97 companies who created or retained 2,806 jobs. DCD assistance helped firms such as SEMCO and Production Stamping reinvest or relocate within Milwaukee, thereby retaining 1,863 jobs that may have otherwise been lost. DCD also helped newly formed or newly arrived firms create 943 jobs in the city.

DCD also measures its progress in attracting jobs by tracking the amount of private investment generated by City of Milwaukee loans and other support in

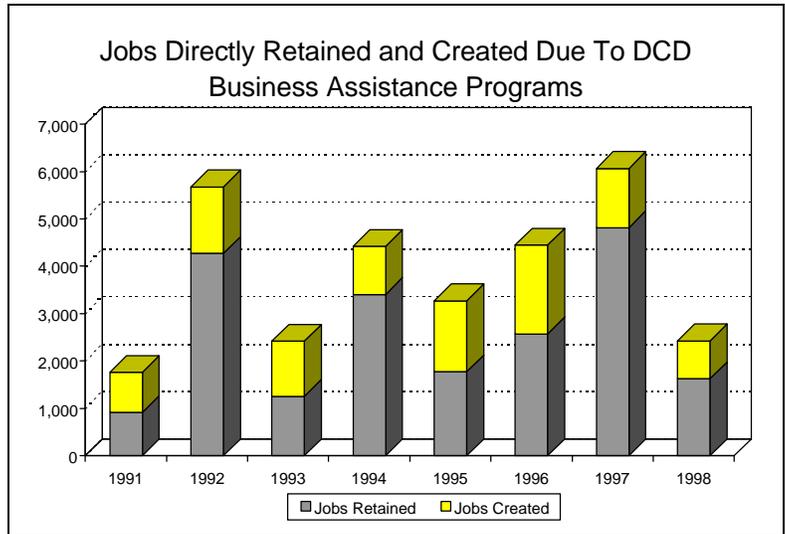
	1998 Experience	1999 Budget	2000 Projection
<b>Private investment for every city dollar.</b>	\$8.78	\$8.00	\$8.00
<b>Jobs retained</b>	1,625	2,300	2,300
<b>Jobs created</b>	800	1,500	1,500
<b>Funding by Source:</b>			
Operating Funds	\$2,306,537	\$2,290,213	\$2,109,394
Grant and Reimbursable	3,433,101	2,450,421	2,964,819
Capital Budget	11,063,772	7,680,000	10,500,000
Special Purpose Accts.	3,921,688	4,085,954	3,937,277
<b>Total:</b>	<b>\$20,725,098</b>	<b>\$16,506,588</b>	<b>\$19,511,490</b>

business projects. The 97 businesses that received DCD business assistance in 1998 invested a total of \$79.6 million in Milwaukee. On average, for every \$1 that the City of Milwaukee loaned or invested for these projects, private companies made \$7.92 of their own investments, an improvement over the 1998 rate of \$7.80 per dollar invested. In 2000, \$2.1 million of DCD operating resources will contribute to a total of \$16.6 million of total resources focused on meeting this objective.

**PROGRAMS AND ACTIVITIES**

- Economic Development Business Assistance
  - Make loans to businesses (MEDC)
  - Provide development zone certification
  - Provide bonds (RACM)
  - Develop/market industrial land (MEDC)
  - Assemble and cleanup sites
  - Assist business improvement districts
  - Provide other capital resources
  - Support to tax incremental districts
- Link employers to youth workers
- Market Milwaukee as a business location

Figure 2



**PROGRAM CHANGES**

**Youth Initiative Transfer:** DCD’s year-2000 budget reflects several position changes that were made to reduce expenses and deploy staff most effectively. DCD has eliminated the Office of Youth Initiative, whose mission will be carried out by the Private Industry Council. The staff person formerly assigned to the Office of Youth Initiative will move over to DCD’s Economic Development section to bolster its neighborhood redevelopment efforts. The city will realize a savings of \$186,700 from this transfer.

**Development Section:** DCD’s new Development Section, created in 1999, will intensify its neighborhood revitalization efforts in 2000 – implementing a neighborhood commercial marketing initiative designed to dovetail with expanded neighborhood planning efforts and supplement the façade grant program and other efforts.

Other initiatives include completion of the Todd Wehr Metcalfe Park Community Center, the Third District Police Station and Data Center, and the revitalization of the Menomonee Valley. The Development Section will also begin implementing the newly adopted Downtown Plan.

**Main Street Program – Neighborhood Retail Development:** Commercial corridors are a crucial component of the city’s neighborhoods. Their revitalization fosters job creation, availability of goods and services, growth of the tax base and visible signs of neighborhood health which encourage additional

investment. For this reason, DCD is adding to and assembling its neighborhood commercial development tools in a coordinated package, the Main Street Program.

As one part of its Main Street strategy, DCD hired another neighborhood retail specialist in 1999 to work with existing neighborhood commercial development staff and coordinate revitalization, both through expansion of local businesses and attraction of regional and national businesses. In 2000, development capacities will be further enhanced by the reassignment of the former Office of Youth Services supervisor to the neighborhood development team.

Because locations in Milwaukee’s commercial districts compete with aggressively marketed suburban locations, the department is enhancing its capacity to collect and disburse essential market data on more than 40 primary commercial retail districts. It develops building inventories to connect prospective commercial investors with appropriate properties. It collects market information (demographic profiles, market trends, traffic counts, etc.) and distributes it via the department’s website, newspaper ads, direct mail, and in “Sold in Milwaukee” marketing brochures. The department plans to continue developing new “Sold in Milwaukee” brochures (and corresponding web pages) for the 40 districts and update all existing brochures in 2000.

Operating in a role similar to a leasing manager at a regional mall, the department’s retail specialists act as a point of contact for prospective businesses, an-

swering questions regarding demographics and other topics, providing assistance with site location and giving personal tours of commercial districts. In 2000, the development section will continue building relationships with commercial real estate brokers and familiarizing them with neighborhood districts, as well as directly contacting appropriate retailers regarding opportunities in Milwaukee.

Finally, DCD assists these new, expanding or relocating businesses by linking them to other components of our Main Street program, including assistance and financing, façade design guidance, permitting, and networking opportunities.

**Business Improvement Districts:** The department recognizes that development proceeds fastest and with greatest impact in neighborhoods where private businesses take the lead in identifying their needs and building an environment that supports development. Therefore, DCD sees assisting business improvement districts (BIDs) and neighborhood business associations as an important service.

There are currently 18 business improvement districts in the City of Milwaukee, comprising more than 1,700 private properties and raising nearly \$3 million in BID assessments annually. This money is spent on activities ranging from marketing to business recruitment to streetscaping and public safety enhancements. The majority of BIDs are in neighborhood settings outside downtown.

DCD is the principal source of technical assistance for the creation of BIDs, providing guidance through the petitioning process, as well as assessment and property information. DCD also assists in the drafting of operating plans. Once BIDs are established, DCD continues liaison activities and supports BIDs in realizing their goals.

Representatives of three neighborhoods have petitioned to form BIDs to debut in late 1999 and early 2000. New BIDs have been approved in the Menomonee Valley, and the Riverworks area. If proponents are successful, these assessments will become part of the city budget, since the city collects assessments on the BIDs' behalf. Given the explosive growth of BIDs in recent years, DCD has hired a consultant to study the BID process, to determine how to continue providing service at a high level

and assist BIDs in meeting their statutory obligations. The conclusions of the study will be carefully considered for implementation in 2000.

**Metcalfe Park Development:** Construction got underway in July 1999 on this major central city educational and recreational center located on North Avenue near 35th Street. The 87,000 square foot Todd Wehr Metcalfe Park Community Center is a model of innovative and efficient cross programming. It incorporates four distinct-yet-compatible uses: A new Boys and Girls Club branch; an MPS K4 -8 neighborhood school accommodating 500 children; a state of the art library and computer learning center; and a community performing arts space which doubles as the school cafeteria.

After seeing the project through its planning phase, DCD will continue building on the \$2.2 million that it has raised from private sources such as the Todd Wehr Foundation, the Jane Pettit Foundation and a haunted house operated by the children of Metcalfe Park. DCD expects to close the remaining funding gap in 2000 and see construction completed in time for the opening of the 2000 school year. Complementing the facility will be a top-quality complex of athletic fields and playground space, also to be completed in 2000.

Finally, the department will work with a new neighborhood-based community development corporation to coordinate private sector development spurred by this catalytic project. Already, American Stores has begun investing nearly \$9 million for a new Jewel Osco store across the street from the complex. Interest in nearby retail spaces on North Avenue is growing.

**Downtown Plan:** The department will undertake a number of activities during 2000 to implement the newly adopted downtown plan. They include coordinating additional streetscape improvements such as special intersection treatments and street tree plantings. In addition the department will work with property owners, retailers and commercial real estate brokers to foster and coordinate additional investment along East and West Wisconsin Avenue. DCD expects the renovation and exterior refurbishing of the former Gimbel Brothers building (most recently Marshall Field's) to generate a great deal of interest in this area.

The department will work aggressively along with Milwaukee County on creating a regulatory environment that will result in a number of quality development proposals for the land beneath the soon-to-be-demolished portion of the Park East freeway. It will also work with existing businesses in this area so that the impact of this project on their current operations is minimized.

Finally the department expects to play a role in the development of the proposed public market in the Historic Third Ward. Specifically, DCD will oversee the disposition of a city-owned parcel on the proposed development site.

**Riverwalk Extension:** The city's Riverwalk is spurring economic development and improving public access to the Milwaukee River. In 1999 DCD, with its private sector partner, the board of BID-2, oversaw design and planning of a five-block extension of the Riverwalk into the Historic Third Ward. The bulk of this segment will be completed in 2000, based on an innovative conceptual design by artist/architect Mary Miss. Public art will be a strong component of this Riverwalk segment. DCD will assist the neighborhood in efforts to attract businesses to nearby 19th century buildings that hold promise for conversion into residential, retail, and office space. Meanwhile, DCD will coordinate the extension of the Riverwalk further north as the Harley Davidson Experience, the Commerce Street power plant renovation, Beerline residential development and other projects advance.

**Menomonee Valley:** DCD is making steady progress toward meeting the objectives detailed in the Menomonee Valley Plan, which was adopted by the Council in 1998. The formation of a Business Improvement District by Valley business owners puts them well on the way toward fulfilling the plan's first goal.

Meanwhile, the department is leading the way in implementing the plan's recommendations on environmental testing. The city completed phase II testing of the nine parcels owned by the redevelopment authority. The city will also use a \$200,000 grant from the U.S. EPA to complete an area-wide soil and groundwater analysis in 2000. This testing will significantly reduce the uncertainty surrounding the condition of valley properties by revealing the area's

unique groundwater flow. The findings could lead to more flexible, more effective and less costly clean-up alternatives.

Work progresses as well on another of the plan's goals: arranging financing for remediation work. The state budget directs the Department of Commerce to allocate \$900,000 for valley remediation and economic redevelopment activities and the DNR will administer a \$1 million pilot program that promotes the use of financial incentives to clean up and redevelop contaminated valley properties.

The preliminary phases of two sections of the Hank Aaron Trail were completed in 1999. Enhancements, such as native plantings, landscaping, and asphalt paving are planned for 2000.

Working in concert with its partner, the Menomonee Valley Business Association, the city has taken a leadership role in promoting valley redevelopment. It has co-convened a series of stakeholder meetings and documented those public conversations on a valley website. The city also invited more than 100 state and federal agency representatives to discuss valley plans and possibilities. The department will continue convening meetings and building relationships in the interest of promoting informal networking, sharing of technical advice, and generating future financial support.

**Other Land Development:** Encouraging private-sector industrial and high-tech development continues to be a departmental priority. During the 2000 budget period, cooperation will intensify between DCD and MEDC, which now manages the city's land development program. Both entities continue to follow DCD's Industrial Land Development policy, which calls for maintaining and marketing an inventory of 40 to 80 acres of industrial land, while favoring development of privately owned sites over city-owned alternatives.

The city expects progress on at least four industrial developments in 2000:

**1. North Avenue Commerce Center:** The 55,000 square-foot second phase of this facility will be completed in late 1999 at a total development cost of \$ 2.9 million. In 2000, it is expected that 50% of the facility on North 26<sup>th</sup> Street and West North Avenue will be leased to businesses employing between 40

and 50 workers. Initial planning will commence for the third and fourth phases of the project that may include commercial space and a charter school.

**2. Towne Granville Corporate Park:** This is a 64-acre business park developed jointly by Towne Realty and the city. Its main entrance is at North 111<sup>th</sup> Street and West Brown Deer Road. As of mid-1999, nearly 30 acres had been sold to businesses expecting to develop approximately 260,000 square feet of industrial facilities at a cost of \$9.1 million. This sales pace is nearly twice what had been expected. In 2000, the balances of the project development costs are estimated to cost \$10.4 million. Total employment in the park is forecast to reach 1,000 by 2002, if development continues at the current pace.

**3. Havenswood:** MEDC has authorized a comprehensive plan for coordinated development in the Havenswood neighborhood, a multi-use area bounded by West Silver Spring Drive, North 43<sup>rd</sup> Street, West Good Hope Road, and North 76<sup>th</sup> Street. The plan will identify industrial redevelopment opportunities in the area as well as commercial and residential revitalization strategies for existing businesses and property owners. OMC Corporation plans to sell its 375,000 square foot plant on North 64<sup>th</sup> Street along with 28 acres of adjacent vacant land. The department will work with developers to reactivate this plant and convert the vacant site to a business park for light industry.

**4. Industrial Land Bank:** MEDC, which now manages the city's Land Bank Program, owns a 19 acre site at North 62<sup>nd</sup> Street and West Mill Road. MEDC plans to develop this site as a 16-acre business park. The development should be completed in mid to late 2000 and ultimately should be the location for five to eight businesses with facilities having a total private investment of \$4.1 million and up to 220 jobs. MEDC also expects to jointly develop another 50-to-65 acre industrial park in the general vicinity of the northwest land bank and continue to market several in-fill industrial sites throughout the city.

**Marketing Efforts:** DCD's Economic Development Division continues to upgrade its efforts to promote

its products and services to the Milwaukee business community. These efforts focus on retention and expansion of Milwaukee businesses. Business recruitment efforts are done cooperatively with a number of other business organizations including the Metropolitan Milwaukee Association of Commerce, Forward Wisconsin, Wisconsin Electric, the State Department of Commerce, and the Southeast Wisconsin Regional Economic Partnership. New marketing efforts support neighborhood commercial and large-scale residential development programs. The division, along with MEDC, supports small and start-up businesses through a partnership of financial organizations that include the State Department of Commerce, the Wisconsin Women's Business Initiative Corporation, WHEDA, the U.S. Small Business Administration, the Martin Luther King Economic Development Corporation, and the Jewish Foundation for Economic Development.

**Program Result Measures:** The department has developed new management indicators related to the retention and creation of jobs and tax base. These measures include the following:

- Number of workers linked to businesses seeking employees
- Acres of property converted for business use
- Dollars of private investment in job creating projects assisted by the City of Milwaukee
- Dollars of private investment in neighborhood based business
- Dollars of private investment for every \$1 of public investment
- Number of businesses certified in development zones

These measures will be enhanced or modified as needed.

## OTHER ACTIVITIES AND CHANGES

**MIS Cost Change:** The cost of the city's Geographic Information System will be funded centrally. Formerly these costs were charged to departments. The department's budget for this objective will be reduced by \$28,000 as a result of this change.

**OBJECTIVE 2**

**Support investment in new housing.**

**OUTCOME HISTORY**

DCD supports the development of new housing units in the city by providing technical assistance to potential housing developers. Specific services include assembling, preparing, and marketing property for residential development. DCD will chart its progress toward this objective by tracking the number of new housing units completed each year. In 2000, \$200,000 of capital resources and staff time from the Economic Development Division will support this objective.

Milwaukee continued to experience large gains in the number of new housing units in 1998, with more than 700 new units developed. This represented a more than 250% increase from the previous year. The trend is expected to continue, with similar gains in the number of new units projected for both 1999 and 2000.

The units represent a mix of both new construction and converted former commercial, manufacturing, and warehouse properties. The success of recent projects continues to fuel strong interest in housing in the city from both developers and new residents.

DCD has leveraged city investment in public infrastructure, e.g. construction of the city's Riverwalk, to promote new residential development. Nearly half of the new units recently completed or under development are located on or near the downtown riverfront. Completions in 1999 will include the 79 condominium units at Riverwalk Plaza, 100 apartments at the Franklin at East Pointe, 109 apartment units at Lake Bluff, and 139 units at Library Hill.

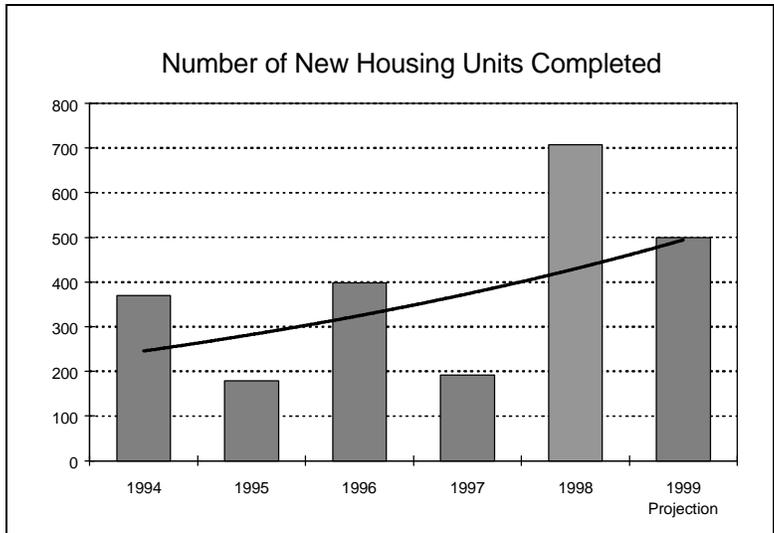
DCD also provides support and advice for neighborhood-based single-family housing development.

**PROGRAMS AND ACTIVITIES**

- Promote opportunities for new housing development

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Number of new housing units.</b>	485	500	500
<b>Funding by Source:</b>			
Capital Budget	\$165,298	\$200,000	\$200,000
<b>Total:</b>	\$165,298	\$200,000	\$200,000

Figure 3



- Facilitate the regulatory and approval process for residential developers
- Assemble, prepare, and market sites suitable for new housing development
- Analyze housing markets

**PROGRAM CHANGES**

**Beer Line “B” Housing:** In 1999, DCD began implementing the master plan for development of this 44-acre project area along the Milwaukee River near the Brewers Hill neighborhood. In 1999, one of the first new developments in the area got underway on a former city-owned parcel of land at the corner of Commerce and Pleasant. When complete, the “Crescent” will contain 16 town homes, with a collective value of almost \$5 million. RACM will seek proposals for additional development in both 1999 and 2000. When completed, Beer Line “B” will be a

neighborhood of 400 new units of high-quality housing, complemented by recreational space and commercial development.

**Cherokee Point:** Construction will continue in 2000 on a high quality, traditional single family development on long-vacant decommissioned freeway lands between South 38<sup>th</sup> and South 42<sup>nd</sup> streets, West Morgan Avenue and West Howard Avenue. The city acquired the 28-acre parcel from Milwaukee County and prepared and marketed the site for development. When complete, the development will contain 77 owner-occupied homes and 40 condominiums and have a value of over \$17 million.

**Granville Estates:** In 2000, construction will continue on this 41 lot residential subdivision adjacent to Dreczka Park and south of the Towne Granville Corporate Park. Almost one third of the lots were reserved prior to the completion of the public improvements. This project is part of a tax incremental district.

**Downtown and Near-Downtown Neighborhoods:** Milwaukee's Downtown Plan calls for the addition of 500 housing units annually in downtown neighborhoods. Heavy demand is fueling accompanying development interest and DCD is expediting a number of residential projects that will help achieve this goal.

Projects include the \$8 million Hibridge Project on Redevelopment Authority owned land at Astor and

Kane Streets, which will result in 35 new condominiums. Conversion of the Western Leather Building near Brady Street has created 57 loft style apartments and represents a \$1.5 million additional investment.

The Brewer's Hill neighborhood and surrounding area are seeing significant new housing development. The first phase of the conversion of the former Weyenberg Shoe site near North Hubbard and East Reservoir Streets will commence in 2000 and will produce 60 loft condominiums, with a value of over \$6 million. Nearby, the former Barrel Plating site will undergo transformation resulting in 24 new residential units and complementary retail and office space representing a total value of \$6 million. Vineyard Terrace, a \$6 million development will begin construction in 2000 and offer 40 high quality new town homes on the Redevelopment Authority owned site at North 4<sup>th</sup> and West Reservoir Streets.

**Program Result Measures:** Improvements to the management indicators for housing investment will be made when necessary. The existing measures include the number of property sales and the number of tax deed properties. These measures focus on the city's foreclosure policies regarding tax delinquent properties. Future measures in this area may relate to the city's investment in housing projects. This will require further study before the appropriate measure can be created.

**OBJECTIVE 3**

**Use planning and permitting as a tool to guide and support public and private investment.**

**OUTCOME HISTORY**

Overall, a trend of increasing property values is continuing citywide. Sustainability of this trend over the long-term requires that both public and private investments not only respect the context of the neighborhoods in which they are located but also add value to them. City planning and permitting activities provide both the theoretical and practical guidance required for value-adding development. Guidance comes in the form of the zoning ordinance, land use plans, urban de-

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Percent of customers satisfied or very satisfied.</b>	N/A	N/A	N/A
<b>Funding by Source:</b>			
Operating Funds	\$1,667,837	\$2,681,240	\$2,450,800
Grant and Reimbursable	351,623	390,400	485,800
Capital Budget	209,622	260,000	150,000
<b>Total:</b>	<b>\$2,229,082</b>	<b>\$3,331,640</b>	<b>\$3,086,600</b>

sign standards, historic preservation ordinance and building codes. Administration of these regulations by staff requires sensitivity to both the long-range goal of appropriate physical development and the more immediate market realities to which the development community must react.

DCD's Development Center will debut in its new space early in 2000, serving as a convenient, single point of contact for developers, contractors, and property owners undertaking development projects within the City of Milwaukee. The center is designed to streamline the development process and position planning and permitting staff to assist private investment. DCD will measure customer satisfaction of those who receive development permissions and permits and make appropriate improvements. In 2000, \$2.4 million of DCD operating resources will contribute to a total of \$3.1 million of total resources focused on meeting this objective.

## PROGRAMS AND ACTIVITIES

- Development and Permit Center
  - Review project plans
  - Issue permits
- Land use planning
  - Create land use plans
  - Provide planning reviews (historic, etc.)
  - Create and administer urban design standards

## PROGRAM CHANGES

**Development Center:** DCD is in the process of consolidating planning, plan examination and permitting staff in new space at the 809 North Broadway building. To better serve developers with more complex needs, the center will expand the use of case management services in 2000. Staff reorganization outlined in the 2000 budget will strengthen the relationship between the plan examination and planning administration staffs.

The center also plans to expand its use of technology to benefit its customers. More application forms and other materials will be offered on-line in 2000. The center will continue developing an interdepartmental computerized project tracking system that will allow staff from various departments – including the Department of City Development and the Department of Public Works – to monitor a project's prog-

ress through the approval process. The system will provide a single electronic record of all plan reviews and approvals required for complex projects. Eventually, DCD expects approximately 70 staff in multiple departments to use the system.

**Citywide Zoning Code Revision:** Much of 1999 was spent revising the city's zoning code to make it more consistent, more sensitive to existing character, and more responsive to contemporary development needs. The city's planning staff expects to see the new code through the approval process and begin implementing it in 2000. The new code's simplicity will ease its acceptance among developers, architects, and other users.

**Neighborhood Planning:** With the completion of plans for downtown and the Menomonee Valley, DCD's planning staff will focus on neighborhood scale planning in 2000. One neighborhood plan will be completed, with the neighborhood selected based on the urgency of redevelopment issues facing the area and its partners. A topical plan, designed not for a specific neighborhood but around a specific topic, such as neighborhood retailing, will be initiated. This plan is designed to bring useful, widely applicable planning principles and solutions to bear in a variety of neighborhoods.

**Comprehensive Plan Report:** While the city has plans covering many of its neighborhoods, it lacks a comprehensive plan, an overall structure that supports these various documents. To address this issue, the city's long-range planners will spend part of 2000 developing a reference document that describes the city's approach to planning. The report will also catalog the parts of the city and the topics covered by current plans and the relationship of comprehensive plans to other plans (such as renewal area plans). The document will provide background for city officials, city staff in DCD and other departments, and the public. The document will complement and provide legal support for other division activities such as citywide zoning revision.

**Historic Preservation:** In addition to advising on all projects involving designated historic structures in the city, DCD will take several steps to increase public awareness of how historic preservation adds value to city neighborhoods. The Historic Preservation Section will update and republish its best-selling architectural history book, *Built in Milwaukee*, which

has been out of print for several years. Throughout 2000, it will also present a number of seminars promoting preservation.

**Program Result Measures:** A key component in completing any development project is the receipt of the appropriate permits. The city can effect this phase through the use of an efficient permitting center. Management will use indicators that include the following to assist in the management of the department:

- Number of development plans approved
- Average length of time to approve 80% of the development plans
- Number of permits
- Number of certificates of appropriateness
- Average length of time to issue certificate of appropriateness
- Number of phase I and phase II environmental analyses

These measures will be enhanced or changed to reflect new policies or to improve the monitoring of the other programs.

**OTHER ACTIVITIES AND CHANGES**

**Plan Examination and Administration Consolidation:** In another resource-saving change, DCD will consolidate the plan examination and plan administration staffs under one supervisor. The consolidation will create room in the budget for the hiring of a new plan examiner to handle expedited case review, which will improve customer service. Remaining personnel shifts include eliminating a vacant senior economic development specialist and creating an associate planner position and recreating a senior planner position for the city demographer.

**MIS Cost Changes:** The costs for information systems were formerly charged to departments. A change in 2000 will centrally fund these costs and eliminate the charges to departments. This change will produce a \$46,400 reduction to funding for this objective.

**OBJECTIVE 4**

**Operate federally-funded low-income housing programs.**

**OUTCOME HISTORY**

The Housing Authority of the City of Milwaukee (HACM) is responsible for construction, management, and provision of decent, safe and sanitary housing for low-income persons. Because federally-funded housing authority and rent assistance programs will make up 77% of the resources administered by DCD in 2000, DCD has chosen to establish a separate objective and measure for its support for low-income housing as part of the 2000 budget. Non-city funding of \$69.4 million will support this objective in 2000.

The Public Housing Management Assessment Program is a system developed by the U.S. Department of Housing and Urban Development to assess each housing authority's operational performance. Each year housing authorities are scored on eight indicators, which include financial management, resident

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Housing Authority rating.</b>	0.97	0.90	0.90
<b>Funding by Source:</b>			
Grant and Reimbursable	\$64,865,413	\$63,699,815	\$70,937,330
<b>Total:</b>	\$64,865,413	\$63,699,815	\$70,937,330

services, security, vacancies, and physical inspections. During the past six years, the Milwaukee Housing Authority has been designated as a "high performer," the highest status available in the nation. The Housing Authority's goal is to score at least 90 points (maximum 100 points) and retain this "high performer" designation.

In 1991, the first year of this rating system's implementation, Milwaukee's Housing Authority received

a score of 85.7. Figure 4 shows that this score has steadily risen over the past six years with the highest rating ever in 1998 with a score of 97.0. It is anticipated that the Section 8 Rent Assistance Program will be graded on a set of Section 8 Management Assessment Program indicators beginning with the 1999 fiscal year.

**PROGRAMS AND ACTIVITIES**

- Lease, maintain, and improve public housing units
- Issue and renew rent assistance certificates and vouchers
- Inspect privately-owned housing units for rent assistance contracts

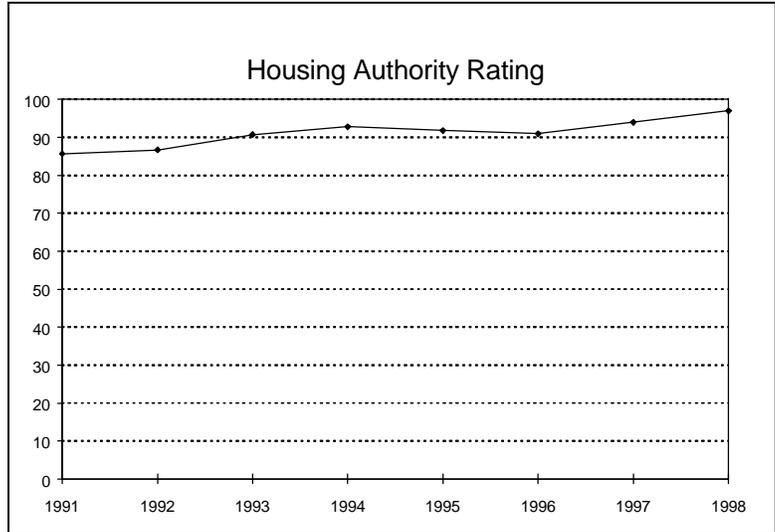
The Housing Authority continues to focus on the development of healthy communities that provide safe environments for families and their children. It measures the impact of its programs by looking at changes in property values, educational levels, and income. The budget reflects three major initiatives: 1) employment, 2) home ownership, and 3) physical improvements to ensure the long-term viability of city housing.

**Employment:** To help residents obtain and retain family supporting jobs, the authority has two resident employment coordinators who work very closely with the W-2 coordinating agencies to ensure that residents do not "fall through the cracks." Between 1997 and 1998 there was a nearly 20% increase in public housing residents' income from wages, from \$14.7 million to \$17.7 million. Given steady economic conditions, further improvements are expected in 2000.

In addition to providing vocational counseling, the Housing Authority reviews federal policies and works with elected officials to remove any disincentives to employment. The authority adopted ceiling rents and income disregards to encourage residents to work and stay in public housing. The income disregard means that families do not pay higher rents each time their earnings increase. Minimum rents were increased from \$25/month to \$50/month to discourage residents from leaving a job and returning to welfare.

**Home Ownership:** During the first eight months of 1999, nine public housing residents purchased their own homes through the Section 5(h) home owner-

Figure 4



ship program. During the past four years, HACM has sold 43 scattered sites homes to public housing residents and is closing on its goal of selling 50 scattered sites homes to public housing residents. The authority is in the process of preparing a new Section 5(h) home ownership program, which will focus on sales of its scattered sites homes in the central city. Through its home ownership counselor, the authority has helped another 48 public housing residents purchase homes in the private market.

**Physical Improvements:** The Housing Authority is fortunate to have funding from the U.S. Department of Housing and Urban Development to revitalize Hillside Terrace and Parklawn, both of which needed extensive renovation. The revitalization of these family developments included a reduction in both the density and the physical and social isolation of these communities, which are being reconnected to the surrounding neighborhoods. Renovation work at Hillside Terrace concluded in 1999 and the revitalization of Parklawn will be completed at the end of 2001. Workers will complete 70% of the demolition and 10% of the remodeling at Parklawn in 1999. Work on the new roadways will begin in 2000, and by the end of the year, 60% of the revitalization at Parklawn should be completed. During 2001, all of the revitalization work will be completed, including the construction of 20 new single-family homes. In 1999, HACM submitted proposals to revitalize Lapham Park and would like to revitalize Highland Park within the next five years. All of this revitalization is being done without any local tax dollars.

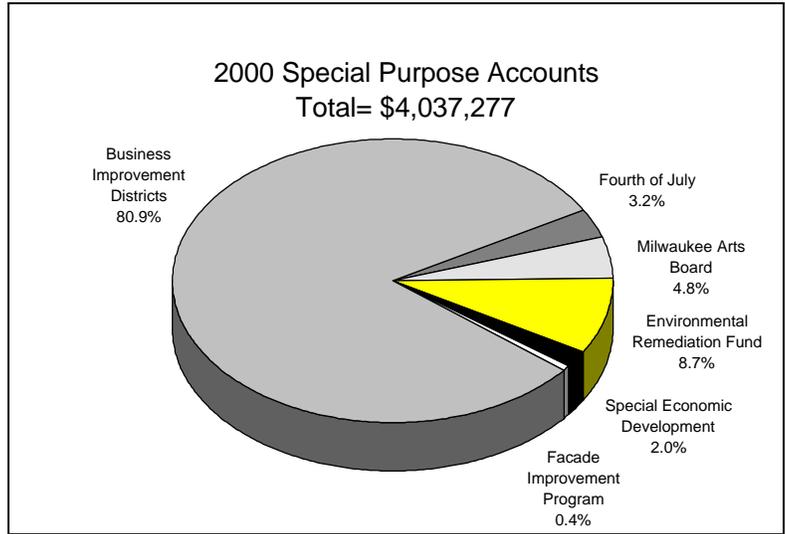
**Program Result Measures:** No new management indicators were developed for this area. The department will use only the objective measure to monitor this section. Since HUD requires a specific

method to monitor the success of HACM, it was felt that it was unnecessary to duplicate the monitoring components used by HUD.

**SPECIAL PURPOSE ACCOUNTS**

In 2000, DCD will oversee the administration of \$4,062,277 in special purpose accounts. The majority of these funds are privately contributed by Business Improvement Districts when merchant organizations elect to assess themselves to fund activities designed to strengthen their local business climate. DCD also administers the special purpose accounts shown in Figure 5. These accounts include the Fourth of July (\$130,000), Milwaukee Arts Board (\$192,000), Environmental Remediation Funds (\$350,000), Special Economic Development (\$105,000), and the Facade Improvement Program (\$20,000) Special Purpose Accounts.

Figure 5



**Economic Development SPA:** In 1999, \$50,000 was budgeted in the Economic Development Committee SPA with an additional \$90,000 in a special fund in DCD’s operating budget. This meant that a total of \$140,000 was included in the 1999 budget to market Milwaukee as a business

location. In 2000, a total of \$130,000 is included in the budget for this purpose, a 7% reduction from 1999 levels. \$25,000 of these funds is included in the Economic Development Committee SPA and \$105,000 is in a DCD special fund.

**CAPITAL IMPROVEMENTS**

In addition to the resources described above, DCD will be responsible for administering \$10,850,000 in capital financing. The department’s capital budget reflects a decrease of \$2,090,000 from 1999 levels. DCD’s 2000 capital budget reflects the department’s efforts to request only those funds anticipated to be spent in 2000. Table 1 provides a summary of DCD’s 1999 and 2000 capital budgets.

Table 1

Account Description	1999 Capital Budget	2000 Capital Budget
Advance Planning Fund	\$260,000	\$150,000
Neighborhood Commercial District	0	500,000
Business Improvement District Capital	0	500,000
Tax Incremental Districts Development Fund	10,800,000	8,000,000
	<u>1,880,000</u>	<u>1,700,000</u>
<b>Total City Funding:</b>	<b>\$12,940,000</b>	<b>\$10,850,000</b>

**Tax Incremental Financing:** As indicated in Table 1, the use of Tax Incremental Financing (TIF) will continue to support much of the department’s capital spending. The city has established a total of 37 TIDs, 27 of which are currently active. Borrowing authority provided in the 2000 budget will finance

existing TIF projects, provide funding for projects currently in the initial stages of planning, and allow for the city’s involvement in potential developments under discussion.

**Other Capital Changes:** In 2000, \$500,000 of new funds will be needed to fulfill the city's match for capital projects in the East North Avenue and Riverworks BIDs. During the year, \$500,000 of bor-

rowing authority will be available for BID loans to support the new activity mentioned above. This balance will be sufficient to provide loans to Business Improvement Districts.

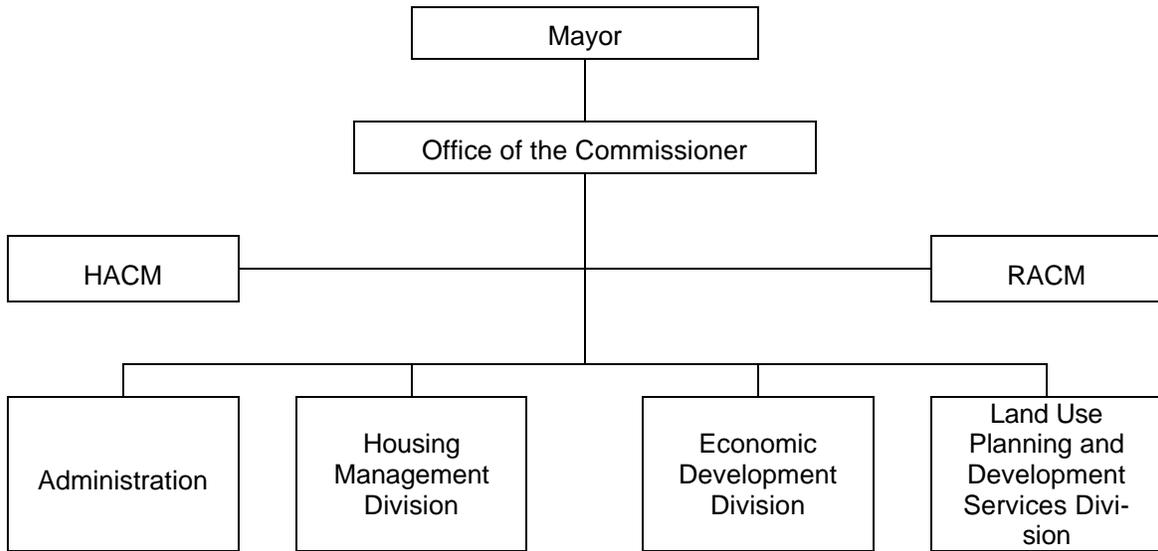
### BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	48.93	70.29	68.35	-1.94
FTEs - Other	344.06	263.70	211.63	-52.07
Total Positions Authorized	897	838	300	-538
DLH - Operations and Maintenance	82,348	126,522	120,942	-5,580
DLH - Other Funds	619,308	474,660	385,452	-89,208
<b>EXPENDITURES</b>				
Salaries and Wages	\$2,181,835	\$2,862,489	\$2,757,732	\$-104,757
Fringe Benefits	664,927	973,246	882,666	-90,580
Supplies and Materials	51,244	0	0	0
Equipment and Facility Rent	14,002	0	0	0
Services	901,375	0	0	0
Operating Expenditures	0	924,718	814,796	-109,922
Equipment	20,857	10,000	0	-10,000
Special Funds	<u>140,134</u>	<u>200,000</u>	<u>105,000</u>	<u>-95,000</u>
<b>TOTAL</b>	<b>\$3,974,374</b>	<b>\$4,970,453</b>	<b>\$4,560,194</b>	<b>\$-410,259</b>
<b>REVENUES</b>				
Charges for Services	\$134,581	\$118,000	\$392,000	\$274,000
Licenses and Permits	0	1,635,000	1,635,000	0
Miscellaneous	<u>378,728</u>	<u>234,700</u>	<u>650,000</u>	<u>415,300</u>
<b>TOTAL</b>	<b>\$513,309</b>	<b>\$1,987,700</b>	<b>\$2,677,000</b>	<b>\$689,300</b>

**CAPITAL PROJECTS** - Includes \$10,850,000 for the following projects:

a. Tax Incremental Districts	\$8,000,000
b. Development Fund	\$1,700,000
c. Business Improvement District	\$500,000
d. Neighborhood Commercial District	
Street Improvement Fund	\$500,000
e. Advance Planning Fund	\$150,000

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-0.22 -0.78	Program Monitor (Operating Funding \$-12,041) (Non-operating Funding \$-42,691)	Position changes previously approved by the Housing Authority.
-1	-1.00	Project Control Analyst (Non-operating Funding \$-52,213)	
1	1.00	Office Assistant II (Non-operating Funding \$26,125)	
-1	-0.30 -0.70	Procurement Officer (Operating Funding \$-16,855) (Non-operating Funding \$-39,327)	
-1	-1.00	Commercial Relocation Officer (Non-operating Funding \$-40,668)	Reduction in funding.

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-0.50 -0.50	Economic Development Specialist-Sr. (Operating Funding \$-20,835) (Non-operating Funding \$-20,835)	Reclassified to Associate Planner.
0	-0.16 0.16	Economic Development Marketing Mgr. (Operating Funding \$-7,575) (Non-operating Funding \$7,575)	Position will be funded partially by Capital Resources.
-1	-1.00	Youth Initiative Director (Operating Funding \$-71,682)	Moved Youth Initiative Program to the Private Industry Council.
-255	-19.84	Youth Worker I Non-operating Funding \$-130,050)	
-125	-9.73	Youth Worker II/III (Non-operating Funding \$-68,400)	
-7	-0.55	Youth Supervisor (Non-operating Funding \$-4,620)	
-85	-6.62	Youth Team Leader (Non-operating Funding \$-102,000)	
-35	-2.73	Youth Team Leader II/III (Non-operating Funding \$-56,000)	
-2	-0.17	Youth Program Specialist (Non-operating Funding \$-7,680)	Moved Youth Initiative Program to the Private Industry Council.
-3	-0.25	Office Assistant II (Non-operating Funding \$-39,486)	
-4	-0.32	Administrative Specialist (Non-operating Funding \$-70,486)	
-1	-0.08	Personnel Analyst (Non-operating Funding \$-29,801)	
-1	-0.08	Temporary Office Assistant III (Non-operating Funding \$-3,840)	
-9	-0.62	Youth Program Assistant (Non-operating Funding \$-17,280)	
-1	-1.00	Purchasing Assistant III (Non-operating Funding \$-27,513)	Reduction in funding.
-1	-1.00	Housing Manager II (Non-operating Funding \$-45,760)	Position changes previously approved by the Housing Authority.

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Maintenance Operations Manager (Non-operating Funding \$-65,135)	Position changes previously approved by the Housing Authority.
-2	-2.00	Housing Construction Specialist (Non-operating Funding \$-96,035)	
-1	-1.00	Housing Evaluation Supervisor (Non-operating Funding \$-57,386)	
-2	-2.00	Rent Assistant Specialist III (Non-operating Funding \$-90,111)	
-1	-1.00	Office Assistant II (Non-operating Funding \$-26,125)	
1	1.00	Rent Assistant Inspector (Non-operating Funding \$42,398)	
1	1.00	Resident Liaison (Non-operating Funding \$39,146)	
1	0.82 0.18	Associate Planner (Operating Funding \$28,410) (Non-operating Funding \$6,433)	Reclassified from Econ. Development Specialist.
0	0.50	Associate Planner (Operating Funding \$20,120)	To shift from part-time position to full-time.
0	1.00	Senior Planner (Operating Funding \$48,161)	To provide and analyze demographic data.
-1	-1.00	Plan Examination Supervisor (Operating Funding \$-62,161)	Reclassification.
1	1.00	Plan Examiner (Operating Funding \$48,367)	
	-1.68 -1.84	Miscellaneous (Operating Funding \$-58,800) (Non-operating \$-5,600)	Experience adjustment.
0	-0.40 0.40	Miscellaneous (Operating Funding \$-37,183) (Non-operating Funding \$37,183)	Reduce real estate FTEs and shift some economic development hours to capital.
-538	-54.01	<b>TOTAL</b>	

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

NOTE: The budget of this agency is not under control of the Common Council. This information is being provided to portray more fully the activities administered by the Department of City Development.

The Housing Authority of the City of Milwaukee (HACM) is responsible for construction, management, and provision of decent, safe, and sanitary housing for low-income persons. HACM is administered by a seven-member board of commissioners. Members are appointed for staggered terms by the Mayor and confirmed by the Common Council. A DCD employee serves as Executive Director.

### ACTIVITIES

- Low-income development operations
- Comprehensive Grant (COMP) for modernization of buildings
- Rent Assistance Program (Section 8)
- Housing development and rehabilitation
- Veterans' housing

Table 1 provides an illustration of funding levels of various programs operated by the Housing Authority.

**Federal Budget:** HACM's principal funding source is the Federal Government through various programs administered by the Department of Housing and Urban Development (HUD). HUD provides an operating subsidy to make up the difference between the cost of managing public housing and the revenues received from 30% of resident's income. The Housing Authority anticipates additional losses due to reductions in future federal funding as Congress and the Administration move to a balanced federal budget.

**Partnerships:** The Housing Authority works in partnership with community-based organizations to maximize public and private sector funding. S.E.T. Ministry provides case management services for persons in high rise developments for elderly and disabled residents. Each of the five family developments

also has at least one on-site social service provider. These service providers include the Boys and Girls Club, Children's Outing Association, Right Alternative Family Service Center, Silver Spring Neighborhood Center, and the YMCA. In September 1997, the Housing Authority completed the Family Resource Center at Hillside Terrace, which houses services provided by the Black Health Coalition, Day Care Services for Children, Inc., and UW-Extension. The Housing Authority continues to work with Milwaukee County, the Private Industry Council, and the W-2 coordinating agencies to help public housing residents successfully transition from welfare to work.

**Urban Revitalization Grant:** The Housing Authority has a \$44 million grant from the U.S. Department of Housing and Urban Development to improve the Hillside Terrace Housing Development. In addition, the Housing Authority has recently been awarded a \$35 million grant to improve the Parklawn Housing Development.

Table 1

HOUSING AUTHORITY PROGRAMS AND FUNDING		
PUBLIC HOUSING PROGRAM	1999 FUNDING	2000 ESTIMATED FUNDING LEVEL
1. LOW INCOME HOUSING		
Rental Income and Reserves	\$13,221,610	\$13,500,000
Federal Operating Subsidy	<u>7,828,910</u>	<u>7,000,000</u>
<b>Subtotal:</b>	\$21,050,520	\$20,500,000
2. COMP Grant	\$9,548,647	\$7,000,000
3. URBAN REVITALIZATION (HOPE VI)		
HACM Reserves      Parklawn	12,000,000	12,000,000
4. RENT ASSISTANCE PROGRAM	22,417,029	22,000,000
5. VETERAN'S HOUSING	<u>5,062,720</u>	<u>5,200,000</u>
<b>Total:</b>	\$70,078,916	\$66,700,000

## REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE (RACM)

NOTE: The budget of this agency is not under control of the Common Council. This information is being provided to give a complete picture of the activities administered by the Department of City Development.

The Redevelopment Authority of the City of Milwaukee (RACM) is responsible for programs related to the prevention and elimination of blight and slum conditions and the improvement of the environment of the city as a place to live. Powers of RACM include the ability to condemn properties, designate areas for redevelopment, and sell or lease property in accordance with a redevelopment plan. Among its most significant powers is RACM's authority to issue bonds for purposes consistent with its mission.

Seven commissioners direct RACM. This includes two Common Council members who are appointed by the Mayor and confirmed by the council. The Commissioner of the Department of City Development serves as Executive Director of RACM.

As of December 1996, the Redevelopment Authority had long-term debt liabilities totaling approximately \$15.5 million. These liabilities resulted from two major bond issues and one loan from the Milwaukee Economic Development Corporation (MEDC). In addition, RACM's long-term debt liability reflects bonds issued for the Bradley Center parking facility. Generally, these debts are not regarded as general obligation debts of RACM.

RACM is also involved in industrial revenue and other development bonding activity on behalf of private developers. RACM lends its tax-exempt borrowing status to qualifying bond issues in order to reduce financing costs to developers; however, this debt is secured entirely by the value of the development which it finances. Neither the city, nor the

Authority, incurs any liability as a result of these activities. Developers pay a fee to RACM for the issuance cost of these bonds.

Since 1983, RACM has used its bonding authority to provide \$508 million of conduit financing to private developers for various projects in the city. Recent issues with which RACM has been involved include:

- Library Hill (\$17.6 million in 1998)
- Helwig Carbon Products (\$3.1 million in 1998)
- YMCA of Greater Milwaukee (\$7.1 million in 1998)
- Wisconsin Humane Society. (\$5.5 million in 1999)
- Third Ward Parking Ramp. (\$5.7 million in 1999)
- Dynapro Thin Film Products (\$3.5 million in 1999)
- YMCA of Greater Milwaukee (\$4.8 million in 1999)

In 1988, the Redevelopment Authority became a partner in the Housing Partnership Corporation (HPC) which was formed to make loans to non-profit agencies to rehabilitate houses for low-income families. RACM joined the Wisconsin Electric Power Company, three banks, seven savings and loans, and the Community Housing and Preservation Corporation to fund this development tool. RACM's \$4.9 million investment in the HPC came from proceeds of the Veterans' Housing Redevelopment Bond Issue in cooperation with the Housing Authority.

## MILWAUKEE ECONOMIC DEVELOPMENT CORPORATION (MEDC)

NOTE: The budget of this agency is not under control of the Common Council. This information is being provided to give a complete picture of the activities administered by the Department of City Development.

The Milwaukee Economic Development Corporation (MEDC) is a non-stock, non-profit organization, formed in 1971 to promote economic development to benefit the citizens of the City of Milwaukee. The principal objective of the corporation is to benefit the community by fostering the increase of employment opportunities and expansion of business and industry within the metropolitan Milwaukee area. The corporation uses its own funds to finance projects to achieve that objective. The corporation is exempt from federal and state income taxes under a provision of Section 501(c)(3) of the Internal Revenue Code.

A 17-member board of directors consisting of the Mayor, the Comptroller, the President of the Common Council, 2 council members, and 13 representatives of the business community oversees MEDC's activities. MEDC's board has delegated authority for policy actions to its Executive Committee that consists of the Mayor, the Comptroller, the President of the Common Council, one council member, and six representatives of the business community.

Most staffing and other services are provided to MEDC by the city through the Department of City Development under a service agreement that is reviewed periodically by the Common Council and MEDC. The Development Corporation reimburses the city for personnel and resources provided to the corporation under this agreement. Total assets of MEDC in 1998 were \$49.3 million.

MEDC uses its resources, as well as those of the Small Business Administration, to make financing available to businesses promising to create job opportunities and new investment in Milwaukee. The programs available through MEDC are as follows:

**SBA 504 Debenture Guaranty:** Through this program, eligible businesses can receive second mortgage funds for 40%-45% (up to \$1,000,000) of a

project's total cost. This program has been used effectively to assist fixed-asset projects ranging in size from \$400,000 up to \$2 million.

**Second Mortgage Program:** This program is used primarily to assist in providing second mortgage financing for small businesses expanding or locating in the City of Milwaukee. Funds for up to 25% (\$300,000- \$500,000) of the total cost of a fixed-asset project are available. A 10% equity injection is required.

**Land Development Program:** MEDC uses some of its funds to acquire, improve, develop, and market industrial sites to promote economic development. Revenues are derived from the sale, lease, or rental of land holdings from which the expenses of administering the program and maintaining properties are paid. MEDC initiated its activities under this program by investing in 1998 in a 64-acre business park.

**Target Loan Program:** This program was designed to aid start-up and existing businesses in obtaining conventional bank funds or SBA-guaranteed bank funds to undertake a business project. Low-cost loans are made available for up to 40% of a project's total cost (not to exceed \$300,000). The program is available to all minority, women, and disadvantaged business owners and all businesses located in the Community Block Grant area.

**Partnership Loan Program:** The Partnership Loan Program is MEDC's most flexible program. Under this program, the corporation will invest or lend in partnership with a venture capitalist and asset-based lender.

**Capital Access Program (CAP):** MEDC began this program in 1992 to provide access to private capital for small businesses. MEDC, the State of Wisconsin, and the City of Milwaukee fund the program. CAP is structured as a public/private loan portfolio reserve program. Most loans range from \$10,000 to \$50,000.

# COMMON COUNCIL-CITY CLERK

## EXECUTIVE SUMMARY

**MISSION:** To establish city policy and law, oversee the administration of city government, adopt an annual budget, ensure the delivery of services to constituents, and provide public information about city government.

**STRATEGIC ISSUES:** Perform the legislative function by conducting Common Council and committee meetings, providing meeting and research support services, and administering licensing functions.

Ensure the delivery of city services to constituents by responding to requests for service and addressing neighborhood issues.

Deliver information about the operation of city government by providing access to and disseminating official documents and records of city government, conducting public relations activities, and by television programming.

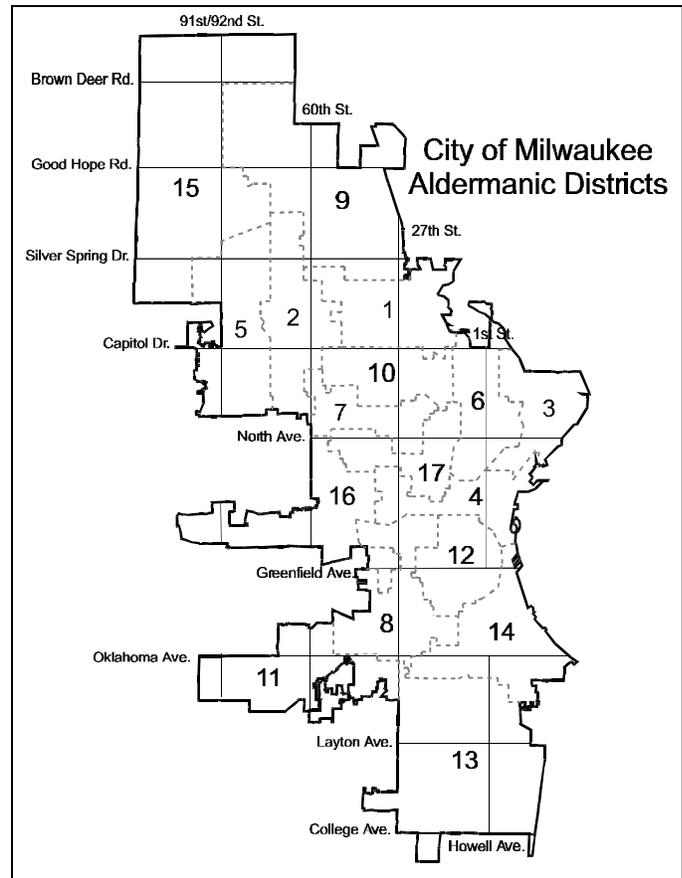
**INITIATIVES FOR 2000:** Upgrade the department's constituent tracking system.

## BACKGROUND

The Common Council-City Clerk's Office constitutes the legislative branch of city government. The Council consists of 17 members, representing separate districts, who are elected for four-year terms. The next election is in the spring of 2000. The City Clerk's Office supports the activities of the Council and general operations of city government. It is comprised of the Central Administration Unit, the Council Services Division, the Legislative Reference Bureau, and the License Division.

Central Administration staff assists Council members in their work with constituents. The Council Services Division provides a diverse range of support to Council members, from staffing Council committees to maintaining operations of the city's cable television channel. Legislative Reference Bureau staff author and analyze legislative initiatives; review and make recommendations on fiscal matters; and maintain a library of books, reports, periodicals, newspapers, and online databases. The License Division administers the Common Council's licensing operations, including liquor, cigarette, bartender, and public passenger vehicle licenses.

Figure 1



**OBJECTIVE 1**

**Perform the legislative, constituent service, and public information functions of the Common Council and City Clerk's Office effectively and efficiently.**

**OUTCOME HISTORY**

The 2000 operating budget for the Common Council-City Clerk's Office totals \$7.1 million, which allows it to carry out the objectives of legislative activity, constituent services support, and public information. Salaries and fringe benefit costs represent 82% of allocated funds.

**Program Result Measures:** The Office of the City Clerk has chosen not to create management indicators to evaluate operational efficiency and impact. The City Clerk will continue to evaluate its programs in 2000 and develop measures for 2001.

**Position Changes:** In 2000, the Communications Policy Coordinator position will be transferred from the Department of Administration (DOA) to the City Clerk's Office. Transferring this position will create a higher level of accountability to the Common Council, and establish closer communications with regard to citizen complaints relating to cable services and franchise agreement negotiations.

**ACTIVITIES**

Common Council:

- Conduct regular and special council and committee meetings
- Adopt resolutions, ordinances and motions
- Confirm appointments
- Grant licenses
- Adopt an annual city budget
- Respond to numerous requests for service and information from individual constituents and neighborhood organizations

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>None.</b>	N/A	N/A	N/A
<b>Funding by Source:</b>			
Operating Funds	\$6,671,061	\$7,163,188	\$7,100,688
Grant and Reimbursable	38,739	43,124	43,124
Capital Budget	0	20,000	0
Special Purpose Accts.	370,368	344,052	365,560
<b>Total:</b>	<b>\$7,080,168</b>	<b>\$7,570,364</b>	<b>\$7,509,372</b>

- Ensure that city services are being adequately provided to districts

City Clerk's Office:

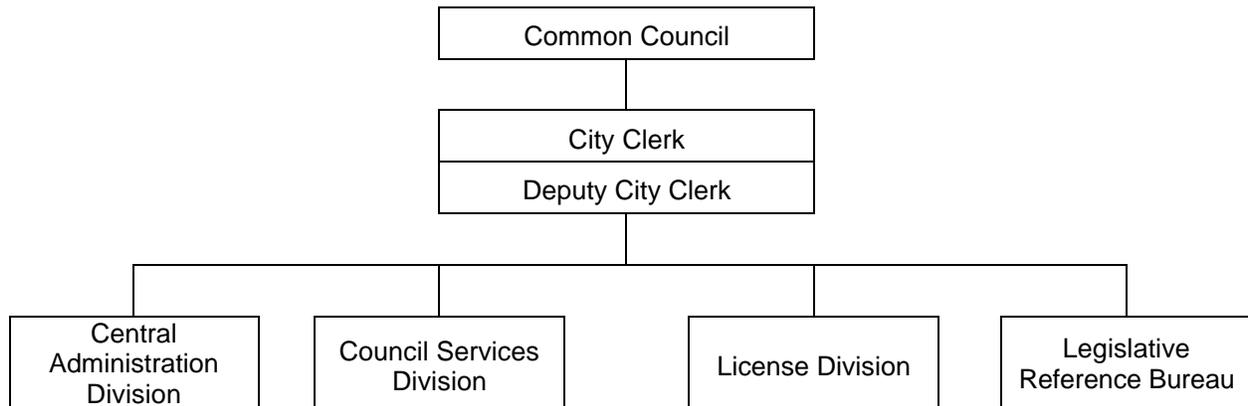
- Keep official records of all council business
- Issue agendas, minutes, hearing notices, and other documents in support of council business
- Produce and distribute the official copy of the City Charter and Code of Ordinances to city departments and the public
- Provide general research, fiscal research, budget analysis, and legislative drafting services to the Council
- Administer over 100 types of licenses which are granted by the Council
- Support Council service-delivery efforts by providing constituent support staff and staff assigned to investigate and resolve neighborhood concerns
- Publicize Common Council business by official notices and cable television broadcast and by press releases and newsletters issued by individual council members
- Operate the city cable television channel
- Produce newsletters, press releases, and other city publications
- Operate a reference library for use by all city departments and the public

## BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	98.48	104.50	105.50	1.00
FTEs - Other	0.81	1.00	1.00	0.00
Total Positions Authorized	108	109	110	1
DLH - Operations and Maintenance	179,896	188,100	189,900	1,800
DLH - Other Funds	1,458	1,800	1,800	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$4,274,596	\$4,399,700	\$4,484,986	\$85,286
Fringe Benefits	1,415,511	1,495,898	1,435,196	-60,702
Supplies and Materials	66,170	0	0	0
Equipment and Facility Rent	63,548	0	0	0
Services	607,197	0	0	0
Operating Expenditures	0	951,035	918,963	-32,072
Equipment	64,424	96,020	88,300	-7,720
Special Funds	179,615	220,535	173,243	-47,292
<b>TOTAL</b>	<b>\$6,671,061</b>	<b>\$7,163,188</b>	<b>\$7,100,688</b>	<b>\$-62,500</b>
<b>REVENUES</b>				
Charges for Services	\$21,465	\$18,000	\$13,115	\$-4,885
Licenses and Permits	1,492,970	1,405,300	1,421,800	16,500
Miscellaneous	14,311	11,500	8,385	-3,115
<b>TOTAL</b>	<b>\$1,528,746</b>	<b>\$1,434,800</b>	<b>\$1,443,300</b>	<b>\$8,500</b>

**CAPITAL PROJECTS** - None

## ORGANIZATION CHART



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

<b>POSITIONS</b>	<b>FULL-TIME EQUIV.</b>	<b>POSITION TITLE</b>	<b>REASON</b>
1	1.00	Communications Policy Coordinator	Transfer from the Department of Administration

# COMPTROLLER

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## EXECUTIVE SUMMARY

- MISSION:** To fulfill the responsibilities of the independently elected Comptroller of the City of Milwaukee.
- STRATEGIC ISSUES:** Develop, refine, and encourage adherence to financial policies which promote and support the city's sound fiscal health, safeguard the city's assets, and maintain the city's bond ratings.
- Provide independent and objective analyses of major financial issues facing the city and its government.
- Audit, develop, enhance, maintain, and support financial, operational, and/or reporting systems to ensure integrity of financial operations, reliability and timeliness of financial information, and adherence to laws and regulations.
- Develop revenue projections to ensure appropriate estimates of non-property tax resources.
- Coordinate and monitor financial activity of grantees to ensure compliance with grantor agency requirements.
- Perform critical review of diverse financial transactions affecting the centralized accounting system to ensure consistency with accounting standards, appropriation authority, and internal controls.
- INITIATIVES FOR 2000:** Continue phased replacement of the city's Financial Management Information System (FMIS).
- 

## BACKGROUND

The City of Milwaukee Comptroller is an elected official whose duties include administration of city financial activities, such as general accounting, payroll, debt issuance and management, and auditing. The Comptroller also provides general oversight of city activities to ensure compliance with generally accepted accounting principals (GAAP) and various other regulations imposed by city ordinance, state law, or grant contract.

The Comptroller advises other city policymakers on financial matters involving the city. The Comptroller, his deputy, and his special deputies provide leadership and representation to city-sponsored committees, and various projects including the following: Community Development Block Grant (CDBG) Policy Committee, the Wisconsin Center District Board, the Charter School Review Commit-

tee, the Pension Board, Pabst Theater Board, City Records Committee, Milwaukee Economic Development Committee (MEDC), Summerfest, Central Board of Purchases, the Public Debt Commission, and the Deferred Compensation Board.

Since 1994, the Comptroller's Office has spearheaded the city's efforts to develop and install a new financial management information system (FMIS). The new system will provide the city with improved integration between its financial, human resource, and management operations. While several anticipated modules will not be installed due to resource restrictions, by year-end 2000 the city will operate with a state-of-the-art general ledger, accounts payable, financial reporting, human resources, payroll, and benefits administration system.

**OBJECTIVE 1**

**Ensure that the financial operations of the city are in compliance with federal, state, and local requirements, and that the city can meet its financial obligations in an efficient, accurate, and timely manner.**

**OUTCOME HISTORY**

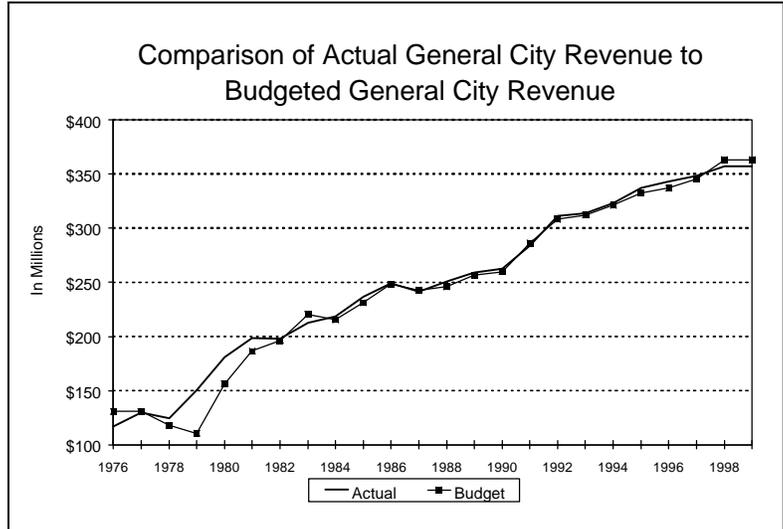
Maintaining the city’s current bond rating at AA+ is important; the city would face significantly higher interest rates if its rating was lower. A higher bond rating lowers the cost of borrowing to the city, producing a savings to taxpayers. Despite the uncertainty of outstanding pension litigation, and its impact on the city’s tax levy funded pension obligations, the city has maintained its impressive bond ratings; ratings that exceed those of both Milwaukee County and the State of Wisconsin. As the city proceeds with post-litigation implementation, its commitment to strong financial management and willingness to make difficult budget choices will help to ensure that its AA+ bond rating remains unchanged.

Debt management issues, including proper use of debt reserves and capital financing policies, are seen as a means to maintain the city’s bond rating. In fact, the city has fared well in recent bond sales. In a debt issuance in the spring of 1999, the city received interest rates that were only fractionally different from those received by AAA rated governments. More information on debt management is provided in the section entitled “City Debt.”

A measure that reflects the department’s success at fulfilling its financial responsibilities is the accuracy of its revenue projections. As shown in Figure 1, with the exception of 1998, the Comptroller has estimated revenues within 2% of actual revenues received in every year since 1981. These precise estimates help the city set sound budgetary policy. Accurate revenue projections also allow the city to prepare more effective financial statements and produce financial reports that demonstrate its fiscal strength.

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Accuracy of Revenue Est.</b>	98.20%	100.00%	100.00%
<b>Bond Rating (S&amp;P)</b>	AA+	AA+	AA+
<b>Funding by Source:</b>			
Operating Funds	\$1,105,370	\$1,098,963	\$992,648
Grant and Reimbursable	9,647	0	0
Capital Budget	0	0	0
Special Purpose Accts.	0	0	0
<b>Total:</b>	<b>\$1,115,017</b>	<b>\$1,098,963</b>	<b>\$992,648</b>

Figure 1



Additional information on revenues can be found in the “Sources of Funds for General City Purposes” section.

**ACTIVITIES**

- Auditing
- Revenue estimates
- Review economic development projects

**OBJECTIVE 2**

**Maintain the city’s official accounting records in such a way as to ensure accuracy, efficiency, and reliability.**

**OUTCOME HISTORY**

Accounting records play an important role in the operations of an organization. Without reliable information on accounts payable, accounts receivable, and payroll, the city could not meet its obligations; bills would go unpaid; city employees would not receive pay checks; and important services could not be provided.

Reliable accounting records help the city determine its present financial position. They also serve to guide its future direction. Yet, despite the importance of maintaining accurate account information, it is difficult to measure the effect of such records separately. Timely, reliable, and accurate accounting records are essential to delivery of important public services such as garbage collection and public health services. Systematic audit of the accounting system warrants against failures in important information by ensuring that accurate accounting records are being kept.

**ACTIVITIES**

- General accounting
- Payroll administration
- Oversight of federal, state, and other financial assistance
- Coordination of the city's financial operations and systems

**PROGRAM CHANGES**

**FMIS Implementation:** The new Financial Management Information System will produce efficiencies in the accounting area. As a result, future budgets may include changes in business operations

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Unqualified audit opinion by the city's outside auditor.</b>	Yes	Yes	Yes
<b>Funding by Source:</b>			
Operating Funds	\$3,444,390	\$3,424,427	\$3,093,144
Grant and Reimbursable	486,589	394,882	376,470
Capital Budget	10,898,000	4,795,500	0
Special Purpose Accts.	0	562,000	0
<b>Total:</b>	<b>\$14,828,979</b>	<b>\$9,176,809</b>	<b>\$3,469,614</b>

within the Comptroller’s Office. During 2000, office operations will be analyzed to determine whether additional efficiencies can be realized.

**FMIS Post-Implementation Maintenance:** In 2000, work on the FMIS will transition from development and implementation to ongoing support and maintenance. As a result of this shift and a restructuring in the way the city provides information systems support, responsibility for support and maintenance of the enterprise system will move from the Comptroller's Office to the new Information and Technology Management Division (ITMD) in the Department of Administration.

Two positions previously funded by the FMIS capital project will transfer to ITMD, as will one newly-created operating-funded position (Database Administrator). Two positions will remain in the Comptroller's Office and become operating-funded. A third operating-funded position, Financial Systems Director, will replace the former capital-funded position of FMIS Project Director to help ensure a smooth transition from project development and implementation to enterprise system support. In addition, two existing capital-funded positions (FMIS Project Mgr.-App. Spec. and Office Assistant III) will be eliminated, without layoff of existing staff.

**OTHER ACTIVITIES AND CHANGES**

**Special Purpose Accounts:** The Comptroller’s Office is responsible for several special purpose accounts that are not defined in any of their objectives. These accounts total \$2.9 million, of which \$0.9 million is offset by revenue. Two special purpose accounts make up \$2.6 million of the \$2.9 million. These are the Reserve for the 27<sup>th</sup> Payroll (\$1.66 mil-

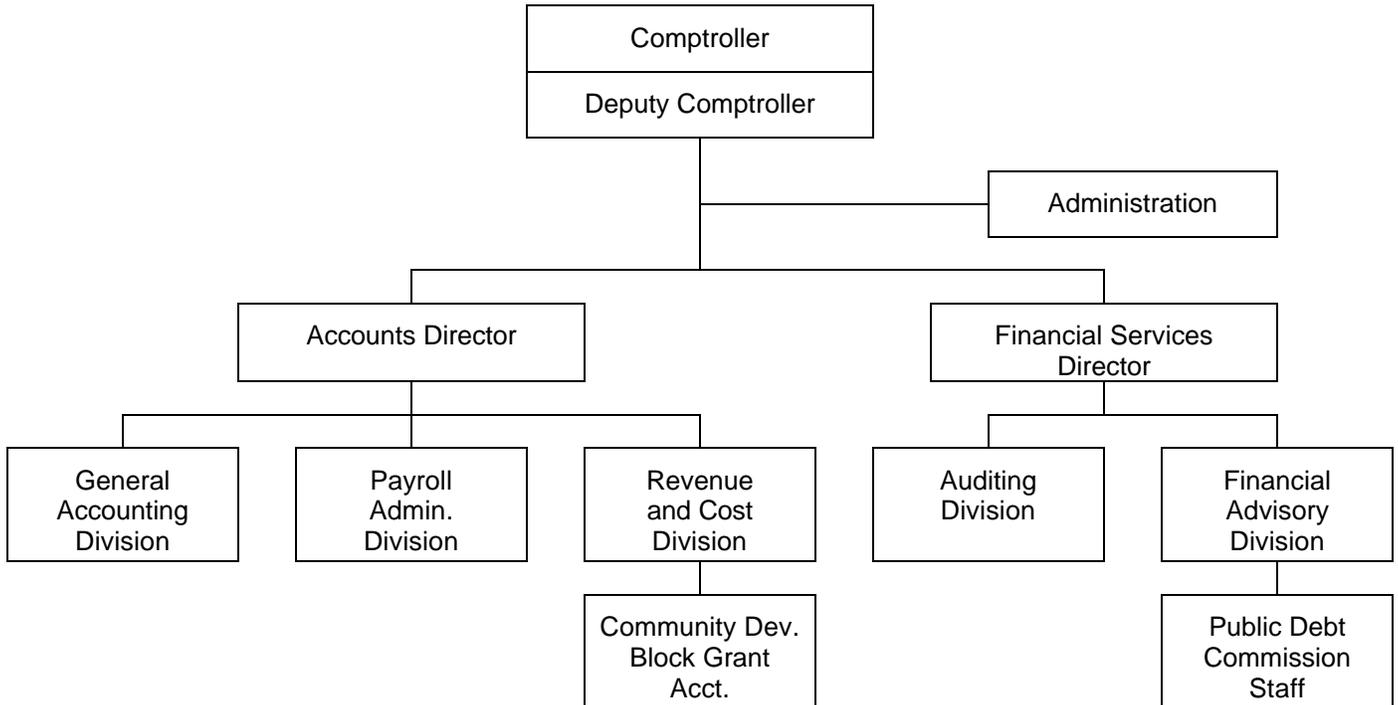
lion) and the Contribution Fund (\$1.0 million). Funding of \$1,665,000, an increase of \$465,000, is included in the 27<sup>th</sup> Payroll account to accrue the cost of two leap years (2000 and 2005). Additional information on these special accounts can be found in the “Miscellaneous Special Purpose Accounts” section.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	54.75	53.75	54.50	0.75
FTEs - Other	16.25	16.25	9.00	-7.25
Total Positions Authorized	74	73	67	-6
DLH - Operations and Maintenance	90,609	95,358	97,158	1,800
DLH - Other Funds	28,080	29,250	16,433	-12,817
<b>EXPENDITURES</b>				
Salaries and Wages	\$2,263,800	\$2,282,688	\$2,443,317	\$160,629
Fringe Benefits	745,625	776,114	781,861	5,747
Supplies and Materials	36,372	0	0	0
Equipment and Facility Rent	0	0	0	0
Services	1,486,135	0	0	0
Operating Expenditures	0	1,439,588	811,114	-628,474
Equipment	1,120	0	0	0
Special Funds	16,708	25,000	49,500	24,500
<b>TOTAL</b>	<b>\$4,549,760</b>	<b>\$4,523,390</b>	<b>\$4,085,792</b>	<b>\$-437,598</b>
<b>REVENUES</b>				
Charges for Services	\$151,701	\$191,800	\$176,400	\$-15,400
<b>TOTAL</b>	<b>\$151,701</b>	<b>\$191,800</b>	<b>\$176,400</b>	<b>\$-15,400</b>

**CAPITAL PROJECTS** - None

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	FMIS Project Director (Non-operating Funding \$-91,182)	Transition of project from development and implementation to ongoing maintenance and support.
1	1.00	Financial Systems Director (Operating Funding \$91,182)	
1	1.00	FMIS Project Mgr. (App. Spec.) (Operating Funding \$75,515)	
-1	-1.00	(Non-operating Funding \$-75,515)	
1	1.00	FMIS Project Mgr. (Inf. Spec.) (Operating Funding \$68,473)	
-1	-1.00	(Non-operating Funding \$-68,473)	
-1	-1.00	FMIS Project Mgr. (App. Spec.) (Non-operating Funding \$-54,511)	Transfer to DOA-Information & Technology Management Division (ITMD).
-1	-1.00	FMIS Analyst-Sr. (Non-operating Funding \$-53,222)	
-1	-1.00	FMIS Project Mgr. (Inf. Spec.) (Non-operating Funding \$-73,461)	Position eliminated through consolidation of enterprise system support in ITMD.
-1	-1.00	Office Assistant III (Non-operating Funding \$-27,924)	
-1	-1.00	Financial Systems Supervisor (Operating Funding \$-41,678)	
-1	-1.00	Financial Systems Specialist (Operating Funding \$-54,730)	
	-0.25	Experience Adjustment (Operating Funding \$-11,006)	
	-0.25	(Non-operating Funding \$-11,006)	
-6	-6.50	<b>TOTAL</b>	

# MUNICIPAL COURT

## EXECUTIVE SUMMARY

- MISSION:** To adjudicate ordinance violation cases impartially to ensure that the legal rights of individuals are safeguarded while public interest is protected.
- STRATEGIC ISSUES:**
- Provide fair and reliable adjudication of cases despite increasing caseloads.
  - Enhance public safety.
  - Ensure public accessibility to Municipal Court services.
  - Continue effective enforcement of Municipal Court judgments.
  - Provide accountability for public resources.
- INITIATIVES FOR 2000:**
- Continue to use the services of court commissioners to address the court's workload needs.
  - Implement easier ways for defendants to pay court fines and transact business with the court.
  - Implement electronic transmission of driver's license suspensions to Wisconsin Department of Transportation.
  - Implement new system for credit card payments on ordinance violations.
  - Introduce more efficient printing of defendant notices.

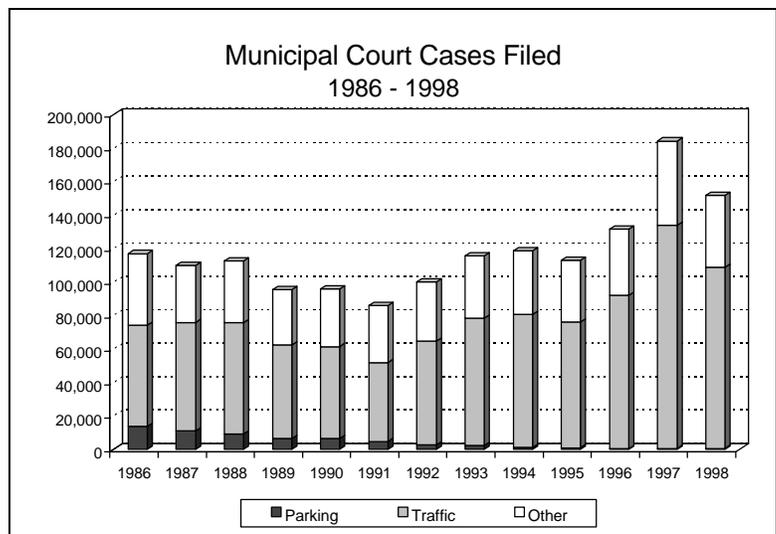
## BACKGROUND

The Municipal Court (the court), a part of the statewide court system, exclusively adjudicates municipal ordinance violations. The court has three publicly elected judges who preside over the court's three branches. The presiding judge appoints the Chief Court Administrator who oversees the administrative functions of the court.

After showing slight gains in four of the five years between 1992 and 1996, the court's caseload increased by 40% in 1997 as the number of new case filings grew to 184,306 (see Figure 1).

In 1998, cases filed decreased by 17.6%. This was due to court-imposed restrictions on the flow of cases. As a result, the cases not heard in 1998 will be heard in 1999.

Figure 1



Recognizing the general upward trend in case filings, the court sought and obtained statutory authorization for municipal court commissioners to augment its judicial resources.

In May 1998, the Common Council authorized the release of funds for five part-time municipal court commissioners (equivalent to one full-time position) to hear traffic pre-trials and cases of defendants in the custody of the Milwaukee County Sheriff. Funds were provided to allow the commissioners to hear cases at the Municipal Intake Courtroom at Milwaukee County's Criminal Justice Facility.

A Municipal Court Resource Evaluation Study Committee was appointed in December 1997, initially to recommend to the Common Council

whether to release additional funds for the court commissioners, but continued to meet until July 1999 to evaluate the judicial resource needs of the court. A report and recommendation as to judicial, space, and technological resources will be submitted to the Judiciary and Legislation Committee in late 1999.

In 1999, the court's major initiatives are to develop and implement easier ways for litigants to take care of their fines and transact business with the court without having to make unnecessary personal appearances. This emphasis will continue in 2000.

**OBJECTIVE 1**

**Provide fair and reliable adjudication of cases through sufficient judicial time given to each defendant and timeliness of case processing.**

**OUTCOME HISTORY**

In 1997, the increase in the number of actual new cases (to more than 184,000) far exceeded the 120,000 cases anticipated in that year's budget. The court adjudicated over 160,000 cases in 1998, and expects to do about 195,000 cases in 1999. This placed a significant burden on the court to fulfill its mission. To help alleviate case overload, pre-trial and trial scheduling delays, the court successfully sought statutory authority and city funding to use municipal court commissioners. By mid-1999, the time lag between offense date and arraignment date met the target of 60 days or less. Pre-trials and trials also met the strategic target of 60 days or less. About 10% of cases advance from intake to pre-trial and to trial.

**ACTIVITIES**

- Court Commissioner Program at the Milwaukee County Criminal Justice Facility (CJF)
- Centralized data entry activities

**PROGRAM CHANGES**

**Municipal Court Commissioner Program:** The 2000 budget includes \$72,800 in salaries for court commissioner services. The court commissioners hear cases against people who have been arrested on warrants or summarily arrested. In addition, the court commissioners hear most pre-trials. During 1998, court commissioners saw 20,000 defendants with

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
Percentage of non-priority cases filed and tried within 90 days of intake.	72.0%	85.0%	85.0%
<b>Funding by Source:</b>			
Operating Funds	\$1,655,601	\$2,166,265	\$1,875,077
Special Purpose Accts.	268,295	408,652	393,652
<b>Total:</b>	<b>\$1,923,896</b>	<b>\$2,574,917</b>	<b>\$2,268,729</b>

approximately 30,000 cases. Without the assistance of court commissioners, many of these pre-trials and in-custody cases would otherwise have to be heard by municipal judges.

Court scheduling has also improved with the addition of court commissioners. Whereas in 1998, the court was on a 5-5 schedule; as of April 1999, the schedule was 8-5. Three additional days of ticket writing is scheduled every week. Now, the court is well within 60 days between intake and pre-trial and some building code cases can be heard within 30 days.

Court commissioners will continue to hear cases in the municipal intake courtroom at the CJF since there is no space on the court's premises for a court commissioner hearing room. Courier services bring case files to the CJF on a daily basis. With cooperation from the Milwaukee County Sheriff's Department regarding security, court staff will transport case files for the day's completed transactions through secured pathways from CJF to the Police Administration Building (PAB).

**OBJECTIVE 2**

**Ensure public accessibility to the court as measured by increasing the number of defendants using the automated voice response system.**

**OUTCOME HISTORY**

In an effort to strengthen the city's role as a service provider, the court will dedicate 14.1% of its operating budget to continue to use effectively its computer and other systems to make the court more accessible to the public. The court frequently analyzes data to determine optimal court hours, schedules, and locations to assure public accessibility. The court has also implemented an automated voice response system to provide pre-recorded information for the most commonly asked questions.

In 1998, the court received over 50,000 calls into its voice response system. Sixty-nine percent of the callers proceed further into the information menu without being transferred to staff. While relying on the response system for most calls, the court is also developing other ways to transact business with defendants that would diminish the need to make multiple contacts. The court's website has been changed to accommodate more information on court policies and procedures, as well as allowing defendants to download forms that they can mail or fax to the court.

Special services, such as language interpretation for non-English speaking defendants through in-house

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Number of calls for information from automated voice response system.</b>	50,978	51,000	50,000
<b>Funding by Source:</b>			
Operating Funds	\$396,559	\$328,220	\$454,705
Capital Budget	90,052	100,000	0
<b>Total:</b>	<b>\$486,611</b>	<b>\$428,220</b>	<b>\$454,705</b>

staff and through purchased interpretation services, will remain in place in 2000.

**ACTIVITIES**

- Upgrade of court computer systems
- Telephone and in-person language interpreters
- Staff assistance to defendants with disabilities
- Telephone and in-person language interpreters
- Automated voice response system

**PROGRAM CHANGES**

**Credit card payments:** Starting in August 1999, credit card payment forms are being distributed to defendants as they come out of the courtrooms. If these efforts are successful, more transactions will be completed by fax or mail, and the number of calls into the court's automated voice response system will not exceed 50,000 in 2000.

**OBJECTIVE 3**

**Provide effective enforcement of court judgments as measured by the ratio of warrants and commitments to cases adjudicated.**

**OUTCOME HISTORY**

The court has allocated 16.4% of its operating budget to this objective in 2000. Through cooperative agreements between the court and the Police Department, police officers check for outstanding city writs on defen-

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Ratio of warrants and commitments issued to cases adjudicated.</b>	30.0%	30.0%	30.0%
<b>Funding by Source:</b>			
Operating Funds	\$456,158	\$426,689	\$525,996
<b>Total:</b>	<b>\$456,158</b>	<b>\$426,689</b>	<b>\$525,996</b>

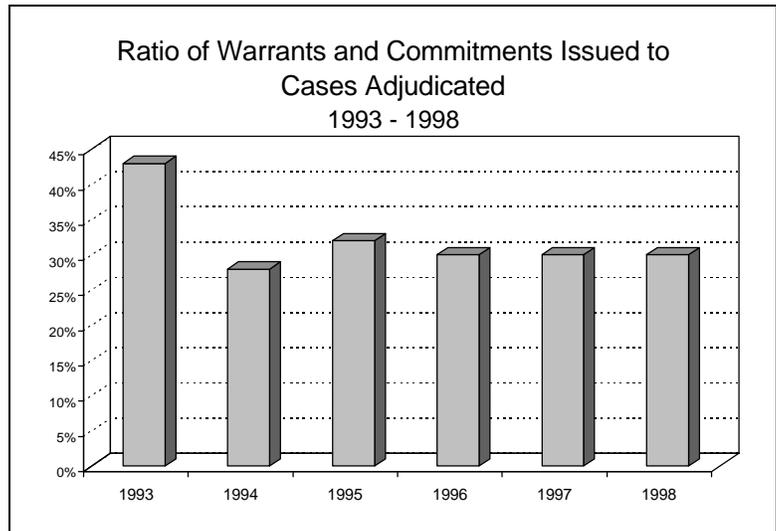
dants brought in by other jurisdictions at the Criminal Justice Facility. These defendants are then brought before the Municipal Intake Court to be heard by municipal court commissioners. Daily, an average of 10 writs are cleared through this process. Another area of agreement was on the police service of parental summons. In 1997, the Police Department started serving summons personally to the parents of those juveniles who failed to show up in court for their initial appearance. The rate of success in serving parents remained at less than 50% during 1997 and 1998. For this reason, the court terminated the practice of issuing parental summons in May 1999.

The court seeks to keep the ratio of warrants to citations issued at no more than 30% in 2000 as its own measure of effectiveness of court orders (see Figure 2). Keeping this ratio low requires making indigence determination as soon as possible. This will reduce reissuance of warrants and allow for immediate commitment of those who have the ability to pay but fail to pay their fine. Court studies of defendant compliance behavior have shown that timely and decisive court actions are key factors. The ratio of writs to adjudicated cases has dropped from a high of 33% during the first quarter of 1998 to 26% in July 1999. Referrals to Wisconsin Correctional Services during 1998 resulted in defendant compliance through 36,000 hours of community service, 97% compliance by those referred to alcohol and other drug abuse treatment programs, and city avoidance of a potential cost of \$500,000 in incarceration expenses.

## ACTIVITIES

- Collection agency services and judgment due notices
- Coordination of policies with law enforcement officials
- Communication with public and private agencies for enforcement of judgments
- Juvenile judgment enforcement
- Wisconsin Correctional Services referrals

Figure 2



## PROGRAM CHANGES

**Electronic Transmission of Data to the Department of Transportation:** A collaborative project with the Department of Transportation will be concluded by the end of August 1999 to electronically transmit court judgments and orders, instead of mailing computer printouts. This augments electronic transmission of citation data that was accomplished in early 1998. The court's intent in this collaboration with DOT was to facilitate timely recording of court judgments on driving records. Delays in DOT's recording of court actions mean a delay in the court's ability to enforce its judgments through license suspensions and denial of vehicle registrations.

**Collections:** In early 1999, judges authorized the city's collection agency to inform defendants who owe large amounts in unpaid fines that court orders to suspend their driving license or to commit them to jail will be lifted if they pay a significant amount of their fine. Previously, the suspension or commitment order was lifted only when the fine was paid in full. Implementation of the new agreement increased defendant payments to collection agency services by 3%.

**OBJECTIVE 4**

**Provide accountability for public resources as measured by the percentage of collections posted within 24 hours of receipt.**

**OUTCOME HISTORY**

The court has a track record of successfully posting all of its collections within 24 hours of their receipt. In 1998, due to further computerization, the court was able to reallocate 1.5 FTE from activities relating to driving records to perform needed courtroom proceedings, case preparation and records management functions. Plans for the balance of 1999 include changing the method of producing various court notices and electronically transmitting information to a mailing house. At full implementation, the change will save postage and supplies costs in 2000.

**ACTIVITIES**

- Accounting controls
- Public information
- Internet posting of court statistics and reports
- Cost effective policy and procedures changes

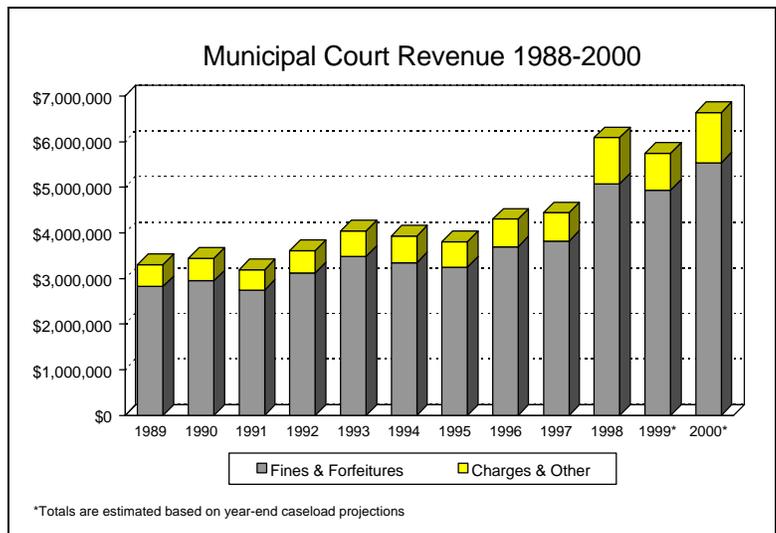
**PROGRAM CHANGES**

**Revenue Generating Activities:** Over the last five years, the court has experienced an increase in revenues (see Figure 3). In 1998, Municipal Court revenue increased by 37% from 1997. These revenues are the result of effective enforcement strategies by the departments of Neighborhood Services, Health, Police, and Public Works, a greater number of collections on court judgments, and the increase in court judgments due to more case filings over the past five years.

The court has worked with the City Attorney's Office to consolidate collection efforts, allowing the collection agency for the court to do both adminis-

	1998 Experience	1999 Budget	2000 Projection
<b>Percentage of collections posted within 24 hours of receipt.</b>	100.0%	100.0%	100.0%
<b>Funding by Source:</b>			
Operating Funds	\$220,822	\$262,578	\$242,539
<b>Total:</b>	\$220,822	\$262,578	\$242,539

**Figure 3**



trative and legal collection. This started in January 1997, and the collection rate went from 11% in 1996 to 25% as of April 1998.

**Changes in Defendant Notice Mailings:** The Municipal Court will reduce operating expenditures by \$10,800 in the 2000 budget. The court is planning to make changes in the way that it prepares and transmits various court notices. These notices will be transmitted electronically to the mailing house that prepares municipal court mailings.

**OBJECTIVE 5**

**Enhance the effectiveness of educational alternative programs for indigent and first-time offenders.**

**OUTCOME HISTORY**

The court refers first-time juvenile offenders and shoplifters who appear for arraignment to classes conducted by the Institute for Criminal Justice at the University of Wisconsin-Milwaukee. Whenever appropriate, traffic offenders who appear at pre-trial are referred to the Traffic Safety School of Northwestern University. Of those class attendees who completed course evaluations, over 95% indicate that they believe the classes helped them better understand the consequences of their offense.

A combined compliance rate of 68% was achieved in community service referrals during 1998 to Youth Services of the Social Development Commission, Career Youth Development, and the graffiti abatement program of Milwaukee Christian Center.

The court will continue in 2000 to use and monitor the usefulness of these programs, and to explore other more effective ways of reducing recidivism.

**ACTIVITIES**

- Traffic Safety School
- Domestic Violence Early Intervention Program
- Justice Alternative Court Program
- Second Chance Program
- Supervised graffiti and other community clean-up programs

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Percent of first-time offenders better understanding the consequences of offense.</b>	95.0%	95.0%	95.0%
<b>Funding by Source:</b>			
Operating Funds	\$93,118	\$98,467	\$106,760
Special Purpose Accts.	12,967	20,000	15,000
<b>Total:</b>	\$106,085	\$118,467	\$121,760

**PROGRAM CHANGES**

**Reducing Recidivism:** Programs such as the graffiti removal programs, funded by Community Development Block Grants, require restitution from non-indigent adult defendants through graffiti clean-up services. Similarly, Traffic Safety School allows drivers who pay their fines to reduce driver's license penalty points while learning safe driving skills.

The court will continue, in 2000, to use innovative programs such as the Second Chance Program to discourage first-time juvenile offenders from developing the tendency to participate habitually in criminal behavior. The court believes alternative programs such as these help defendants understand the impact of the offenses they have committed. By further educating offenders, the court hopes to create a safer community for all Milwaukee citizens.

**OTHER ACTIVITIES AND CHANGES**

**Program Result Measures:** Currently, Municipal Court is retaining its existing internal management indicators. These indicators focus on preparing and maintaining case files, items that cross over all of their objectives. They will be reviewed and revised during 2000.

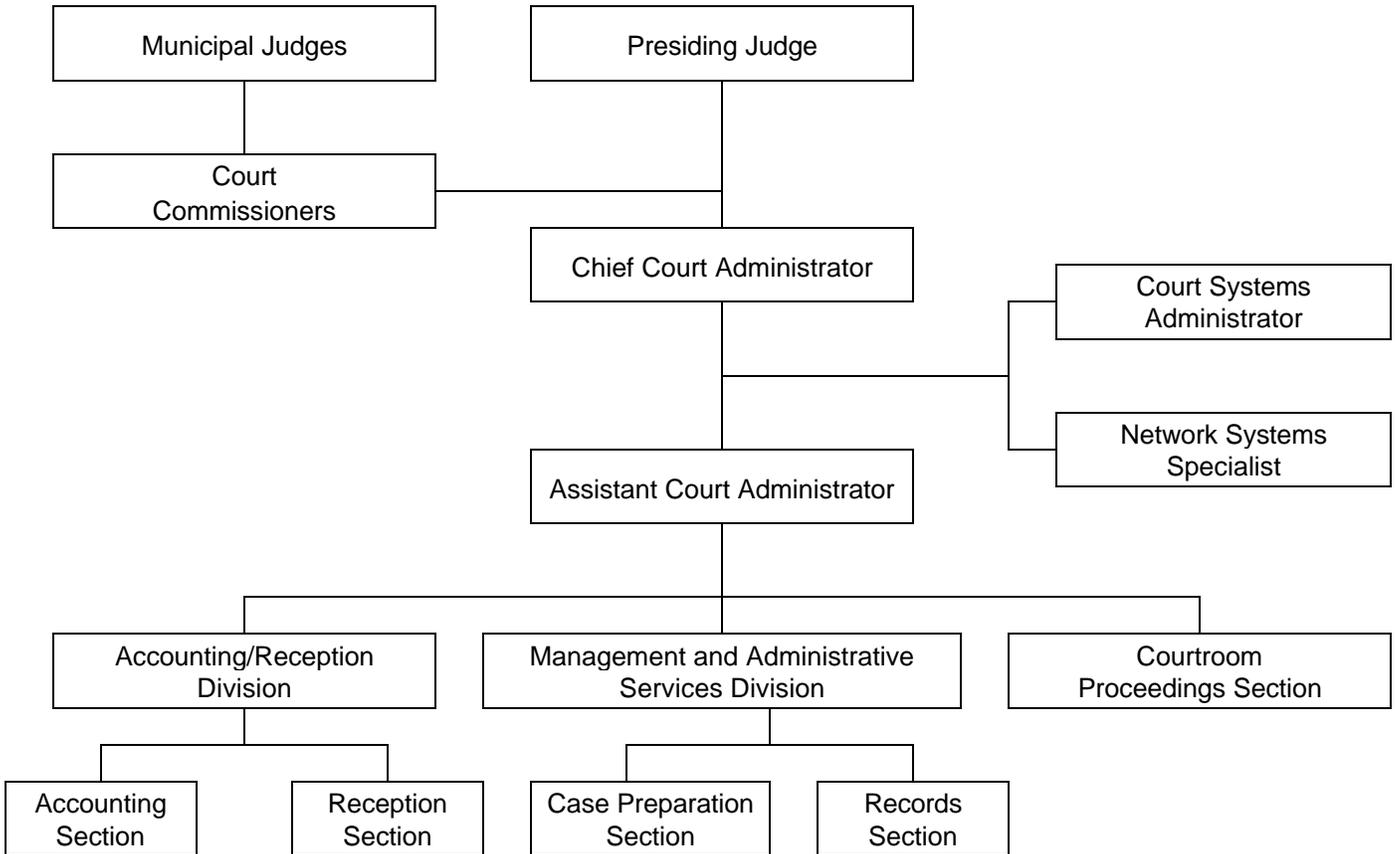
**Information Technology Services:** The 2000 Budget includes a change in how city depart-

ments receive information technology services. As a result, the Municipal Court's budget is reduced by \$19,500. For additional information, please see the section "Department of Administration" in the *2000 Plan and Budget Summary*.

**BUDGET SUMMARY**

	<b>1998 ACTUAL EXPENDITURES</b>	<b>1999 ADOPTED BUDGET</b>	<b>2000 ADOPTED BUDGET</b>	<b>CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED</b>
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	40.91	44.00	44.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	50	55	55	0
DLH - Operations and Maintenance	73,646	79,200	79,200	0
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$1,642,182	\$1,736,647	\$1,732,427	\$-4,220
Fringe Benefits	549,258	590,460	554,377	-36,083
Supplies and Materials	88,445	0	0	0
Equipment and Facility Rent	0	0	0	0
Services	499,844	0	0	0
Operating Expenditures	0	782,632	854,355	71,723
Equipment	37,886	7,480	3,918	-3,562
Special Funds	4,643	165,000	60,000	-105,000
<b>TOTAL</b>	<b>\$2,822,258</b>	<b>\$3,282,219</b>	<b>\$3,205,077</b>	<b>\$-77,142</b>
<b>REVENUES</b>				
Charges for Services	\$1,005,424	\$960,500	\$1,105,000	\$144,500
Forfeitures	5,080,758	5,437,400	5,532,300	94,900
<b>TOTAL</b>	<b>\$6,086,182</b>	<b>\$6,397,900</b>	<b>\$6,637,300</b>	<b>\$239,400</b>
<b>CAPITAL PROJECTS - None</b>				

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES - None**

# PUBLIC DEBT COMMISSION

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## EXECUTIVE SUMMARY

- MISSION:** To superintend the issuance and sale of City General Obligation and Revenue Anticipation Debt; to oversee the levying, collection, and disbursement of debt related taxes and revenues; and to effect all required post-issuance debt management. Commission staff also provides accounting services for the Public Debt Amortization Fund (PDAF) and the Commission manages the PDAF as well as determines its level of usage to prepay debt.
- STRATEGIC ISSUES:** Efficiently manage the debt issuance process to maximize both competitive bidding activity as well as minority and/or disadvantaged business participation.
- Issue debt in adequate amounts and within acceptable time horizons so as to limit both potential arbitrage rebate costs as well as interim utilization of general city moneys for financing purposes.
- Efficiently manage the PDAF to maximize fund returns consistent with statutory and liquidity requirements.
- Evaluate the city's existing debt issues to identify and quantify potential opportunities for re-funding, restructuring, defeasance, or similar cost-saving initiatives.
- INITIATIVES FOR 2000:** In cooperation with the city Budget Office, develop policies for the use of alternatively structured debt (i.e. revenue bonds) to reduce the city's reliance on general obligation debt.
- 

## BACKGROUND

The Milwaukee City Charter (Chapter 15) established a "Public Debt Commission" to superintend the issuance of city debt. Such superintendence extends to determining the timing, structuring, call provisions, and similar aspects of both city general obligation and revenue anticipation borrowings. The Commission is also charged with oversight of the Public Debt Amortization Fund, a fund created by Wisconsin State Statute for the purpose of debt

retirement. Such oversight consists of both investment and use responsibilities for the fund.

The Commission is comprised of three city residents individually appointed by the Mayor and confirmed by the Common Council. The City Comptroller serves as the ex-officio secretary to the Commission and the City Treasurer serves as the ex-officio treasurer to the Commission

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## OBJECTIVE 1

**Maintain the city's general obligation bond ratings through effective issuance, management, and reporting of city debt in compliance with applicable laws and regulations, and management and reporting of the investment and performance of the Public Debt Amortization Fund.**

## OUTCOME HISTORY

The city's bond rating from Standard & Poor's Corporation and from Fitch, IBCA are currently AA+ for general obligation debt. The similar current rating from Moody's Investors Service is Aa1.

These quality debt ratings (only one step below the highest “AAA”), according to the rating agencies, result from a combination of strong financial management, healthy fund balances, stable revenues, and predictable budgets. The agencies note that while city debt levels are considered above average, the debt is being amortized in an exceptionally rapid fashion and the city’s “Infrastructure Cash Conversion Policy” also assists in keeping overall debt burden affordable. Overall, these rating strengths offset the viewed city weaknesses of moderate economic growth and lagging income levels when compared to state and national averages.

**Program Result Measures:** The department will continue to improve its financial related indicators as needed. Internal management indicators for this department are used to monitor debt reserve earnings, debt interest costs and total annual debt. Current indicators focus on the level of bond sales and cost, earnings of the debt reserve funding compared to the Shearson Lehman index, minority participation and the true interest costs rate of bond sales in comparison to *The Bond Buyer* 20 index.

**ACTIVITIES**

In order to maintain the above noted debt ratings, the Public Debt Commission will allocate its budget to the following activities:

- New debt issuance
- Management of city debt
- PDAF management

**PROGRAM CHANGES**

**Internet Bidding:** In 1999, the city implemented a new Internet-based submission process which included the analysis of “maturity by maturity” based debt offerings as opposed to the current “all or nothing” bid format. “Maturity by maturity” bidding allows for the potential of participation by smaller or regional underwriting firms that may or

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Maintain city's bond rating:</b>			
<b>Standard &amp; Poor's</b>	AA+	AA+	AA+
<b>Fitch</b>	AA+	AA+	AA+
<b>Moody's</b>	Aa1	Aa1	Aa1
<b>Funding by Source:</b>			
Operating Funds	\$517,100	\$492,103	\$521,784
<b>Total:</b>	\$517,100	\$492,103	\$521,784

may not have either broad based sales penetration in the marketplace or the capital available to bid for an entire “all or nothing” offering. By bidding for just one or two maturities, the smaller underwriter can tailor its bid to the area that its specific customer base is most interested in.

Internet bidding was used in the June 1999 sale with the assistance of Bloomberg Financial Service. The new process was successful. It is the intent that a similar process be used in the city’s 1999 August RAN sale.

**Alternative Debt Structure:** Currently, most of the city’s debt is general obligation regardless of whether or not the project will generate any revenues. The 2000 budget will provide borrowing authority in the form of general obligation or revenue bonds for projects with revenue sources. Water, parking and sewer maintenance related debt will be issued in the form of revenue bonds. Capital projects financed by tax increments may also use revenue bonds unless a compelling case can be made to use general obligation debt.

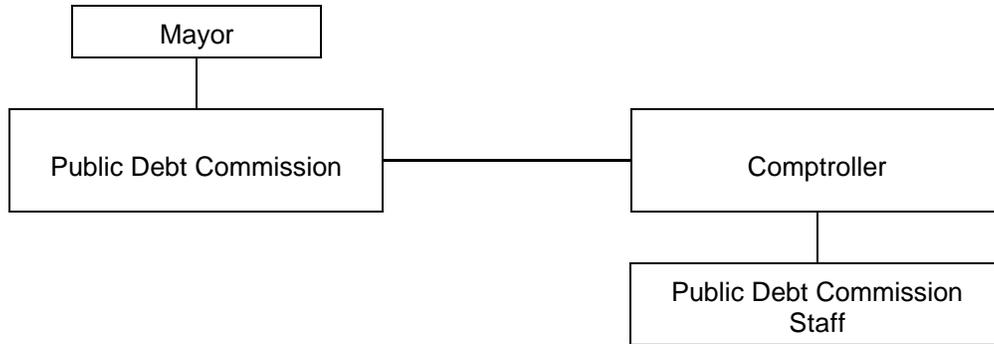
The reason for the use of revenue bonds is to remove the taxpayers liability for debt payment if the revenues are not available to retire the debt. It is expected that projects funded with revenue bonds should have a sufficient revenue stream to cover debt service or the city should avoid investment in the project.

### BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	1.90	2.00	2.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	2	2	2	0
DLH - Operations and Maintenance	3,443	3,512	3,512	0
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$94,099	\$93,372	\$93,372	\$0
Fringe Benefits	31,626	31,746	29,879	-1,867
Supplies and Materials	1,288	0	0	0
Equipment and Facility Rent	0	0	0	0
Services	390,087	0	0	0
Operating Expenditures	0	366,985	398,533	31,548
Equipment	0	0	0	0
Special Funds	0	0	0	0
<b>TOTAL</b>	<b>\$517,100</b>	<b>\$492,103</b>	<b>\$521,784</b>	<b>\$29,681</b>
<b>REVENUES</b>				
Charges for Services	\$227,755	\$188,000	\$188,000	\$0
<b>TOTAL</b>	<b>\$227,755</b>	<b>\$188,000</b>	<b>\$188,000</b>	<b>\$0</b>

CAPITAL PROJECTS - None

### ORGANIZATION CHART



DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES - None

# ELECTION COMMISSION

## EXECUTIVE SUMMARY

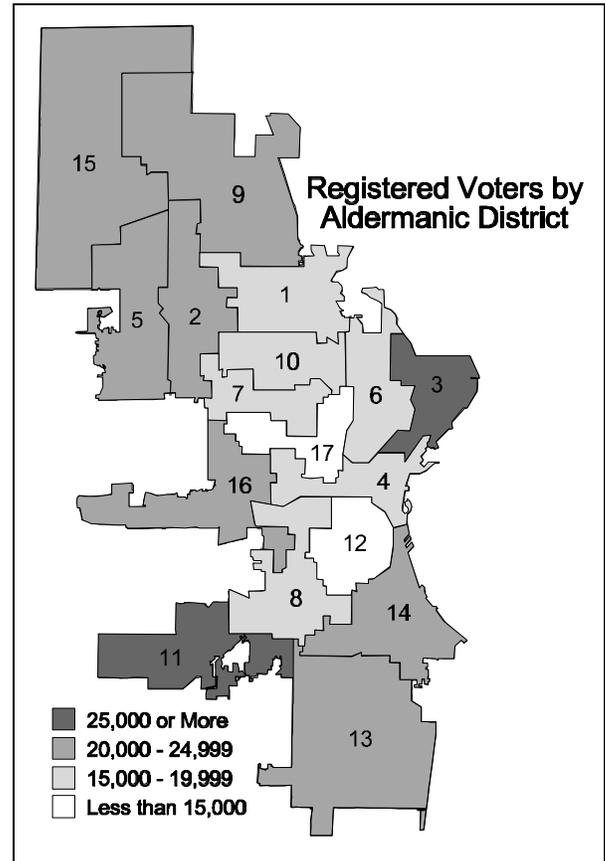
- MISSION:** To conduct elections that build public trust in the democratic process.
- STRATEGIC ISSUES:** Enhance services that are delivered to our customers.  
Increase customer satisfaction with the election process.
- INITIATIVES FOR 2000:** Conduct four city-wide elections in 2000 which will include mayoral, aldermanic, and presidential races.  
Continue to work with community groups and organizations to encourage voter registration and participation.

## BACKGROUND

The Election Commission staff manages all aspects of the election process. In addition to registering the 455,948 potential voters (based on 1990 census) in the City of Milwaukee, the commission has responsibility for setting up 201 polling locations with appropriate workers, supplies, and ballots on election days. The commission administers the statutory obligations for potential candidates for city-wide offices as well as elected city officials. Two elections are usually held during odd-numbered years and four generally occur in even-numbered years.

The Election Commission staff is comprised of three board members, one Executive Director, an Election Service Manager, and four full-time staff members whose responsibilities cover the administration of absentee voting, voter registration, voting machine maintenance, election day poll worker designation, and general office management. During the election season, approximately 1,500-1,700 additional temporary employees are hired to staff the polling locations and register voters on-site at the polls on election days and to assist in the office with answering phone calls from voters.

Election Commissioners are appointed by the Mayor and confirmed by the Common Council. The three Election Commissioners represent the two dominant political parties. Two of the three members represent the victorious party of the most recent gubernatorial election.



The Election Commission purchased new voting machines and tabulating equipment in 1997. During the subsequent elections, election results were finalized within one hour after the polls closed. In addition, a web page provides election results via the Internet.

**OBJECTIVE 1**

**Increase customer satisfaction with the election process.**

**OUTCOME HISTORY**

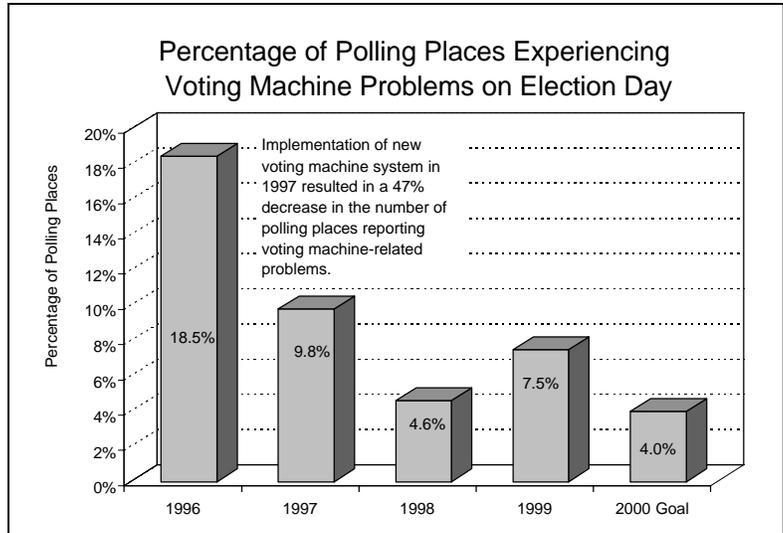
The Election Commission’s concern for voter satisfaction with the election process has consistently been at the forefront of its strategic issues and initiatives. With the purchase of new voting machines in 1997, the percentage of voting machine-related problems during subsequent elections was reduced by one-half (see Figure 1). The commission anticipates this trend to continue through the fruition of increased experience and full implementation of the system.

In 1999, the Election Commission purchased new equipment to implement transmission of election results via modem from four locations other than City Hall. This process allows poll workers to drop off their computer cassettes of election results to a location closer than City Hall. As a result, election results are available within 45 minutes after the polls close. The 2000 budget includes \$11,480 for computer replacement.

**Program Result Measures:** The Election Commission has retained all of its previous internal management indicators. They primarily focus on the number of registered voters and the number of ballots cast. However, they will begin to measure the average response time to election machine problems on election day and the number of people who vote by absentee ballot.

	1998 Experience	1999 Budget	2000 Projection
<b>Percentage of polling places reporting voting machine problems on election day.</b>	4.6%	7.5%	4.0%
<b>Funding by Source:</b>			
Operating Funds	\$931,078	\$741,378	\$1,007,246
<b>Total:</b>	\$931,078	\$741,378	\$1,007,246

Figure 1



**ACTIVITIES**

- Conduct elections
- Supervise registration
- Analyze voting equipment and polling locations
- Enhance election technology
- Comply with statutory election requirements

**OBJECTIVE 2**

**Enhance communication to better serve our customers.**

**OUTCOME HISTORY**

In an ongoing effort to address the city’s strategic goal of ensuring that residents obtain high value

from city services, the Election Commission Office became one of the first in the state to create an Internet website that allows residents to find their polling location simply by entering their street address. The commission’s website allows constituents to determine what aldermanic district and ward they are located in, as well as providing a list of elected mu-

municipal, county, state, and federal officials based on their address. The website will help to make Election Commission Office activities more efficient by reducing the number of information requests by telephone to the commission.

As Figure 2 shows, customer satisfaction with the voting experience is increasing. In 1998, the customer satisfaction rating increased 10% from 1997. This is important because it shows that customer satisfaction can increase in a higher turnout election year. In 2000, \$304,954 is allocated to improving customer satisfaction.

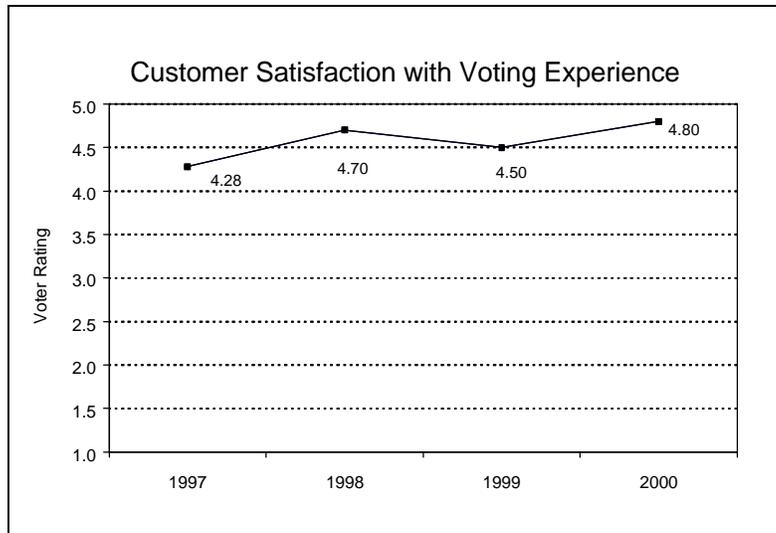
**Program Result Measures:** The primary measure for the objective is the number of hits to the Election Commission's website on election days. This measure is important because if people who have access to the Internet use the website, those without Internet access will be able to get information faster by telephone.

**ACTIVITIES**

- Provide public information
- Maintain accurate records
- Improve effectiveness of office management and procedures
- Provide for staff training and development
- Implement Total Quality Improvement (TQI)

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Customer satisfaction with voting experience (5 point scale; 5.0 being the highest rating).</b>	4.70	4.50	4.80
<b>Funding by Source:</b>			
Operating Funds	\$226,785	\$129,221	\$304,954
<b>Total:</b>	<b>\$226,785</b>	<b>\$129,221</b>	<b>\$304,954</b>

Figure 2



**OBJECTIVE 3**

**Encourage greater voter participation.**

**OUTCOME HISTORY**

**Voter Registration and Participation:** Wisconsin has a long tradition of easy, open access to voting for all of its citizens placing few obstacles between its citizens and their polling places. Wisconsin is one of only five states allowing same-day registration. The Election Commission strives to encourage voter participation in two ways: by registering a greater percentage of city residents who are eligible to vote, and by increasing the participation

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Percentage of eligible persons who are registered to vote.</b>	81.0%	74.0%	77.0%
<b>Funding by Source:</b>			
Operating Funds	\$77,010	\$57,361	\$103,798
<b>Total:</b>	<b>\$77,010</b>	<b>\$57,361</b>	<b>\$103,798</b>

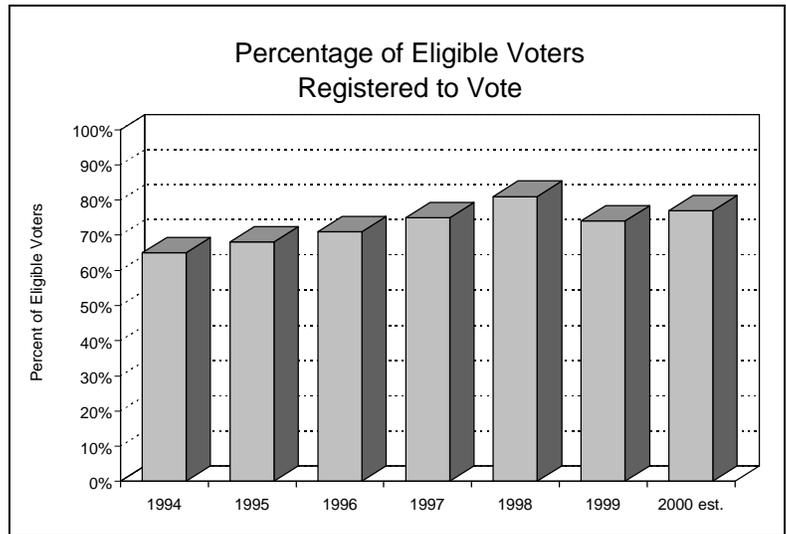
of registered voters on election day (see Figure 3). The Election Commission uses a variety of methods to achieve these goals.

Through its work with churches, colleges and universities, and community-based organizations, the commission creates additional registration opportunities for city residents. School-based initiatives attempt to register students when they become 18 years old. These efforts have garnered some success; voter registration has increased steadily over the years.

However, registering eligible voters does not guarantee they will vote. Presidential and other high-profile elections can frequently generate voter turnout of 50% or higher. Of the more than \$103,000 budgeted to encourage voter participation, the commission uses approximately \$34,000 to increase the number of registered voters who vote. This funding supports advertising that promotes voter participation and encourages those who are eligible to use absentee ballots.

**Program Result Measures:** For this objective, the Election Commission is measuring the number of eligible residents registered to vote and the number of residents who register to vote for the first time on election day.

Figure 3



**ACTIVITIES**

- Create voting opportunities
- Increase voter registration
- Increase deputy registration activities

**OTHER ACTIVITIES AND CHANGES**

**Information Technology Services:** The 2000 budget includes a change in how city departments receive

information technology services. Consequently, the Election Commission's budget is reduced by \$63,966.

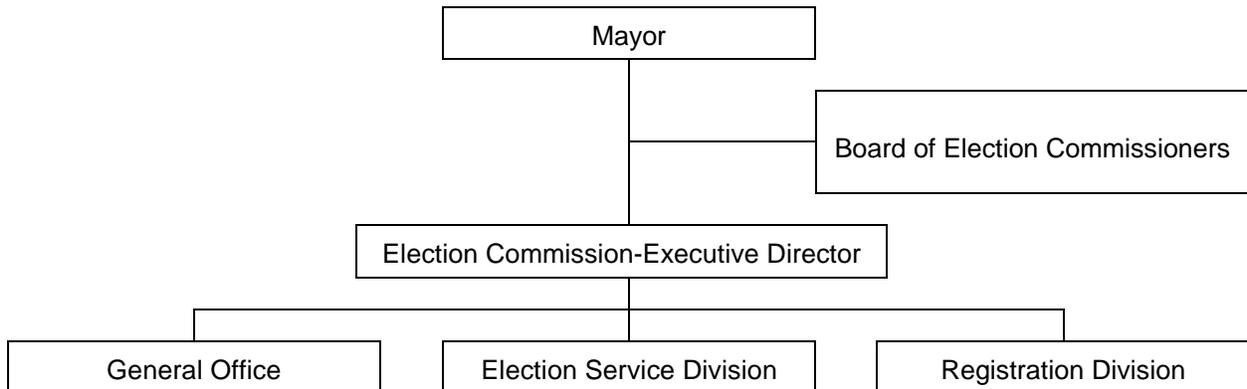
## BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	18.57	29.88	53.32	23.44
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	1,725	1,327	1,717	390
DLH - Operations and Maintenance*	33,423	24,880	32,580	7,700
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$731,184	\$574,159	\$963,516	\$389,357
Fringe Benefits	145,728	73,590	72,964	-626
Supplies and Materials	18,580	0	0	0
Equipment and Facility Rent	18,296	0	0	0
Services	187,203	0	0	0
Operating Expenditures	0	262,871	356,903	94,032
Equipment	133,882	17,340	22,615	5,275
Special Funds	0	0	0	0
<b>TOTAL</b>	<b>\$1,234,873</b>	<b>\$927,960</b>	<b>\$1,415,998</b>	<b>\$488,038</b>
<b>REVENUES</b>				
Charges for Services	\$8,246	\$26,729	\$28,300	\$1,571
<b>TOTAL</b>	<b>\$8,246</b>	<b>\$26,729</b>	<b>\$28,300</b>	<b>\$1,571</b>

**CAPITAL PROJECTS** - None

\* DLH totals for 1999 and 2000 do not include Commissioners, Inspectors, and Registrars.

## ORGANIZATION CHART



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
48	5.28	Temporary Office Assistant II (0.11 FTE) (Operating Funding \$101,408)	Changes due to bi-ennial election cycle (four city-wide elections in 2000).
-1,256	-16.33	Election Inspector (0.013 FTE) (Operating Funding \$-192,168)	
1,265	32.89	Election Inspector (0.026 FTE) (Operating Funding \$436,990)	
333	2.33	Election Registrars (0.007 FTE) (Operating Funding \$49,770)	
0	-0.73	Experience Adjustment (Operating Funding \$0)	
390	23.44	<b>TOTAL</b>	

# DEPARTMENT OF EMPLOYEE RELATIONS

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## EXECUTIVE SUMMARY

- MISSION:** To assist customer agencies in carrying out their respective missions by providing and helping to maintain a productive, diverse workforce that is well-trained, empowered, motivated, adequately compensated, high in morale, and fully attuned to efficient and effective customer service delivery.
- STRATEGIC ISSUES:** Facilitate change in the city's culture and leadership to one that values customer focus, personal development, continuous improvement, diversity, and open and honest communication.
- Align services with customer needs.
  - Enhance the city's safe work environment.
  - Define roles and relationships of labor and management, and employees and management.
  - Assist customer departments in meeting their long-term human resource needs.
  - Attract and retain the best employees.
- INITIATIVES FOR 2000:** Implement a revised New Employee Orientation Program.
- Continue to assist with the implementation of the new FMIS system through training and system support.
  - Review and re-engineer human resource service delivery processes and procedures.
  - Conduct service delivery to departments using three rather than four employee teams.
  - Restructure the Selection Services and Certification and Labor Activity staff sections to create greater efficiencies in hiring procedures by implementing a more centralized system.

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## BACKGROUND

The Department of Employee Relations (DER) provides services to city agencies and the Milwaukee Public Schools (MPS), which include employee selection, compensation, job classification, equal employment opportunity, employee benefits, worker compensation, safety training and development, and labor contract negotiation and administration. These services are all provided in compliance with a variety of legal mandates and procedures. DER continues to focus on recruiting and retaining a well-trained, diverse workforce, while leading efforts to effect citywide organizational change through course offerings in diversity training and total quality management.

In February of 1997, DER initiated a reorganization of the non-workers' compensation/health insurance functions. The previous functionally divided areas of staffing, job classification, equal employment opportunity, safety, labor relations, and policy training were eliminated. In their place, five service delivery teams were created. In 2000, DER will consolidate operations into three service delivery teams. Each team is assigned specific city/MPS agencies as customers for the purpose of providing "one stop shopping" for those services that were previously independently delivered. This new structure has allowed DER to improve coordination and provide services more efficiently.

**OBJECTIVE 1**

**Improve relations between employees and management, labor and management, and among employees by improving communications, by increasing involvement, by increasing trust and mutual respect among all levels of employees, and by creating a safe work environment.**

**OUTCOME HISTORY**

DER plans to meet the goals of this objective by continuing to focus on utilizing the consensus bargaining process. In 2000, approximately \$833,754 in operating funds and \$26,000 in special purpose account funds will be used to support this objective. The department will continue to work toward establishing fair and mutually respectful employment relations by fully and fairly representing the interests of the city through the adoption of the “win-win” bargaining process. This philosophy aims at establishing a non-adversarial negotiating process by looking beyond the individual needs of the negotiation process to the collective interests and needs of the city. To date, 3 of the 19 bargaining units have had contracts resolved through the 1998-1999 process. In 2000, DER will negotiate successor agreements with these bargaining units.

In 2000, DER will also continue to provide programs aimed at creating a safe work environment. Programs such as Safety Awareness, Workplace Violence Prevention, and Safety Training will be continued to ensure the safety of the workplace. These initiatives aid in the reduction of safety hazards and help to promote a safe work environment.

**Program Result Measures:** In 1999, DER implemented new program result measures to track its objective of improving labor relations and creating a safe work environment. In addition to the use of

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
The use of the consensus bargaining process (win-win).	0	6	2
Number of active labor/management committees.	10	12	12
<b>Funding by Source:</b>			
Operating Funds	\$896,834	\$875,728	\$833,754
Special Purpose Accts.	20,368	26,000	26,000
<b>Total:</b>	\$917,202	\$901,728	\$859,754

consensus bargaining and the number of active committees, the percentage of customer satisfaction with providing dispute resolution services and the number of labor relations grievances will continue to be used to assess labor relations within the city. In addition, the following measures will be used to monitor the effectiveness of DER’s objective of creating a safe work environment:

- Harassment complaints
- The number and cost of worker’s compensation cases
- Reportable injuries
- Lost work days

**ACTIVITIES**

- Negotiate and administer bargaining unit contracts
- Encourage dispute resolution among labor, management, and employees through the development of labor-management committees
- Safety Program
- Workplace Violence Prevention Program

**OBJECTIVE 2**

**Facilitate change in the city’s culture and leadership to one that values customer focus, learning, continuous improvement, and diversity. Further align DER services with customer needs.**

**OUTCOME HISTORY**

Employee skill development is an important function of DER. The department offers city employees a variety of training courses in the areas of human

resources, administrative policies and procedures, and computer skills. Approximately \$535,861 in operating funds, \$74,500 in special purpose accounts funds, and \$410,575 in reimbursable services funds will be used for this purpose. DER develops its curriculum through bi-annual surveys and through the close customer contact of the DER service delivery teams.

In order to ensure that the city's workforce has adequate computer skills training, DER offers a wide variety of computer courses to city employees. These courses reflect the wide variety of software used by city departments. Approximately 122 computer classes are conducted each year. A number of these computer courses have become a necessity as a result of the implementation of the new FMIS system. Figure 1 illustrates the total number of employees trained from 1994-1998. In 1998, 1,004 employees were trained in computer courses, 292 were trained in human resource courses, and 373 employees were trained in administrative policies and procedures. In 2000, DER projects that 1,300 employees will receive training through its course offerings.

DER has also increased the ability of employees and departments to receive training through the Training and Text Reimbursement Program. As a result of negotiations in 1998, city time may now be used for training purposes upon approval from department heads. In addition, there is now an incentive program for support staff to achieve increased levels of expertise through training.

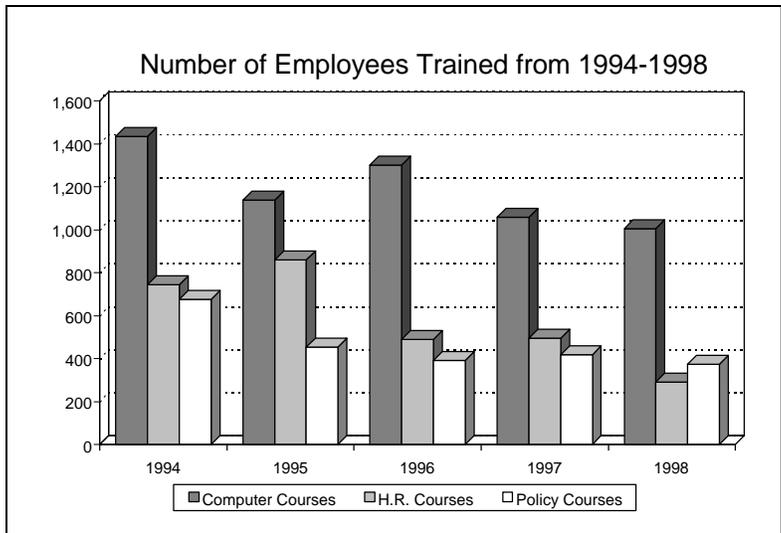
**Program Result Measures:** In 1999, DER implemented new program result measures to monitor its objective of fostering an environment of continuing education. In addition to monitoring employee training, the percentage of customer satisfaction with providing training and development services will be used to track the success of organizational development.

**PROGRAM CHANGES**

**New Employee Orientation Program:** A revised New Employee Orientation Program is currently

	1998 Experience	1999 Budget	2000 Projection
Number of training programs.	54	60	55
Number of employees trained.	1,105	1,500	1,300
Number of employees requesting tuition benefit reimbursement.	1,709	1,550	1,750
<b>Funding by Source:</b>			
Operating Funds	\$641,259	\$619,853	\$535,861
Grant and Reimbursable	N/A	419,988	410,575
Special Purpose Accts.	42,976	74,500	74,500
<b>Total:</b>	<b>\$684,235</b>	<b>\$1,114,341</b>	<b>\$1,020,936</b>

Figure 1



under development and will be phased in during 2000. This revised program will provide greater opportunity for new employees to be informed about their benefit options, and to learn about the city as an organization, career options, and how their department and job fits into the big picture of providing city services.

**Operating Efficiencies:** The 2000 budget includes a consolidation of DER's service delivery teams. Resources will be reconfigured into three service delivery teams to continue to provide human resource services to customer departments. Figure 2 illustrates the new team structure compared to the old

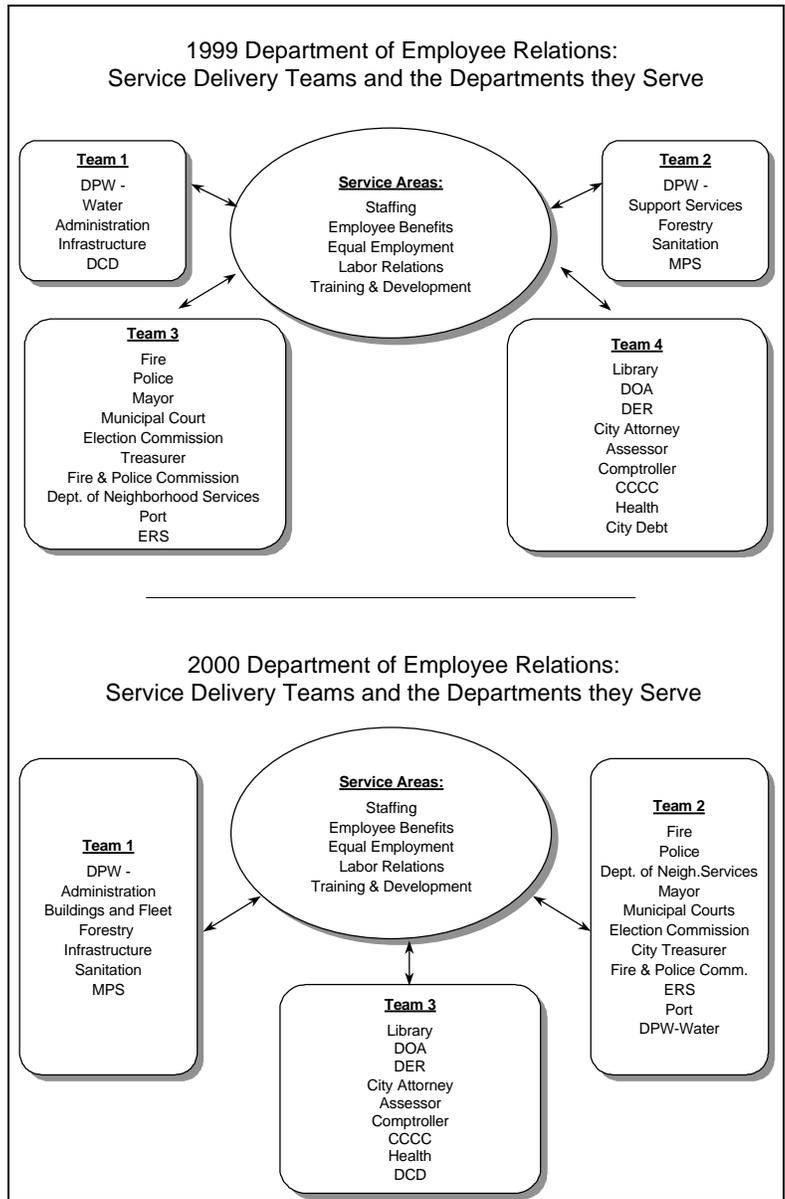
team structure. Within this reconfiguration DER will eliminate a Human Resource Manager position, with staff from that team being distributed to the remaining three teams. In making these changes, many criteria were considered, such as balancing workloads, expertise, and experience. In addition, maintaining positive relationships and continuity with customer departments, encouraging further development of the skills of staff, and maintaining flexibility were critical components of the process of reconfiguring the service delivery teams. One of the advantages DER has experienced with the team-based structure has been the ability to shift resources amongst teams during times when customer departments have situations that can preclude a team from maintaining a balanced workload. The flexibility and ability to share resources will allow DER to continue to provide efficient service in an acceptable response time. Furthermore, these changes will result in the continuous improvement and greater efficiency that was expected to result from the team-based structure.

**Job Assignment and Duty Changes:** The 2000 budget reflects a few changes in position classifications. In the Administration Division, the Administrative Specialist-Senior position will be downgraded to Administrative Specialist. This new position will be responsible for more of the daily functions of the old position, as well as those of the Management Accounting Specialist position. The management level duties of the Administrative Specialist-Senior position will be absorbed by the Management Accounting Specialist, who will be reclassified into a Management Accounting Officer position with a higher salary grade level. In addition, one vacant Office Assistant III position that assists one of the service delivery teams, and one other Office Assistant III position will be eliminated. The total savings for these changes will be \$83,456.

**ACTIVITIES**

- Provide training to city employees

Figure 2



- Establish policies and methods to promote an understanding and value of diversity throughout the workforce Assist in the development of leadership at all levels to support positive change in the organizational culture
- Encourage departments to utilize Total Quality Improvement methods
- Tuition and text reimbursement

**OBJECTIVE 3**

**Improve the city's competitiveness and the acceptability of the city's pay and benefits system.**

**OUTCOME HISTORY**

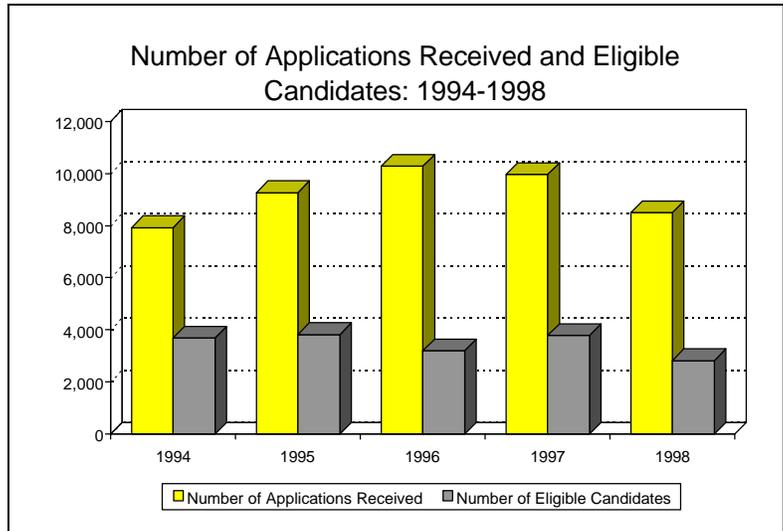
Two major components in maintaining a well-qualified workforce and attracting qualified applicants for city service are the pay and benefits offered. DER relies heavily on workforce data to ensure an appropriate level of competitiveness with external employers and internal equity among employees. Improvements in the data available are expected to be realized through the new FMIS (Financial Management Information System) system. As a result, DER has been heavily involved with the FMIS project and anticipates a significant improvement in its ability to analyze workforce data following full implementation of the new system.

In order to ensure that the city has a well-qualified and highly competent workforce, DER seeks to hire the best candidates. Figure 3 illustrates the number of applications received compared to the number of eligible candidates from 1994-1998. DER will spend a total of \$1,505,255 in operating funds to achieve these goals. Other funding to support this objective includes approximately \$61 million in special purpose accounts.

**Program Result Measures:** In 1999, DER implemented new program result measures to monitor the success of this objective. In addition to the number of applications received and the number of eligible participants, DER will use the percentage of customer satisfaction with delivering employee benefits and resignation rates within the city to assess the effectiveness of this program.

	1998 Experience	1999 Budget	2000 Projection
<b>Number of applications received.</b>	8,507	10,000	9,000
<b>Number of eligible participants.</b>	2,817	3,500	3,000
<b>Funding by Source:</b>			
Operating Funds	\$1,784,373	\$1,690,102	\$1,505,255
Special Purpose Accts.	56,400,636	57,529,547	61,071,500
<b>Total:</b>	<b>\$58,185,009</b>	<b>\$59,219,649</b>	<b>\$62,576,755</b>

Figure 3



**ACTIVITIES**

- Provide relevant data that meets the city's long-term human resource needs
- Provide a competitive pay and benefit system for city employees
- Continuation of the FMIS project

**OBJECTIVE 4**

**Improve the overall quality of the hiring system.**

**OUTCOME HISTORY**

The department will continue to evaluate and improve all phases of the selection and hiring process,

including recruitment, testing, the time it takes to fill positions, and customer communication. DER will dedicate \$1,168,901 in operating funds, \$8,500 in special purpose account funds, and \$226,611 in reimbursable services funding to meet the goals of this

objective. Outcome areas that support the goals of this objective are listed below:

**Maintain or Increase the Diversity of Persons Seeking City Employment:** DER continues to work hard toward increasing minority representation in the city's workforce. DER strives to achieve a high rate (35% or better) of minority employment in all available job classifications at all levels. In 1998, 41.5% of those hired were minorities. Figure 4 illustrates DER's progress toward minority hiring from 1994-1998.

**Increase the Retention Rate:** Maintaining a qualified workforce is another vital function of DER. The department strives to increase the retention rate of city employees. One of the efforts toward this goal includes succession planning. Succession plans can provide city departments with information to develop the experience, knowledge, and skills of their employees. In 1998, DER implemented a succession planning program in conjunction with DPW-Buildings and Fleet Division. The program was designed to be portable so it can be implemented in other city departments.

In 1998, the retention rate of all civil service employees equaled 95.3%. However, within the first year of employment the retention rate is somewhat lower. One-third of new hires (excluding exempt or temporary employees) leave the city within the first twelve months of employment. However, in 1998, the civil service retention rate within one year equaled 85.6%, which was the highest it had been for the past six years. Figure 5 illustrates the civil service retention rate from 1994-1998.

**Program Result Measures:** In 1999, DER implemented new program result measures to monitor the success of its objective of improving the quality of the hiring system. In addition to tracking the number of minorities appointed to vacancies and the civil service retention rate, DER will use the following measures to assess the effectiveness of this program:

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Minorities appointed to vacancies (new hires and promotions).</b>	299	375	300
<b>Civil service retention rate within one year.</b>	85.6%	80.0%	80.0%
<b>Funding by Source:</b>			
Operating Funds	\$1,324,340	\$1,262,227	\$1,168,901
Grant and Reimbursable	45,770	259,480	226,611
Special Purpose Accts.	6,746	8,500	8,500
<b>Total:</b>	<b>\$1,376,856</b>	<b>\$1,530,207</b>	<b>\$1,404,012</b>

Figure 4

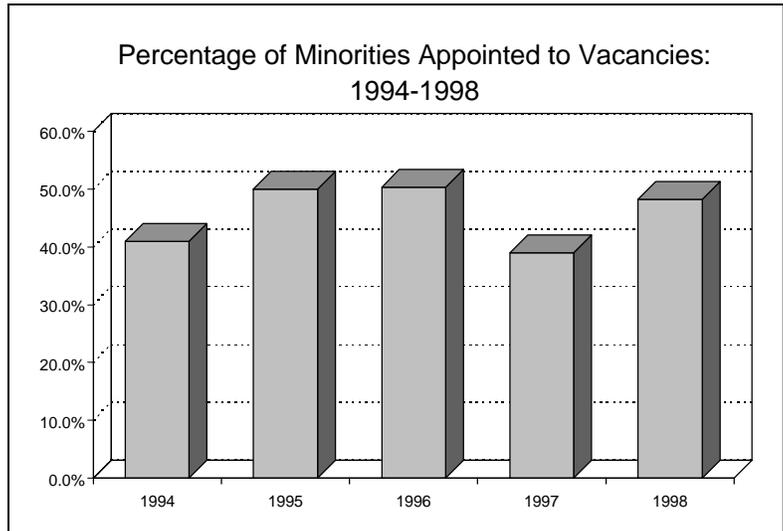
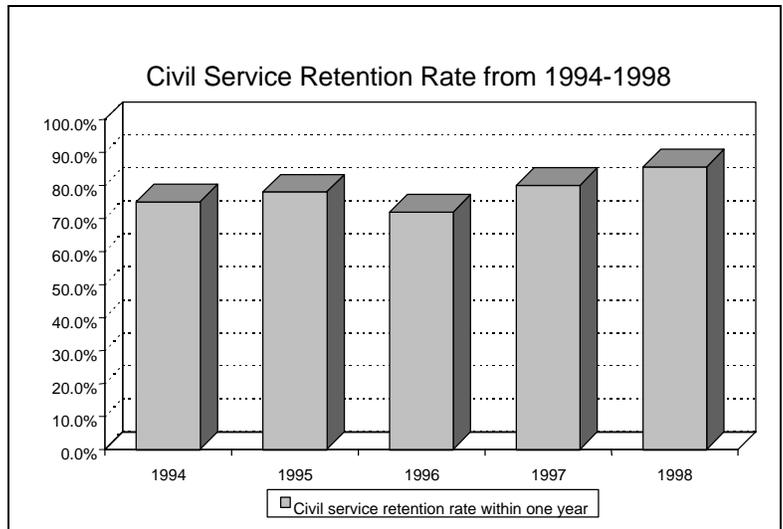


Figure 5



- Customer satisfaction with providing staffing services
- Customer rating of recruitment process
- Customer rating of candidate quality
- Percentage of referrals completed within two days
- Average number of days to fill a position

Dependent Care	245,000
Administration	46,500
Medical Care	215,000
Employee Training Fund	74,500
Intern Program	34,154
Drug Testing	8,500
Safety Glasses	26,000
Alternative Transportation	75,000

**ACTIVITIES**

- Provide data to meet the city’s long-term needs
- Attract and retain the best employees
- Succession planning

**PROGRAM CHANGES**

**Special Purpose Accounts:** The Department of Employee Relations will administer the following special purpose accounts in 1999:

Employee Health Care	\$53,290,000
Worker’s Compensation	5,480,000
Unemployment Compensation	775,000
Tuition Reimbursement	700,000
Long-Term Disability Insurance	425,000
Flexible Spending Account	

**Restructure Selection Services and Certification and Labor Activity Staff:** The 2000 budget consolidates the Selection Services staff under the management of the Personnel Analyst-Senior in the Certification and Labor Activity staff. This change will allow hiring procedures to be more centralized under the supervision of one person. This change will also relieve the service delivery teams of the duties of supervising this section. As part of this restructuring, vacancies in two positions, the Program Assistant II and the Office Assistant II, will be filled at lower salary levels. In addition, one vacant Human Resource Analyst position will be eliminated and another vacant Human Resource Analyst position will be filled at a lower salary grade level. The total savings for these changes will be \$43,677.

**OTHER ACTIVITIES AND CHANGES**

**FMIS Training:** The implementation of the new Financial Management Information System (FMIS) in 1999 resulted in the need for DER to focus much of its training efforts in this area. In order to ensure the success of the system, DER implemented a citywide training program. This training ranges from learning how to use the new system to education on computer policy. With the full implementation of the system expected to take place during 2000, DER will continue to focus much of its training efforts on FMIS.

**Commuter Value Pass Program:** At the end of 1999, the Milwaukee County Transit System (MCTS) will discontinue the bus coupon program that the city currently provides as a benefit to employees. In order to continue to provide the benefit of reduced bus fares to employees, the city will pilot a new program created by MCTS. The MCTS Commuter Value Pass Program will be implemented as a trial

program for six months beginning in January of 2000. The administration of the transit program will be moved from the Treasurer’s Office to the Department of Employee Relations. DER will closely monitor the new transit program during its trial period to assess the wants and needs of employees and determine whether the program will continue. A new special purpose account was created for the Commuter Value Pass Program with \$75,000 in funding allocated for this purpose.

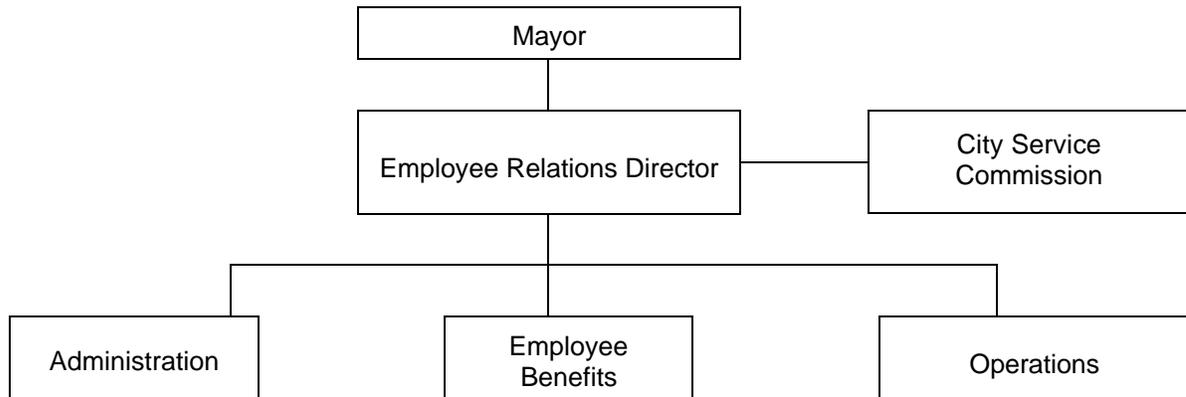
**Information Technology Services:** The 2000 budget reflects a change in the way city departments receive information technology services. As a result, DER’s budget has been reduced by \$150,557 to account for the change. For more information please see the section “Department of Administration” in the *2000 Plan and Budget Summary*.

**BUDGET SUMMARY**

	1998 ACTUAL	1999 BUDGET	ADOPTED BUDGET	2000 ADOPTED 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance		68.00	65.00	
FTEs - Other	26.00		28.00	0.00
	108	105		-2
DLH - Operations and Maintenance		121,900	116,500	
DLH - Other Funds	3,446		1,800	-1,800
Salaries and Wages	\$3,103,720		\$2,787,483	\$-142,865
	1,008,756	996,318		-104,323
Supplies and Materials		0	0	
Equipment and Facility Rent	17,019		0	0
	429,648	0		0
Operating Expenditures		502,844	346,593	
Equipment	19,815		17,700	-700
	<u>0</u>	<u>0</u>	<u></u>	<u>0</u>
<b>TOTAL</b>		\$4,447,910	\$4,043,771	
<b>REVENUES</b>				
Charges for Services		\$398,100	\$372,200	
Miscellaneous	476,658		460,000	-37,000
	<u>\$849,501</u>	<u>\$895,100</u>	<u></u>	<u>\$-62,900</u>

- None

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Human Resource Manager (Operating Funding \$-77,169)	Auxiliary position created to fund position for one pay period foregoing retirement of incumbent.
1	0.00	Human Resource Manager (Aux.) (Operating Funding \$3,087)	
-1	-1.00	Human Resource Analyst (Operating Funding \$-32,279)	Elimination of position.
-1	-1.00	Office Assistant III (Operating Funding \$-27,931)	
-1	-1.00	Administrative Specialist Sr. (Operating Funding \$-48,173)	Position reclassification.
1	1.00	Administrative Specialist (Operating Funding \$30,289)	
-1	-1.00	Management Accounting Specialist (Operating Funding \$-51,354)	
1	1.00	Management Accounting Officer (Operating Funding \$53,264)	
-2	-3.00	<b>TOTAL</b>	

# FIRE AND POLICE COMMISSION

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## EXECUTIVE SUMMARY

- MISSION:** To ensure that the Fire and Police departments are prepared to protect the lives and property of the citizens of the City of Milwaukee.
- STRATEGIC ISSUES:** Ensure a high quality, diverse public safety workforce, with a high retention rate, through effective recruitment, selection, and promotion processes.
- Ensure the quality and effectiveness of the Fire and Police departments' policies, practices, and performances through appropriate utilization of the Board's oversight authority.
- INITIATIVES FOR 2000:** Select candidates for three recruit classes in 2000; two classes for the Police Department and one class for the Fire Department.
- Continue to monitor the progress of newly hired sworn personnel to ensure a high level of retention and a low number of disciplinary actions and citizen complaints.
- Administer entry-level Police Officer examination in 2000.

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## BACKGROUND

The Fire and Police Commission is a civilian body which oversees general policy in the Milwaukee Fire Department and the Milwaukee Police Department. The Commission is responsible for hiring and promotions for the two public safety departments. The Board of Fire and Police Commissioners, which was established in 1885, is the oldest civil service authority in Wisconsin, and the first such commission to be established by law in the United States. The Commission's authority and responsibility are set forth in Sec. 62.50 Wis. Stats. and in the Milwaukee City Charter.

The five citizen members of the Commission are appointed by the Mayor and approved by the Common Council. Members serve overlapping five-year terms.

Commission functions include recruitment and testing for entry-level positions in the Fire and Police departments; testing for promotional positions; hearing appeals by members of either department who have been disciplined by their chief; hearing citizen complaints; and general policy oversight. An eleven-person staff is responsible for carrying out Commission functions.

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## OBJECTIVE 1

**Maintain or increase diversity in the sworn ranks of the Fire and Police departments.**

diversity in the city's public safety workforce, particularly in the Police Department.

## OUTCOME HISTORY

In 2000, the Fire and Police Commission will seek to maintain Police Officer hiring levels at 33% minority and 67% majority, and 17% female and 83% male. Fire and Police Commission recruitment and selection programs have proven effective in increasing

Since 1989, minorities (Asian, Black, Native American, and Hispanic) as a percentage of the sworn police force, have increased from roughly 17% to 32%. The percentage of women on the police force has also increased from approximately 8% to 15% during that same period (see Figure 1).

The Fire and Police Commission will continue to try to meet its goal of maintaining or increasing the number of sworn minority and female personnel in the Fire Department. Minorities made up 17% to 19% of the sworn fire force from 1989 to 1998 (see Figure 2). Women represented between 4% and 5% of the sworn ranks in the Fire Department over the same time period. The Fire and Police Commission continues to develop recruitment methods aimed at increasing the diversity of the workforce of both the Fire and Police departments.

In 2000, the Fire and Police Commission will work to increase minority and female representation by promoting employment with both public safety departments through recruitment at high schools, job fairs, community events, and among community groups. Special attention will be directed toward recruitment for Fire Cadet, Police Aide, and the entry-level Police Officer examination which is planned for 2000. In 2000, the Fire and Police Commission will dedicate \$504,260 in funding to recruitment, entry-level testing, and promotional testing in order to maintain or increase diversity and quality in the Fire and Police departments.

**Program Result Measures:** In 1999, the Fire and Police Commission developed several new program result measures to track its success in increasing female and minority representation in the Fire and Police Departments. In addition to monitoring the percentage of females and minorities who receive promotions, the Commission will also track the percentage of females and minorities taking the Fire and Police exams, and the percentage of minorities and female candidates on the final eligible list.

**ACTIVITIES**

**Recruitment**

- Police Aide Program
- Police Officer
- Fire Cadet Program
- Firefighter
- Non-sworn positions

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Percent of total police officer appointments which are:</b>			
Minority:	29.0%	33.0%	33.0%
Female:	16.0%	17.0%	17.0%
<b>Percent of total fire-fighter appointments which are:</b>			
Minority:	9.0%	15.0%	15.0%
Female:	14.0%	5.0%	5.0%
<b>Funding by Source:</b>			
Operating Funds	\$493,514	\$507,794	\$504,260
<b>Total:</b>	<b>\$493,514</b>	<b>\$507,794</b>	<b>\$504,260</b>

Figure 1

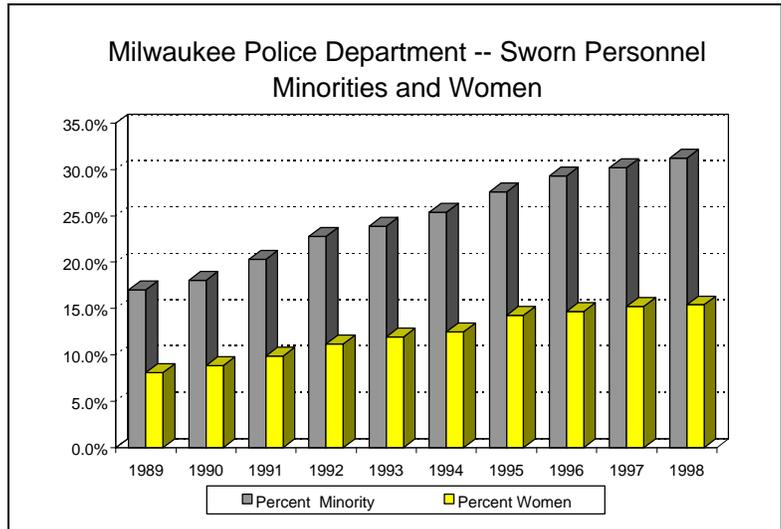
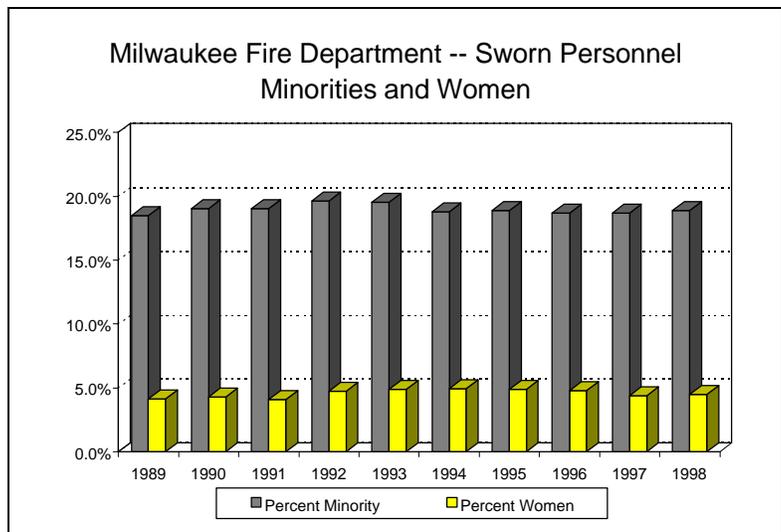


Figure 2



**Entry-level Testing**

- Police Aide
- Police Officer
- Fire Cadet
- Non-sworn positions

**Promotional Testing**

- Detective
- Heavy Equipment Operator
- Paramedic Lieutenant
- Fire Captain

**PROGRAM CHANGES**

**1996 Federal Mandate:** In 1996, the Fire and Police Commission hired an outside testing consultant to revise the Police Officer selection process and develop a validated, job-related examination for the position of Police Officer. In 1997, the Commission administered an interim Police Officer examination which was developed by the consultant. The test consisted of a written cognitive exam, written personality inventory, and a physical ability test. In 1999, revised background procedures, developed by the consultant, were incorporated into the interim Police Officer selection process. A fully developed Police Officer selection process, including a written cognitive exam, personality inventory, biographical inventory, psychological exam, oral examination and physical ability test, should be ready for validation and implementation in 2000.

Under a 1997 hiring order issued by the U.S. District Court, the Fire and Police Commission must make Police Officer selection decisions in a manner such that the proportion of racial, ethnic, and gender groups among all individuals selected through the components of the interim examination reflects the proportion of each racial, ethnic, and gender group among all those individuals who participated in that component of the selection process. For example, the group of candidates advancing from the physical ability testing phase of the interim exam must match the racial, ethnic, and gender makeup of the group that took the exam. This requirement remains in effect until the fully developed examination is validated and approved by the federal court.

**OBJECTIVE 2**

**Ensure that the Fire and Police departments have quality employees, appropriate policies and practices, and satisfactory performance.**

**OUTCOME HISTORY**

Performance toward this objective is measured by the overall disciplinary action, termination, resignation, and citizen complaint rate for police and fire recruits during their first five years of service. This measure allows the Fire and Police departments to record and monitor the types of actions that are taken by or against new hires. It also enables the departments to best utilize the Commission's oversight authority to ensure the quality and effectiveness of the Fire and Police departments' personnel, policies, practices, and performance. Based on the total number of recruits hired during a five-year period, the 1998 actual rate (23%) has risen from the prior years' rate (16%). This increase is due in part to an increase in the proportion of Police Officers and Firefighters with five or fewer years of service.

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Disciplinary action, citizen complaint, resignation and termination rates for new hires.</b>	23.0%	10.0%	10.0%
<b>Funding by Source:</b>			
Operating Funds	\$384,454	\$422,642	\$372,547
<b>Total:</b>	\$384,454	\$422,642	\$372,547

The Commission will spend approximately \$372,547 to support the goals of this objective. This funding will be dedicated to oversight of the Police and Fire departments, including the support of the citizen complaint process and the disciplinary review process.

**Program Result Measures:** In 1999, the Fire and Police Commission implemented new program result measures to monitor its objective of ensuring the Fire and Police departments have quality employees, appropriate policies and satisfactory performance. In addition to monitoring citizen complaints against Fire and Police department personnel, data on disciplinary rates, resignations and termination rates for fire fighters and police officers will also be analyzed. This data will be tracked on individual four-year time periods, and will enable the Commission to determine its success in meeting this objective.

**Citizen Complaints, Recruitment, and Public Information:** In the 2000 budget, the Fire and Police Commission will eliminate one position of Community Relations Specialist-Sr. and .35 FTE of the Research Analyst-Sr. position. The elimination of the Community Relations Specialist- Sr. will have the greatest impact on the processing of citizen com-

plaints and some impact on recruitment efforts. While some duties will be transferred to other commission staff, processing of citizen complaints may take longer. However, the commission will continue to process the most serious complaints first. The reduction in the Research Analyst position will impact the Commission's ability to collect and analyze data for publications and general public information. Total budgetary savings is \$46,000 (excluding fringe benefits).

**PROGRAMS AND ACTIVITIES**

**Fire and Police Monitoring Oversight:**

- Disciplinary review process
- Citizen complaint process
- Oversight of Police and Fire departments' policies, practices, functions, and performance
- Outreach and Community Relations

**OTHER ACTIVITIES AND CHANGES**

**Information Systems Reorganization:** The 2000 budget reduces computer-related funding by ap-

proximately \$6,274 due to the city-wide information reorganization.

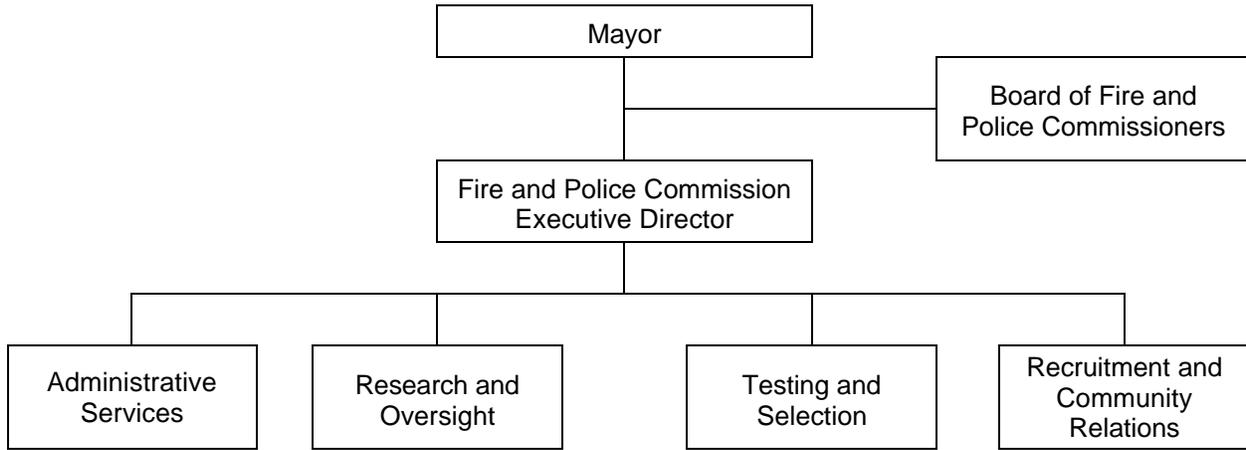
**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	12.00	12.00	10.65	-1.35
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	17	17	16	-1
DLH - Operations and Maintenance	19,218	21,200	18,770	-2,430
DLH - Other Funds				0
<b>EXPENDITURES</b>				
Salaries and Wages	\$568,027	\$598,572	\$554,940	\$-43,632
Fringe Benefits	189,048	203,514	177,581	-25,933
Supplies and Materials	7,826	0	0	0
Equipment and Facility Rent	6,451	0	0	0
Services	90,567	0	0	0
Operating Expenditures	0	125,200	144,286	19,086
Equipment	16,049	3,150	0	-3,150
Special Funds	0	0	0	0
<b>TOTAL</b>	<b>\$877,968</b>	<b>\$930,436</b>	<b>\$876,807</b>	<b>\$-53,629</b>

**REVENUES** - None.

**CAPITAL PROJECTS** - None.

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Community Relations Spec. Sr. (Operating Funding \$-36,679)	Extended time frame on citizen complaint investigations: Some workload transferred to other staff.
	-0.35	Research Analyst Sr. (Operating Funding \$-9,321)	Data collection and analysis will be reduced.
-1	-1.35	<b>TOTAL</b>	

# FIRE DEPARTMENT

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## EXECUTIVE SUMMARY

**MISSION:** To protect people and property within the city. The department responds to the needs of citizens by providing rapid, professional, and humanitarian services essential to the health, safety, and well-being of city residents.

**STRATEGIC ISSUES:** Timely provision of fire suppression, emergency medical, and other emergency services help make the city a desirable and safe place to live, work, and conduct business.

Loss of firefighters to other jurisdictions is costly to the department both in terms of losing experienced personnel as well as training new recruits.

**INITIATIVES FOR 2000:** Continue the Firefighters Out Creating Urban Safety (FOCUS) program in areas of the city with the highest incidence of fire.

Continue to provide citizen information and education programs designed to prevent and minimize the effects of fire and other trauma.

Initiate Operation First Responder program that will allow fire companies to install smoke detector and/or batteries on Emergency Medical Service calls.

Continue to recruit individuals with roots in the community, thereby lessening losses of trained personnel to other jurisdictions.

Improve Emergency Medical Services by reconfiguring and enhancing the deployment of advanced and basic life support resources.

Implement conversion of medical engines to medical units (ambulances).

Develop new outcome indicators to measure the success in preventing and suppressing residential fires.

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## BACKGROUND

The Milwaukee Fire Department has had responsibility for providing public safety services since 1875. The department currently operates 36 fire houses that are geographically organized into six battalions. Housed in these facilities are 37 engine companies, 16 ladder companies, 8 paramedic units, and 5 rescue squads. Some units have the added responsibilities of special teams: Dive Rescue, Hazardous Materials (Haz-Mat), and the Heavy Urban Rescue Team (HURT). In addition to fire suppression and other special emergency responses, these units also provide Emergency Medical Services (EMS).

The department has dramatically increased its fire prevention activities since the late 1980's. A high number of fire deaths in 1987 (31) forced the department to take an aggressive, interactive approach to fire prevention and safety education.

In the 1970's, the department assumed responsibility for providing emergency medical services. Now EMS calls constitute nearly 80% of all requests to the Fire Department for emergency services. The department oversees a system that coordinates basic life support services with private sector ambulance providers, and provides paramedic or advanced life support under Milwaukee County oversight.

In 1997, the Fire Department began providing fire inspection services for public buildings. They also

work with building managers to identify any potential fire hazards.

**OBJECTIVE 1**

**Educate the public about services available in the City of Milwaukee that reduce the incidence of fire, morbidity, and negative environmental impacts.**

**OUTCOME HISTORY**

Fire deaths ranged from a high of 31 in 1987 to a low of 4 in 1998. Figure 1 shows the continuing decline in the three-year moving average of fire deaths since the late 1980's. Reductions in the number of fire deaths have coincided with increased efforts in fire prevention. In the 2000 budget, \$10.8 million is allocated to this objective.

Many of the department's programs emphasize fire prevention, the idea being that fewer fires will create fewer situations where a fire death could occur. FOCUS, the department's major fire prevention program, is provided in areas of the city with the highest incidence of fires. Educational programs, such as Survive Alive House, teach children how to react when there is a fire in the home, including proper escape procedures and calling 9-1-1. Fire prevention efforts like FOCUS, Elder Safe, and the Survive Alive House reached 21,972 citizens through 4,156 programs in 1998.

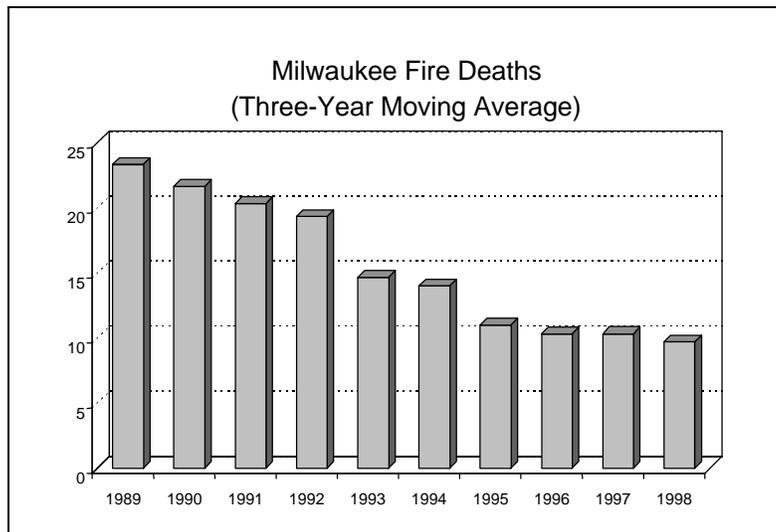
Of the total amount allocated to this objective, \$9.1 million supports the FOCUS program and \$1.0 million funds the Survive Alive House and "Learn Not to Burn" programs.

**ACTIVITIES**

- Fire Prevention
  - FOCUS program
  - Survive Alive House/Mobile Survive Alive Trailer
  - Elder Safe program
  - Operation First Responder
- Inspections

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Three-year average number of fire deaths.</b>	9.7	10.0	9.7
<b>Funding by Source:</b>			
Operating Funds	\$11,488,625	\$11,509,249	\$10,837,578
Special Purpose Accts.	20,815	9,930	9,900
<b>Total:</b>	\$11,509,440	\$11,519,179	\$10,847,478

Figure 1



**PROGRAM CHANGES**

**Develop Residential Fire Outcome Indicator:** The measurement of fire deaths does not clearly speak to the effectiveness of the Fire Department's fire prevention programs. Number of fire deaths more approximately measure the effectiveness of fire education programs. One example is the Survive Alive House. This program's purpose is to teach children how to escape safely from a fire rather than how to prevent fires from starting.

With this in mind, a measure of the effectiveness of fire prevention programs is one that tracks the number of fires that occur. One such measure might

monitor the number of single family residential structure fires per 1,000 single-family residential properties. The department will continue efforts to develop specific measures during 2000 to be included in the 2001 budget.

**Operation First Responder:** Currently, 80% of the calls received by the Fire Department request emergency medical services. Normally, the department will respond to these situations by dispatching a fire engine to the scene. However, medical care emergencies will rarely require the participation of all five individuals staffing an engine. The remaining personnel or the engine crew not directly providing medical assistance will check the residence for smoke

detectors and replace smoke detector batteries if necessary.

**Program Result Measures:** The department currently measures the number of participants, number of presentations and the number of smoke detectors installed to determine its ability to meet individuals to train them in fire prevention and fire education. The focus of these programs has mainly been on city youth.

The department also measures the time it spends performing fire inspections in public buildings. The department will continue to review these measures and update them as needed.

**OBJECTIVE 2**

**Reduce effects of personal injury and property loss through timely provision of fire suppression, emergency medical, and other emergency services.**

**OUTCOME HISTORY**

In 1998, the Fire Department responded to roughly 61,500 incidents; 12.2% of these were false alarms. Response time to these incidents totaled five minutes or less in 93.7% of all cases. This response time compares with 92.4% of calls responded to within five minutes in 1996 and 90.56% in 1995.

Figure 2 illustrates that response times tend to lengthen during the winter months when weather conditions can adversely affect travel. However, the trend line indicates that the percentage of calls responded to in five minutes or less has risen over the past two years.

**ACTIVITIES**

- EMS operations
- Fire suppression
- Special teams emergency services
  - Haz-Mat
  - HURT
  - Dive Rescue
- Facility and equipment maintenance
- Inspections

<b>Outcome Indicators and Funding</b>			
	1998 Experience	1999 Budget	2000 Projection
<b>Percentage of responses within five minutes of call.</b>	93.7%	94.0%	94.0%
<b>Funding by Source:</b>			
Operating Funds	\$65,102,206	\$65,219,077	\$57,101,187
Grant and Reimbursable	0	0	4,378,322
Capital Budget	825,000	247,000	1,600,000
Special Purpose Accts.	117,952	56,270	56,100
<b>Total:</b>	\$66,045,158	\$65,522,347	\$63,135,609

**PROGRAM CHANGES**

**Conversion of Medical Engines to Medical Units:** The continued rise in the number of Emergency Medical Service (EMS) calls has prompted the Fire Department to reconfigure the deployment of its Advanced Life Support (ALS) and Basic Life Support (BLS) resources. Previously, the department operated five paramedic units, three paramedic engines, and two BLS squads. In 1998 these units responded to 17,235 ALS and 3,593 BLS calls.

Within the department the paramedic engines play a dual role, responding either to fire or EMS calls as needed. In order to respond to both types of calls, the paramedic engines must carry a split staff (consisting of three firefighters and two paramedics).

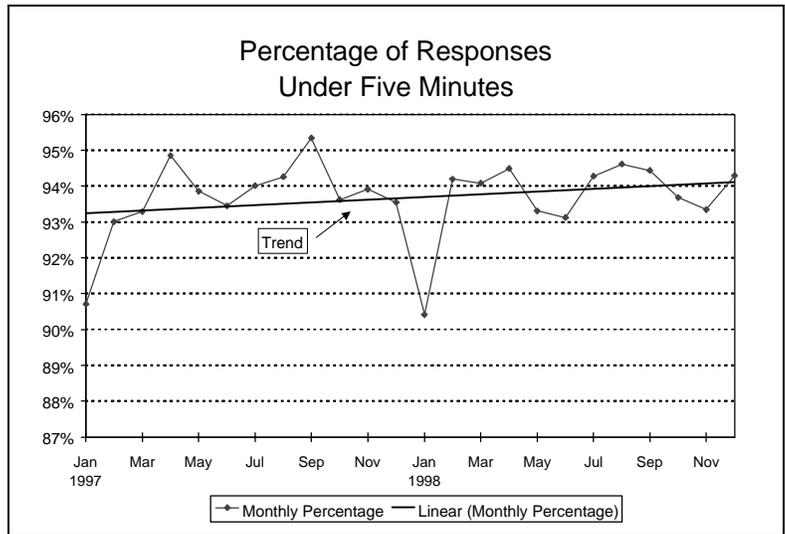
However, when paramedic engine units engage in firefighting duties they - and their paramedic crew members - become unavailable to respond to EMS calls. Thus, in attempting to meet two needs with one crew and a single piece of equipment, the Fire Department finds it increasingly difficult to fill both roles with paramedic engines.

In 2000, the Fire Department proposes to add three new full-time ALS paramedic units (to create a total of eight ALS units), with funding for the additional vehicles and personnel provided by Milwaukee County. The city would retain the existing engines as full-time fire squads to respond to fire and BLS calls. Two of the three squads would be retained to create a total of four BLS units. The change will help to distribute the EMS workload more evenly. Currently the five paramedic units respond to an average 3,000 to 3,500 calls annually compared to 1,200 to 1,700 calls for paramedic engines. Following implementation, paramedic units will average 2,500 calls and squads about 3,000 calls each year.

The Fire Department proposal will improve patient care, provide more timely response, and increase paramedic staff morale. Milwaukee County has agreed to cover the daily cost of two additional paramedics for each medical unit, an amount totaling approximately \$731,500 annually. The county payment will eliminate any tax levy impact of the plan; the overall effect on the budget totals slightly less than \$200,000.

The proposal would also allow the Fire Department to transport and charge BLS patients on calls turned back from private sector districts due to the unavailability of private units. Currently, these "turn back" calls are routed to private units outside the district for which the call was received, rather than being routed to the Fire Department. These calls are

Figure 2



approximately 1,350 out of 55,000 BLS calls. Because of Medicare and Medicaid rules regarding charging patients, the Fire Department will not receive any revenues until 2001.

**County Paramedic Grant Payment:** Milwaukee County will begin funding the paramedic program in 2000 as a grant. In the past, the city received the county payment in the form of revenue. The shift in the way the program is funded will reduce the Fire Department's 2000 budget by \$3.6 million and increase the city's grant budget by a corresponding amount.

**Program Result Measures:** For this objective, the department uses numerous measures that range from the number of medical and fire responses to maintaining the fleet and living corridors. The purpose is to measure the departments preparedness to respond to calls and the number of calls to which they respond. Because of the continuing shift in the type of calls the department receives, it will be necessary to review these measures regularly and change them when needed.

**OTHER ACTIVITIES AND CHANGES**

**Administrative Reorganization:** The department will reorganize its administrative staff to improve its ability to handle personnel and budgetary concerns. This reorganization will save an estimated \$27,000. For the most part, the reorganization involves moving individuals in several existing positions to new

positions with greater responsibilities.

**Information Technology Services:** In 2000, charges for information systems will be centrally budgeted. This change will eliminate \$5,500 of services that were previously charged to the department.

**CAPITAL IMPROVEMENTS**

The Fire Department is responsible for maintenance of its facilities and computer systems. The department is in the process of upgrading or replacing their existing Computer Aided Dispatch System (CAD). The original system was built in the 1980's, although it is year 2000 compliant. There is \$1.5

million included in the 2000 capital budget to upgrade the CAD system.

Engine house ventilation upgrades of \$100,000 are included in the 2000 budget to improve environmental conditions within fire stations.

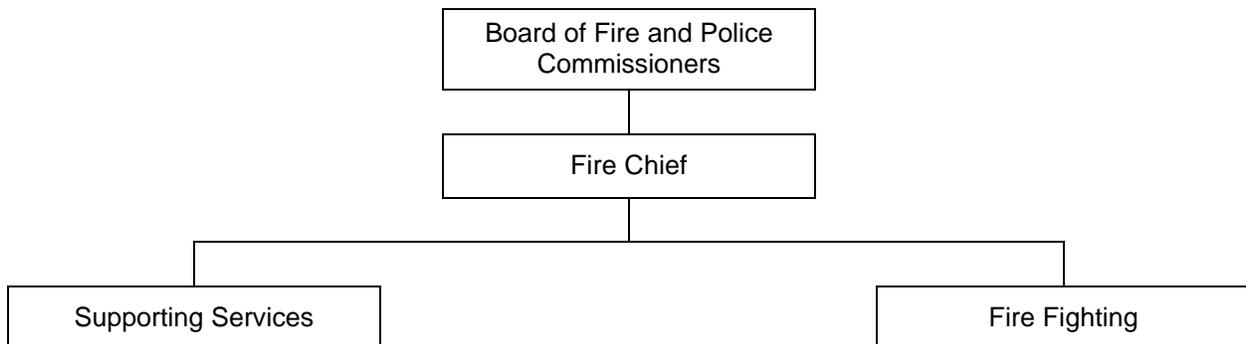
**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	1,210.04	1,203.00	1,127.20	-75.80
FTEs - Other	0.00	0.00	75.00	75.00
Total Positions Authorized	1,125	1,125	1,146	21
DLH - Operations and Maintenance	2,670,553	2,672,272	2,491,401	-180,871
DLH - Other Funds	0	0	165,525	165,525
<b>EXPENDITURES</b>				
Salaries and Wages	\$53,850,875	\$53,767,329	\$50,185,786	\$-3,581,543
Fringe Benefits	17,398,740	17,743,219	12,546,447	-5,196,772
Supplies and Materials	1,170,375	0	0	0
Equipment and Facility Rent	154,771	0	0	0
Services	2,193,196	0	0	0
Operating Expenditures	0	3,311,299	3,496,528	185,229
Equipment	1,822,874	1,906,479	1,644,004	-262,475
Special Funds	<u>138,767</u>	<u>66,200</u>	<u>66,000</u>	<u>-200</u>
<b>TOTAL</b>	\$76,729,598	\$76,794,526	\$67,938,765	\$-8,855,761
<b>REVENUES</b>				
Charges for Services	<u>\$4,539,219</u>	<u>\$4,890,500</u>	<u>\$1,210,000</u>	<u>\$-3,680,500</u>
<b>TOTAL</b>	\$4,539,219	\$4,890,500	\$1,210,000	\$-3,680,500

**CAPITAL PROJECTS** - Include \$1.6 million for the following projects:

- a. CAD System \$1,500,000
- b. Engine House Ventilation \$100,000

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
3	3.70	Firefighter (Operating Funding \$120,000)	Revised county paramedic contract.
9	11.00	Firefighter/Paramedic (Non-operating Funding \$360,000)	
9	11.00	Para. Officer/Fire Para. Officer (Non-operating Funding \$360,000)	
0	-53.00	Miscellaneous (Operating Funding \$-3,646,822)	Shift of paramedic program revenue offset to grant funding.
0	53.00	Miscellaneous (Non-operating Funding \$3,646,822)	
1	1.00	Fire Personnel Officer (Operating Funding \$44,400)	Administrative reorganization.
-1	-1.00	Administrative Specialist (Operating Funding \$-42,515)	
1	1.00	Fire Financial Officer (Operating Funding \$44,100)	
-1	-1.00	Office Supervisor II (Operating Funding \$-42,515)	
-1	-1.00	Program Assistant I (Operating Funding \$-39,900)	
1	1.00	Office Assistant I (Operating Funding \$19,200)	
0	-26.50	Miscellaneous (Operating Funding \$-100,000)	Refinement of FTE calculation and reduction in overtime.
21	-0.80	<b>TOTAL</b>	

# HEALTH DEPARTMENT

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## EXECUTIVE SUMMARY

**MISSION:** To ensure that services are available to enhance the health of individuals and families, promote healthy neighborhoods, and safeguard the health of the Milwaukee community.

**STRATEGIC ISSUES:** Prevent and control communicable and chronic diseases in Milwaukee.

Promote maternal and child health and safety.

In coordination with the Department of Neighborhood Services, improve the environmental quality in Milwaukee.

Protect the public from unsanitary and unhealthy consumer products and services.

**INITIATIVES FOR 2000:** Consolidate department from four bureaus into one, while placing all service delivery areas under one manager.

Implement Healthiest Milwaukee planning process.

Work with the State of Wisconsin on new funding allocation process.

Implement lead pilot project ordinance.

Begin inspection of tattoo and body piercing establishments.

Focus efforts on tobacco use prevention.

Eliminate vacant Environmental Health Specialist II while reducing certain non-mandated food testing.

Enhance technology in food inspection program.

Reorganize Custodial Nursing Assistant duties.

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## BACKGROUND

The Health Department has served residents of the City of Milwaukee since 1867. Today, the department focuses its efforts on public health assessment, policy development and leadership, and assuring service availability and accessibility. The Health Department operates from seven locations throughout the city, including five health centers and one remote clinic site.

The Health Department's 2000 budget reflects a major organizational change. For many years, the

department was divided into separate bureaus with separate budgets and administrative structures. This not only encouraged redundancy; it impeded joint planning and interdisciplinary cooperation. A new proposed structure not only promises greater efficiency, but more importantly, it responds to a changing environment in which the department foresees:

- Goal-setting on population *outcomes* (measured in units of population change, such as immuni-

zation rates), rather than service volumes (like immunizations given);

- Shared ownership of goals across all Health divisions, other departments, and between the public and private sectors;
- Greater reliance on the Health Department for leadership, advocacy, coordination, collaboration, and information, and less for direct service delivery;
- Continued expectation that the Health Department will assure the availability of services, or deliver services where the market will not: promoting prevention, assisting those who lack access to private services, and ensuring a healthy environment and consumer protection; and
- Declining discretionary tax revenue at all levels of government.

This new environment demands internal coordination and efficiency - in short, a simpler, flatter organizational structure. As a result, all service and enforcement programs are merged into a single Division of Family and Community Services. This

unified division will maximize the sharing of expertise, labor and material resources. The division manager will unify planning, coordinate services and resources, and support division managers in their new, expanded roles. The department's administrative, laboratory and epidemiological function will provide support to the service delivery area. A vacant Consumer Protection and Environmental Health Director position is eliminated in the reorganization.

**Healthiest Milwaukee:** As the department reorganizes and plans for outcomes-based management, it needs broad public participation in selecting priority health outcomes and must coordinate with other public and private organizations for the greatest impact and efficiency. Healthiest Milwaukee is a community health planning process just getting underway with a steering committee of Milwaukee health and human service organizations, along with representation from the Common Council, the Mayor's Office and the Department of Administration.

**OBJECTIVE 1**

**To reduce the incidence of communicable disease in Milwaukee as measured by increasing the immunization level of two-year olds to 90% by the year 2000.**

**OUTCOME HISTORY**

Although the Health Department has not yet reached a 90% complete immunization rate, the city continues to close the gap with Milwaukee County suburbs. Retrospective school immunization data shows only three percentage points separating city and suburban immunization rates in 1995-1996. In addition, no cases of measles, diphtheria, mumps, tetanus, or rubella were reported in 1998 and pertussis rates continue their erratic but downward trend to 4.26 cases per 100,000 residents (see Figure 1). Hepatitis B rates are at the lowest level reported since 1992.

Other communicable diseases are more difficult to prevent and control. Tuberculosis control requires long term therapy of cases and preventive treatment of infected but healthy contacts. The incidence of active tuberculosis per 100,000 city residents has

dropped modestly from 1994 to 1998 (see Figure 1). In 1998, the Health Department met or exceeded national benchmarks for timely completion of TB treatment, evaluating contacts of infected cases and completing preventive treatment of young contacts. Foreign born TB cases continue to represent an increasing percentage of all cases, implying cases are imported rather than transmitted locally.

Control of sexually transmitted diseases requires diagnosis, treatment, contact tracking and safer sexual practices. Aggressive outreach has reduced

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Percent of two-year olds immunized.</b>	71.0%	75.0%	79.0%
<b>Funding by Source:</b>			
Operating Funds	\$5,417,876	\$6,506,886	\$6,340,193
Grant and Reimbursable	515,450	533,479	1,002,881
Capital Budget	775,553	48,660	28,200
Special Purpose Accts.	395,776	309,200	309,200
<b>Total:</b>	<b>\$7,104,655</b>	<b>\$7,398,225</b>	<b>\$7,680,474</b>

the primary and secondary syphilis rate to 8.8 in 1997, the lowest level since 1988. Gonorrhea and chlamydia rates began to rise in 1997. However, this coincided with the introduction of more accurate testing, so it may not represent a true increase in disease rates.

**Program Result Measures:** The Health Department has always used substantial internal management indicators to monitor the workload and activities of its staff. Indicators for communicable disease include incidence of vaccine preventable diseases per 100,000 people and the percent of tuberculosis cases completing therapy within 12 months. In addition, the department has added several measures in the area of sexually transmitted disease. Whereas as HIV/AIDS has garnered the most attention, other diseases such as syphilis and gonorrhea are more prevalent and need to be monitored as well.

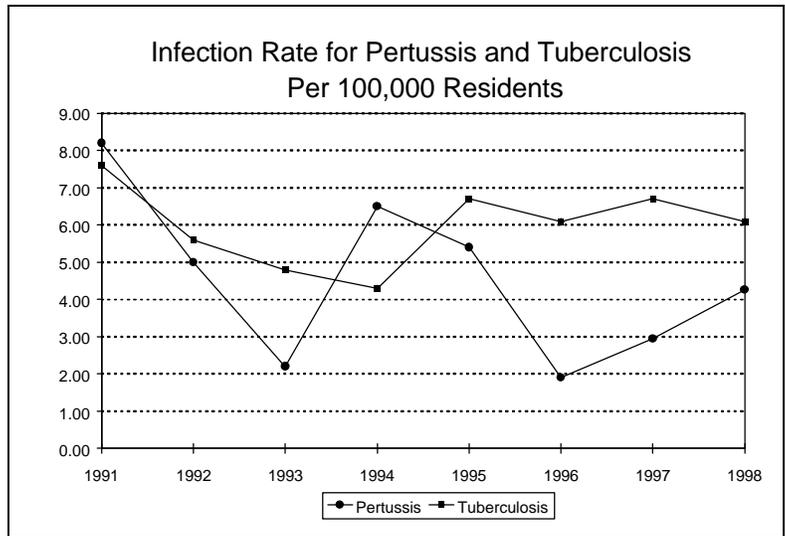
**PROGRAMS**

- Immunization delivery, registry and tracking
- Tuberculosis control
- Sexually transmitted disease surveillance and treatment
- HIV/AIDS prevention
- Water-borne and food-borne illness control
- Communicable disease surveillance (SURVNET)
- Communicable disease laboratory services

**PROGRAM CHANGES**

**Reorganization:** For the first time, communicable disease programs, the immunization program, and

Figure 1



environmental programs addressing food-borne and water-borne illness will be located in the same division. They will receive surveillance and epidemiology support from the epidemiologist and SURVNET county-wide surveillance system (winner of the 1999 Excellence in Information Technology Award of the National Association of County and City Health Officers). Because all data collection and analysis will be centralized, the department's ability to respond to communicable disease emergencies will improve.

**Hepatitis B Vaccinations:** Substantial department resources will continue to address the challenge of meeting new Hepatitis B immunization requirements affecting middle school students. This effort will be done in collaboration with private healthcare providers.

**OBJECTIVE 2**

**To promote the health and safety of women and children in Milwaukee as measured by reducing the five-year average infant mortality rate to 9 deaths per 1,000 live births by the year 2000.**

**OUTCOME HISTORY**

Infant mortality (deaths before the first birthday) continues to improve slowly, but a substantial disparity remains between white

	1998 Experience	1999 Budget	2000 Projection
Infant mortality rate (five-year average).	10.2 (1997)	12.0	11.9
<b>Funding by Source:</b>			
Operating Funds	\$4,196,236	\$4,562,485	\$4,125,441
Grant and Reimbursable	5,102,535	4,145,985	3,900,947
Capital Budget	775,553	48,660	28,200
<b>Total:</b>	<b>\$10,074,324</b>	<b>\$8,757,130</b>	<b>\$8,054,588</b>

and non-white infants (see Figure 2). Risk factors related to infant death have also shown improvement. Prenatal care in first trimester has risen from 70.7% in 1993 to 77.2% in 1997. Smoking during pregnancy has declined 18% since 1993. Rates of low birth weight have declined modestly (4%) since 1993, and the birth rate to teens declined 7% since 1995 (to 88.4/1000 teens aged 12-18). The number of children with elevated blood lead levels has declined nearly 60% since 1995. However, lead poisoning, while improving, remains a challenge in Milwaukee, with 16.7% of newly screened children having elevated blood lead in 1998.

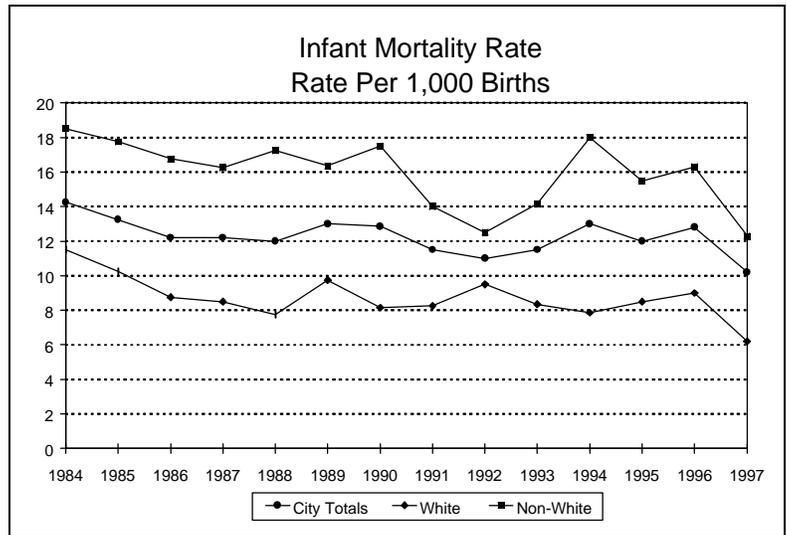
**Program Result Measures:** The scope of activities in maternal and child health is vast. The Health Department has created internal management indicators and result measures to cover areas such as prenatal care, school-based services and lead poisoning prevention. New result measures include:

- Percent of women delivering live infants that obtain prenatal care in the first trimester,
- Percent of infant guardians who report placing their infant to sleep on their backs,
- Percent of MPS schools with health needs/asset assessments within the past three years, and
- Percent of newly screened children age one to five with blood lead levels exceeding 9mcg/d.l.

## PROGRAMS

- Prenatal and reproductive health
- Care coordination
- Infant and pre-school health
- School-age children health including School Nurse Program
- Childhood lead poisoning prevention and treatment
- WIC
- Newborn screening
- Adolescent School Health Program
- Campaign for Our Children
- Milwaukee Metropolitan Adolescent Pregnancy Prevention Consortium
- Sudden Unexpected Infant Death Services
- Violent and Unintentional Injury Prevention
- Refugee Child Health
- Fetal Infant Mortality Review
- Vital Statistics/MCH Data Institute

Figure 2



- HealthCheck Screening Clinics

## PROGRAM CHANGES

**Clinic Services:** Several programs now support home visiting, especially for children receiving Medicaid or Badgercare. However, the decline in insurance participation levels still leaves many children with no source of services besides the Health Department. On the other hand, fewer children and parents are using the clinic services of the nursing health centers. As a result, the department continues to reduce general "open clinics" at health centers, instead scheduling families on an as-needed basis. This frees nurses for home- and school-based nursing and permits elimination of one vacant Public Health Nurse position in 2000. In addition, a position of Custodial Nursing Assistant will be eliminated. The remaining two CNA's will share the responsibilities at the three health centers.

**State Consolidated Contract:** Beginning in 2000, the State of Wisconsin will distribute local public health funding through a new formula-based process. While the goal is to increase flexibility and accountability, the formulas may potentially redistribute funds away for the Health Department and other Milwaukee community based organizations. In 2000, the programs most affected will be in maternal and child health and lead poisoning prevention, along with programs in adult health services. As part of this new arrangement, the Health Department will take a more active role in determining how all public health funding will be allocated throughout the city.

**School-Based Services:** In recognition of the increased presence of private health providers in the schools, discussions are underway with Milwaukee Public Schools for the redesign of public health school-based services. Stable overall involvement will occur at primary and secondary schools level for the next few years to foster planning, while adapting the level of service at individual schools based on other health resources available at the school.

**Lead Poisoning Prevention:** A \$3 million U.S. Housing and Urban Development grant allows the Health Department to implement a lead pilot primary prevention program. Under this grant and accompanying ordinance, rental properties owners in two city neighborhoods are required to abate lead hazards in these properties. This represents a significant shift from *treating* lead poisoning to *preventing* lead poisoning.

**OBJECTIVE 3**

**To improve the city’s environmental quality as measured by the volume of total hazardous materials released into the air.**

This new outcome measure is proposed to more adequately monitor the department’s environmental activities. (Data for the previously used Environmental Quality Index is no longer available, nor does the index describe department activities since some of the environmental activities were transferred to the Department of Neighborhood Services.)

	1998 Experience	1999 Budget	2000 Projection
<b>Weight (in pounds) of total hazardous materials released into the air.</b>	(1997) 1,254,949	N/A	1,600,000
<b>Funding by Source:</b>			
Operating Funds	\$3,846,549	\$509,323	\$786,259
Grant and Reimbursable	127,400	47,184	59,245
Capital Budget	775,553	48,660	28,200
<b>Total:</b>	\$4,749,502	\$605,167	\$873,704

**OUTCOME HISTORY**

Improving environmental quality and remedying unhealthy environmental conditions involve multiple local, state and federal agencies. The major focus of the Health Department is to prevent and reduce human health conditions related to air, water, soil, commercial and home settings, often in cooperation with other agencies. Health’s environmental technology section actively monitors, investigates, regulates intervenes, and provides technical assistance regarding several health concerns. These include drinking water quality, beach conditions, outdoor and indoor air quality and contamination of properties, among others.

In 1997, 1,254,949 pounds of toxic materials were released to the air by local firms mandated to report this information. This data will be used as the baseline for the new outcome indicator under this objective. In 1998, 213,470 pounds of toxic substances were uncontrollably released in accidents or intentional spills triggering HAZMAT evaluation or response, compared to 89,342 pounds in 1996.

An issue equally as important as outdoor air quality is indoor air quality. As public awareness and concern regarding indoor air contamination increases, so do complaints. The Health Department investigated 282 indoor air complaints in 1998 compared to 181 in 1997 and 118 in 1996.

Environmental screening of 339 tax delinquent properties in 1998 helped avoid potential liability for the city. This program improves tax collection on the 90% of properties deemed “clean”, and has fostered *in personam* legal actions for properties with potential environmental liabilities that have collected over \$800,000 through June 1999.

**Program Result Measures:** In the area of environmental quality, the Health Department will focus on hazardous materials, water quality and environmental screening. Indicators that the department will use include, the percentage of swimming season days exceeding single-day E.coli threshold and the percentage of new tax delinquent properties listed as “OK to acquire” plus “withheld from foreclosure” within four months.

**PROGRAMS**

- Air hygiene and air toxic management
- Hazardous and toxic materials management
- Water quality control
- Emergency preparedness and response
- Land use and development
- Tattoo and piercing establishment inspections

**PROGRAM CHANGES**

**Asthma Control:** The Environmental Protection Agency named Milwaukee a Child Health Champion for activities related to controlling asthma. The Health Department participates in asthma control activities sponsored by organizations ranging from the 16<sup>th</sup> Street Health Center to the Fight Asthma Milwaukee Coalition.

**Emergency Preparedness:** The Environmental Emergency team continues to provide 24-hour assistance to HAZMAT and Emergency Government, now with augmented training for weapons of mass destruction. The Health Department also participates in the HAZMED response system for biological and chemical weapons (coordinated by Milwaukee Fire Department) and is pursuing federal assistance grants for bioterrorism preparedness.

**Tattoo and Piercing Establishments:** Due to a change in Wisconsin law, which essentially overturned a city ordinance banning tattoo establishments, the Environmental Health Section has begun licensing and inspecting tattoo and body piercing establishments. The department performs these responsibilities under an agent agreement with the Wisconsin Department of Health and Family Services. Approximately 0.10 FTE of staff time is dedicated toward this effort.

**OBJECTIVE 4**

**Improve the quality and safety of health-related consumer products and services as measured by the percent of establishments with critical violations on the initial inspection.**

**OUTCOME HISTORY**

Similar to the Environmental Quality Index, the Consumer Product and Service Quality Index is no longer practically available. The Health Department will instead measure the percent of food establishments with critical violations on the initial inspection. In 1999, 53% of establishments had at least one critical violation. To lower this rate, the Health Department is focusing increasingly on Hazard Control and Critical Event Pathways, ensuring well-trained food service workers in addition to inspection. The department investigated 60 possible food-borne outbreaks in 1998 (see Figure 3) that involved over 130 potentially exposed persons. This figure is related to both commercial and non-commercial (in-home) food sources.

**Program Result Measurers:** Indicators and measures for this objective focus on ensuring that licensees are compliant with regulations and the public health impact of food-borne illnesses. For example,

**Outcome Indicators and Funding**

	1998 Experience	1999 Budget	2000 Projection
<b>Percent of establishments which have critical violations on the initial inspection.</b>	53.0%	(Actual) 53.0%	50.0%
<b>Funding by Source:</b>			
Operating Funds	\$2,098,118	\$1,929,115	\$2,111,984
Capital Budget	775,553	48,660	28,200
<b>Total:</b>	<b>\$2,873,671</b>	<b>\$1,977,775</b>	<b>\$2,140,184</b>

the Health Department will measure the number of people who are affected by known food-borne illnesses and percent of licensed establishments with three or more reinspections for orders. Other areas covered include weights and measures and sales ordinance.

**PROGRAMS**

- Food control
- Weights and measures
- Sales ordinance enforcement
- Fire Inspections (in Health Department permitted facilities)

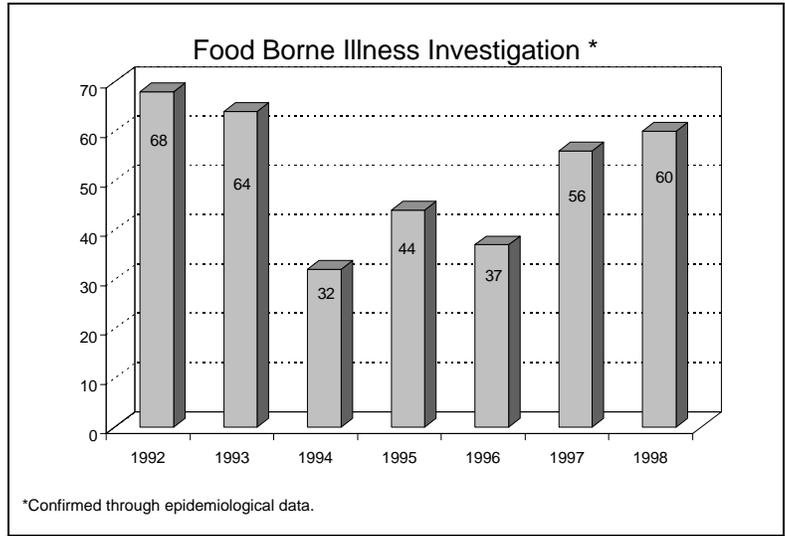
**PROGRAM CHANGES**

**Food License Fees:** The license for permanent food establishments were revised to more closely align revenues with costs. In addition, reinspection fees have been added that transfer reinspection costs to those establishments with recurrent violations. The complete fee increase will be phased in over a three year time period, with 75% recovery in 1999, 85% in 2000 and 100% in 2001. Total estimated revenue increase is \$450,000.

**Nuisance Establishments:** Food licenses may now be denied, suspended or revoked if businesses are found by the Common Council to present a serious nuisance to the community. This process is similar to that which exists for establishments with liquor licenses.

**Improved Targeting of Food Inspections:** In 1999, graduate students from the LaFollete Institute at the University of Wisconsin-Madison studied potential improvements in the food inspection program. One of the recommendations is to improve the information technology used in the food inspection program. The Health Department seeks to move from paper to electronic inspection records, improving the ability to track violations and helping increase the efficiency of the inspection program.

Figure 3



Another suggested improvement is making inspection information more readily available to the public. The department will explore various options, such as placing inspection ratings on the Internet.

**Food Inspection Efficiency:** The Health Department will eliminate one vacant position of Environmental Health Specialist II from the Consumer Protection Division. This position has been vacant for over a year and the department has compensated by reallocating the work to the remaining inspectors and reducing certain non-mandated food testing.

**OBJECTIVE 5**

**To improve the health status of adults living in Milwaukee and reduce the total five-year average premature death rate from breast cancer, smoking-related cancers, and cardiovascular disease to 1.65 per 1,000 people by the year 2000.**

**OUTCOME HISTORY**

Similar to national trends, death rates from cardiovascular disease have declined significantly over the last decade, but total deaths from cancer, chronic obstructive lung disease and other causes remain little changed. Many of these disorders are related to behaviors, habits or exposures that began decades ago. The 1996 Health Status of Milwaukee Area Residents

	1998 Experience	1999 Budget	2000 Projection
<b>Five-year average premature death rate.</b>	1.47 (1997)	1.45	1.45
<b>Funding by Source:</b>			
Operating Funds	\$1,923,276	\$1,121,762	\$818,794
Grant and Reimbursable	8,587,989	9,652,321	10,855,195
Capital Budget	775,553	48,660	28,200
<b>Total:</b>	<b>\$11,286,818</b>	<b>\$10,822,743</b>	<b>\$11,702,189</b>

study indicated that City of Milwaukee residents were more likely to smoke, suffer other cardiovas-

cular risk factors, report emphysema and asthma, and describe dietary risk factors than suburbanites. Unfortunately, Milwaukee has also experienced increased tobacco use among young people. Thirty-one percent of people aged 13-17 used tobacco in 1996-1997 compared to 17% in 1988-89.

Early detection of some diseases can reduce the chance of death and disability. The Milwaukee Breast and Cervical Cancer Awareness Project is particularly proud of the high proportion of clients who successfully follow through with definitive diagnosis and treatment (97%), a rate three times higher than that reported by other mobile programs.

**Program Result Measures:** A new focus in the area of chronic disease concerns tobacco use among adults and children. Two of the result measures the department will use are percent of adults who use tobacco products and percent of youths in grades 9-12 who have used any tobacco products.

#### PROGRAMS

- Cardiovascular risk reduction (hypertension, cholesterol, diet, exercise, and smoking)
- City employee occupational health services
- Health screening services
- Milwaukee Breast and Cervical Cancer Aware-

- ness Project (mammography case management)
- Tobacco Use Prevention
- Municipal Health Services Program (MHSP)
- Community Nutrition Program
- Employee Assistance Program

#### PROGRAM CHANGES

**Tobacco Use Prevention:** The department's focus on tobacco use prevention, particularly among youth, continues to grow in collaboration with local and statewide coalitions. Emphasis includes prevention of smoking sales to minors, reduction of smoking initiation, promotion of smoking cessation, addressing disparities in smoking rates, and creating smoke-free environments in the city. These programs link with efforts to promote healthy pregnancies and other department activities.

**Women's Health:** State funding has helped the Milwaukee Breast and Cervical Cancer Awareness Project negotiate for a comprehensive women's health screening program at the Martin Luther King Health Center (a private non-profit community health center) in addition to mobile services. Staff will work the Community Collaboration on Healthcare Quality to improve preventive service delivery throughout the healthcare system.

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#### OTHER ACTIVITIES AND CHANGES

**Information Technology Services:** The 2000 budget includes a change in how city departments receive information technology services. As a result, the Health Department's budget is reduced by \$79,175.

For more information please see the section "Department of Administration" in the *2000 Plan and Budget Summary*.

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#### CAPITAL IMPROVEMENTS

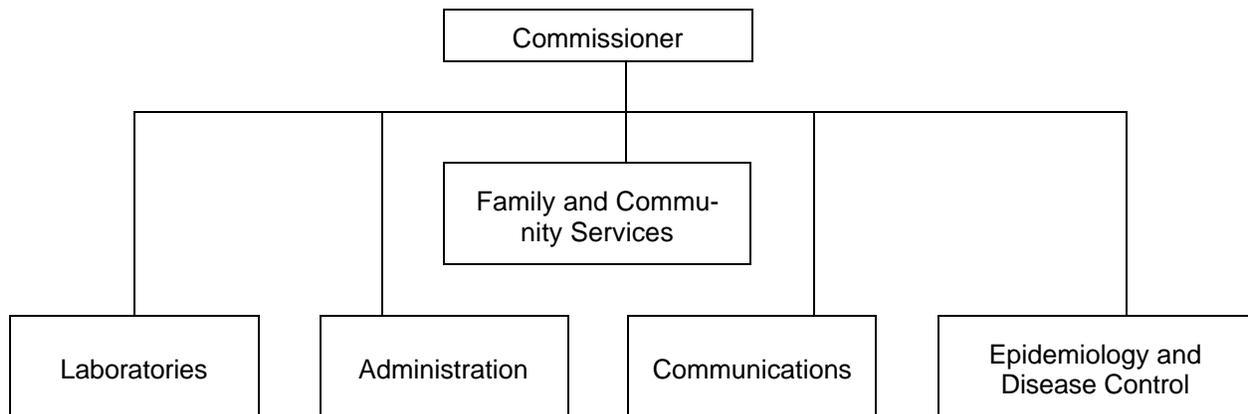
**Mechanical Maintenance Projects:** The 2000 capital budget includes \$141,000 to replace the boiler at Keenan Health Center.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	261.76	243.55	242.05	-1.50
FTEs - Other	85.09	111.08	110.30	-0.78
Total Positions Authorized	430	378	374	-4
DLH - Operations and Maintenance	471,171	438,390	435,690	-2,700
DLH - Other Funds	153,164	199,944	198,540	-1,404
<b>EXPENDITURES</b>				
Salaries and Wages	\$10,536,955	\$9,344,815	\$9,249,374	\$-95,441
Fringe Benefits	3,462,867	3,173,308	2,959,800	-213,508
Supplies and Materials	404,219	0	0	0
Equipment and Facility Rent	416,179	0	0	0
Services	1,080,051	0	0	0
Operating Expenditures	0	1,988,607	1,850,463	-138,144
Equipment	62,746	11,855	12,034	179
Special Funds	1,519,038	110,986	111,000	14
<b>TOTAL</b>	<b>\$17,482,055</b>	<b>\$14,629,571</b>	<b>\$14,182,671</b>	<b>\$-446,900</b>
<b>REVENUES</b>				
Charges for Services	\$1,428,746	\$1,155,500	\$1,963,600	\$808,100
Licenses and Permits	1,207,223	1,423,600	0	-1,423,600
Intergovernmental Aids	46,994	40,000	0	-40,000
<b>TOTAL</b>	<b>\$2,682,963</b>	<b>\$2,619,100</b>	<b>\$1,963,600</b>	<b>\$-655,500</b>

**CAPITAL PROJECTS** - Include: \$141,000 for boiler replacement at Keenan Health Center.

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Public Health Nurse (X) (Operating Funding \$-34,562)	Change in strategy for providing services at family health clinic.
-1	-1.00	Office Supervisor (Operating Funding \$-36,536)	To reflect the different responsibilities due to the reorganization.
1	1.00	Management Accounting Specialist (Operating Funding \$32,367)	
1	1.00	Personnel Analyst-Sr (Operating Funding \$41,338)	
-1	-1.00	Administrative Specialist (Operating Funding \$-39,371)	
-1	-1.00	Public Health Services Director (X)(Y) (Operating Funding \$-76,761)	Position changed to reflect change in responsibilities.
1	1.00	Community and Family Services Director (X) (Y) (Operating Funding \$79,144)	
-1	-1.00	Consumer Protection and Environmental Health Director (X) (Y) (Operating Funding \$-97,187)	Elimination of Bureau of Consumer Protection and Environmental Health.
0	2.50	Experience Adjustment (Operating Funding \$0)	
0	-0.45	Various Grant positions (Non-operating Funding \$-13,891)	Changes in grant-funded positions.
0	-0.33	Experience Adjustment (Non-operating Funding \$0)	
-1	-1.00	Environmental Health Specialist II (X) (Operating Funding \$-31,022)	Elimination of a vacant position.
-1	-1.00	Custodial Nursing Assistant (Operating Funding \$-26,294)	Reorganize the Custodial Nursing Assistant staff at the health centers.
-4	-2.28	<b>TOTAL</b>	

# LIBRARY

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## EXECUTIVE SUMMARY

- MISSION:** To provide materials, services, and facilities for the citizens of Milwaukee and others in order to meet present and future informational needs, and to raise the level of civilization in Milwaukee.
- STRATEGIC ISSUES:** Provide collections, services, and programs to enhance the long-term economic well-being of our community and meet the informational needs of a diverse population.
- Provide Milwaukee citizens with a competitive advantage through technology.
- Continue to assure that all Milwaukee citizens will have access to current and future forms of information.
- INITIATIVES FOR 2000:** Provide computer training for the public at libraries with computer labs.
- Provide computer training for staff in computer technology and customer service.
- Continue operation of Sunday hours at Central and two neighborhood libraries.
- Complete renovation in the Forest Home Library and the Central Library's Business, Science, and Periodicals Rooms.
- Increase public awareness of reciprocal borrowing issues by education, collection enhancement, and neighborhood facility renovations.

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## BACKGROUND

The Milwaukee Public Library System, the largest public library system in the State of Wisconsin, consists of the Central Library and 12 neighborhood libraries located throughout the city. The Central Library serves as the resource library for the Milwaukee County Federated Library System (MCFLS). Milwaukee Public Library also serves as the administrator and headquarters for the Wisconsin Regional Library for the Blind and Physically Handicapped.

In terms of resources, the Library operates a computer network system that allows patrons access to innumerable databases through CD-ROM and the Internet. The Library currently offers a collection of over 2.5 million volumes, as well as over one million

government documents, 183,000 maps, 6,400 periodicals, 73,000 audio and visual materials, and numerous archival collections.

In addition, each neighborhood library offers balanced collections and programs which are of particular interest to the residents living in the library's neighborhood. Specialized collections are provided according to the library's role in the community. Examples include job and career centers, adult literacy collections, business development resources, and cultural resources. The Library's 2000 tax levy-supported budget totals \$20,676,311. In addition, the Library will receive \$831,450 in grant funding and \$880,000 in capital funding.

**OBJECTIVE 1**

**Respond to the informational needs of the city's diverse population by increasing circulation, in-house use, reference and visits.**

**OUTCOME HISTORY**

In 1999, the Library consolidated three separate objectives related to circulation, computer use, and patron use into one that supports the goal of responding to citizen's informational needs.

The Library's circulation, reference, and in-house total for 1998 was 10.9 uses per capita, down slightly from 1997 levels of 11.0 (see Figure 1). In 1998, the Library registered 55,716 users, an increase of 9%. The number of reference transactions increased about 1%, circulation increased about 1% as well, but there was a decrease in the number of materials used in-house. The decrease in materials used in-house may be the result of a significant increase in the use of computer resources.

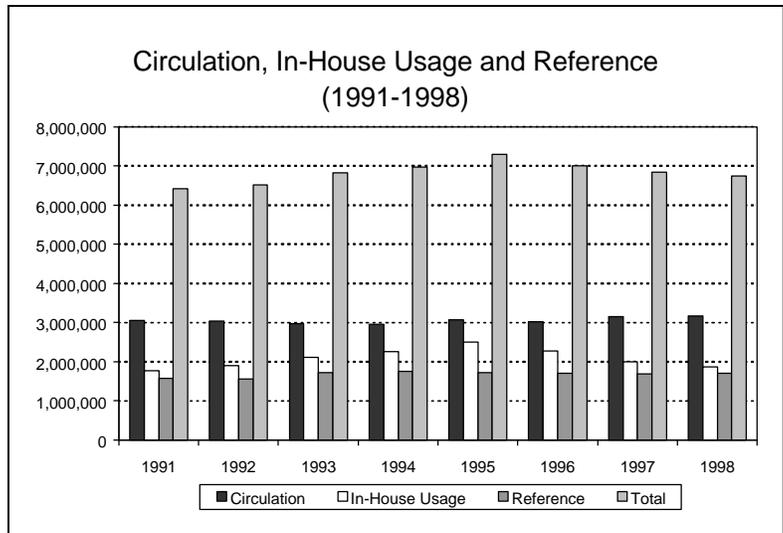
The use of computer technology has continued to expand. In 1998, the public used 404,924 hours of computer time – over twice the projected number of hours. Based on this use, the Library's projection for 2000 is 400,000 hours of public use. Between 1998 and 2000 an award from the Gates Library Foundation Urban Leadership Grant program has enabled the Library to equip computer labs for the public in the Central, Bay View, Center Street, Forest Home, and Martin Luther King libraries.

At Central Library in downtown Milwaukee, the number of people participating in library programs increased by 51%. The increase follows the renovation of the Children's Library. Central expects to see continued increase in the use of the in-house facilities as the Art and Music, Business and Science, and Periodicals libraries are renovated in 1999 and 2000.

**Program Result Measures:** The Library began tracking its programs in 1999 for several program areas including: collection development and training, registration control, acquiring and processing library materials, technology support, and neighbor-

	1998 Experience	1999 Budget	2000 Projection
<b>Circulation, in-house use, and reference per capita.</b>	10.9	11.2	11.2
<b>Computer Hours</b>	404,924	250,000	400,000
<b>Visits per capita</b>	4.0	4.1	4.1
<b>Funding by Source:</b>			
Operating Funds	\$20,338,036	\$21,015,451	\$20,676,311
Grant and Reimbursable	808,993	796,000	831,450
Capital Budget	1,784,922	1,966,000	880,000
Special Purpose Accts.	45,788	0	0
<b>Total:</b>	<b>\$22,977,739</b>	<b>\$23,777,451</b>	<b>\$22,387,761</b>

Figure 1



hood library services. The accumulated data will help the Library identify future challenges and success in meeting departmental and citywide strategic goals.

The indicators used to measure this objective focus on ensuring patrons have adequate access to library resources. Examples include size of the Library's collection per capita, the number of patrons served through the Library's programs and the number of day care and senior center visits. Additional work will be conducted by the Library to develop stronger quantifiable outcome measures for all of its programs.

## PROGRAMS

- Circulation of materials
- Collection development and management
- Community services
- Facility management
- Reference services
- Technology support

## PROGRAM CHANGES

**Collection Development:** In 2000, the Library will continue to develop young adult collections, services, and programs at each site. Young adults use the library less than either children or adults. To maintain teens' interest and encourage their use of library resources, the Library will increase its selection of popular materials for teens and continue to purchase software appropriate for this age group.

Additional focus will be directed on collection development at each neighborhood library in the areas of business development, education, computer technology, and other popular subject areas. The Library will also review possible expansion of the Favorite Authors Club at additional locations.

**Technology Improvements:** In 1999, the Library began funding a computer replacement schedule. Using funds from the Milwaukee Public Library Foundation, Technology for Education Achievement in Wisconsin (TEACH), and the Federal E-rate Communications Commission (FCC), the Library established a four-year replacement cycle to both maintain and improve its 600 computers and purchase an additional 135 computers. The 2000 budget provides \$250,000 for the computer replacement program and further establishes a three-year replacement cycle for public computers and a four-year replacement cycle for staff computers.

Another TEACH program will allow the Library to hire 30 Library Computer Aides. These high school

students will help library patrons who need assistance in printing documents or learning some of the basic computer operations. This frees up librarians' time for patrons who need more in-depth research assistance.

In 2000, the Library will renovate the Science, Business, and Periodicals sections of the Central Library. The renovation will improve access to computer and microfiche/film resources. Additionally, the improvements in Science and Business address the needs of Milwaukee's business owners and entrepreneurs.

**Reference/Resource Contract with MCFLS:** In 2000, the Milwaukee Public Library will receive \$1,304,684 from the Milwaukee County Federated Library System for Central Library reference service provided to non-city Milwaukee County residents. In 1998, approximately 29% of reference services were provided to non-city Milwaukee County residents.

**Reciprocal Borrowing:** The Library will pay \$1,126,604 in reciprocal borrowing costs in 1999. This represents an increase of \$50,423 over 1999 due to an increase in city residents borrowing from suburban libraries. Although there are a variety of reasons the suburban libraries are used, Milwaukee Public Library remains committed (in 2000) to address this issue with public education and capital, technological, and collection improvements aimed at making the city's libraries more comfortable, aesthetically pleasing, and useful.

**Inter-Library Loan Services Grant:** The Library will again receive \$30,000 from the Milwaukee County Federated Library System and \$61,900 from the State Department of Public Instruction. These grants pay for loans made to libraries outside of Milwaukee County by the Milwaukee Public Library and requests from MCFLS members for materials not owned by the system.

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## OTHER ACTIVITIES AND CHANGES

**Information Technology Services:** Due to a change of how city departments receive information technology services, \$500 has been deducted from the

Library's 2000 budget. For more information, please see the "Department of Administration" section of the *2000 Plan and Budget Summary*.

**CAPITAL BUDGET**

In recent years, the Library has completed interior renovation of four neighborhood libraries. The Forest Home Library will be completed in 2000. The remaining five neighborhood libraries will be done in subsequent years according to the city's capital program. Meanwhile renovations are done to im-

prove customer service and the use of technology and to enhance the beauty of each building. Special attention is given to the unique composition and needs of each library's community when redesigning a site. The 2000 capital budget for the Library is \$880,000.

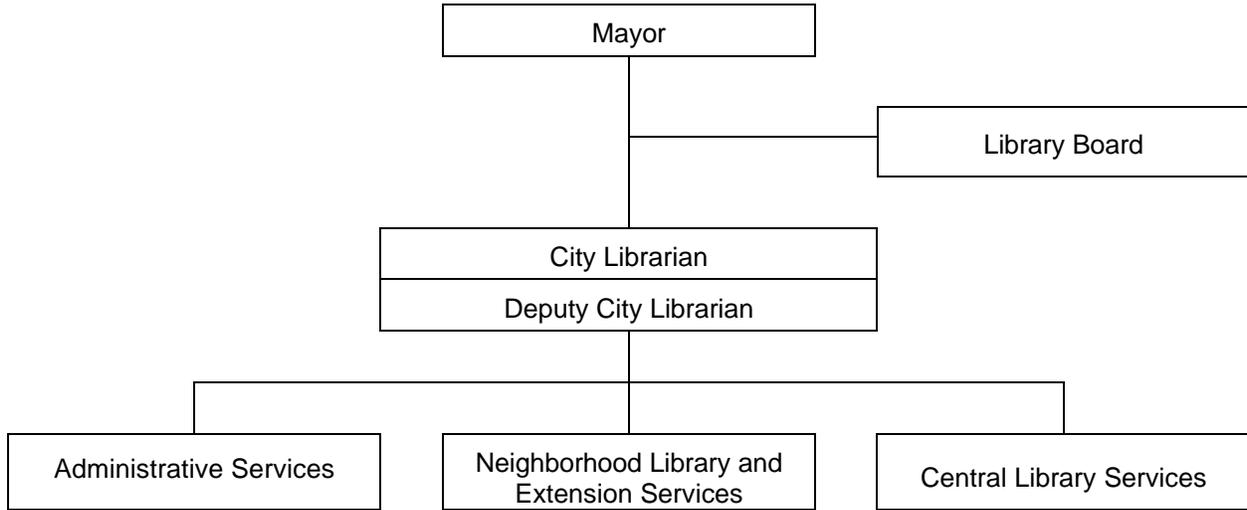
**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	360.78	361.78	357.78	-4.00
FTEs - Other	16.68	18.68	27.84	9.16
Total Positions Authorized	419	419	446	27
DLH - Operations and Maintenance	587,409	651,204	644,004	-7,200
DLH - Other Funds	30,024	33,624	50,112	16,488
<b>EXPENDITURES</b>				
Salaries and Wages	\$11,097,423	\$11,492,674	\$11,262,463	\$-230,211
Fringe Benefits	3,670,404	3,907,509	3,603,988	-303,521
Supplies and Materials	396,915	0	0	0
Equipment and Facility Rent	44,971	0	0	0
Services	1,475,222	0	0	0
Operating Expenditures	0	1,942,696	2,024,306	81,610
Equipment	2,388,742	2,596,391	2,658,950	62,559
Special Funds	<u>1,264,359</u>	<u>1,076,181</u>	<u>1,126,604</u>	<u>50,423</u>
<b>TOTAL</b>	<b>\$20,338,036</b>	<b>\$21,015,451</b>	<b>\$20,676,311</b>	<b>\$-339,140</b>
<b>REVENUES</b>				
Charges for Services	\$2,062,700	\$2,183,700	\$2,114,298	\$-69,402
Miscellaneous	<u>61,400</u>	<u>63,000</u>	<u>63,000</u>	<u>0</u>
<b>TOTAL</b>	<b>\$2,124,100</b>	<b>\$2,246,700</b>	<b>\$2,177,298</b>	<b>\$-69,402</b>

**CAPITAL PROJECTS** - Include \$880,000 for the following projects:

- a. Central Library Improvement Fund \$650,000
- b. Neighborhood Libraries Improvement Fund \$230,000

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
<b>Library Administration Services Decision Unit</b>			
-1	-1.00	Painter (Operating Funding \$-38,147)	Reflects a change in service priorities.
1	0.00	Aux. Custodial Worker II-City Laborer (Operating Funding \$0)	Position authority required during extended injury or sick leave.
-2	-2.00	Library Technician II (Operating Funding \$-53,448)	Reflects an increase in efficiencies in technical processing functions.
30	9.16	Computer Service Aide (Non-operating Funding \$340,388)	Acceptance of TEACH grant.
-1	-1.00	Office Assistant II (Operating Funding \$-26,115)	] Reflect change in need in support areas.
1	1.00	Office Assistant III (Operating Funding \$27,080)	

**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

<b>Neighborhood Libraries and Extension Services</b>			
1	1.00	Program Assistant II (Operating Funding \$31,605)	Reflect change in need in support areas.
<b>Central Library</b>			
-1	-1.00	Administrative Assistant II (Operating Funding \$-30,466)	Reflect change in need in support areas.
-1	-1.00	Librarian III (Operating Funding \$-25,317)	Reflects a change in reference services used by non-city residents.
27	5.16	<b>TOTAL</b>	

# MAYOR'S OFFICE

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## EXECUTIVE SUMMARY

- MISSION:** To enable the citizens of Milwaukee to prosper and achieve a high quality of life and to allow the city to serve as the economic, social, and cultural hub of the metropolitan area by effectively managing city government, providing community leadership, and advancing Milwaukee's interests with other governments.
- STRATEGIC ISSUES:** Ensure that the services the city delivers add value to the lives of Milwaukee residents.
- Maintain and improve citizen satisfaction with city services, especially safety.
- Maintain equitable and effective funding relationships with other levels of government.
- INITIATIVES FOR 2000:** Continue to provide leadership and support to city departments in pursuing the city's goals and objectives as outlined in the strategic plan and budget.
- 

## BACKGROUND

The Mayor of Milwaukee is elected to a four-year term and acts as the city's chief executive officer and representative of the citizens of the city. In this capacity, the Mayor's Office provides a leadership role in establishing priorities, coordinating the implementation of programs, and, when necessary, providing crisis management. The managers of all the city's major service-delivery agencies (with the exception of the Fire and Police chiefs and other elected officials) are appointed by and are directly accountable to the Mayor.

The Mayor's vision for the city helps shape and is incorporated in the city's strategic plan. The plan in turn is the guide or direction for the activities of the rest of the administration. The city's strategic vision focuses on allowing private markets to work and on giving residents the opportunity to succeed in those markets (either as entrepreneurs or consumers) by taking from them less money in taxes, leaving them with greater disposable incomes. By creating a strong vibrant city with family-supporting jobs, strong neighborhoods, and attractive recreation opportunities, Milwaukee adds value to the lives of all its residents.

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## OBJECTIVE 1

**Provide leadership strategies and formulate, support, and implement policies and initiatives which lower city residents' tax burden, and ensure that residents receive added value for the tax dollars they do pay as measured by maintaining the city's tax rate below 120% of the metropolitan area average.**

## OUTCOME HISTORY

Ongoing control over city spending and continued efficiencies in government allowed Milwaukee in 1998 to achieve for the first time its goal of having a

tax rate less than 120% of the metropolitan area average. This accomplishment was again repeated in 1999 when Milwaukee's full value effective tax rate totaled 116.6%, up slightly (0.7%) from the 1998 rate of 115.9%.

Figure 1 illustrates Milwaukee's progress in reducing its tax rate relative to other taxing jurisdictions in the metropolitan area. Fluctuations in year-to-year rates may result from differences in the timing of reassessments and the rate of growth in value between Milwaukee and other communities. For 2000, estimates suggest that the city will achieve this goal for

the third year in a row, maintaining its average at the 1999 level of 116.6%, well below the target of 120%.

Continued reductions in Milwaukee's rate compared to the metropolitan area average may prove a sterner challenge in the future. Milwaukee's largest single source of revenue, state aids, has remained stable or failed to grow at the rate of inflation. In 1999, state aids actually decreased -0.1% from 1998 funding levels. In addition, many of the city's general fund revenue sources have failed to grow at a rate sufficient to offset programmatic operating costs. However, with renewed emphasis on controlling costs by finding more efficient ways to provide services, Milwaukee remains committed to further reducing the tax rate gap between itself and its neighbors.

**ACTIVITIES**

- Budget coordination and planning
- Strategic planning

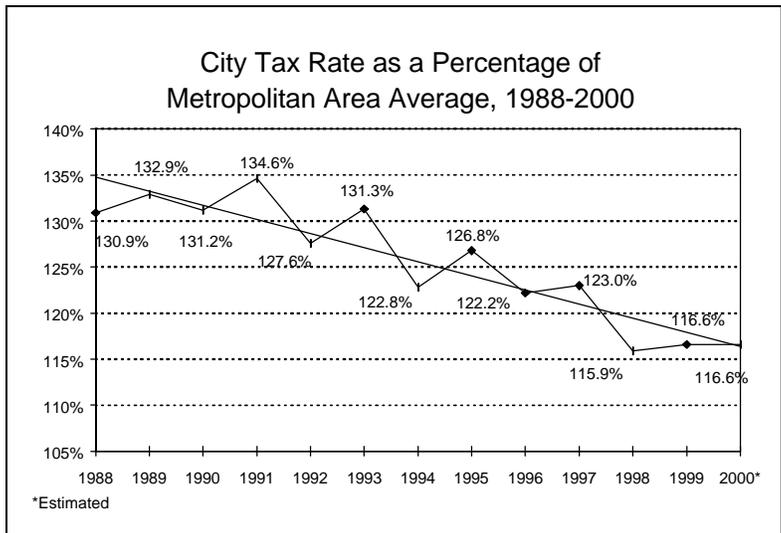
**PROGRAM CHANGES**

**Program Result Measures:** The Mayor's Office, in conjunction with the Budget Office, will continue its efforts to shift the focus of funding decisions from inputs to outcomes. In 1999, city departments were asked to develop new result measures for internal programs. These result measures will aid departments in assessing their performance in meeting departmental and

citywide strategic objectives. In order to provide a citywide perspective, departments will routinely report their progress toward achieving objectives as part of the city's strategic planning efforts.

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>City tax rate as a percent of the metro area average.</b>	115.9%	116.6%	116.6%
<b>Funding by Source:</b>			
Operating Funds	\$234,710	\$244,334	\$236,848
<b>Total:</b>	\$234,710	\$244,334	\$236,848

Figure 1



**OBJECTIVE 2**

**Continue to make Milwaukee an even more desirable place to live, work, play, and do business. Continue to strengthen Milwaukee's key attributes:**

- **dynamic and accessible markets gainfully employing citizens;**
- **safe, strong, and beautiful neighborhoods; and**
- **recreational opportunities and a flourishing culture,**

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Percent of residents surveyed who say neighborhood is same or getting better.</b>	73.0%	75.0%	75.0%
<b>Funding by Source:</b>			
Operating Funds	\$938,842	\$975,297	\$956,396
<b>Total:</b>	\$938,842	\$975,297	\$956,396

**as measured by the percentage of residents surveyed who say their neighborhood is the same or getting better.**

## OUTCOME HISTORY

Improving Milwaukee's neighborhoods has been a major focus of the Mayor's Office since 1989. In recent years, mayoral initiatives, including creating the Department of Neighborhood Services and dedicating more police officers to quality of life efforts, have sought to improve life in Milwaukee's neighborhoods. In 2000, the Mayor's Office estimates that 75% of surveyed residents will state that their neighborhood is the same or getting better, maintaining the estimated 1999 level.

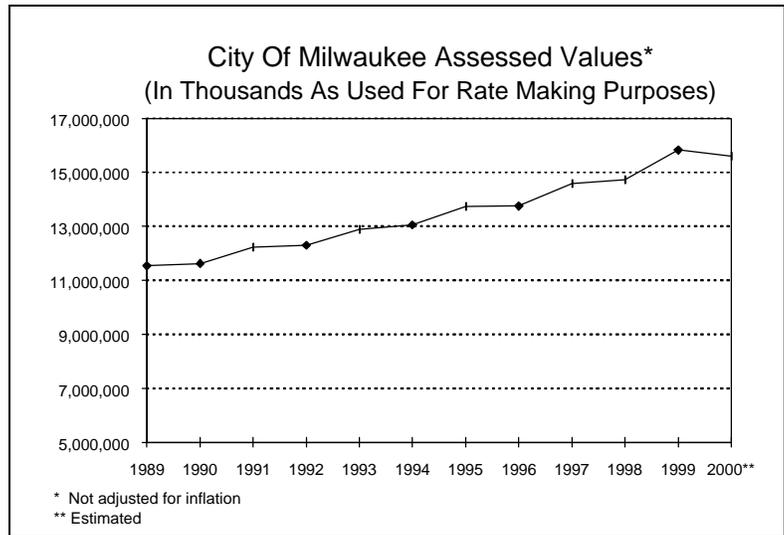
In a city committed to supporting strong markets, no measure more accurately captures citizens' satisfaction with their city than the value of city property. The buying and selling of property marks the ultimate vote of confidence in a city (and its government). Property values represent residents making decisions with their hard-earned incomes on whether the city offers good return for their tax dollars.

As Milwaukee becomes a more desirable place to live, work, and do business, the demand for property increases. This increase in demand for limited city property causes prices or values to rise. Figure 2 shows the overall marked upward trend in city property values.

In 2000, the assessed value is expected to decrease slightly (-1.43%) from 1999 levels. This decrease, however, reflects state legislation that exempted computer equipment from property value calculations, reducing the city's assessed value by approximately \$295.0 million in 2000. Despite the slight decrease projected for 2000, the city has experienced significant growth in its overall assessed value, increasing a total of 43% from 1988.

The Mayor and his staff add value to the city by

Figure 2



working closely with other elected city officials and department heads to develop new strategies, policies, and programs that improve or maintain the strength of neighborhoods and the city economy. These improvements often result from simply listening and responding to the suggestions of constituents, labor unions, community-based organizations, and business groups. Individual requests for service are also answered either by mayoral staff or through appropriate representatives.

The Mayor's Office, as part of its leadership role, also serves as the principal advocate for the city at the local, state, and national levels. In the role of citizen representative, the Mayor and his staff work to ensure that citizens and interested parties are accurately informed of city activities, programs, and policies through the media, public meetings, newsletters, and other activities.

## ACTIVITIES

- Constituent relations
- Intergovernmental relations
- Intragovernment coordination
- Strategic planning
- Public information
- Private-sector liaison

**OTHER ACTIVITIES AND CHANGES**

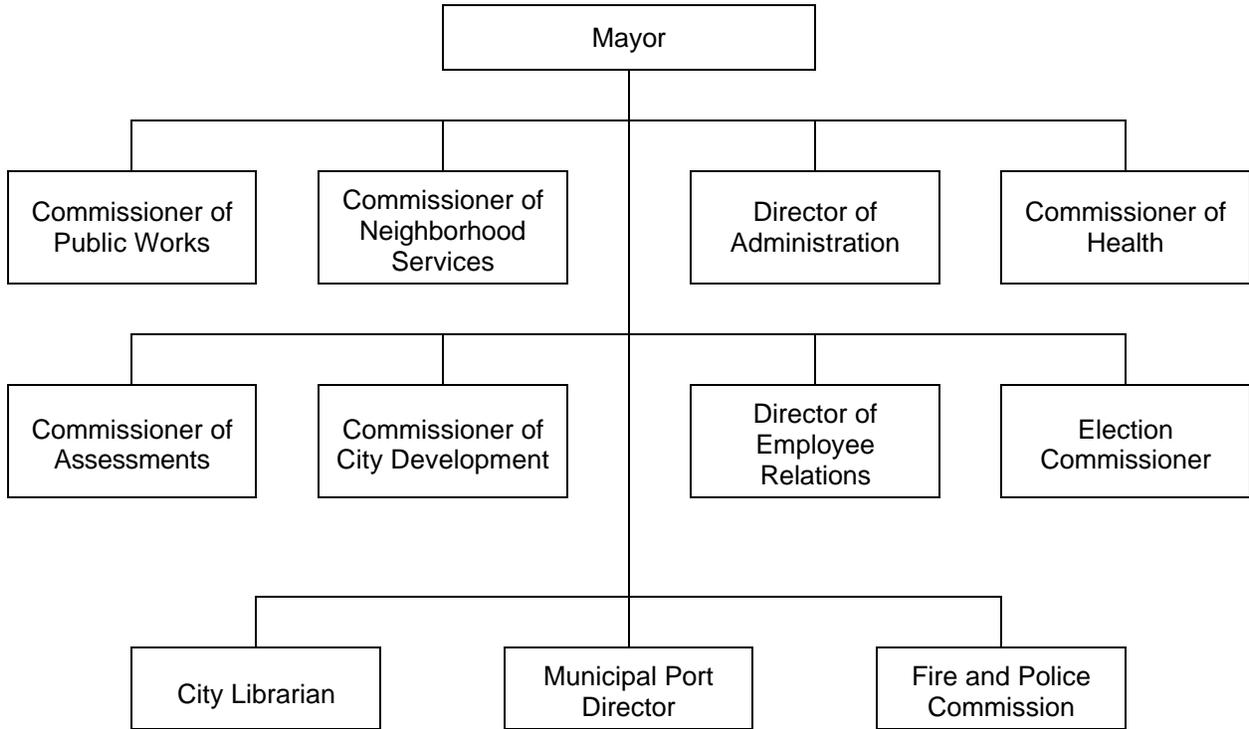
The 2000 budget contains funding for two computers for the Mayor's Office, totaling \$3,055. These computers will continue the efforts of the Mayor's Office

to upgrade the computer technology available to staff, and provide more efficient systems to improve productivity.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	17.00	16.10	16.10	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	22	22	22	0
DLH - Operations and Maintenance	28,135	29,662	29,523	-139
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$844,267	\$857,330	\$859,825	\$2,495
Fringe Benefits	280,091	291,493	275,144	-16,349
Supplies and Materials	8,820	0	0	0
Equipment and Facility Rent	1,876	0	0	0
Services	38,498	0	0	0
Operating Expenditures	0	70,808	55,220	-15,588
Equipment	0	0	3,055	3,055
Special Funds	0	0	0	0
<b>TOTAL</b>	<b>\$1,173,552</b>	<b>\$1,219,631</b>	<b>\$1,193,244</b>	<b>\$-26,387</b>
<b>REVENUES - None</b>				
<b>CAPITAL PROJECTS - None</b>				

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES - None**

# NEIGHBORHOOD SERVICES

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## EXECUTIVE SUMMARY

- MISSION:** To enhance Milwaukee's competitive advantage as a vibrant urban community. To work in cooperation with public and private partnerships and neighborhood residents to promote investment and improve the physical, environmental, and aesthetic conditions of Milwaukee's neighborhoods.
- STRATEGIC ISSUES:** Develop a culture that is customer friendly, responsive, efficient, and visionary with regard to neighborhood service delivery and regulatory enforcement.
- Protect the city's environmental quality and building stock through education and enforcement of safety, health, property use and maintenance regulations.
- Strengthen and stabilize neighborhoods through programs that leverage greater private sector investment in housing and neighborhoods.
- INITIATIVES FOR 2000:** Develop a pilot program to combine a variety of common nuisance code violation inspections for all inspectors.
- Expand and improve the joint program with the Department of Public Works – Sanitation for special pick-ups.
- Upgrade computerized tracking and activity reporting systems on the Neighborhood Services System (NSS).
- Implement the Havenswood TIN in the area of 63<sup>rd</sup> and Silver Spring.
- Implement the Home Improvement Capital Access Program (HICAP).

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## BACKGROUND

In 1999, the Department of Neighborhood Services (DNS) was created in response to resident concerns that city responses to neighborhood problems have been fragmented, ineffective, and slow. In order to address these concerns, a variety of city programs that directly relate to "adding value" to the city's neighborhoods were consolidated to create the Department of Neighborhood Services. The department includes most of the positions formerly within the Department of Building Inspection (BI), the Asbestos Program and the Vector Nuisance Program from the Health Department's Bureau of Consumer Protection and Environmental Health, and the Department of City Development's Housing and Neighborhood Development Division.

The primary role of the department is to improve city neighborhoods by enforcing standards for

buildings, property, and land use. These standards help protect the safety and health of residents and ensure neighborhood stability. The department will use its enforcement, financial, and educational resources to encourage investment in housing and other buildings. DNS will also provide support to the city's Standards and Appeals Board, as well as the electrical licensing and examining committee, and the Neighborhood Improvement Development Corporation (NIDC).

In 2000, the Department of Neighborhood Services operating budget will total approximately \$12.2 million. DNS will also control \$2.2 million in special purpose account funding, and \$2.9 million in grant and reimbursable funding. In total, the DNS will have spending authority for approximately \$17.3 million.

**OBJECTIVE 1**

**Improve the appearance of neighborhoods as measured by more than 75% of assessment areas experiencing growth in property values greater than the rate of inflation.**

**OUTCOME HISTORY**

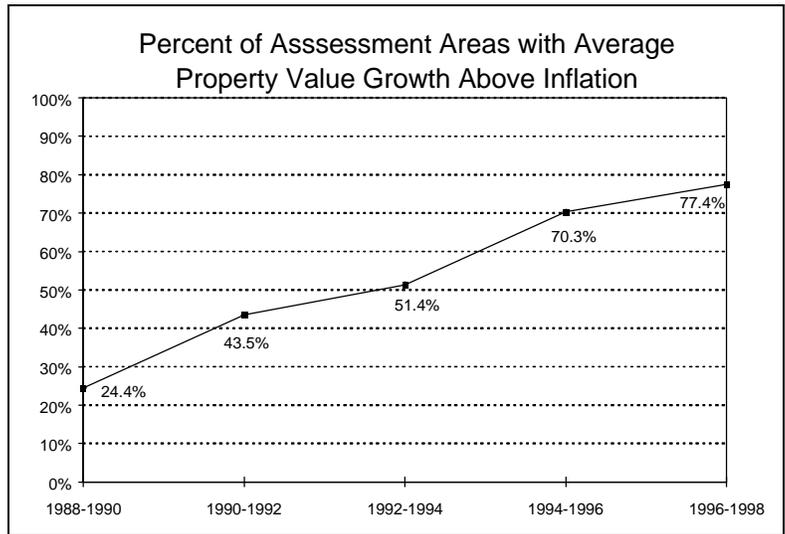
One strong indicator of how neighborhoods are faring is trends in property values. Neighborhoods with the most desirable characteristics will increase in value most quickly, while less desirable places with code violations such as widespread graffiti, peeling paint, or buildings with a variety of structural problems will experience declining property values. Property value captures the effects of myriad, interrelated variables: from measurable trends in crime rates, graffiti, building maintenance and home ownership, to intangibles such as neighborhood cohesiveness and a sense of community. Although property values are affected by many factors not under city control such as interest rates and economic conditions, knowledge about trends in assessed value can help the city develop more effective strategies for neighborhood improvement.

The next assessment will take place from 1998-2000 for which preliminary data will be made available in March 2000. Figure 1 shows that in aggregate Milwaukee has made significant progress over the past ten years in improving neighborhood property values. In the 1988-1990 assessment period, only 24% of assessment areas had average property values that grew faster than the inflation rate. However, in the most recent assessment, conditions had improved dramatically. Over 77% of areas had value growth that exceeded the inflation rate, from 1996-1998. DNS' 2000 goal is to continue this trend so that 75% or more of the city's assessment areas will grow faster than the inflation rate.

In 2000, the Department of Neighborhood Services will dedicate approximately \$7.3 million in operating funds to the objective of improving the appearance of neighborhoods. DNS has worked diligently to make improvements and increase efficiency in a variety of efforts that help improve the appearance of neighborhoods, such as litter citation, towing of

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Percent of assessment areas with average property value growth higher than inflation.</b>	N/A	77.40%	75.01%
<b>Funding by Source:</b>			
Operating Funds	N/A	\$10,140,040	\$7,289,975
Grant and Reimbursable	N/A	2,956,138	2,878,814
Capital Budget		300,000	972,000
Special Purpose Accts.	N/A	2,584,000	2,222,000
<b>Total:</b>	N/A	\$15,980,178	\$13,362,789

Figure 1



abandoned autos, residential and commercial building code enforcement, and the provision of housing resource programs to city residents. DNS will continue to develop and implement strategies to improve the operations of the department to enhance the appearance of the city's neighborhoods.

**Program Result Measures:** In addition to looking at trends in property values as an indicator of how DNS' efforts are improving the appearance of neighborhoods, the department has established a number of new program result measures in order to identify the effectiveness of its programs.

**Property Preservation:** Instead of simply counting the number of orders issued related to property

preservation, DNS will attempt to look at a myriad of variables related to the number of orders issued, such as the number of orders closed in relationship to the number of orders issued. The number of violations cited and the number of violations corrected will also be tracked.

**Condemnation:** In an attempt to measure the effectiveness of the condemnation program, DNS will track the average cost per demolition and the average cost per rehab.

**Nuisance Control:** One of the ways that DNS will measure the effectiveness of the Nuisance Control Program will be to keep track of the number of litter complaints that have been abated by the city versus the number of complaints that are taken care of by property owners.

**Customer Satisfaction:** Lastly, DNS will attempt to measure its success in meeting the needs of neighborhood residents by surveying citizens on how satisfied they are with the services that DNS provides. In 1999, preliminary results taken from the Customer Service Survey conducted by DNS related to complaints that were taken in the residential code enforcement section illustrates that 82% of citizens surveyed were satisfied with the services that they received from DNS.

## PROGRAMS AND ACTIVITIES

- Housing and building inspections including:
  - Litter and vector
  - Building maintenance
  - Nuisance auto
  - Graffiti
  - Waste tires
  - Asbestos
  - Ordinance-required inspections (i.e., laundromats, massage parlors, rooming houses)
- Housing resource programs (CDA/HUD)
  - Neighborhood Improvement Program (NIP)
  - Rehabilitation loans
  - Closing cost assistance
  - Target Investment Neighborhood (TIN)
  - Development of infill housing
- Certificate of code compliance program
- Condemnation and demolition
- Public nuisance cases
- Resident and owner education programs
- Vacant lot maintenance

## DNS PROCESS IMPROVEMENTS

**Litter-Clean Up Procedures:** In addition to establishing these measures, DNS has made a number of noteworthy improvements related to the effectiveness of the litter program. As result of working with the Department of Public Works (DPW) – Sanitation Division to streamline clean-up order procedures, DNS has been able to save five days in the process of issuing orders as a result of Sanitation posting the initial order. This initiative will assist DNS in its efforts to decrease the average time between complaints and resolution of litter nuisance property violations. Decreasing the number of duplicate inspections will allow inspectors to address and to respond sooner to a greater number of nuisance issues. In addition, DNS has also worked with the DPW – Sanitation Division on increasing the effectiveness of the special pick-up program. DNS and the Sanitation Division have begun to initiate directed special pick-ups where the nuisance inspectors will go door to door to post notices that the Sanitation Division will be coming through in small targeted areas for a special pick-up. As a result of this coordinated effort, the Sanitation Division has picked up an additional 100,000 pounds of refuse. Both DNS and the Sanitation Division plan to expand the program to more areas of the city, thereby increasing and improving the appearance of the city's neighborhoods.

**Nuisance Vehicle Removal:** In 1999, DNS worked diligently to improve the internal procedures and timelines associated with the removal of abandoned autos on private property. As a result of posting an early warning sticker on abandoned autos to notify property owners that the vehicle must be removed, one week has been removed from the two weeks previously allowed for the property and vehicle owners to comply. The early warning sticker replaces the need to add time for compliance. In 2000, DNS will continue to work on reducing the amount of time it takes to tow nuisance vehicles.

**Update on Complaint Intake Center:** In response to residents' frustration with the city's system of taking in complaints about property violations, DNS created a centralized property violation system which allows a complaint coming into any office to be assigned to the proper enforcement agencies without the need to transfer the caller. All of the complaint intake staff have been cross-trained to handle all

types of complaints. The staff that moved from the Health Department and the former Department of Building Inspection are all centralized at DNS' Mitchell Street location and are almost completely interchangeable. There is no longer a distinction. In 2000, DNS will train the complaint intake staff to call and advise property owners on options to abate a variety of nuisance complaints.

**New Targeted Educational Materials:** In an effort to increase the educational awareness of Milwaukee residents regarding ordinance-required responsibilities, DNS has designed several informational materials. To keep the community and policymakers informed of the activities of DNS, a newsletter called the "Neighborhood Grapevine" has been prepared and is distributed on a semi-annual basis. In addition, to help clarify the responsible agencies who provide services related to the upkeep of neighborhoods, a new pamphlet was developed, "Contacts for Milwaukee Building and Property Owners" listing DNS' centralized intake telephone number and the types of services that DNS provides, as well as the telephone numbers and types of services that other city departments handle.

**Milwaukee Area Domestic Animal Control Commission (MADACC):** On August 1, 1999, MADACC opened for business. This inter-governmental entity will be responsible for the handling and holding of stray, running at large, and quarantined domestic animals. These services had been in the past provided by the Wisconsin Humane Society (WHS). In 2000, DNS will continue to work on a number of issues related to the licensing of domestic animals with

the other 18 municipalities that are part of MADACC. DNS will also work to coordinate the operations of the Nuisance Control section and MADACC to increase efficiency related to animal control. The Department of Neighborhood Services budget includes \$1.5 million for animal control services.

**Home Improvement Capital Access Program:** In response to concerns over the high 53% denial rate on 1996 home improvement loans in Milwaukee's near north and south side neighborhoods, a group of city officials has worked closely with a group of local lenders to develop a new home improvement loan product. This product is modeled on the highly successful Capital Access Program (CAP). CAP allows banks to make riskier loans, since they can withstand a substantially higher loss rate than would be tolerable on a conventional loan portfolio. NIDC has successfully been able to get local lenders involved and sign participation agreements, which has enabled them to actually implement the program.

**PROGRAM CHANGES**

**Court Enforcement:** DNS will eliminate one Building Code Enforcement Coordinator (\$43,522). This elimination will occur as a result of a number of operational changes with the way that DNS handles the court enforcement. DNS will no longer hold pre-court hearings; the assistant code enforcement supervisors will now review all incoming orders to insure that they are enforceable and legal. In addition, DNS will defer the purchase of some network hardware in 2000.

**OBJECTIVE 2**

**Maintain the city's three-year public structure fire incident rate at or below the national average of 0.87 fires per thousand.**

**OUTCOME HISTORY**

A number of DNS' activities and programs are focused on creating safer Milwaukee buildings by reducing the risk of fire. DNS inspects buildings for appropriate fire exits and firewalls, inspects electrical modifications to insure that they are installed properly, and conducts periodic fire and sprinkler inspec-

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Three-year average public fire incident rate per 1,000 residents.</b>	N/A	0.51	0.51
<b>Funding by Source:</b>			
Operating Funds	N/A	\$2,430,321	\$4,893,288
Grant and Reimbursable	N/A	0	0
Capital Budget	N/A	300,000	828,000
Special Purpose Accts.	N/A	0	0
<b>Total:</b>	N/A	\$2,730,321	\$5,721,288

tions of commercial buildings and apartment complexes, in order to create safer buildings. The 2000 operating budget includes almost \$5 million to meet the goal of this objective.

While other city department activities also influence Milwaukee's fire incident rate, work conducted formerly by Building Inspection and the Health Department has contributed to the 37% reduction in the number of fires in public buildings from 1991-1998 (see Figure 2). This is particularly noteworthy due to the aging building stock in Milwaukee. In comparison to national statistics, Milwaukee's 1995-1997 rate of 0.52 fires per 1,000 residents continues to rank well below the national rate of 0.83 fires per 1,000 residents.

**Program Result Measures:** In order to measure the effectiveness of trades inspections, such as construction, electrical, plumbing, elevator, and others, DNS will track the number of permits taken out in each area. In addition, DNS will track the number of inspections that take place in each trades area.

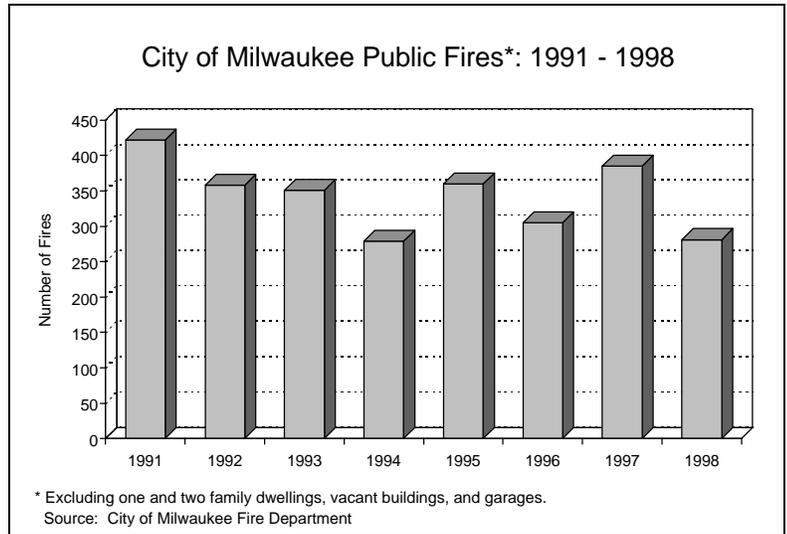
**PROGRAMS AND ACTIVITIES**

- Permit inspections
  - Construction
  - Electrical
  - Heating, HVAC, boiler
  - Elevator
  - Plumbing/sprinkler
  - Hazardous tanks
- Commercial fire inspections
- Restaurant fire inspections
- Licensing
- Periodic inspection
- Tanks
- Cross-connections

**PROGRAM CHANGES**

**Position Changes:** One position of Building Construction Inspector Administrator will be eliminated as result of the former incumbent being promoted. The former duties of this position will be handled by two supervisors in the Residential and Commercial Code Enforcement Sections. As a result of creating efficiencies in the Court Enforcement Section, one Building Code Specialist position will be eliminated. In addition, one vacant auxiliary Electrical Plan

Figure 2



Examiner, and one vacant Plumbing Inspector Supervisor position will be eliminated.

DNS will also eliminate three NIDC funded positions. These positions include two vacant Administrative Specialists, and one vacant Housing Project Expeditor. These are long time vacant positions that the department no longer needs. DNS will also eliminate a total of four positions from two of its Boards and Commissions. Two vacant positions will be eliminated from the Standards and Appeals Commission to reflect an ordinance change, and two positions will be eliminated from the Examining Committee for Stationary Engineers and Firemen as a result of this board going defunct. DNS will also eliminate one Special Enforcement Inspector (0.5) position as a result of the expiration of the Drug Abatement Grant. Lastly, one NIDC funded Housing Program Specialist position will be added as a result of the increased workload related to the various housing loan programs that DNS offers to city residents.

**Tank Inspectors:** DNS will eliminate two Building Construction Inspector II positions (\$85,080). The periodic inspections of various tanks will be transferred to the Environmental Health Section. The Environmental Hygienists will absorb these duties as a result of no longer providing Occupational Safety and Health Administration (OSHA) advisory inspections and consultations. The state has the responsibility for providing OSHA inspections; they are no longer a city responsibility.

**Cross-Training of Staff:** In 2000, DNS will pilot a study to combine a variety of common nuisance code violation inspections for all inspectors. DNS will allow all inspectors to issue orders for a number of code violations such as graffiti, garbage and nuisance, peeling paint, and abandoned autos. This initiative will allow DNS to respond to a variety of nuisance orders much sooner.

**Internet Database Access:** In the fall of 1999, a variety of property-related information will be available on the World Wide Web. DNS has created a database that will be able to track multiple types of property complaints and violations - from information about abandoned automobiles, to asbestos contaminants, to litter. For each city address, this system

will include information about the recorded property owner, a contact phone number, building code complaints, and a history of building code inspections and violations. As a result of being Internet accessible, landlords, tenants, and city officials will be able to easily access this type of information

**Information Technology Services:** The 2000 budget reflects a change in the way city departments receive information technology services. As a result, DNS' budget has been reduced by \$16,478 to account for the change. For more information please see the section "Department of Administration" in the *2000 Plan and Budget Summary*.

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## CAPITAL IMPROVEMENTS

In 2000 and continuing in 2001, the first and tenth floors of the Zeidler Municipal Building will be remodeled for the Department of Neighborhood Services. Most of the functions dealing with the public will be housed on the first floor. Spaces will be designed to welcome and provide information to neighborhood groups. The tenth floor will consist of a variety of employees in DNS including inspection

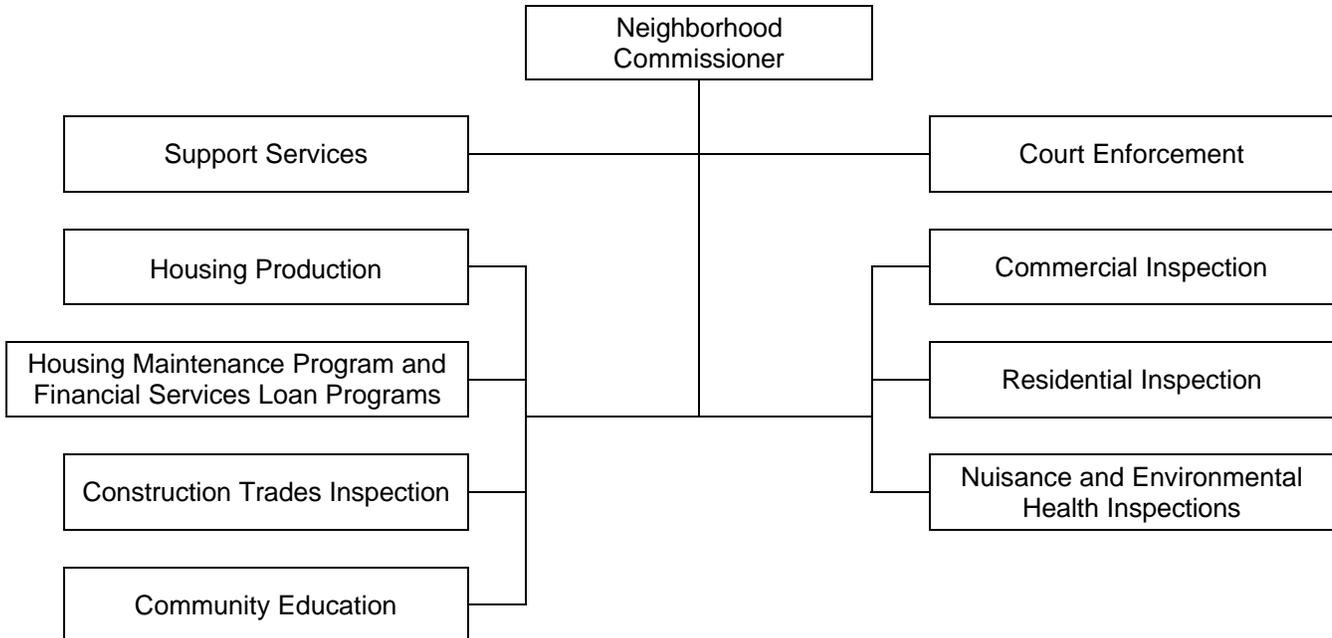
and management staff. The 2000 capital improvements budget includes approximately \$1.8 million for the remodeling of the first and tenth floors of the Department of Neighborhood Services. An additional \$1.3 million is included in the six-year capital plan. The remodeling of the entire department should be complete by the latter part of the year 2001.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	0.00	181.18	176.33	-4.85
FTEs - Other	0.00	73.55	69.49	-4.06
Total Positions Authorized	0	291	277	-14
DLH - Operations and Maintenance	0	338,724	317,394	-21,330
DLH - Other Funds	0	132,390	125,082	-7,308
<b>EXPENDITURES</b>				
Salaries and Wages	\$0	\$7,147,043	\$6,951,364	\$-195,679
Fringe Benefits	0	2,435,486	2,224,437	-211,049
Supplies and Materials	0	0	0	0
Equipment and Facility Rent	0	0	0	0
Services	0	0	0	0
Operating Expenditures	0	1,177,157	1,152,231	-24,926
Equipment	0	66,541	135,231	68,690
Special Funds	0	1,744,134	1,720,000	-24,134
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,570,361</b>	<b>\$12,183,263</b>	<b>\$-387,098</b>
<b>REVENUES</b>				
Charges for Services	\$0	\$2,522,500	\$2,674,600	\$152,100
Licenses and Permits	0	4,829,500	4,567,100	-262,400
Intergovernmental Aids	0	536,000	520,000	-16,000
Miscellaneous	0	1,935,000	1,925,000	-10,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,823,000</b>	<b>\$9,686,700</b>	<b>\$-136,300</b>

**CAPITAL PROJECTS** - Include \$1.8 million for the remodeling of the first and tenth floors of the Zeidler Municipal Building.

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

<b>POSITIONS</b>	<b>FULL-TIME EQUIV.</b>	<b>POSITION TITLE</b>	<b>REASON</b>
-1	-1.00	Building Construction Inspection Administrator (Operating Funding \$-75,515)	Consolidation of duties with the Code Enforcement Supervisors.
-1	-1.00	Building Code Specialist (Operating Funding \$-62,332)	Operational changes with the Court Enforcement process.
-1	0.00	Electrical Plan Examiner (Auxiliary) (Operating Funding \$0)	Elimination of vacant auxiliary position.
-1	0.00	Plumbing Inspector Supervisor (Operating Funding \$0)	Elimination of a retiree's position that was retained for position authority only.
-1	-1.00	Administrative Specialist (Non-operating Funding \$-48,173)	Elimination of vacant grant-funded position.
-1	-1.00	Administrative Specialist (Non-operating Funding \$-42,398)	
-1	-1.00	Housing Project Expeditor (Non-operating Funding \$-34,409)	
-2	0.00	Standards and Appeals Commission Members (Operating Funding \$-4,986)	Elimination of vacant positions to reflect ordinance change.
-2	0.00	Examining Committee for Stationary Engineers and Firemen (Operating Funding \$-2,992)	Board no longer exists.
-1	-0.50	Special Enforcement Inspector (Non-operating Funding \$-21,761)	Elimination due to the expiration of the Drug Abatement Grant.
	0.50	Special Enforcement Inspector (Non-operating Funding \$21,761)	Funding changed to CDA.
1	1.00	Housing Program Specialist (Non-operating Funding \$32,910)	Increase in workload related to loan programs.
0	0.15	Senior Planner (Operating Funding \$48,293)	Shift of funding from grant to operating.
	-0.15	(Non-operating Funding \$-7,244)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
0	2.00 -2.00	Experience Adjustment (Operating Funding \$81,257) (Non-operating Funding \$-81,257)	Two Environmental Hygienists were incorrectly identified as grant-funded in the 1999 budget.
0	-0.41	Vector and Nuisance Control Officer II (Non-operating Funding \$-8,904)	Adjustment to FTEs to accurately reflect funding.
	-1.00	Experience Adjustment (Non-operating Funding)	One Administrative Specialist Sr. position incorrectly identified as RACM funded in 1999 budget.
	-0.50 0.50	Site Improvement Specialist (Operating Funding \$-25,748) (Non-operating Funding \$25,748)	Shift of funding from operating funding to grant funding to support work related to a grant-funded program.
	-1.50 1.00	Operating Funding Non-operating Funding	Experience adjustment.
-1	-1.00	Building Code Enforcement Coordinator (Operating Funding \$-43,522)	Restructuring of court enforcement process.
-2	-2.00	Building Construction Inspector II (Operating Funding \$0)	Transfer of periodic tank inspections to Environmental Section.
<b>-14</b>	<b>-8.91</b>	<b>TOTAL</b>	

## NEIGHBORHOOD IMPROVEMENT DEVELOPMENT CORPORATION (NIDC)

NOTE: The budget of this agency is not under control of the Common Council. This information is being provided to give a complete picture of the activities administered by the Department of Neighborhood Services.

The Neighborhood Improvement Development Corporation (NIDC) is a non-profit corporation established by the city in early 1973 for the purpose of performing activities that assist and encourage reinvestment in residential property as part of an overall neighborhood economic stabilization strategy. Programs operated by the NIDC encourage investments by private lending institutions and property owners by providing financial assistance in the form of grants, rehabilitation loans, and interest subsidy payments on conventional loans. In addition, the NIDC provides technical assistance and serves as a liaison between community-based organizations, city departments, area businesses, and associations.

Recent NIDC activities include:

- Acting as co-developer of the Todd Wehr Metcalfe Park Community Center. The center, which combines a Boys and Girls Club and kindergarten through eighth grade public school, will be located in the Metcalfe Park Neighborhood between 33<sup>rd</sup> and 35<sup>th</sup> on North Avenue.
- Administering the Flood Loan Program, which provides matching grants to persons whose homes have been damaged by floods. Priority was given to the areas of the Menomonee Valley and the Lincoln Creek Neighborhood. Funding is provided by the Federal Emergency Management Agency (FEMA) and Housing and Urban Development (HUD). An estimated 400 grants will be provided.
- Developing two new homesites in the Riverwest area and working with Johnson Controls and others on future housing development on the old Johnson Controls site.
- Continuing the Police In Neighborhoods (PIN) program, which assists Milwaukee Police Department officers in buying and renovating

homes in the CDBG area. This program primarily provides loans with some grant and technical assistance.

- Collaborating with the Milwaukee Metropolitan Sewerage District (MMSD) on the Piggsville Flood Abatement Program. In addition to the flood abatement efforts, the project will result in the construction of new homes in the Piggsville neighborhood.
- Collaborating with the American Family Insurance Settlement Committee, MGIC, and local banks to continue the development of the Home Improvement Capital Access Program (HICAP) that provides market rate second mortgages for home rehabilitation in the CDBG area for homeowners who may not otherwise qualify for them.
- Overseeing the Buy In Your Neighborhood Program, which assists neighborhood owner-occupants in purchasing rental properties in their neighborhood.
- Continuing the expansion of the Target Investment Neighborhood (TIN) Program - a revitalization strategy, which intensively targets resources in relatively small neighborhoods in cooperation with neighborhood stakeholders. In 2000, the Havenswood TIN in the area of 63<sup>rd</sup> and Silver Spring will be implemented.

NIDC is headed by a nine-member board of directors and includes at least four city residents. Board members serve for a period of three years, with one-third of the terms expiring each year. Federal funding supports many of the programs administered by NIDC received through the Community Development Block Grant (CDBG) program.

# POLICE DEPARTMENT

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## EXECUTIVE SUMMARY

- MISSION:** To enhance the quality-of-life in the City of Milwaukee by working with the public to reduce crime and preserve the peace.
- STRATEGIC ISSUES:** Enhance and improve the quality-of-life in Milwaukee's neighborhoods by addressing minor offenses which often lead to more serious crime.
- Reduce crime in order to retain residents and businesses within the city.
- Provide services in a manner that meets the needs of a diverse community.
- Use statistical analysis to target resources effectively and to hold managers accountable for results.
- Achieve the city's public safety goals by working cooperatively with city agencies and other components of the criminal justice process.
- INITIATIVES FOR 2000:** Implement "Safe Schools" initiative in cooperation with the Milwaukee Public School system.
- Continue construction of a new Data and Communications Center and 3<sup>rd</sup> District Station.
- Transfer parking checkers, tow desk personnel, and night parking personnel to the DPW-Parking Fund to better integrate the city's parking-related functions.
- Continue to direct (and re-direct) policing resources where they are most needed and in a way that maximizes impacts on citywide safety and quality-of-life.
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## **BACKGROUND**

The Milwaukee Police Department has ensured the safety of the community since 1855. Law enforcement personnel, most of them recruited and trained by the department itself, serve the public from an administration building, seven district stations, and a training academy.

The Milwaukee Police Department continues its commitment to the City Strategic Plan goal of making Milwaukee the safest city of its size in the U.S. by continuing its strategic focus on the quality of life in the community. The "broken windows" theory which George Kelling and James Q. Wilson posited over 15 years ago, has found its way into police departments across the country in the mid to late 1990's. Police departments are recognizing that their strategic vision is about the quality of life in the

communities they serve, rather than shortening response times, or some other measure of "outputs."

In Milwaukee, the Police Department responds aggressively to crime trends as they emerge, as well as enforcing minor municipal violations. This dual strategy allows the department to minimize disorder, prevent more serious crimes from occurring, and continue its focus on the quality of life in Milwaukee's neighborhoods.

The Milwaukee Police Department also adds value to the community in less direct ways. For example, directed missions make Milwaukee's famous festivals and special events run smoothly and safely. More importantly, a strong, visible police presence downtown, at festivals, and in neighborhoods cre-

ates a lasting impression of safety in the minds of tourists and business visitors.

The Milwaukee Police Department will continue to build on its successful use of information to map, track, and analyze crime trends. This information

enables supervisors to better monitor the types, frequency, and locations of crime within their districts - creating higher individual accountability for results or solutions to crime.

**OBJECTIVE 1**

**Respond to the commission of crimes, successfully detecting criminal activity and identifying, apprehending, and assisting in the prosecution of criminal offenders as evidenced by the percentage of crimes cleared by arrest.**

**OUTCOME HISTORY**

Clearance rates refer to the percentage of reported crimes for which one or more arrest is made (or, the suspect is identified but due to death or other "exceptional" circumstances cannot be arrested). In 2000, the police will devote more than \$79.3 million to investigating, solving, and clearing crimes by arrest.

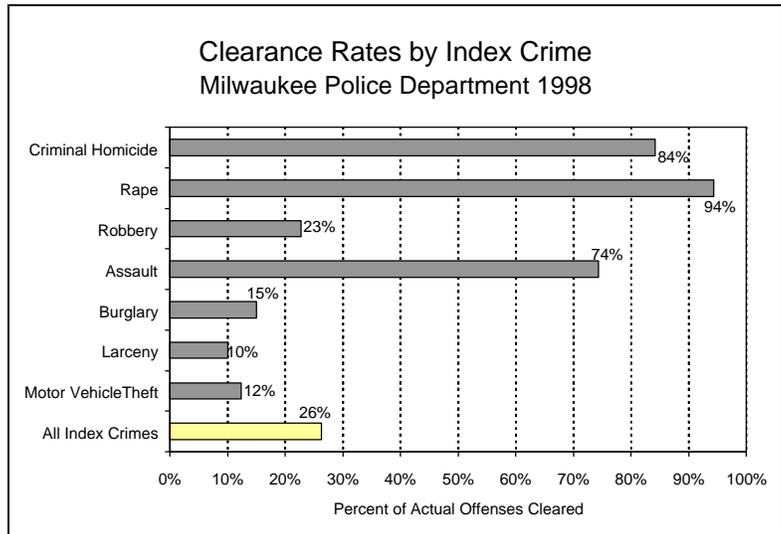
Figure 1 shows that Milwaukee's total clearance of 26.3% (1998) includes much higher rates for crimes against persons (murder, rape, robbery, assault). Property crimes (burglary, larceny, and motor vehicle theft) typically have lower clearance rates due to their sheer number and the lack of direct contact between the criminal and the victim.

A high clearance rate is important for two primary reasons: arrests deter the arrested offender (specific deterrence) and a consistently high clearance rate sends the message to other would-be perpetrators that few people get away with committing crimes (general deterrence). But the deterrent effect of police investigations and arrests ultimately depends on criminals promptly facing real consequences for their actions, including incarceration. Early prison release undermines deterrence.

The Police Department estimates that Milwaukee's total clearance rate will increase to 34.0% in 2000. However, clearance rates tell only part of the story in terms of the Milwaukee Police Department's impact on public safety and criminal behavior. This objec-

	1998 Experience	1999 Budget	2000 Projection
<b>Percent of reported crimes cleared by arrest.</b>	26.3%	32.0%	34.0%
<b>Funding by Source:</b>			
Operating Funds	\$46,406,499	\$47,706,926	\$75,973,628
Grant and Reimbursable	582,743	6,359,256	775,445
Capital Budget	274,123	396,938	2,531,182
Other	0	40,776	0
<b>Total:</b>	<b>\$47,263,365</b>	<b>\$54,503,896</b>	<b>\$79,280,255</b>

Figure 1



tive includes funding for the Vice and Intelligence Divisions, and other efforts related to tracking and halting the trade of drugs in Milwaukee. Narcotics offenses do not factor into the FBI index or clearance reports. Consequently, although many crimes reported to the FBI are in fact drug-related, the FBI reported clearance rate does not directly measure the effectiveness of these special units, nor their impact on other types of serious crime.

**Program Result Measures:** In 2000, the Police Department will continue to develop new program result measures to monitor its objective of responding to and deterring criminal activity. The department will also continue to monitor the clearance rates of the seven major crime categories, and track drug arrests and analyze their impact on the safety of the surrounding neighborhood.

**ACTIVITIES**

- Criminal investigations
- Drug abatement
- Vice control
- Intelligence operations
- Special initiatives
- Training-resolving and clearing crimes

**PROGRAM CHANGES**

**High Intensity Drug Trafficking Area Project (HIDTA):** Since 1998, the Police Department has

participated in a cooperative anti-drug initiative known as HIDTA. HIDTA, funded by the Office of National Drug Control Policy, combines the efforts of federal, state, and local law enforcement agencies to stop drug trafficking. The Milwaukee Police Department receives reimbursement by the HIDTA project for staff time committed to the project's several task forces. The 2000 budget includes funding for three additional sworn personnel (1.5 FTEs), bringing the number of positions funded by this grant to eleven.

**The Drug Abatement Grant:** In 2000, the Drug Abatement program will enter its first year of post-grant funding. The grant, originally funded by the State of Wisconsin for an eight-year period, reached its mandated cut off date on June 20, 1999. The budget will maintain this highly successful program and provide tax-levy funding for the six positions formerly supported by this grant.

**OBJECTIVE 2**

**Prevent, deter, and suppress crime in order to make Milwaukee the safest city of its size in the nation as measured by reported crimes per 1,000 residents (FBI Index).**

**OUTCOME HISTORY**

In 2000, the MPD will devote over \$34.5 million to minimizing criminal activity. Among cities of comparable size (population between 500,000 and 1.0 million), Milwaukee ranks between second and eighth in the total number of reported crimes throughout the 1990's (on an annual basis).

The FBI index, a uniform national reporting instrument, is the benchmark for comparison across jurisdictions of similar size. However, the index includes only "serious" crimes. In order to be effective, police departments must also be successful at reducing "minor" crimes and municipal ordinance violations that could potentially lead to more serious crime.

These and other signs of "disorder" have been empirically linked to more serious crime. Social scien-

tists James Q. Wilson and George Kelling use the metaphor of a broken window: "If a window in a building is broken and is left unrepaired, all the rest of the windows will soon be broken... 'untended' behavior also leads to the breakdown of community control. Serious street crime flourishes in areas in which disorderly behavior goes unchecked."<sup>1</sup>

<sup>1</sup> Wilson, James Q. and George L. Kelling "Broken Windows: The Police and Neighborhood Safety," *The Atlantic Monthly*, March, 1982.

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
<b>Ranking reported crimes per 1,000 population among cities 500,000 to 1 million.</b>	8	6	4
<b>Funding by Source:</b>			
Operating Funds	\$105,025,715	\$105,713,394	\$31,755,445
Grant and Reimbursable	1,318,944	13,525,376	2,717,518
Capital Budget	620,431	898,406	0
Other	0	92,287	0
<b>Total:</b>	<b>\$106,965,090</b>	<b>\$120,229,463</b>	<b>\$34,472,963</b>

The Milwaukee Police Department has a central mission focused on the "quality-of-life" in Milwaukee. In order to achieve this mission, the department relies on a weekly process known as "crime analysis" which centers around examining localized crime trends in detail, and holding supervisors accountable for addressing specific trends or concerns. Implementation of quality-of-life policing has helped officers and supervisors at all levels be more proactive than reactive, and focus resources on the tasks, problems, and geographic areas with the largest potential for improving Milwaukee's overall safety.

**Program Result Measures:** In 2000, the Police Department will continue to develop new program result measures to monitor its progress toward making Milwaukee a safer city. The department will also continue to track crimes reported in the seven UCR crime categories, and track the number of quality-of-life arrests per year.

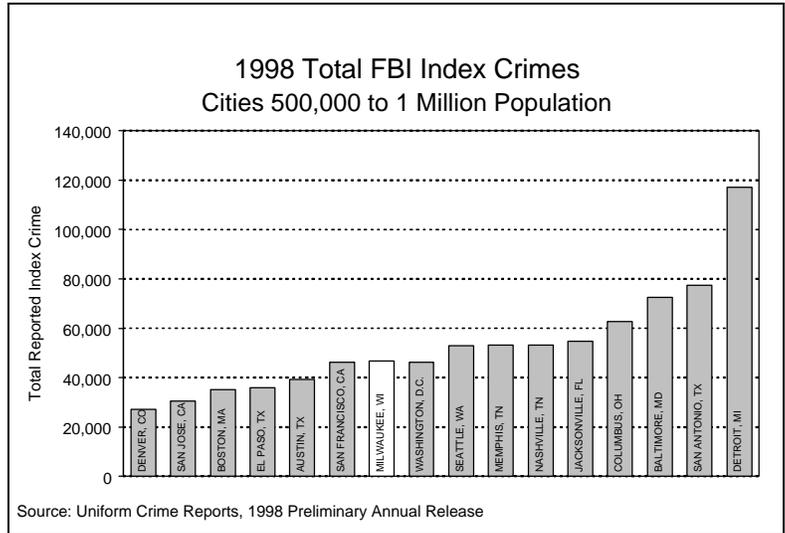
**ACTIVITIES**

- Patrol
- Area-specific patrol
- Bicycle patrol
- Neighborhood foot patrol
- Mounted patrol
- Boat patrol
- Special Operations Bureau/Patrol Support Division activities
- Tactical enforcement

**PROGRAM CHANGES**

**Safe Schools Initiative:** In 2000, the Police Department and the Milwaukee Public Schools (MPS) will join together to create the "Safe Schools" Initiative. This initiative, while not yet formally approved, will dedicate an existing police officer in every police district to focus on school safety issues and to work collaboratively with MPS security personnel. In turn, the Milwaukee Public Schools will provide funding for approximately 5.83 FTEs of the costs of

Figure 2



the police officers (salaries and fringe benefits). This funding will be treated as grant funding, similar to the Truancy Abatement Burglary Suppression (TABS) grant already received by the department

**Squad Cars and Technology:** The Police Department will bring its total inventory of Mobile Data Computers (MDC's) installed in squad cars to over 200 in 1999. MDC's are laptop computers with a radio receiver/transmitter that connects the computer in the patrol car to the department's mainframe computers, the State Division of Motor Vehicles' driver's license databases, and the Wisconsin and FBI warrant files. In 2000, the MPD will continue to use federal grants to add technology and other resources that enable its law enforcement personnel to become more efficient and effective.

**Change in Overtime Policy:** In the 2000 budget, the Police Department will effectuate a change in its overtime policy. Police managers will aggressively monitor and reduce the amount of approved "extension of duty" overtime claimed by police officers. Except in cases of arrest or other emergency situations, officers will be expected to write incident reports or other police records during their shift. To reflect this policy change, the Police Department will reduce their overtime budget \$1.5 million in 2000.

**OBJECTIVE 3**

**Provide services in a manner acceptable to a diverse community with varying needs and demands for police services as measured by the percentage of city residents rating interactions with police as “satisfactory”.**

**OUTCOME HISTORY**

A positive image of the police among Milwaukee residents reinforces the department’s efforts to reduce disorder, prevent and deter criminal activity, and clear crimes that are committed. Thus, the approximately \$61.7 million the department spends on this objective not only helps public relations, but also makes everything else the department does more effective. The following table shows that the Milwaukee Police Department maintains an impressive record in terms of citizen satisfaction. In 1999, approximately 96% of citizens interviewed who had interaction with the Police Department indicated that police services were “satisfactory” or better, far surpassing the expected level of around 70%.

The survey instrument used to determine satisfaction was developed in 1994 with the assistance of an independent consultant. It covers citizen satisfaction with response time, usefulness of officer actions, officer conduct, and an overall rating of the citizen’s contact with the department.

Educational programs for officers and city residents alike contribute to this objective. Officers and supervisors receive training on diversity, sensitivity, and community relations. The Police Department also reaches out into the community, with home safety training, educational programs in schools, and other information on avoiding crime. These activities allow the Police Department to focus on the diversity of the citizens they serve. In 2000, the Police Department estimates that the percentage of citizens satisfied with police services will increase to 98%.

It is not only training that determines how well services are delivered. In 2000, this objective was reformulated to incorporate efforts to maintain a fleet of vehicles, radio communications infrastructure, dispatching systems and communications per-

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Percent of city residents rating interactions with police as "satisfactory" or better.</b>	N/A	96.0%	98.0%
<b>Funding by Source:</b>			
Operating Funds	\$7,887,494	\$7,976,931	\$42,083,654
Grant and Reimbursable	99,150	1,016,759	1,020,140
Capital Budget	46,519	67,537	18,561,998
Other	0	6,937	0
<b>Total:</b>	<b>\$8,033,163</b>	<b>\$9,068,164</b>	<b>\$61,665,792</b>

sonnel that keep police officers “on the street” and in touch with events and each other. It also includes expenditures for technologies that create efficient processes and provide sworn and civilian managers with better and more timely information. The expenditure level for this objective reflects the fact that each officer on the street and each detective investigating crimes relies on a large supporting cast to be effective and meet the needs of the community.

**Program Result Measures:** The Police Department will continue to develop several new result measures in 2000 to assess their success in achieving citizen satisfaction. The department will also continue to track the percentage of fleet available to officers on a monthly basis, and the number of calls received by priority category to determine service levels to City of Milwaukee residents.

**ACTIVITIES**

- Community services
- Safety
- Coordination with neighborhood groups and businesses
- Informing of residents, landlords, etc.
- Building and Fleet Maintenance
- Communications Operations and Maintenance
- Central Records
- Identification
- Property Control
- License Investigation

## PROGRAM CHANGES

**Transfer of Parking Checkers and Tow Desk:** The 2000 budget includes the transfer of 48 parking checkers and 13 tow desk personnel to the Department of Public Works Parking Fund. This transfer will consolidate the parking checker, tow desk, and night parking functions within one department creating greater efficiencies and increased accountability. Milwaukee Police Officers will still retain parking enforcement duties through ticket writing. Parking checker positions and operating costs will be transferred effective January, 2000. Tow desk and night parking functions will not be transferred until July, 2000 due to the shift of functions and personnel.

**The Vehicle Fleet:** The 2000 budget provides funding for 53 police cars. The purchase of these vehicles will continue to lower the age and mileage of the fleet and (barring excessive crashes) reduce vehicle maintenance costs.

**Information Systems Personnel:** The 2000 budget transfers three Information Systems Analyst positions from the DOA-Central Services Division to the Police Department and reduces computer-related funding by approximately \$500,000 due to the city-wide information reorganization. These three positions, who work exclusively on Police Department systems, will strengthen the department's technology and computer infrastructure.

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## OTHER ACTIVITIES AND CHANGES

**Grant Programs:** The 2000 budget contains a total of 60 positions partially or wholly-funded by grant programs. Significant changes from the 1999 budget include tax-levy funding of six positions formally funded by the Drug Abatement Grant, and tax levy funding of an additional 6.73 FTE police officer positions to reflect the expiration of the COPS II universal hiring grant in April 2000. While the department will continue to make a good faith effort to retain all positions created through grant programs, it is not always possible to do so due to fiscal constraints.

The 2000 budget also includes the new "Safe Schools" grant with the Milwaukee Public Schools that will fund 5.83 FTEs of police officers time to focus on schools safety issues. In addition, the High Intensity Drug Trafficking Grant includes funding for 50% of three additional police personnel in 2000, for a total of 15 positions.

These positions contribute to the department's ability to ensure public safety and provide effective law enforcement. The department will continue to seek additional grants when they can make a significant contribution to the city's law enforcement efforts. The Police Department continues a policy of aggressively pursuing grants to supplement its investments in equipment and technology and to fund one-time expenditures.

**Operating Reductions:** In 2000, the Police Department will upgrade their finger printing, dictation, and telephone systems and competitively bid out new squad car set-up services. By upgrading these systems and contracting set-up services, the department will reduce operational and maintenance contract costs in 2000, saving approximately \$289,600.

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## CAPITAL IMPROVEMENTS

The 2000 capital budget includes \$21.1 million in new funding and \$16.3 million in carryover funds for MPD projects. Key projects with new and/or carryover borrowing in 2000 include:

**Data and Communications Center:** Construction is scheduled to begin in late 1999 on the District #3/Com Data Center on Milwaukee's west side. The 2000 capital improvements budget includes \$20.5 million for this project. The project has an

expected budget of over \$36 million and is scheduled for completion in 2001.

**ADA Compliance Program (Various Facilities):** This program, which began in 1993, is part of a ten year program designed to bring all MPD facilities into compliance with the Americans with Disabilities Act by the year 2004. In accordance with the capital plan, \$18,000 has been allocated for 2000.

**Radio Infrastructure:** The 2000 budget includes \$75,000 to update one of the radio transmitter towers for radio communication and Mobile Data Terminal (MDC) transmissions. In 2000, the department will replace a radio tower on the near north side and

begin assessment of all remaining towers. The department anticipates that this account will be a reoccurring request each year when the assessment of all towers will be completed and a replacement schedule is established.

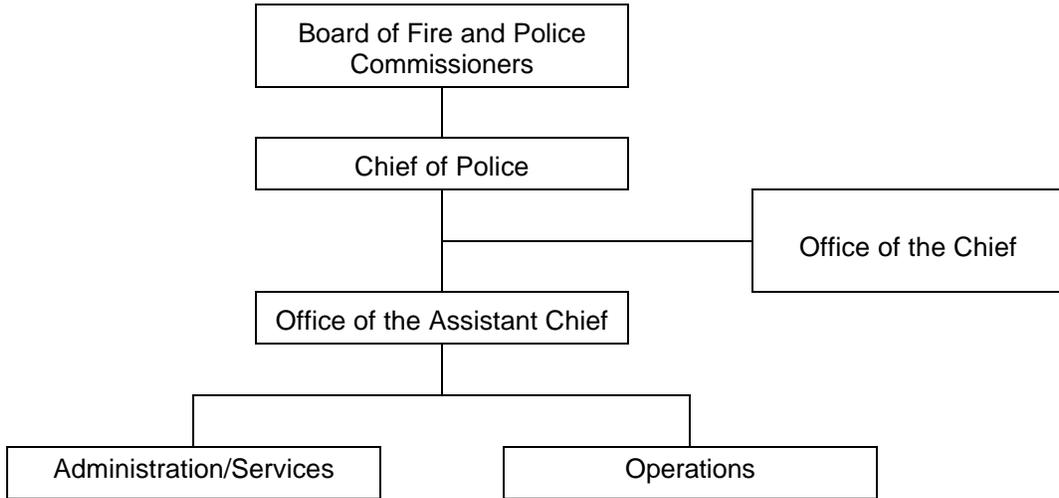
**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	2,900.30	2,815.90	2,658.10	-157.80
FTEs - Other	60.40	49.40	36.08	-13.32
Total Positions Authorized	2,986	3,010	2,933	-77
DLH - Operations and Maintenance	4,785,494	5,065,420	4,385,865	-679,555
DLH - Other Funds	99,660	81,510	59,532	-21,978
<b>EXPENDITURES</b>				
Salaries and Wages	\$117,687,162	\$117,689,725	\$113,765,380	\$-3,924,345
Fringe Benefits	29,387,182	30,599,329	25,028,384	-5,570,945
Supplies and Materials	2,501,938	0	0	0
Equipment and Facility Rent	198,834	0	0	0
Services	7,731,881	0	0	0
Operating Expenditures	0	10,526,121	9,472,445	-1,053,676
Equipment	1,812,711	1,582,076	1,546,518	-35,558
Special Funds	0	0	0	0
<b>TOTAL</b>	<b>\$159,319,708</b>	<b>\$160,397,251</b>	<b>\$149,812,727</b>	<b>\$-10,584,524</b>
<b>REVENUES</b>				
Intergovernmental	\$644,362	\$670,000	\$530,000	\$-140,000
Charges for Services	475,035	277,000	257,000	-20,000
Licenses and Permits	11,056,820	11,335,000	12,400,000	1,065,000
Miscellaneous	4,514	8,000	5,000	-3,000
<b>TOTAL</b>	<b>\$12,180,731</b>	<b>\$12,290,000</b>	<b>\$13,192,000</b>	<b>\$902,000</b>

**CAPITAL PROJECTS** - Include \$21,093,180 for the following projects:

- a. Data Services Communications Center/District \$20,500,000
- b. ADA Compliance Project \$18,180
- c. Remodel Police Administration Bldg. Offices \$200,000
- d. Radio Tower Maintenance Program \$75,000
- e. District 7 HVAC \$150,000
- f. Replace Cooling Tower at Police Administration Bldg. \$150,000

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
<b>Administration Decision Unit</b>			
1	1.00	Public Relations Manager (Operating Funding \$44,986)	Civilianization - related to elimination of Admin. Police Sergeant in Operations Bureau.
-1	-1.00	Office Assistant III (Operating Funding \$-25,556)	Eliminated - related to creation of one Admin. Assistant position in Operations Bureau.
1	1.00	Police Personnel Administrator (Operating Funding \$56,325)	Civilianization of sworn position.
-1	-1.00	Deputy Inspector of Police (Operating Funding \$-69,710)	
-1	-1.00	Captain of Police (Operating Funding \$-61,141)	Civilianization of sworn position.
1	1.00	Information Systems Manager (Operating Funding \$55,319)	
-33	-6.60	Police Alarm Operator (.2 FTE) (Operating Funding \$-206,989)	Temporary positions to transition civilianization.

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-2	-2.00	Police Electronic Technician (Operating Funding \$-99,525)	Continue civilianization of vacant positions.
2	2.00	Electronic Technician (Operating Funding \$73,518)	
-10	-10.00	Police Officer (Operating Funding \$-317,500)	Reclassification of position.
10	10.00	Police Identification Technician (Operating Funding \$420,870)	
1	1.00	Systems Analyst-Lead (Operating Funding \$73,299)	Positions transferred from DOA-Central Services Division as part of city-wide Information Systems Reorganization.
1	1.00	Technical Systems Analyst (Operating Funding \$64,321)	
1	1.00	Programmer Analyst (Operating Funding \$47,974)	
-13	-13.00	Office Assistant II (Operating Funding \$-253,995)	Transfer tow desk function and personnel to DPW-Parking as part of parking enforcement consolidation. Effective July 1, 2000.
13	6.50	Office Assistant II (Operating Funding \$126,998)	
	-10.22	Experience Adjustment (Operating Funding \$0)	Adjustment made to properly account for part-time positions.
	4.00	Various Grant Positions (Non-operating Funding \$0)	Adjustment made to properly account for grant-funded positions.
<b>Operations Decision Unit</b>			
-1	-1.00	Administrative Police Sergeant (Operating Funding \$-49,270)	Civilianization.
2	2.00	Administrative Assistant (Operating Funding \$59,906)	Provide additional administrative support-related to Office Assistant III in Administration Bureau.
-48	-48.00	Parking Checker (Operating Funding \$-1,344,768)	Transfer to DPW-Parking fund as part of Parking consolidation.
2	2.00	Detective (Operating Funding \$0)	Correct budget to accurately reflect amendment to 1999 budget.
-2	-2.00	Police Officer (Operating Funding \$0)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
	-4.00	Detective (Non-operating Funding \$-190,364)	Expiration of Drug Abatement Grant - positions funded by operating budget.
	-1.00	Office Assistant III (Non-operating Funding \$-25,197)	
	-1.00	Office Assistant II (Non-operating Funding \$-24,630)	
	4.00	Detective (Operating Funding \$190,364)	
	1.00	Office Assistant III (Operating Funding \$25,197)	
	1.00	Office Assistant II (Operating Funding \$24,630)	
	-6.73	Various Sworn Positions (Non-operating Funding \$-482,286)	To reflect expiration of COPS Universal Hiring Grant in April 2000. Positions will be funded by operating budget for remainder of year.
	6.73	Various Sworn Positions (Operating Funding \$482,286)	
	1.50	Various Sworn Positions (Non-operating Funding \$64,400)	To reflect 2000 HIDTA Grant funding levels.
	-1.50	Various Sworn Positions (Operating Funding \$-64,400)	
	5.83	Various Sworn Positions (Non-operating Funding \$250,446)	To reflect Safe Schools Initiative.
	-5.83	Various Sworn Positions (Operating Funding \$-250,446)	
	-95.88	Experience Adjustment (Operating Funding \$0)	Adjustment made to properly account for part-time positions.
	-11.92	Various Grant Positions (Non-operating Funding \$0)	Adjustment made to properly account for grant-funded positions.
-77	-171.12	<b>TOTAL</b>	

# PORT OF MILWAUKEE

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## EXECUTIVE SUMMARY

- MISSION:** To enhance the overall economic environment of the region by stimulating trade, business, and employment.
- STRATEGIC ISSUES:** Become universally recognized as the quality provider of transportation and distribution services in the Midwest.
- Become financially self-sufficient.
- Accentuate competitiveness and individualized customer services.
- Actively develop Port-based manufacturing business.
- INITIATIVES FOR 2000:** Implement a passenger vessel initiative, in cooperation with the private sector, to develop a high-speed ferry service across Lake Michigan.
- Transform old office space into valuable cargo area.
- 

## **BACKGROUND**

The Port of Milwaukee administers 470 dry acres of city-owned property at or near the city's lakefront. Milwaukee World Festivals, Inc. currently leases roughly two-thirds of the Port's North Harbor land for the Maier Festival Grounds, home of Summerfest, various ethnic festivals, and the Marcus Amphitheater. Smaller leaseholders and city-owned facilities account for most of the remaining acreage.

The Port of Milwaukee seeks to stimulate trade, business, and employment by serving as a regional transportation hub for southeastern Wisconsin. The Port links waterborne, rail, and ground surface transportation in an accessible location, close to the downtown. The seven-member Board of Harbor Commissioners governs the promotion, marketing, and maintenance and operations functions of the Port of Milwaukee.

**Shipping Industry Trends:** Over the past 25 years, companies that traditionally shipped their goods have experienced increasing flexibility in choosing

the method of moving products. This has resulted from several trends including deregulation of the transportation industry and "intermodalism"- the ability to send cargoes via multiple transportation modes while in a single container. Great Lakes transport interests have also faced problematic protectionist policies, including trade restrictions on imported steel, U.S. flag cargo preference regulations, and the high cost of St. Lawrence Seaway tolls.

Additionally, an increasingly globalized economy has put pressure on U.S. industry to be more competitive in both export and domestic markets. These combined forces have put many shippers out of business and have increased pressure on remaining shipping providers to furnish competitively priced, timely service. The Port has responded proactively to the changing transportation environment by seeking new markets and by providing high quality, flexible services.

**OBJECTIVE 1**

**To focus on business-based operations and to become financially self-sustaining by recovering 100% of operating expenses with revenue.**

**OUTCOME HISTORY**

Currently, the Port earns enough annual revenue to cover its personnel and other operating costs. Over the past seven years, however, the Port has only been able to cover approximately 83% of expenses through revenues when all Port expenses, including depreciation of assets are included (see Figure 1). In 1998, the Port's recovery of expenses through revenues decreased to 76.1% after a relatively moderate recovery year in 1997 of 84.3%. The decrease was primarily due to a decrease in revenues, which was only partly offset by a decrease in the cost of services (see Figure 2).

In 2000, the Port will sponsor two major activities that it expects to increase its cost recovery. First, construction of high-speed passenger vessels via Lake Michigan is likely to begin in 2000, and will generate increased revenue - at minimal expenses - by responding to a high demand for such service that enables travelers to avoid Chicago traffic.

Second, the Port will demolish the old dock office and transform the space into a valuable cargo area that should increase tonnage, thereby increasing revenues. Until 1997, the Port had made significant improvements in increasing the tonnage of cargo passing through Milwaukee (see Figure 3). Every year between 1992 and 1996 total tonnage grew, with expansion particularly pronounced in the steel and bulk grain categories. Tonnage has decreased since, with a significant decrease in liquid cargo. Transformation of the dock office combined with initiatives begun in 1999, including a new warehouse and a new lease with a bulk bagging company, however, should lead to significant tonnage and revenue increases in 2000.

**Program Result Measures:** In 1999, the Port of Milwaukee implemented new program

	1998 Experience	1999 Budget	2000 Projection
<b>Percent of total expenses covered by revenues.</b>	76.1%	85.0%	85.0%
Operating Funds	\$1,847,331		\$2,220,060
Grant and Reimbursable		0	800,000
	2,390,000	680,000	
Special Purpose Accts.	90,000		0
<b>Total:</b>		\$2,886,183	\$5,170,060

Figure 1

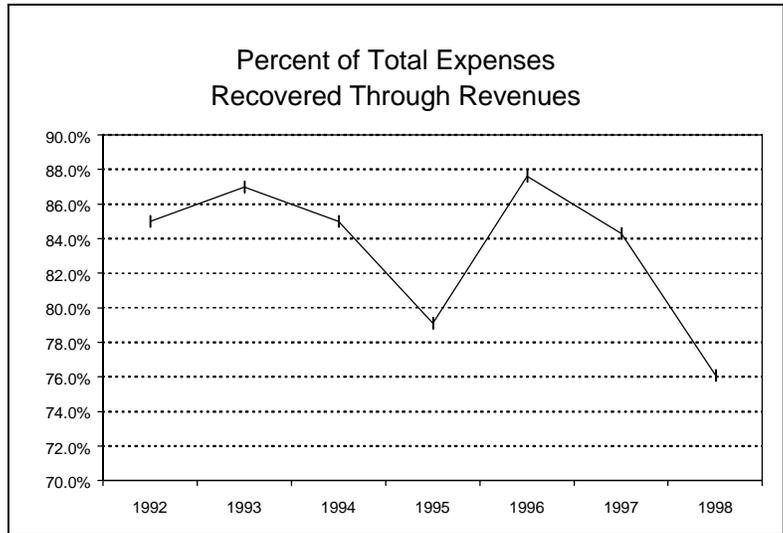
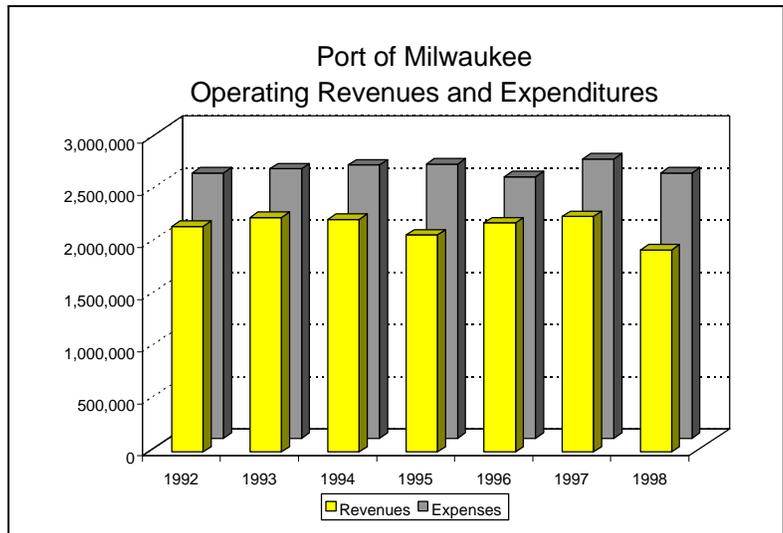


Figure 2

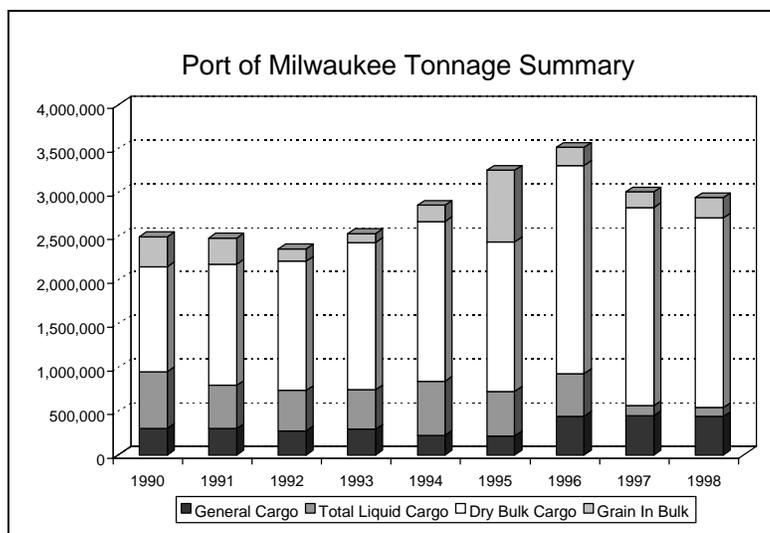


result measures to quantifiably track its objective of financial independence. In addition to measuring the percent of total expenses recovered by revenues, the Port is also measuring its revenues received from services and cargo tonnage stored. Increases in these two measures are what the Port needs to achieve full cost recovery.

**ACTIVITIES**

- Market Port facilities
  - marketing and promotion
  - seek changes in Federal Laws
- Provide complementary service
  - vessel harbor equipment and vessels
  - crane operations

Figure 3



**ACTIVITIES AND CHANGES**

**Passenger Vessel Initiative:** The 2000 budget includes funding to implement a high speed ferry across Lake Michigan. This project, together with the Port’s efforts to induce international passenger vessel service into the Port, is part of a broader initiative to promote passenger as well as freight transportation options through the Port.

The Port will pursue permanent docking facilities for both a ferry and cruise operation as it moves forward with its South Harbor Tract planning efforts in 2000. The Board of Harbor Commissioners believes, based upon its research, that no public money will be required for construction or operation of a cross lake ferry, and the Port will work with private sector investors to realize the project. According to current plans, the Port would supply needed shore-based infrastructure for passenger operations as it does for freight-based operations, backed by long-term

leases.

Market research studies show a significant demand for such ferry service between Wisconsin and Michigan. Pursuing ferry operations will translate into significant revenues for the Port, which will help it to become financially self-sustaining.

**City MIS Services:** The 2000 Budget includes a restructuring of the way in which information system services are provided. The Port previously obtained these services on a charge for services basis—from the Milwaukee Information Systems section of DOA’s Central Services Division. The 2000 budget creates a new Information and Technology Management Division (ITMD) within DOA to provide centrally certain information infrastructure services. Consequently, the Port’s budget is reduced by \$5,500 for information infrastructure services.

**CAPITAL IMPROVEMENTS**

**South Harbor Tract Improvements:** The Port will use \$1,900,000 for improvements to the South Harbor Tract including a terminal and ramping system. Improvements are necessary for private construction of a high-speed cross ferry across Lake Michigan, and for cruise ship operations.

**Pier, Berth, and Channel Improvements:** In 2000, the Port has budgeted \$1,000,000 to provide dredg-

ing and berth improvements on its North Harbor Tract to allow the ingress and egress of future passenger vessels. The Wisconsin Harbor Assistance Program will cover 80% of the cost.

**Demolish Dock Office:** The Port will use \$50,000 in 2000 to transform the old dock office into a valuable cargo transfer area that should result in increased revenues.

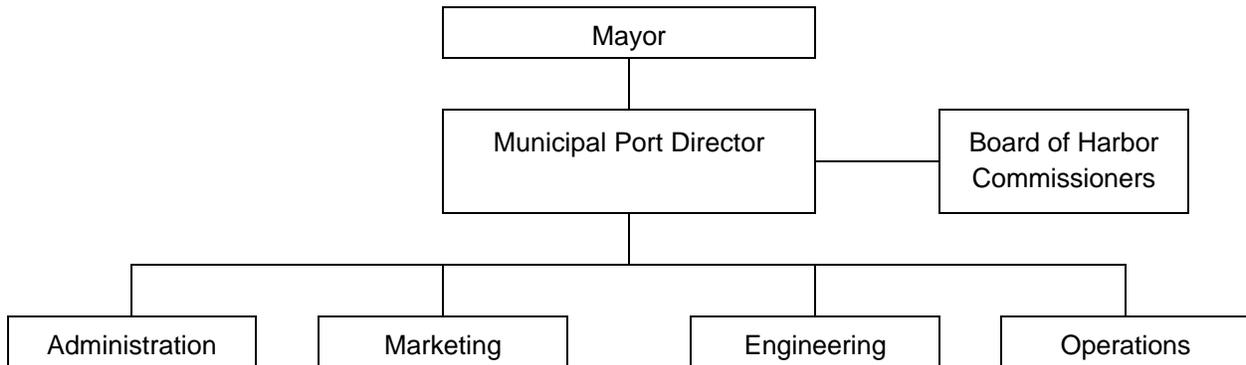
### BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	22.00	20.00	20.00	0.00
FTEs - Other	1.00	1.00	1.00	0.00
Total Positions Authorized	37	35	35	0
DLH - Operations and Maintenance	43,000	37,800	43,000	5,200
DLH - Other Funds	1,882	1,882	1,882	0
Salaries and Wages	\$956,668	\$996,577	\$1,003,623	\$0
Fringe Benefits	316,120	338,836	321,159	-17,677
Supplies and Materials	103,269	0	0	0
Equipment and Facility Rent	7,975	0	0	0
Services	442,434	0	0	0
Operating Expenditures	0	829,270	864,278	35,008
Equipment	20,875	41,500	31,000	-10,500
Special Funds	0	0	0	0
<b>TOTAL</b>	<b>\$1,847,341</b>	<b>\$2,206,183</b>	<b>\$2,220,060</b>	<b>\$13,877</b>
<b>REVENUES</b>				
Charges for Services	\$2,130,520	\$2,257,654	\$2,220,060	-\$37,594
<b>TOTAL</b>	<b>\$2,130,520</b>	<b>\$2,257,654</b>	<b>\$2,220,060</b>	<b>-\$37,594</b>

**CAPITAL PROJECTS** - Includes \$2,150,000 in city funds for the following projects:

- a. South Harbor Tract Improvements \$1,900,000
- b. Pier, Berth, & Channel Improvements 200,000
- c. Demolish Dock Office 50,000

### ORGANIZATION CHART



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES - None**

# DEPARTMENT OF PUBLIC WORKS

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## EXECUTIVE SUMMARY

**MISSION:** To promote the health, safety, mobility, and quality of life for all City of Milwaukee residents and visitors by providing:

- Safe, attractive, and efficient surface infrastructure systems;
- Solid waste collection, disposal, recycling, and waste reduction;
- Safe, aesthetically pleasing, and sufficient drinking water;
- Storm water and waste water conveyance; and,
- Support services and facilities for the Department of Public Works (DPW) and other city departments.

**STRATEGIC ISSUES:** Provide a transportation system that adequately balances the use of mass transit, automobiles, and other modes of transportation.

Improve the environment by reducing solid waste in landfills and reducing air and water pollution to federally required levels.

Improve the attractiveness and safety of neighborhoods in a way that enhances the identity of neighborhoods and attracts people to them.

Address regional problems at a regional level instead of a local level.

**MAJOR INITIATIVES FOR 2000:** Improve the provision of communication services to city departments.

Work with the state and county governments on major transportation projects, including the Sixth Street Viaduct, Park East Freeway, and Marquette Interchange.

Assist in implementation of the downtown plan.

Improve service delivery through the use of more efficient and improved equipment technology.

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## BACKGROUND

The Department of Public Works was originally created in 1910. While the department's activities have evolved through the years, the organizational structure basically remained unchanged until 1996. The 1996 budget presented a new Department of Public Works that had been restructured as a result of the strategic planning process. Since the 1996 budget, DPW has consisted of the following divisions:

- Administrative Services Division;
- Buildings and Fleet Division;
- Forestry Division;
- Infrastructure Services Division;
- Sanitation Division; and
- Water Works Division.

For the last several years, the Department of Public Works has successfully found ways to increase productivity and provide the same level of service at a reduced funding level. As illustrated in Figure 1, the operating and maintenance budget for DPW operating divisions (in real dollars) has decreased by approximately 13.6% since 1990.

DPW has been able to achieve reductions in operating budgets over the last several years, not by changing the services they provide, but by changing the way they provide services. Improved efficiency and new ways of doing business have allowed the department to reduce costs while maintaining service levels.

**OBJECTIVES**

To help meet its objectives, the 2000 budget for the Department of Public Works operating divisions includes operating and maintenance funding totaling approximately \$101.1 million, state grant funding totaling approximately \$2.8 million, and capital funding totaling approximately \$34.2 million. Approximately \$83.7 million in state and federal aid will be provided in 2000 for city infrastructure needs. In addition, the Water Works 2000 budget includes \$57.6 million in operating funds, and \$12.1 million in capital funds. The Parking Fund 2000 budget includes approximately \$15.4 million in operating funds. The 2000 Sewer Fund budget includes approximately \$15.9 million in operating funds, and \$14.6 million in capital funds.

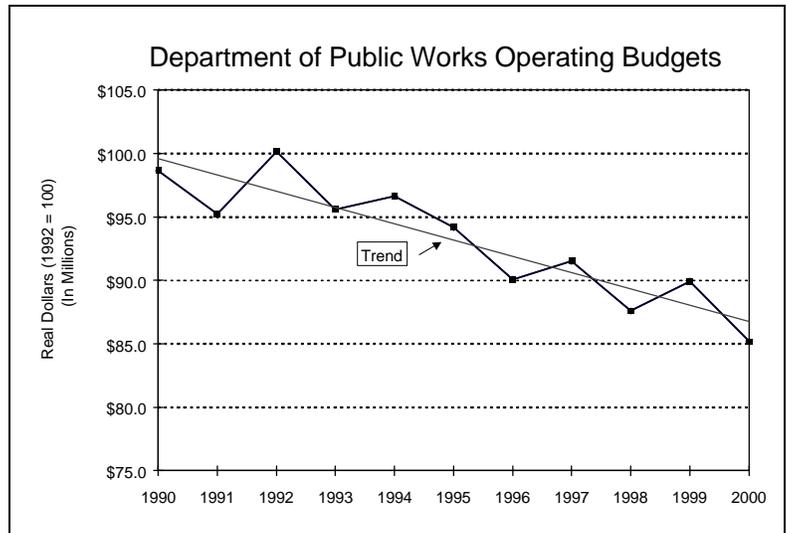
Table 1 shows the percentage of DPW's funding allocated to each of its objectives. Aggregate funding levels for each DPW objective are included in the outcome indicator and funding table at the end of this section. All divisions provided new program result measures for their programs for the 2000 budget. However, as shown in the outcome indicators table, some objectives do not have quantifiable measures, making it difficult for policymakers to analyze program success. In 2000, the department will concentrate on developing meaningful data-driven outcome measures for all of its objectives. In addition, the department will explore other non-engineering focused measures to evaluate service impact within neighborhoods. Detailed descriptions of individual objectives, including outcome history, activities, and funding levels are included in division summaries.

As part of the 2000 budget, DPW has revised its objectives and outcome indicators. Several objectives have been eliminated, although the outcome indicators have been retained under other objectives. This change was made to more closely align objectives with the programs defined in the Program ChartField and to provide more accurate data on program budgets and expenses supporting each of the objectives.

**ACTIVITIES**

- Design, maintenance, and repair of 215 bridges
- Maintenance of 220 city-owned buildings

Figure 1



- Design, construction, and maintenance of streets, sewers, water facilities, alleys, sidewalks, and bridges
- Maintenance of city trees, boulevards, playgrounds, and parking lots
- Collection and disposal of garbage and operation of the city recycling program
- Snow and ice control on city streets
- Administration of the citation processing and towing contracts

Table 1

Percentage of DPW Funding By Objective	
<b>Objective</b>	
Public Way Condition	10.30%
Bridge Condition	2.17%
Street Lighting and Playgrounds	4.83%
City Greenspace	0.00%
Boulevard Appearance	1.99%
Tree Mortality	2.37%
City Tree Coverage	0.00%
Snow and Ice Control	2.63%
Alternative Transportation	0.00%
Traffic Accidents	1.89%
Automobile Usage	0.00%
Solid Waste Reduction	1.87%
Drinking Water	29.10%
City Cleanliness	13.75%
Sewer System Services	15.34%
Sewer Water Quality	0.00%
Building Services	5.74%
Communication Services	0.74%
Parking Regulation and Compliance	7.28%
<b>TOTAL</b>	<b>100.00%</b>

- Design, construction, and maintenance of the street and alley lighting system
  - Traffic control through design, regulation, and control systems
  - Maintenance and service of the city-owned automobile and construction equipment fleet
  - Operation of the city water utility
  - Maintenance of the city's sewer system
- 

### PROGRAM CHANGES

The 2000 budget reflects several program changes for the Department of Public Works. The majority of program changes are discussed in detail in the summary for the appropriate division. Following are highlights of department-wide changes.

**City Time Entry System:** DPW implemented the city's new on-line time entry system in June 1999. This software is being used city-wide to enter data on a day-to-day basis and is an electronic replacement for paper timecards. Data is uploaded to the PeopleSoft payroll system every two weeks to produce employee paychecks. However the system operates in real time, making time entries immediately accessible online to supervisors and payroll staff. The system allows for more efficient and timely entry and validation of time entry data.

**Communication Services:** DPW provides communication services, including phone and computer network services, to city departments using staff in both the Administrative Services and the Buildings and Fleet Divisions. In an effort to provide these services in a more efficient manner, DPW will consolidate these functions within the Administrative Services Division.

**Technology Improvements:** DPW has made several improvements in equipment technology that enhanced productivity in service delivery, including introduction of handheld automated ticket writing devices for issuing parking citations and use of a skid steer loader for debris cleanup. In 2000, the department will continue these efforts with purchase of a roadpatcher for repairing potholes and use of a new boring machine for street lighting projects.

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### CAPITAL IMPROVEMENTS

The 2000 capital improvements budget for the Department of Public Works totals approximately \$60.8 million (including Water and Parking). Major DPW capital projects include street resurfacing and reconstruction; facilities maintenance and repair; and

maintenance of the water and sewer systems. More detailed discussions of capital projects are included in division summaries, as well as the "Capital Improvements Funds" section of the *2000 Plan and Budget Summary*.

**OUTCOME INDICATORS AND FUNDING**

		<u>1998</u> <u>Experience</u>	<u>1999</u> <u>Budget</u>	<u>2000</u> <u>Projection</u>
<b>Objective 1:</b>	<b>Public Way Condition</b>			
<b>Outcome Indicator:</b>	<b>Street Pavement Condition Index.</b>	6.0	5.5	5.5
	<b>Alley Condition Index.</b>	74 (1996)	74	74
	<b>Funding by Source:</b>			
	Operating	\$9,246,676	\$11,391,082	\$9,670,353
	Capital	\$17,535,157	\$14,174,201	\$16,172,576
	Grant*	(\$10,896,559)	(\$8,420,366)	(\$19,864,806)
	<b>Total:</b>	\$26,781,833	\$25,565,283	\$25,842,929
<b>Objective 2:</b>	<b>Bridge Condition</b>			
<b>Outcome Indicator:</b>	<b>Percentage of bridges rated above a condition rating of 50.</b>	82.8%	81.0%	81.0%
	<b>Funding by Source:</b>			
	Operating	\$8,405,168	\$5,567,157	\$5,232,795
	Capital	\$1,138,400	\$6,781,000	\$213,000
	Grant*	(\$15,825,000)	(\$24,518,000)	(\$63,801,000)
	<b>Total:</b>	\$9,543,568	\$12,348,157	\$5,445,795
<b>Objective 3:</b>	<b>Street Lights and Playgrounds</b>			
<b>Outcome Indicator:</b>	<b>Percentage of streets meeting IES standards.</b>	97.1%	94.5%	94.5%
	<b>Citizen satisfaction rating for playgrounds.</b>	60.0% (1996)	60.0%	60.0%
	<b>Funding by Source:</b>			
	Operating	\$6,258,355	\$8,070,670	\$7,117,295
	Capital	\$5,847,206	\$5,010,000	\$5,000,000
	<b>Total:</b>	\$12,105,561	\$13,080,670	\$12,117,295
<b>Objective 4:</b>	<b>City Green Space</b>			
<b>Outcome Indicator:</b>	<b>Percentage of paving projects resulting in tree borders at least 5 feet wide.</b>	79.5%	86.0%	86.0%
	<b>Percentage of paving projects resulting in boulevards at least 20 feet wide.</b>	43.0%	20.0%	20.0%
	<b>Funding by Source:</b>			
	Operating	\$208,380	\$132,795	\$0
	Capital	\$175,376	\$210,066	\$0
	Grant*	(\$247,405)	(\$250,126)	(\$0)
	<b>Total:</b>	\$383,756	\$342,861	\$0

		<u>1998 Experience</u>	<u>1999 Budget</u>	<u>2000 Proposed</u>
<b>Objective 5:</b>	<b>Boulevard Appearance</b>			
<b>Outcome Indicator:</b>	<b>Reduce the number of citizen complaints regarding the condition of boulevards to less than 50 per year *</b>	n/a	n/a	50.0
	<b>Funding by Source:</b>			
	Operating	\$6,079,697	\$5,981,054	\$4,846,892
	Capital	\$867,388	\$754,000	\$152,000
	<b>Total:</b>	<b>\$6,947,085</b>	<b>\$6,735,054</b>	<b>\$4,998,892</b>

\*This is a new outcome indicator proposed for 2000. No data is available for prior years.

<b>Objective 6:</b>	<b>Tree Mortality</b>			
<b>Outcome Indicator:</b>	<b>Tree mortality rate.</b>	1.93	1.96	1.96
	<b>Funding by Source:</b>			
	Operating	\$3,821,441	\$4,341,553	\$5,508,222
	Capital	\$821,527	\$775,000	\$446,000
	<b>Total:</b>	<b>\$4,642,968</b>	<b>\$5,116,553</b>	<b>\$5,954,222</b>

**Objective 7:** **City Tree Coverage**  
The department has phased out this measure.

<b>Objective 8:</b>	<b>Snow and Ice Control</b>			
<b>Outcome Indicator:</b>	<b>Pounds of salt spread per street lane mile.</b>	274	250	250
	<b>Funding by Source:</b>			
	Operating	\$3,299,758	\$6,742,822	\$6,607,680
	Capital	\$18,725	\$662,500	\$0
	<b>Total:</b>	<b>\$3,318,483</b>	<b>\$7,405,322</b>	<b>\$6,607,680</b>

<b>Objective 9:</b>	<b>Alternative Transportation</b>			
<b>Outcome Indicator:</b>	<b>Percentage of transportation budget spent on alternative transportation modes.</b>	5.2%	5.0%	5.0%
	<b>Funding by Source:</b>			
	Operating	\$1,161,845	\$460,012	\$0
	Capital	\$2,343,038	\$2,653,738	\$0
	Grant*	(\$1,085,671)	(\$1,570,304)	(\$0)
	<b>Total:</b>	<b>\$3,504,883</b>	<b>\$3,113,750</b>	<b>\$0</b>

		<u>1998 Experience</u>	<u>1999 Budget</u>	<u>2000 Proposed</u>
<b>Objective 10:</b>	<b>Traffic Accidents</b>			
<b>Outcome Indicator:</b>	<b>Reduce the number of traffic accidents by 5%.</b>	13,282	17,000	17,000
	<b>Funding by Source:</b>			
	Operating	\$2,774,821	\$2,941,069	\$4,106,884
	Capital	\$889,540	\$647,000	\$632,000
	Grant*	(\$1,538,800)	(\$838,800)	(\$0)
	<b>Total:</b>	<b>\$3,664,361</b>	<b>\$3,588,069</b>	<b>\$4,738,884</b>

<b>Objective 11:</b>	<b>Automobile Use</b>			
<b>Outcome Indicator:</b>	<b>Number of vehicles entering and leaving downtown between 7 am and 7 pm.</b>	299,100	301,600	301,600
	<b>Number of people entering and leaving downtown between 7 am and 7 pm.</b>	425,900	447,200	447,200
	<b>Number of persons per automobile.</b>	1.20	1.24	1.24
	<b>Funding by Source:</b>			
	Operating	\$260,330	\$71,743	\$0
	Capital	\$0	\$0	\$0
	<b>Total:</b>	<b>\$260,330</b>	<b>\$71,743</b>	<b>\$0</b>

<b>Objective 12:</b>	<b>Solid Waste Reduction</b>			
<b>Outcome Indicator:</b>	<b>Residential solid waste land filled per capita (lbs.).</b>	728	700	700
	<b>Funding by Source:</b>			
	Operating	\$5,218,712	\$4,478,405	\$4,679,632
	Capital	\$189,976	\$0	\$0
	Grant	(\$2,822,220)	(\$2,822,220)	(\$2,767,262)
	<b>Total:</b>	<b>\$5,408,688</b>	<b>\$4,478,405</b>	<b>\$4,679,632</b>

<b>Objective 13:</b>	<b>Drinking Water</b>			
<b>Outcome Indicator:</b>	<b>Percent compliance with Safe Drinking Water Act standards.</b>	100.0%	100.0%	100.0%
	<b>Customer complaints (three-year moving average). *</b>	900	800	n/a
	<b>Water main breaks (three-year moving average). *</b>	784	720	n/a
	<b>Funding by Source:</b>			
	Operating	\$4,813,635	\$4,103,817	\$3,288,248
	Capital	\$43,927,469	\$24,300,000	\$12,120,000
	Water Works	\$57,980,268	\$59,339,069	\$57,634,526
	<b>Total:</b>	<b>\$106,721,372</b>	<b>\$87,742,886</b>	<b>\$73,042,774</b>

\*These indicators are replaced by the "Percent Compliance with Safe Drinking Water Act Standards" indicator.

		<u>1998 Experience</u>	<u>1999 Budget</u>	<u>2000 Proposed</u>
<b>Objective 14:</b>	<b>City Cleanliness</b>			
<b>Outcome Indicator:</b>	<b>Maintain the overall cleanliness of the city as measured by the Photometric Index</b>	5.32	n/a	6.00
	<b>Funding by Source:</b>			
	Operating	\$35,498,932	\$35,112,334	\$34,415,112
	Capital	\$420,222	\$0	\$70,000
	<b>Total:</b>	\$35,919,154	\$35,112,334	\$34,485,112
<b>Objective 15:</b>	<b>Sewer System Services</b>			
<b>Outcome Indicator:</b>	<b>Sewer service backups.</b>	31	45-55	45-55
	<b>Street flooding incidents.</b>	4,498	6,000	6,000
	<b>Funding by Source:</b>			
	Operating	\$749,205	\$1,664,286	\$1,477,640
	Capital	\$16,676,991	\$22,215,000	\$21,070,000
	Grant*	(\$0)	(\$0)	(\$674,920)
	Sewer Maintenance Fund	\$8,129,508	\$9,536,355	\$15,915,620
	<b>Total:</b>	\$25,555,704	\$33,415,641	\$38,463,260
<b>Objective 16:</b>	<b>Sewer Water Quality</b>			
<b>Outcome Indicator:</b>	<b>Percent of DNR requirements met.</b>	70.0%	70.0%	70.0%
	<b>Funding by Source:</b>			
	Operating	\$9,525	\$123,946	\$0
	Capital	\$1,669,534	\$0	\$0
	Grant*	(\$0)	(\$663,500)	(\$0)
	Sewer Maintenance Fund	\$90,419	\$158,669	\$0
	<b>Total:</b>	\$1,769,478	\$282,615	\$0
<b>Objective 17:</b>	<b>Building Services</b>			
<b>Outcome Indicator:</b>	<b>Percentage of city buildings with condition assessments.</b>	60.0%	75.0%	75.0%
	<b>Funding by Source:</b>			
	Operating	\$11,396,173	\$10,359,203	\$10,382,416
	Capital	\$7,079,451	\$5,490,000	\$4,010,000
	<b>Total:</b>	\$18,475,624	\$15,849,203	\$14,392,416

		<u>1998 Experience</u>	<u>1999 Budget</u>	<u>2000 Proposed</u>
<b>Objective 18:</b>	<b>Communication Services</b>			
<b>Outcome Indicator:</b>	<b>Percentage of customers satisfied with communication services. *</b>			
		n/a	90.0%	90.0%
	<b>Funding by Source:</b>			
	Operating	\$334,583	\$189,516	\$904,119
	Capital	\$1,498,175	\$950,000	\$950,000
	<b>Total:</b>	<b>\$1,832,758</b>	<b>\$1,139,516</b>	<b>\$1,854,119</b>

\*The department will conduct a survey or develop a new quantifiable measure for this objective by the end of 1999.

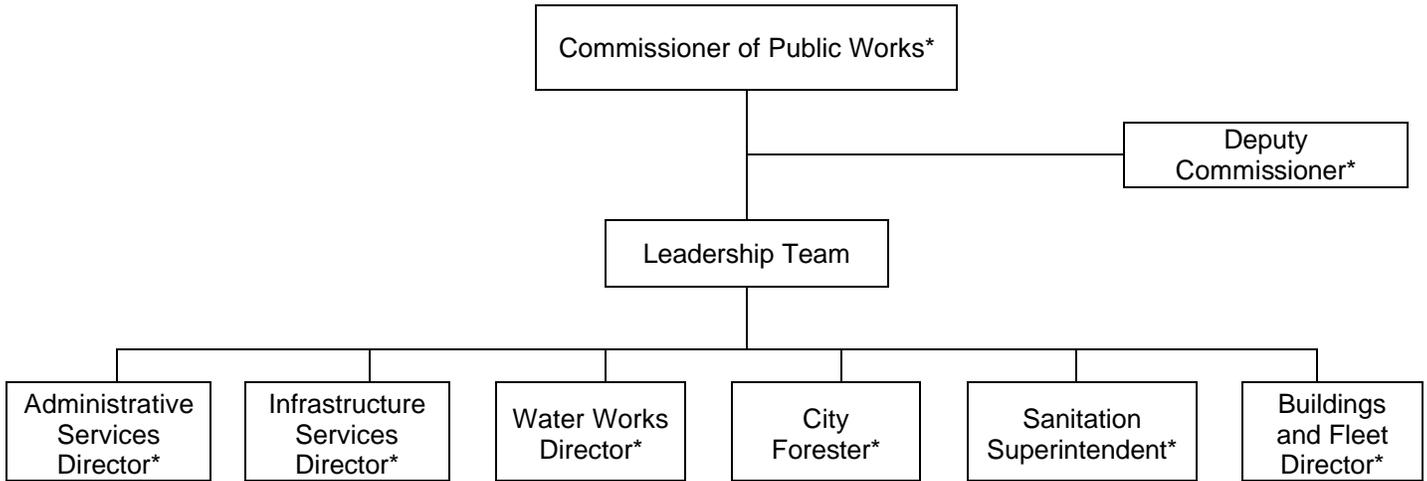
<b>Objective 19:</b>	<b>Parking Regulation</b>			
<b>Outcome Indicator:</b>	<b>Percentage change in net operating revenue.</b>			
		-9.50%	3.0%	3.0%
	<b>Funding by Source:</b>			
	Operating	\$3,012,237	\$2,590,891	\$2,853,325
	Capital	\$7,093,810	\$5,869,160	\$0
	Parking Fund	\$11,869,617	\$13,656,060	\$15,401,779
	<b>Total:</b>	<b>\$21,975,664</b>	<b>\$22,116,111</b>	<b>\$18,255,104</b>

\* State and federal grants for infrastructure projects are not reflected in objective totals because the city does not control the expenditure of these funds.

Note: Objective funding does not include Parking capital improvements funded from the Permanent Reserve Fund.

Objectives reflecting Enterprise fund expenditures are overstated due to duplication of appropriations in operating divisions.

**ORGANIZATION CHART**



\* Positions included in Department of Public Works Leadership Team.

**OPERATING BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	1,314.16	1,360.60	1,294.64	-65.96
FTEs - Other	443.44	442.72	444.30	1.58
Total Positions Authorized	3,485	3,526	3,454	-72
DLH - Operations and Maintenance	2,353,477	2,427,302	2,342,295	-85,007
DLH - Other Funds	803,068	822,149	800,489	-21,660
<b>EXPENDITURES</b>				
Salaries and Wages	\$51,118,070	\$51,627,056	\$50,348,307	\$-1,278,749
Fringe Benefits	16,788,535	17,553,197	16,111,459	-1,441,738
Supplies and Materials	7,063,933	0	0	0
Equipment and Facility Rent Services	368,511	0	0	0
Operating Expenditures	23,107,573	0	0	0
Equipment	0	29,369,307	29,478,181	108,874.00
Special Funds	4,101,799	5,771,295	5,151,166	-620,129
	<u>1,053</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
<b>TOTAL</b>	102,549,474	104,322,355	101,090,613	-3,231,742
<b>REVENUES</b>				
Charges for Services	\$4,593,972	\$5,460,800	\$7,414,500	\$1,953,700
Licenses and Permits	508,141	840,500	698,000	-142,500
Miscellaneous	<u>1,695,032</u>	<u>2,383,800</u>	<u>379,300</u>	<u>-2,004,500</u>
<b>TOTAL</b>	\$6,797,145	\$8,685,100	\$8,491,800	\$-193,300

**CAPITAL PROJECTS** - Include \$34,155,576 for capital projects in the 2000 capital budget.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL*</b>				
FTEs - Operations and Maintenance	1,827.98	1,926.37	1,875.42	-50.95
FTEs - Other	499.16	509.24	505.36	-3.88
Total Positions Authorized	4,188	4,191	4,155	-36
DLH - Operations and Maintenance	3,278,686	3,376,817	3,358,474	-18,343
DLH - Other Funds	896,056	941,891	910,464	-31,427
<b>EXPENDITURES</b>				
<b>GENERAL CITY PURPOSES</b>				
Administrative Services	\$8,717,793	\$7,498,364	\$7,192,245	\$-306,119
Buildings and Fleet Services	30,419,325	31,804,085	30,344,791	-1,459,294
Forestry	9,151,416	9,730,095	9,742,061	11,966
Infrastructure Services	23,417,679	23,057,446	21,719,040	-1,338,406
Sanitation	<u>30,843,261</u>	<u>32,232,365</u>	<u>32,092,476</u>	<u>-139,889</u>
<b>SUBTOTAL-GENERAL CITY PURPOSES</b>	<b>\$102,549,474</b>	<b>\$104,322,355</b>	<b>\$101,090,613</b>	<b>\$-3,231,742</b>
<b>WATER WORKS (Public Utility)</b>				
Operating Budget	\$57,980,268	\$59,339,069	\$57,634,526	\$-1,704,543
Deposit to Retained Earnings	0	0	0	0
Capital Improvements Program	<u>43,905,633</u>	<u>24,300,000</u>	<u>12,120,000</u>	<u>-12,180,000</u>
<b>TOTAL WATER WORKS</b>	<b>\$101,885,901</b>	<b>\$83,639,069</b>	<b>\$69,754,526</b>	<b>\$-13,884,543</b>
<b>PARKING BUDGET</b>				
Operating and Maintenance Budget	\$11,869,617	\$13,656,060	\$15,401,779	\$1,745,719
Capital Improvements	7,093,810	5,869,160	0	-5,869,160
Addition to Parking Reserves	589,256	202,244	0	-202,244
Capital Improvements to be Financed from Permanent Improvement Reserve Fund - Parking	<u>0</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>0</u>
<b>TOTAL PARKING BUDGET</b>	<b>\$19,552,683</b>	<b>\$29,727,464</b>	<b>\$25,401,779</b>	<b>\$-4,325,685</b>
<b>SEWER MAINTENANCE FUND</b>				
Operating and Maintenance Budget	\$8,219,927	\$9,695,024	\$15,915,620	\$6,220,596
Capital Improvements	<u>\$0</u>	<u>\$0</u>	<u>\$14,560,000</u>	<u>\$14,560,000</u>
<b>TOTAL SEWER FUND BUDGET</b>	<b>\$8,219,927</b>	<b>\$9,695,024</b>	<b>\$30,475,620</b>	<b>\$20,780,596</b>
<b>GRAND TOTAL-DEPARTMENT OF PUBLIC WORKS</b>	<b>\$232,207,985</b>	<b>\$227,383,912</b>	<b>\$226,722,538</b>	<b>\$-661,374</b>

\* Personnel totals reflect operating divisions, Water Works, Sewer Maintenance Fund, and Parking Fund.

**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

Positions	O & M FTEs	Non O & M FTEs	Oper. Funding	Non-Oper. Funding	Position Title	Reason
<b>ADMINISTRATIVE SERVICES DIVISION</b>						
1	1.00		\$30,865		Accounting Assistant II	Restructure management staff.
1	1.00		\$43,416		Management Accountant-Senior	
-2	-2.00		\$-121,223		Business Operations Manager	
1	1.00		\$57,665		Electrical Engineer III	Transfer from Buildings and Fleet Division.
1	1.00		\$45,923		Electrical Drafting Tech	
3	3.00		\$127,975		Engineering Drafting Tech IV	
		4.00		\$153,051	Reimbursable deduction	
<b>BUILDINGS AND FLEET DIVISION</b>						
ADMINISTRATION SECTION						
-1	-1.00		\$-30,950		Electrical Parts Clerk III	Replace Electrical Parts Clerk III with Inventory Control Assistant IV.
1	1.00		\$31,259		Inventory Control Assistant IV	
-1	-1.00		\$-28,008		Office Assistant III	Vacant position.
	-1.00		\$0		Miscellaneous Adjustment	Correct error from prior year.
FLEET SERVICES SECTION						
0	-0.30		\$0		Fuel System Tech	Experience adjustment.
-1	-1.00		\$-35,190		Vehicle Service Technician-Heavy	Reduced vehicle maintenance.
FLEET OPERATIONS SECTION						
-2	-2.00		\$-65,929		Truck Driver	Reduction through attrition.
0	-0.50		\$-16,026		Driver Worker	Reduction in street and alley maintenance.
0	0.40		\$0		Miscellaneous Auxiliary Adjustment	
DESIGN/CONSTRUCTION SECTION						
-1	-1.00		\$-57,665		Architect III	Vacant position.
-1	-1.00		\$-44,201		Mechanical Engineer II	
-1		-1.00		\$-80,476	Architecture Project Manager	Technical adjustment.
1		1.00		\$52,695	Architect III	
-1	-0.40	-0.60	\$-23,066	\$-34,599	Electrical Engineer III	Transfer to Administrative Services Division.
-1	-1.00		\$-50,769		Electrical Engineer II	
-1	-0.40	-0.60	\$-18,369	\$-27,554	Electrical Drafting Technician	
-3	-1.20	-1.80	\$-51,190	\$-76,785	Engineering Drafting Tech IV	

DEPARTMENT OF PUBLIC WORKS

Positions	O & M FTEs	Non O & M FTEs	Oper. Funding	Non-Oper. Funding	Position Title	Reason
-1	-1.00		\$-50,769		Architectural Designer II	Vacant position.
1	0.00		\$0		Mechanical Engineer II	Provide unfunded position authority.
0	-1.70		\$0		Miscellaneous Adjustment	] Experience adjustment.
0		1.20		\$0	Miscellaneous Adjustment	
<b>FACILITIES MANAGEMENT SECTION</b>						
-9	-9.00		\$-246,089		Custodial Worker II/City Laborer	] Vacant position.
-1	-1.00		\$-33,242		Heating and Ventilating Mech. II	
-1	-1.00		\$-39,812		Control Systems Tech	] Replace Control Systems Tech with Facilities Control Specialist.
1	1.00		\$50,385		Facilities Control Specialist	
-1	-1.00		\$-33,374		Heating & Ventilating Mechanic II	] Reduced building maintenance.
-1	-1.00		\$-43,078		Mechanical Maintenance Supervisor	
<b>FACILITIES REPAIR SECTION</b>						
-2	-2.00		\$-53,770		Carpenter	Vacant position.
-2	-2.00		\$-79,073		Painter	Reduced building maintenance.
0	-1.00		\$0		Miscellaneous Adjustment	
<b>FORESTRY DIVISION</b>						
-10	0.00				Urban Forestry Specialist	Elimination of vacant unfunded positions.
-20	0.00				Urban Forestry Laborer (Seasonal)	Elimination of vacant unfunded auxiliary positions.
-2	-1.86		\$-56,500		Urban Forestry Specialist	] Reduction in boulevard maintenance activities.
-2	-1.95		\$-55,500		Urban Forestry Laborer (Seasonal)	
0		2.73		\$0	Miscellaneous Adjustment	Experience adjustment
<b>INFRASTRUCTURE SERVICES DIVISION</b>						
<b>ADMINISTRATION DECISION UNIT</b>						
-1	-1.00		\$-19,125		Office Assistant II	Vacant position.
1	1.00		\$42,380		Public Works Inspector II (A)	Add position for Labor Contract Administrator.
-1	-0.40	-0.60	\$-18,329	\$-27,906	Engineering Technician V	Reductions in various areas.
<b>TRANSPORTATION DECISION UNIT</b>						
-1	0.00				Duplicating Equipment Operator I	Vacant position.
0	-1.00				Engineering Drafting Tech IV	Experience adjustment.
-1	-0.60	-0.40	\$-16,780	\$-11,151	Office Assistant IV	] Vacant positions.
-1	-0.78	-0.22	\$-38,043	\$-10,192	Civil Engineer III	
-1	-0.68	-0.32	\$-34,000	\$-16,630	Traffic Control Engineer II	] Reductions in various areas.
-1	-0.82	-0.18	\$-65,875	\$-14,380	Management Civil Engineer-Senior	
-1	-0.78	-0.22	\$-25,779	\$-7,083	Engineering Technician IV	] Reductions in various areas.
-1	-0.97	-0.03	\$-82,827	\$-2,713	Street Lighting Engineer	
1	1.00		\$85,540		Management Civil Engineer-Senior	
-1	-0.26	-0.74	\$-6,295	\$-17,779	Engineering Drafting Technician II	

DEPARTMENT OF PUBLIC WORKS

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Positions	O & M FTEs	Non O & M FTEs	Oper. Funding	Non-Oper. Funding	Position Title	Reason
<b>CONSTRUCTION DECISION UNIT</b>						
0	-0.20	-1.40	\$-7,225	\$-65,024	Engineering Tech II	] Vacant position.
0		-0.20		\$-8,490	Engineering Tech V (Auxiliary)	
0		-1.20		\$-37,028	Public Works Inspector II (X)	
-1	-0.86	-0.14	\$-27,000	\$-4,540	Engineering Technician II	Reductions in various areas.
<b>FIELD OPERATIONS - STREETS/ BRIDGES OPERATIONS DECISION UNIT</b>						
-1	-1.00		\$-28,010		City Laborer	Operating efficiencies created by new equipment.
0	-0.60	-0.40	\$-27,623	\$-16,931	Iron Worker	Vacant position.
-2	-2.00		\$-85,800		Street Repair Supervisor	] Reductions in various areas.
-1	-1.00		\$-43,683		Public Works Inspector II	
-1	-1.00		\$-30,529		Office Assistant IV	
0	-0.47		\$-15,949		Asphalt Repair Crew Leader	] Reduction in street and alley maintenance.
0	-0.94		\$-29,207		Asphalt Worker	
0	-1.44		\$-40,297		City Laborer	
<b>FIELD OPERATIONS - ELECTRICAL SERVICES DECISION UNIT</b>						
1	1.00				Laborer, Electrical Services	] Replace City Laborer with a Electrical Services Laborer.
-1	-1.00				City Laborer Regular	
<b>FIELD OPERATIONS - SUPPORT SERVICES DECISION UNIT</b>						
0	-0.50	-0.50	\$-15,490	\$-14,300	Electrical Services Machinist I	Vacant position.
	-21.50	4.20			Miscellaneous experience adjustments	
<b>SANITATION DIVISION</b>						
-1	-1.25		\$-36,507		Sanitation Worker	Reduction in rear load route as a result of servicing fewer apartment buildings related to apartment garbage collection.
0	1.00	-1.00	\$31,035	\$-31,035	Driver Loader	Shift recycling costs from grant to operating.
-72	-65.96	1.58	\$-1,381,723	\$-298,850	<b>TOTAL</b>	

# DEPARTMENT OF PUBLIC WORKS ADMINISTRATIVE SERVICES DIVISION

## EXECUTIVE SUMMARY

**STRATEGIC ISSUES:** Provide administrative support, guidance, and direction for all of the department's strategic issues. These strategic issues are specified in the DPW summary.

**INITIATIVES FOR 2000:** Continue implementation of a time entry system to help facilitate implementation of the city's new FMIS.

Consolidate communication services provided by DPW in the Administrative Services Division.

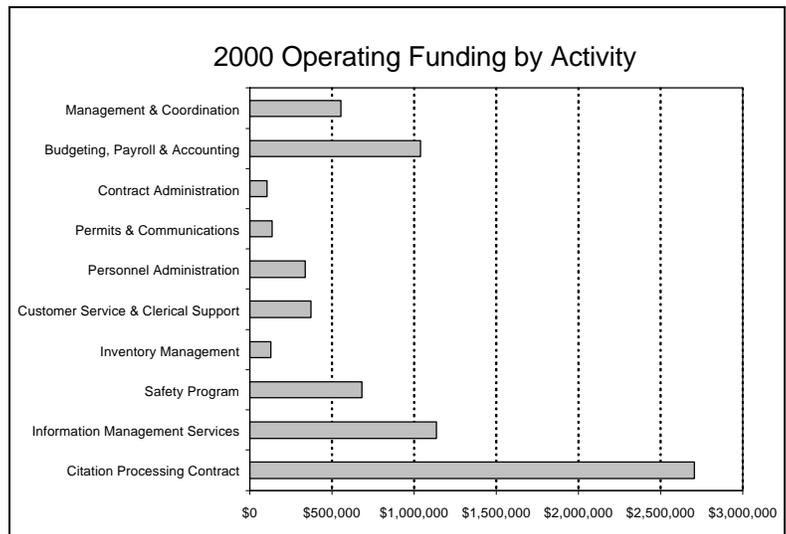
## BACKGROUND

The Administrative Services Division was created as a part of the 1996 Department of Public Works reorganization and consists primarily of components of the former Administration Division. During 1996, the Department of Public Works began the process of consolidating administrative functions within the Administrative Services Division. This process was continued in 1997 as all levels of DPW administrative staff worked to complete an implementation plan for the reorganization of administrative activities.

The consolidation of administrative activities within the Administrative Services Division was approved by the Common Council and Mayor in the 1998 budget. These activities include budget preparation and control, accounting, payroll, human resources, purchasing and inventory, information systems and establishment of a citizen call center. This consolidation allowed the department to reduce administrative staffing levels by 20 positions.

The Administrative Services Division's 2000 budget includes operating funds totaling \$7.2 million. Most

Figure 1



of the division's activities serve to support the efforts of other Public Works divisions to achieve their objectives. Therefore, costs of the Administrative Services Division's activities are distributed across all DPW objectives. Figure 1 provides a breakdown of funding by the division's activities.

## PROGRAMS AND ACTIVITIES

- Administrative management and coordination
- Planning, budgeting, payroll, and accounting
- Contract administration
- Public information and special event permits
- Personnel administration
- Customer service and clerical support
- Materials management
- Safety program

- Technology support services
- Citation processing contract administration
- Parking Fund administration and management

## PROGRAM CHANGES

### **Citation Processing/Cash Management Contract:**

The Department of Public Works is responsible for administration of the city's citation processing/cash management contract. In 1998, the department awarded a new contract for this service to Professional Account Management/Enforcement Technology Incorporated (PAM). PAM created a state-of-the-art processing center and two new customer service centers. A staff of 41 was hired and parking checkers were issued automated hand-held ticket writers.

The vendor's first year report (covering the period of May 1998 through April 1999) demonstrated improvement, compared to the prior year, in the following areas:

- Citation issuance increased by 6.8%, or 53,605 citations;
- Gross citation revenue to the city increased by 12.9%, or \$1,363,389;
- Collection of delinquent parking citations increased by 124%, or \$2.2 million; and
- Provided the option to pay citations via telephone using credit cards.

In a continuing effort to improve citation collection, the department proposes to add a new fee to overdue parking citations. Specifically, the additional fee for citations past due 58 days was increased from \$20 to \$25. For citations that remain unpaid past 58 days, the department uses the State of Wisconsin Department of Transportation (DOT) traffic violation and registration program, which suspends the operator's license of any vehicle owner with unpaid parking citations.

DOT charges DPW a \$5 fee for each suspension. Rather than pass this fee back to city taxpayers, the fee was added to the citation. This represents one method of more aggressively pursuing payment of delinquent citations. The Common Council adopted this fee on July 29, 1999; it takes effect September 15, 1999.

**City GIS Services:** The 2000 budget includes a restructuring of the way in which the city provides

information system services including Geographical Information System (GIS) services. DPW previously obtained GIS services - on a charge for services basis - from the Milwaukee Information Systems section of DOA's Central Services Division. The budget creates a new Information and Technology Management Division (ITMD) within DOA to provide centrally certain information infrastructure services. ITMD will contain funding sufficient to continue support for GIS services at existing levels, eliminating the need to fund these activities in the budget of DPW Administrative Services. Consequently, Administrative Services budget is reduced by \$230,000 for GIS costs and \$100,000 for other information infrastructure services. An additional \$52,000 reduction in other information technology expenses is also included in the budget.

**Centralizing Communications Staff:** Communication services for city departments and agencies, including telephone billings, telephone repairs, data and communications hardware and network connections, are provided by DPW staff in two divisions: Administrative Services and Buildings and Fleet. The 2000 budget consolidates these functions, along with staff, in DPW Administrative Services. Five staff positions are transferred from Buildings and Fleet to Administrative Services. This change will achieve operating efficiencies, enabling a reduction of \$60,000.

**Management Staff Restructuring:** As a continuing effort to improve its management functions, DPW Administrative Services is restructuring its business operations staff. Specifically, two Business Operations Manager positions (funded at Pay Grade 8) are eliminated and replaced by a Management Accountant Senior (Pay Grade 4) and an Accounting Assistant II (Pay Range 445). This change creates positions better suited to DPW Administrative Services actual functions and workload and generates annual savings of \$84,000.

**Computer Replacement:** The 2000 budget includes \$50,000 for replacement of 25 computers. Department of Public Works employees rely on more than 600 personal computers in order to efficiently provide services to the public. Funding to replace broken or obsolete equipment is critical to the continued operation of DPW's computer network.

**CAPITAL IMPROVEMENTS**

**College Avenue Landfill Closure:** The Administrative Services Division is responsible for one capital project, the College Avenue Landfill Closure, funded at \$70,000. Funding for this project in prior years

has been used to close the landfill. By the end of 1999, the landfill will be closed. However, monitoring and testing at the site will need to continue to ensure compliance with state and federal standards.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	60.04	58.75	63.75	5.00
FTEs - Other	1.10	2.25	6.25	4.00
Total Positions Authorized	66	66	71	5
DLH - Operations and Maintenance	106,496	105,750	108,200	2,450
DLH - Other Funds	1,927	4,050	12,950	8,900
<b>EXPENDITURES</b>				
Salaries and Wages	\$2,783,689	\$2,628,587	\$2,615,751	\$-12,836
Fringe Benefits	908,206	893,720	837,040	-56,680
Supplies and Materials	41,458	0	0	0
Equipment and Facility Rent	7,908	0	0	0
Services	4,976,384	0	0	0
Operating Expenditures	0	3,974,557	3,687,954	-286,603
Equipment	0	0	50,000	50,000
Special Funds	148	1,500	1,500	0
<b>TOTAL</b>	<b>\$8,717,793</b>	<b>\$7,498,364</b>	<b>\$7,192,245</b>	<b>\$-306,119</b>
<b>REVENUES</b>				
Charges for Services	\$368,677	\$365,000	\$365,000	\$0
Licenses and Permits	508,141	840,500	698,000	-142,500
Miscellaneous	29,105	28,000	0	-28,000
<b>TOTAL</b>	<b>\$905,923</b>	<b>\$1,233,500</b>	<b>\$1,063,000</b>	<b>\$-170,500</b>

**CAPITAL PROJECTS** - Includes \$70,000 for the College Avenue Landfill Closure project.

# DEPARTMENT OF PUBLIC WORKS BUILDINGS AND FLEET DIVISION

## EXECUTIVE SUMMARY

**STRATEGIC ISSUES:** Continuously improve services and reduce costs of providing fleet and building services to city departments and agencies.

Evaluate service demand, delivery, and costs to identify those services that should be maintained and those that might be provided more economically through other options.

Improve the condition of city-owned buildings and facilities

**INITIATIVES FOR 2000:** Replace emergency power generator in downtown complex.

Begin upgrade of electrical switch gear in downtown complex.

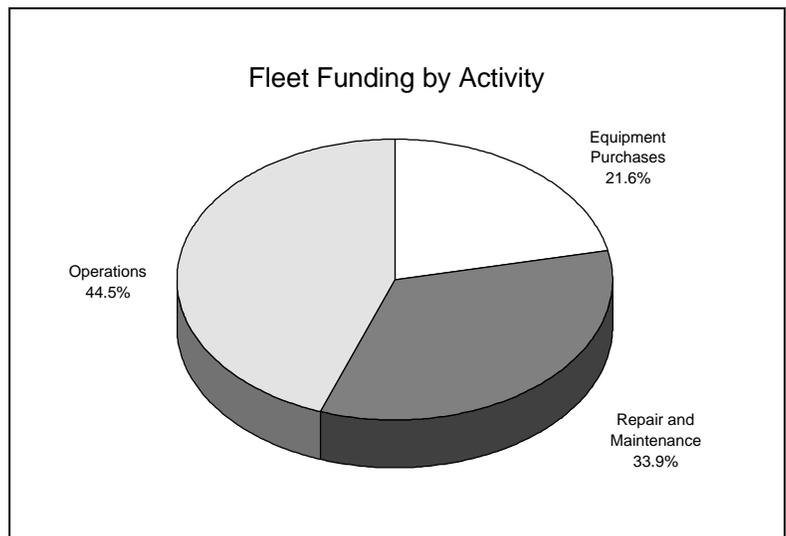
## BACKGROUND

As part of the 1996 reorganization of the Department of Public Works (DPW), sections of Municipal Equipment, the Bridges and Buildings Division, and the Traffic Engineering and Electrical Services Division combined to form what is now known as the Buildings and Fleet Division. A large portion of the division's activity centers around the Fleet Services and Operations Sections, which were formerly part of Municipal Equipment – a division created by the Common Council in 1923 that began operations in 1924.

In total, the Buildings and Fleet Division (BFD) operates and maintains the city's centralized fleet of over 2,500 motor vehicles and related equipment valued at over \$49 million. The division provides this equipment to other DPW divisions (excluding the Sewer Maintenance Fund) free of charge. It also rents vehicles and equipment on a permanent or temporary basis to other city departments. In addition, the division maintains vehicles owned by the Library, Police and Water Works.

The Buildings and Fleet Division also provides building services, a responsibility formerly located in what was the Bridges and Buildings Division of the Department of Public Works. The Buildings and

Figure 1



Fleet Division (BFD) oversees maintenance of all city facilities excluding those of the Port of Milwaukee and the Milwaukee Public Library. Consequently, BFD oversees 160 of the city's 220 buildings.

Approximately \$30.3 million in operating funds are included in the 2000 budget for the Buildings and Fleet Division. In addition, the division's 2000 budget reflects capital funding of \$4.5 million.

## ACTIVITIES

Many activities of BFD support other DPW divisions in achieving their objectives. As a result, funding for the activities of the Administration, Fleet Services, and Operations Sections of the division is distributed across all DPW objectives, as shown in Figure 1. BFD's activities include:

- Acquiring heavy and light duty vehicles and equipment
- Repair and maintenance of the city's fleet
- Providing equipment and operations to DPW divisions and city agencies

## PROGRAM CHANGES

**Reduction in Replacement Equipment:** Replacement equipment is reduced by approximately \$560,000 in the 2000 budget. The savings will be generated through acquisition of fewer garbage packers. BFD determined that fewer new packers will be needed in 2000 due to the number of new packers brought on-line in 1999. In addition, the Sanitation Division is in the process of converting to fully-automated packers on routes currently serviced by semi-automated packers. The change will reduce the number of sanitation routes in the city and the number of packers needed to service the routes. Thus, the number of replacement packers is also reduced.

Additional savings will also be generated through the use of glider kits. These kits replace the chassis and frame of certain heavy vehicles and allow for continued use of existing engines and transmissions. Other savings will be generated through a reduction in the number of replacement light trucks in 2000.

**Increase in Police Board-Up Revenue:** An increase of \$163,000 in police board-up revenue is reflected in the 2000 budget. The additional revenue is due to a projected increase in requests by the Police Department and other city departments.

**Reduction in Fuel Expenditures:** The 2000 budget includes a \$100,000 reduction in fuel expenditures. The reduction is a result of lower fuel consumption due to a reduction in the number of hours of engine and vehicle operation.

**Discontinuation of Milwaukee Public Schools Garbage Collection:** BFD determined not to submit

a bid for Milwaukee Public Schools garbage collection. The contract would have required BFD to provide waste container maintenance, a function that made the contract less desirable for BFD to pursue. The change involves a reduction in two Truck Driver positions in BFD's Operations Section, for salary savings of approximately \$65,000.

**Centralizing Communications Staff:** The 2000 budget reflects the reassignment of BFD's communications staff to DPW's Administrative Services Division. This centralization effort reassigns three Engineering Drafting Technicians, one Electrical Drafting Technician and one Electrical Engineer to the Technology Support Section within the Administrative Services Division. The change is intended to generate operating efficiencies. One vacant Electrical Engineer position will be eliminated as part of this initiative, resulting in a salary reduction of approximately \$50,000.

**Reduction in Vacant Positions:** The elimination of 13 vacant positions within BFD's budget is included in the 2000 budget. The reductions include nine Custodial Workers, two Architects, one Mechanical Engineer, and one Heating and Ventilation Mechanic. Since the reductions involve vacant positions, there will be no impact on city services. The reductions result in salary savings of approximately \$125,000.

**Salary Adjustment for Fleet Services Manager:** An adjustment of approximately \$23,000 is included in the budget to account for the salary differential between the former and current manager. The current manager is at a lower step within the salary range than the previous manager.

**Reduce Buildings and Fleet Staff:** Eliminate one vacant Office Assistant III position. This reduces salary expenses by \$28,000 and staffing by one FTE. This represents a 25% reduction in the support staff positions in the Administration Section of BFD. However, because this position is currently vacant, there should be no effect on services. Since this position supports the division's overall operations, this reduction affects all of DPW's objectives.

**Reduce City Building and Vehicle Maintenance:** This proposal eliminates five positions, including one Vehicle Service Technician, two Painters, one

Heating and Ventilation Mechanic, and one Mechanical Maintenance Supervisor, all positions are vacant. The proposal will reduce \$190,000 in salary and wage expenses. These positions perform various city building and vehicle maintenance functions. The number of Painters is reduced by 14%, the number of Heating and Ventilation Mechanics is reduced by 9%, and the number of Vehicle Service Techni-

cians is reduced by 2%. However, since all these positions are currently vacant, there should be no significant reduction in the level of maintenance services provided by DPW. The reduction of the supervisor position results in increased supervisory responsibilities among remaining Buildings and Fleet staff.

## DPW OBJECTIVE 17

**Provide quality support facilities by assessing the condition of city-owned buildings and by satisfying 90% of customers with building maintenance services.**

### OUTCOME HISTORY (see page 175)

The Department of Public Works' 2000 budget includes approximately \$14.3 million in operating funds to provide quality support facilities. Approximately \$10.0 million in the Buildings and Fleet Division's budget, \$304,000 in the Administrative Services Division budget, and approximately \$4.0 million in the capital budget is used to meet this objective.

BFD's building maintenance activities focus on providing quality support for facilities used by city agencies (all facilities excluding those of the Port and Library) with the exception of play lots. BFD maintains HVAC systems, provides custodial services, and oversees architectural design work for 160 city buildings. The division is also responsible for a wide variety of building repairs that range from window to roof replacements.

BFD works to achieve the objective of providing quality support facilities through performing condition assessments on city buildings. Condition assessments involve a physical inspection of buildings by BFD staff. The information gathered through the

assessment allows the division to plan for the maintenance and repair of the facility.

By 1996, BFD had completed condition assessments for the city facilities for which BFD is responsible. DPW will continue to assess the condition of city facilities as part of its routine maintenance activities and use the information to update its Facilities Condition Index (FCI).

The FCI is a computerized index that BFD uses to evaluate building conditions and prioritize maintenance needs. The FCI is a relative index based upon a facility's current repair cost and the costs required to replace the facility in like materials and design at current labor and material costs. Index values directly identify those facilities most in need of immediate repair.

### ACTIVITIES

- Architectural and mechanical design
- Communication engineering and service
- Construction management
- Custodial, electrical, and heating and ventilation services
- Masonry, carpentry, painting, and concrete work
- Inspection, maintenance, and repair of recreational facilities

## CAPITAL IMPROVEMENTS

Funding totaling \$4.5 million is included in the 2000 budget for BFD's capital programs. In 1998, the account structure for the division's capital projects and

programs was consolidated. This consolidation has resulted in the following eight capital programs.

**Environmental Program:** This program helps to provide a safe environment for the public and city employees in city-owned buildings through removal of hazardous building materials. The project areas consist of:

- Asbestos Abatement
- Lead Abatement
- Soil and Groundwater Remediation

Funding of \$440,000 is included in the 2000 capital budget for this program.

**City Hall Restoration Program:** In the 2000 capital budget, \$640,000 is allocated for this program. The program is to maintain the exterior of City Hall in a watertight and energy-efficient condition. Funding will be used for repair and replacement of roof components, masonry tuck pointing, gutter repair, window replacements, fire escape upgrades, and other miscellaneous interior and exterior items.

**Communication Program:** The 2000 budget includes capital funding of \$500,000 for continuation of the program to interconnect the majority of the city's 220 buildings in a Wide Area Network (WAN) for telephone and data communications.

**Recreational Program:** The Buildings and Fleet Division maintains and improves neighborhood recreation facilities, including children's play areas and stand-alone recreation sites. In 2000, the division intends to upgrade eight playfields/playgrounds. In addition to the replacement of equipment due to normal wear and tear, the division will work to improve the accessibility of play areas and to insure they meet safety and ADA requirements. In the 2000 budget, \$500,000 is provided for this purpose.

**Facility Systems Program:** The 2000 capital budget includes approximately \$1.4 million to keep the city's buildings in good operating condition. In 2000, BFD has scheduled replacement of the emergency power generator and the electrical switching equipment in the downtown complex. Funding is also provided for the following project areas:

- Central Chiller Replacement
- Upgrade of Electrical Switchgear and Transformers
- Mechanical Systems Upgrades
- Boiler/Mechanical Replacement Program
- Digital Control and Computerized Facilities Management System Upgrade and Network Expansion
- Security
- Fire Protection
- Emergency Generator Replacement
- HVAC and Lighting Replacement

**Facility Interior Upgrades:** Included in the 2000 capital program is facilities interior upgrades. This program provides funding for interior remodeling and upgrades for various city agencies (DPW and non-DPW space). Upgrades include meeting the new State Energy Code requirements for lighting, controls, and HVAC. Services provided by the division include office space planning and development of cost proposals to meet the changing needs of city agencies. BFD also continues to upgrade existing facilities to ensure compliance with federal ADA requirements. This program will receive funding totaling \$405,000 in 2000.

**Facility Exterior Upgrades:** This program helps to maintain the exterior of city facilities in a watertight and energy efficient condition and replace yard and parking lot pavements as needed. The project includes various replacements and maintenance items, as recommended by the Facility Condition Information System. This program is funded at \$525,000 in the capital budget.

**Interim Reorganizational Alterations:** This program provides \$125,000 in funding for architectural and engineering services related to office space studies. Funding will be used for preparation of preliminary plans and cost estimates for remodeling projects, and for unscheduled interior office alterations for city departments.

## BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	407.31	425.70	395.60	-30.10
FTEs - Other	91.03	77.20	75.40	-1.80
Total Positions Authorized	1,149	1,207	1,179	-28
DLH - Operations and Maintenance	733,159	766,260	712,150	-54,110
DLH - Other Funds	189,347	138,960	135,272	-3,688
<b>EXPENDITURES</b>				
Salaries and Wages	\$15,633,105	\$15,690,359	\$15,032,361	\$-657,998
Fringe Benefits	5,200,505	5,334,721	4,810,355	-524,366
Supplies and Materials	3,157,740	0	0	0
Equipment and Facility Rent	324,030	0	0	0
Services	3,155,012	0	0	0
Operating Expenditures	0	6,206,365	6,487,100	280,735
Equipment	2,948,933	4,572,640	4,014,975	-557,665
Special Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$30,419,325</b>	<b>\$31,804,085</b>	<b>\$30,344,791</b>	<b>\$-1,459,294</b>
<b>REVENUES</b>				
Charges for Services	\$1,557,083	\$1,589,000	\$1,601,000	\$12,000
Licenses and Permits	<u>1,328,668</u>	<u>1,875,362</u>	<u>1,329,300</u>	<u>-546,062</u>
<b>TOTAL</b>	<b>\$2,885,751</b>	<b>\$3,464,362</b>	<b>\$2,930,300</b>	<b>\$-534,062</b>

**CAPITAL PROJECTS** - Include \$4,510,000 for the following projects

a. Facility Systems Program	\$1,375,000
b. City Hall Restoration Program	\$640,000
c. Building Structural Maintenance	\$525,000
d. Recreational Facilities	\$500,000
e. Communication Program	\$500,000
f. Environmental Remediation Program	\$440,000
g. Facilities Interior Upgrades	\$405,000
h. Interim Reorganization Alterations	\$125,000

# DEPARTMENT OF PUBLIC WORKS FORESTRY DIVISION

## EXECUTIVE SUMMARY

- STRATEGIC ISSUES:** Create and maintain boulevards that improve the appearance and environment of Milwaukee neighborhoods.
- Maintain a healthy urban forest.
- Improve the environment and appearance of Milwaukee by encouraging citizens to plant and maintain trees on private property.
- INITIATIVES FOR 2000:** Cooperate with the Wisconsin Department of Agriculture, Trade and Consumer Protection (WDTCP) to develop strategies to monitor current “Gypsy Moth” infestations and potential Asian Longhorned Beetle infestations within Milwaukee’s urban forest.
- Assist in development of “Greening Milwaukee’s Schools” initiatives, in cooperation with Milwaukee Public Schools and local not-for-profit organizations.
- Continue to implement efficiency improvements in boulevard and tree maintenance.

## BACKGROUND

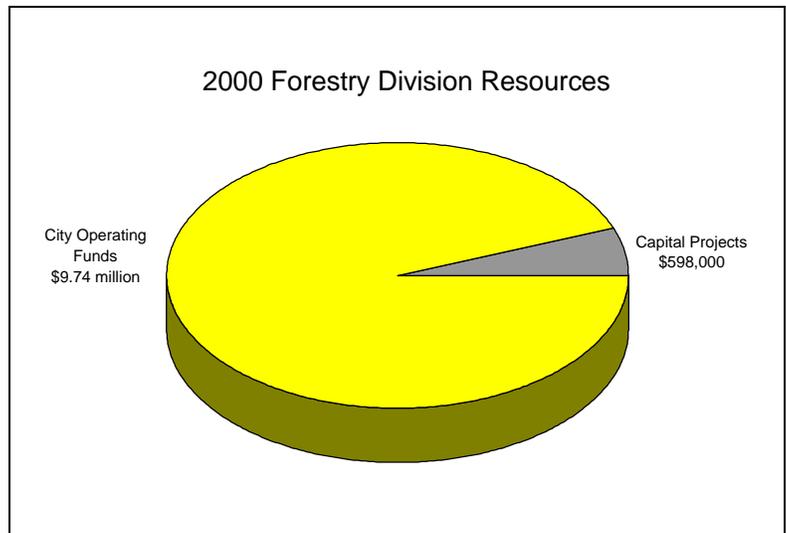
The Forestry Division was created by the state legislature in 1917. Milwaukee’s urban forestry program has been recognized as being a model for the nation by national forestry organizations, businesses, and visitors to the city. The Department of Public Works’ urban forestry program currently maintains 200,000 trees and 120 miles of boulevards that provide Milwaukee with the natural beauty both residents and visitors enjoy.

In 2000, the Forestry Division will continue to improve public components of the urban landscape including:

- Boulevards
- City grounds
- Trees
- Recreational facilities (grounds maintenance)

Improving these areas contributes to a healthy environment, attractive neighborhoods, and a favorable image of Milwaukee among visitors. In winter months, Forestry also assists the Sanitation Division

Figure 1



in the coordination of snow and ice control. The Forestry Division will control over \$10.3 million in resources in 2000 (see Figure 1). The city operating budget will provide approximately \$9.74 million for salaries and fringe benefits, equipment, and services costs, while the capital improvements budget will provide \$598,000 for ongoing capital projects.

**DPW OBJECTIVE 5**

**Reduce the number of citizen complaints regarding the condition of the boulevards to less than 50 per year.**

**OUTCOME HISTORY (see page 173)**

The Forestry Division is responsible for designing the landscaping as well as for the ongoing maintenance of the city's boulevard system. Landscape design typically incorporates trees, shrubs, floral beds, turf and concealed irrigation systems onto the existing boulevards. The Forestry Division has been able to achieve cost savings in boulevard maintenance and design as a result of efficiencies gained by using mobile maintenance crews, shifts in code enforcement, better placement of water valves, consolidation of mowing routes, and increased use of lower maintenance shrubs and perennial flowers.

In the effort to increase citizen satisfaction with boulevard appearance in 2000, the Forestry Division plans to use \$4.5 million in operating funds for maintenance of more than 476 acres of boulevards and green spaces. In addition, Forestry plans to use \$152,000 in capital funds for boulevard-related projects. The total DPW budget includes \$5 million for this objective. In addition to this level of funding, the Forestry Division will also measure the satisfaction of residents with the appearance of the boulevard system by tracking the number of complaints regarding the condition of boulevards.

**ACTIVITIES**

- Turf maintenance
- Irrigation systems repair
- Bed maintenance
- Tree and shrub planting

**PROGRAM CHANGES**

**Transfer of Mowing Services:** The 1999 budget reflected an initiative to consolidate all of the De-

partment of Public Works' mowing activities into the Forestry Division in order to increase efficiency in mowing services. Formerly, several divisions in the Department of Public Works (DPW) were responsible for mowing. Such fragmentation of mowing responsibility among various divisions made it difficult for the department to use labor and equipment in the most efficient manner possible.

The Forestry Division now provides mowing and general grounds maintenance service to Water Works on a reimbursable basis. Responsibility for enforcement of the city's noxious weed code and vacant lot mowing is still controlled by Sanitation, where it will remain for 2000. The Forestry Division and Sanitation have requested that weed code enforcement, along with tree and shrub encroachment enforcement, be moved into the Department of Neighborhood Services because both of these codes involve violations occurring on private property. In 2000, further analysis will be done to determine the most appropriate place for these responsibilities.

**Reduction in Boulevard Mowing:** In 2000, the Forestry Division will assume a 25% reduction in all boulevard mowing. The division will continue to mow boulevards on a weekly basis for the majority of the growing season. The reduction in mowing will begin mid-July when the growth rate slows down; during which time the boulevards will be mowed bi-weekly. This new mowing schedule will reduce boulevard mowing from 25 to 18 times per year, and yields savings of \$55,000.

**Transfer of Shrub Replacement:** In 2000, the Forestry Division will no longer use operating funds for boulevard shrub replacement. All shrub replacement will be done in three-year cycles under the capital program for tree and shrub replacement. This change in funding will result in savings of \$68,000 in Forestry's operating budget.

**CAPITAL IMPROVEMENTS**

As part of the 2000 capital improvements plan, \$152,000 will be allocated for concealed irrigation and general landscaping of city boulevards. This program includes funding for all phases of new and

existing systems: water tap installation, raising water services, and construction of the concealed irrigation systems in conjunction with the paving program.

**DPW OBJECTIVE 6**

**Reduce three-year average tree mortality rate to less than 1.5% by the year 2000.**

**OUTCOME HISTORY (see page 173)**

The 2000 Forestry budget includes \$5.2 million in operating funding and \$446,000 in capital funding for the care and maintenance of approximately 200,000 trees in public spaces throughout the city. The total DPW budget for this objective includes \$6 million in funding.

Over the last ten years, the overall tree mortality rate has decreased from over 2.5% to about 2%. Although the mortality rate increased slightly in 1997 and 1998, this is due to a change in criteria for removal. Forestry now removes marginal trees instead of waiting until they are nearly dead. In the long run, this policy will result in a healthier urban forest and a decreased mortality rate (see Figure 2).

The Forestry Division participates with the U.S. Department of Agriculture to trap the Gypsy Moth, and determine its spread in Milwaukee. In 1998, the Wisconsin Department of Trade and Consumer Protection expanded the Gypsy Moth quarantine to Milwaukee, Waukesha and eleven other eastern counties. Due to the steady moth population increases (see Figure 3), the Forestry Division will work with these agencies to increase monitoring efforts, research "Entomaphoga" (a fungus that attacks Gypsy Moth larvae) as a control measure, and develop information and outreach programs targeted toward Milwaukee citizens.

In 2000, the Forestry Division will also work with the Department of Agriculture to aggressively monitor Asian Longhorned Beetle populations around the state. Potential infestations would have serious effects on the tree mortality rate for the city's urban forest. As a precaution, the Forestry Division is taking a pro-active approach to avoid such infestations.

In 1998 and 1999, the City of Milwaukee experienced a number of windstorms, which

Figure 2

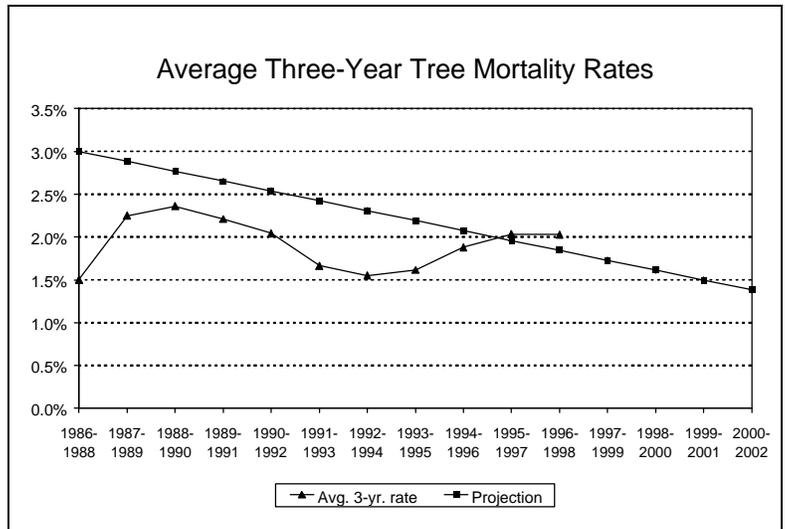


Figure 3

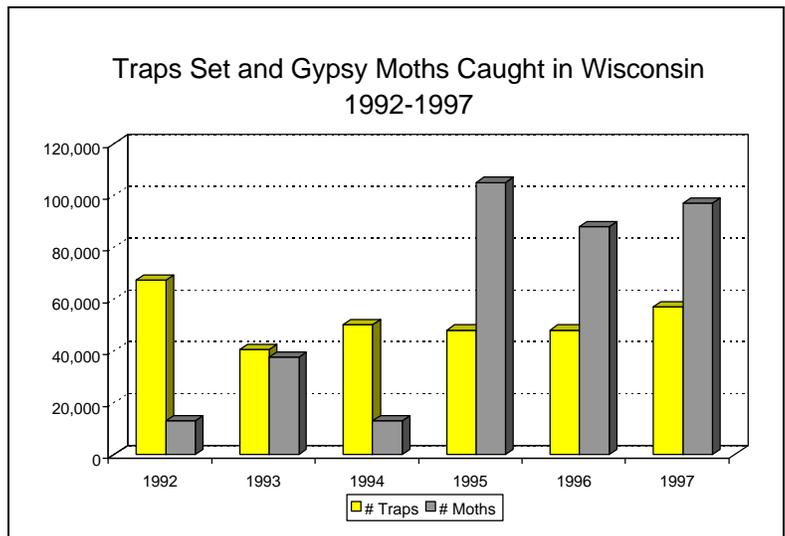
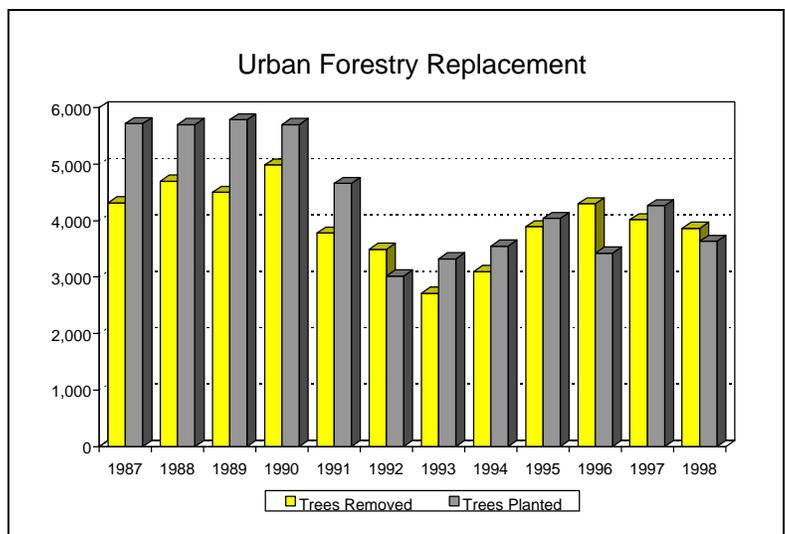


Figure 4



resulted in the removal of over 1,000 city street and boulevard trees. The Forestry Division's annual tree replacement program will ensure that these trees are replaced within one year of removal. Figure 4 illustrates Forestry's urban forestry replacement rate from 1987 to 1998.

**Program Result Measures:** In 1999, the Forestry Division created new result measures to track the success of this objective. In 2000, the Forestry Division will continue to use the following measures to monitor the mortality rate of the city's urban forest:

- Number of street trees planted
- Number of trees damaged, serviced and removed
- Percentage of trees replanted within one year of removal

#### ACTIVITIES

- Tree planting
- Production of trees at the city nursery
- Pruning and maintenance of trees
- Removal of hazardous and damaged trees and stumps

### CAPITAL IMPROVEMENTS

As part of the 2000 capital improvements plan, \$446,000 will be allocated for planting trees and shrubs. A total of \$426,000 will be used for plantings done in conjunction with the paving program, as well as along various median boulevards throughout the city. This amount will fund planting of 3,690 trees. These estimates are based on the 1999 completed street construction program, normal tree replacement program, and the Forestry Division's short- and long-range outcome objective of a 98% stocking level.

The Forestry Division's tree planting program improves the health of the urban forest as well as increases the amount of tree coverage in the city. Improving the city's tree coverage has both potential environmental benefits (reduced stormwater flow and improved air quality through carbon reduction) and economic benefits (conserving energy during summer months). In addition, reductions in this program would result in the city being unable to honor promises about plantings made to property owners during construction discussions.

The Forestry Division also partners with the Greening Milwaukee program to educate citizens about the value of tree planting on private property. Forestry has helped distribute approximately 1,000 trees to private property owners in 1997 and 1998 to accomplish this objective. There are currently training programs in all 17 Community Development Block Grant neighborhood areas aimed at educating citizens about proper methods for planting and maintaining trees grown on their property.

The Forestry Division will continue to work with Greening Milwaukee to further increase the number

of trees planted on private property. Each individual who receives a new tree through the program will complete a training program on care and maintenance, helping to ensure residual benefits to Milwaukee's urban forest.

**Greening Milwaukee's Schools:** Since the 1950's, many of Milwaukee's public school playgrounds have been paved over with asphalt to reduce maintenance costs. However, this has resulted in public school playgrounds devoid of trees, grass and a playable surface for our children. These asphalt surfaces are also an average of 10 to 15 degrees hotter than a shaded playground, thus making them less appealing to use.

Playgrounds with trees offer children a more hospitable environment, free from hard surfaces and extreme temperatures. They also reduce the risk of injury from falling on asphalt surfaces. In addition, playgrounds with trees offer expanded educational and instructional opportunities for science teachers and school children alike.

In 1999, the Forestry Division partnered with Milwaukee Public Schools, the UPAF/Vision Urban Forestry Fund, and 53<sup>rd</sup> Street School to establish a demonstration project by which a grove of trees were planted in and around a three-acre asphalt playground.

In 2000, the Forestry Division will seek to expand this program to other schools. A total of \$20,000 will be used to fund the division's participation in Greening Milwaukee's Schools. The division will provide trees to schools, help to coordinate volunteers and train volunteers on how to plant and care for their new trees.

**OTHER ACTIVITIES AND CHANGES**

The Milwaukee Economic Development Corporation and the Department of City Development will administer a grant project in partnership with the Forestry Division, the Environmental Systems Research Institute (ESRI), Geographic Marketing Advantage and the UW-Milwaukee School of Architecture and Urban Planning (SARUP). This project consists of three components to assess the value and economic effects of Milwaukee’s boulevards and greenspaces.

The first part of the project will be to conduct an inventory of existing boulevards and greenspaces in the City of Milwaukee and develop a tree inventory for each. The second component of the project is to transform city Computer Aided Design (CAD) files of boulevards into coverages within the city’s Geographic Information System (GIS). This will allow for collection and analysis of current and historical property data to determine “real” economic benefits of Milwaukee’s boulevards and greenspaces. Finally, in-depth interviews will be conducted with Milwaukee residents who live near or adjacent to

boulevards and city-owned greenspaces, in order to determine attitudes, feelings, and “willingness to pay for” the opportunity to live near these greenspaces.

This project will utilize youth and young adults from the city’s Urban Forestry Youth Employment and Training Internship, an intern from SARUP, and a UW-Milwaukee doctoral candidate to assist with the three components of the project. The project will be used to determine the economic value that boulevards and greenspaces add to adjacent homes. The final results will be given to planners, foresters, and policymakers, in order to determine the planning and possible expansion of boulevards and greenspaces in Milwaukee.

Collaborations with other programs for this project include: the city’s Americorps program, UW-Steven’s Point Wisconsin Environmental Education “Start Up” Urban Forestry Program, and the city’s Summer Youth Employment Program.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	174.34	168.52	164.71	-3.81
FTEs - Other	24.56	20.57	23.30	2.73
Total Positions Authorized	341	341	307	-34
DLH - Operations and Maintenance	313,818	303,342	296,484	-6,858
DLH - Other Funds	51,090	37,026	41,944	4,918
<b>EXPENDITURES</b>				
Salaries and Wages	\$6,224,336	\$6,599,563	\$6,707,721	\$108,158
Fringe Benefits	2,051,207	2,243,851	2,146,471	-97,380
Supplies and Materials	448,209	0	0	0
Equipment and Facility Rent	10,103	0	0	0
Services	253,826	0	0	0
Operating Expenditures	0	703,681	714,869	11,188
Equipment	163,735	183,000	173,000	-10,000
Special Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$9,151,416</b>	<b>\$9,730,095</b>	<b>\$9,742,061</b>	<b>\$11,966</b>
<b>REVENUES</b>				
Charges for Services	<u>\$202,948</u>	<u>\$270,000</u>	<u>\$206,000</u>	<u>-\$64,000</u>
<b>TOTAL</b>	<b>\$202,948</b>	<b>\$270,000</b>	<b>\$206,000</b>	<b>-\$64,000</b>

**CAPITAL PROJECTS** - Include \$598,000 for the following projects:

- a. Planting trees, shrubs, and evergreens (paving)/various
- b. Concealed irrigation and general landscaping - city boulevards

# DEPARTMENT OF PUBLIC WORKS INFRASTRUCTURE SERVICES DIVISION

## EXECUTIVE SUMMARY

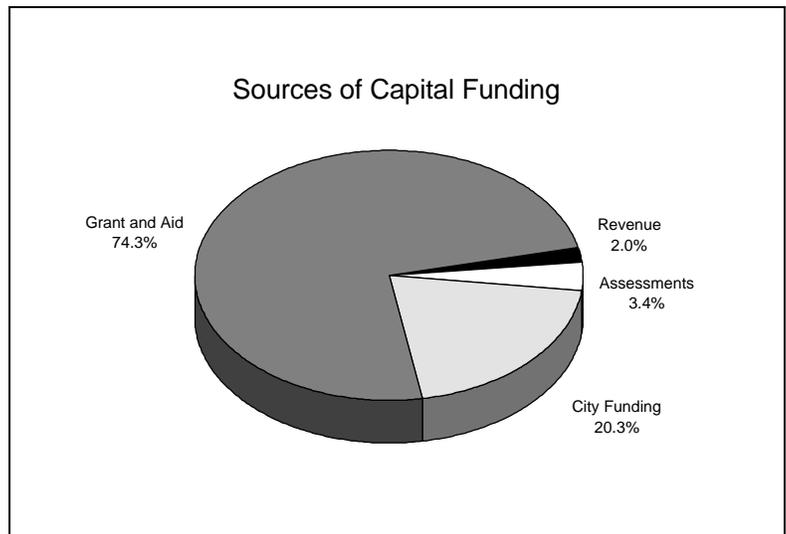
- STRATEGIC ISSUES:** Provide a transportation system that efficiently distributes travel between mass transit, automobiles, and other modes of transportation.
- Increase accessibility to employment throughout the region.
- Improve air and water quality to meet federal requirements.
- Improve the attractiveness of neighborhoods.
- INITIATIVES FOR 2000:** Improve efficiencies in various operations through consolidation and/or reallocation of workloads.
- Improve efficiencies within the division by correct allocation of fees to proper divisions, funds and projects.
- Continue with the Sixth Street Viaduct replacement project.
- Park East Freeway spur removal.

## BACKGROUND

The Infrastructure Services Division is responsible for design, construction, and maintenance of the city's infrastructure systems, including streets and alleys, bridges, sewers, sidewalks, traffic control devices, street lights, and underground conduit. In addition, the division coordinates transportation improvements with other governmental agencies and railroad companies. The division also undertakes engineering studies and investigates various permits, plans, and easements.

In 2000, the Infrastructure Services Division will control approximately \$21.7 million in operating funds and \$29 million in capital funds (in addition, \$83.7 million in state and federal aid assists in funding the city's infrastructure needs). The primary sources of capital funding are the city's property tax and federal and state grants and aid, which together constitute 94.6 percent of the total capital budget. Other

Figure 1



sources of funding include special assessments and revenue. Sources of capital funding are shown in Figure 1.

Although the Infrastructure Services Division receives a significant amount of grant and aid it uses this money for only two capital programs: the Major Bridge Program and the state- and federal-aided Major Street Improvements program. Grant and aid

funds constitute 99.7% of the bridge program and 74.5% of the street program, enabling the city to preserve and maintain its street and bridge systems, critical components of the overall infrastructure system.

**DPW OBJECTIVE 1**

**Ensure that the surface transportation system provides a safe, attractive and efficient means to maintain the economic vitality of the city, complement land use development, serve the needs of the business community, and preserve residents' quality of life.**

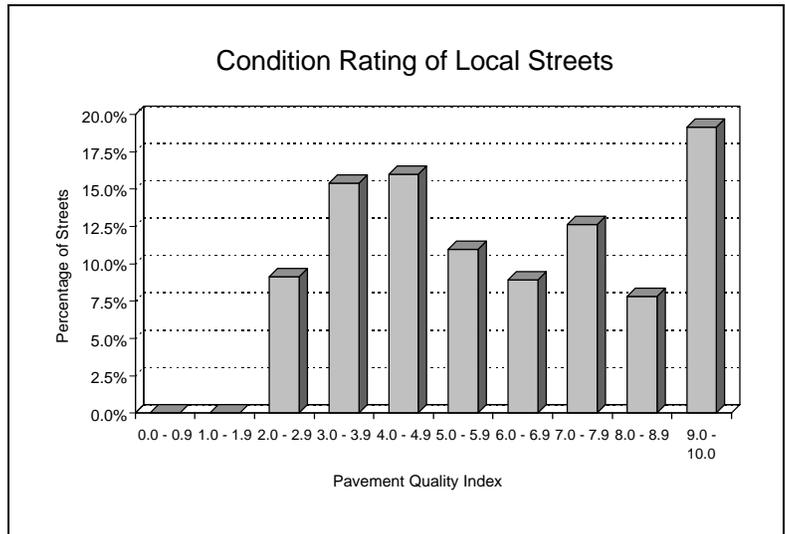
**OUTCOME HISTORY (see page 172)**

Many of the Infrastructure Services Division's activities are designed to improve the condition of the city's surface public ways (primarily streets and alleys). Activities include resurfacing or reconstructing existing pavement, curbs and gutters, and constructing new streets as part of residential, commercial, and industrial development. The 2000 budget includes \$9.7 million in operating funds and \$36 million in capital and grant funding for this objective. Operating funds include approximately \$7.8 million for Infrastructure, \$1.6 million for Buildings and Fleet, and \$260,000 for Administration. Infrastructure's budget includes \$16.2 million in capital and \$19.9 million in grant funding. This level of funding will pave 14.8 miles of arterial, collector and local streets, and 3.0 miles of alleys.

Maintaining safe and efficient surface public ways furnishes residents with access to employment, goods, and services, and provides a way for businesses to transport goods to their customers. The objective is measured through a Pavement Quality Index (PQI), which rates street conditions on a scale of 0 to 10 based upon visual observations, historic records, and non-destructive testing on non-residential streets.

PQI ratings are calculated for two general street categories: locals, and collectors/arterials. Each category has a minimum acceptable PQI, with a rating below the minimum being an indicator that the street requires rehabilitation or reconstruction. Minimum acceptable ratings range from 4.0 for local

Figure 2



streets to 5.5 for collectors/arterials. The minimum PQI level for collectors/arterials is higher than that of local streets because of their greater importance in providing access to employment, goods and services. In 1998 the average PQI rating for local streets was 6.0. As shown in Figure 2, the majority of local streets, 75.5%, are rated above the minimum PQI, and 19.1% of the streets are rated above 9.0.

The division has also collected data to develop a similar condition index to evaluate the condition of alley pavement. The Infrastructure Services Division will use the knowledge gained from working with the street pavement management system to monitor the quality of the city's alley system.

Although pavement condition is a critical outcome measure, maintaining pavements in an acceptable condition is not the only objective for Infrastructure Services' street, alley and sidewalk programs. These programs are also intended to improve and maintain the livability of city neighborhoods while reducing the environmental impact of the automobile. Although progress toward meeting these goals is more difficult to measure - as these goals are more intangible than the actual physical condition of pave-

ments - the division uses two outcome indicators to monitor its progress.

First, the division identifies the percentage of paving projects that increase city green space. In conjunction with the city street paving program, the Infrastructure Services Division determines whether the borders for trees and boulevards can be increased, thereby improving the quality of the city's public spaces. Although it is not always feasible to increase tree borders and boulevards, the percentage of paving projects resulting in tree borders at least five feet wide has increased by 4.6% between 1994 and 1998. The percentage of paving projects resulting in boulevards at least 20 feet wide has increased by 30% between 1994 and 1998.

Second, the division encourages the use of alternative modes of transportation. By enhancing pedestrian and bicycle mobility in neighborhoods, reliance on the automobile is lessened. This, in turn, contributes to reduced traffic congestion and enhanced air quality. Spending on alternative modes of transportation includes funding earmarked for sidewalk and handicap pedestrian ramps, bicyclists, transit, and other clean air activities. The percentage of the transportation budget spent on alternative modes was 5.2% in 1998. The division continues to seek external funding sources to help achieve this outcome.

As part of the city's new Financial Management Information System, departments created new program result measures as a means of providing meaningful data-driven outcome measures for their programs, as defined in the Program ChartField. These measures will provide department staff and city policymakers with a simple and concise measure of program success. The Infrastructure Services Division created the following measures for its street, alleys and sidewalk programs:

- Maintain the average street system Pavement Quality Index at 6.0 (the index ranges from 0 to 10, with a minimum recommended rating of 4.0 for local streets and 5.5 for collectors/arterials);
- Let 90% of all paving contracts programmed for the year to competitive bid by June 30<sup>th</sup>;
- Complete 90% of all paving contracts within the allotted work days or by the prescribed completion date; and
- Patch 95% to 100% of the potholes and pavement defects within three working days.

## PROGRAMS AND ACTIVITIES

- Street Paving Program
  - State and/or federal paving
  - Reconstruction and resurfacing
  - New street construction
  - Developer-financed new street construction
- Street maintenance
  - Crack filling and repairing
  - Pothole patching
  - Seal coating
- Alley resurfacing and reconstruction
- Alley maintenance
  - Pothole patching
  - Surface patching
- Sidewalk Replacement
- Bicycle Task Force
- Bicycle, Transit, and Rideshare Enhancement Program

## PROGRAM CHANGES

**Purchase of Roadpatcher:** In 1999, the division purchased a Roadpatcher. This new type of equipment provides a more efficient, safe and economical method for repairing potholes. The traditional method of repair required multiple workers while the new Roadpatcher employs a single worker. This improvement in technology will enable the reduction of one City Laborer position, for savings of \$28,010.

**Positions Reductions:** The 2000 budget includes a reduction of several vacant positions, including an Office Assistant II, two Office Assistant IV, Duplicating Equipment Operator, Engineering Technician IV, Engineering Drafting Technician II, Engineering Technician II, Street Repair Supervisor, Civil Engineer III and a Traffic Control Engineer. In addition, a Management Civil Engineer-Senior, Street Repair Supervisor, and Public Works Inspector II are eliminated. These positions perform various tasks in Infrastructure including capital planning, permit administration, street maintenance, downtown planning, and information system support. A total budget reduction of \$518,640 will be made, including \$392,909 in salaries and wages and \$125,731 in fringe benefits. The division will attempt to minimize the effect of these reductions on service delivery. In addition, the division will evaluate the sustainability of these reductions during 2000.

**Reduced Street and Alley Maintenance:** The 2000 budget includes a \$200,000 reduction in street and alley maintenance; with a \$176,000 reduction in infrastructure and a \$24,000 reduction in Buildings and Fleet Division. The Infrastructure Division believes this reduction is possible without adversely affecting the quality of street and alleys because of changes in construction techniques that have resulted in a need for less maintenance activities.

**Bicycle Paths:** The division plays a significant role for the city in planning and implementing new off-road bicycle paths. The division is currently working on two bicycle paths, the Hank Aaron State Park trail through the Menomonee Valley and the Kin-

nickinnic Bicycle Trail along the Kinnickinnic River. The 2000 budget includes \$1.8 million in funding for the Kinnickinnic trail and \$1.6 million for the Henry Aaron Bike Trail, as well as \$75,000 for updating and distributing the City Bicycle Map. The majority of funding for the bicycle trails, \$2.7 million, comes from state and federal grant and aid.

**Community Development Block Grant Funds:** The 2000 budget includes \$500,000 in Community Development Block Grant (CDBG) funds for infrastructure projects. The funds will be used for capital improvement projects in areas that qualify for CDBG funds.

**CAPITAL IMPROVEMENTS**

The Infrastructure Services Division manages six capital programs that provide financing to preserve and maintain the city’s street, alley and sidewalk system. In managing capital funds, the division strives to achieve a standard considered safe for motorists and pedestrians, while controlling annual maintenance costs. In 2000, \$16.2 million is allocated in Infrastructure Service’s budget for ensuring public

ways are kept in acceptable condition. This includes \$11.3 million (70.1%) in city funding; \$3.3 million (20.6%) in special assessments; and \$1.5 million (9.3%) in revenue. In addition, \$19.9 million in state and federal aid will fund these programs. This funding includes \$582,500 to upgrade and improve parking and storage facilities at the Traser Yard (including by \$232,500 in grant funding) and \$920,000 for street improvements to East North Avenue.

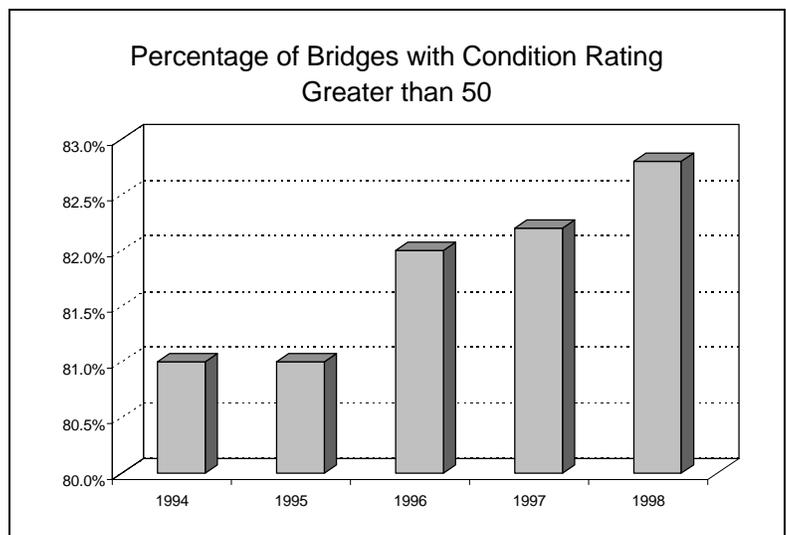
**DPW OBJECTIVE 2**

**Provide safe and efficient infrastructure systems by maintaining 81% of bridges at a condition rating greater than 50.**

**OUTCOME HISTORY (see page 172)**

As part of its efforts to provide safe and efficient public ways, Infrastructure Services Division operates and maintains the city’s 216 bridges. The purpose of the bridge program is to preserve and maintain a bridge system that meets the needs of the city, ensures the safety for motorists and provides for efficient movement of vehicles, people, and commodities. The 2000 operating budget includes total funding of \$5.2 million for this objective, including funding of \$3.2 million in Infrastructure Service’s budget, \$130,000 in Administrative Services, and \$1.9 million in

Figure 3



Buildings and Fleet. There is also \$64 million in capital and grant funding allocated for this objective.

The division measures the condition of bridges using a sufficiency condition rating ranging from 0 to 100. Ratings are conducted every two years through mandatory physical bridge safety inspections. In 1998, 82.8% of the rated bridges had a sufficiency rating above 50. As Figure 3 shows, since 1994 bridge condition ratings have improved, indicating the division is maintaining bridges at a satisfactory level.

In addition to the current condition rating measure used for this objective, the Infrastructure Services Division created a second program result measure for its bridge program: operate the city’s moveable river bridges on demand in accordance with U.S. Coast Guard regulations. By the beginning of 2000, the division will have three two-bridge clusters remotely controlled.

**ACTIVITIES**

- Bridge Reconstruction Program
- Bridge repair and maintenance
- Operation of the city’s movable bridge system, including automated openings

**PROGRAM CHANGES**

**Remote Control of Bridges:** Remotely controlled bridge operations allow a bridge operator to open and close an adjacent or nearby bridge without leaving the current bridge. This reduces inconveniences to water traffic and increases staff efficiency. Approximately \$1.2 million is included in the 2000 budget to install remote controls in three areas (South 1<sup>st</sup> Street and South Kinnickinnic Avenue; Clybourn and Wisconsin Avenues; and Juneau and Highland Avenues). The division will determine if remote-controlled operations are feasible for other bridges as they are rehabilitated or replaced.

**CAPITAL IMPROVEMENTS**

The Infrastructure Services Division manages the Major Bridge Program, which finances bridge rehabilitation and reconstruction improvements. This program utilizes state, county, and federal grant

funds in order to minimize the city’s costs. In 2000, \$213,000 in city funding is provided for this objective. In addition, \$63.8 million in state and federal aid for various bridge projects is provided.

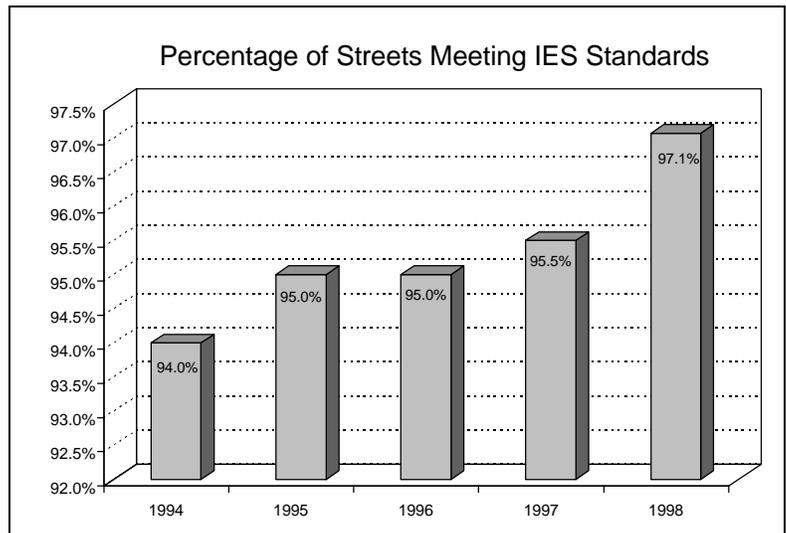
**DPW OBJECTIVE 3**

**Maintain the livability of city neighborhoods by ensuring that 94% of streets meet IES lighting standards.**

**OUTCOME HISTORY (see page 172)**

The purpose of the Infrastructure Services Division’s street lighting program is to provide residents with pleasant and secure neighborhoods by providing a safe and reliable lighting system. The 2000 budget includes operating funding of \$7.1 million for this objective, including \$6.5 million in Infrastructure Services Division’s budget, \$185,000 in Administrative Services, and \$444,000 in Buildings and Fleet. In addition, \$5 million in capital funding is provided.

Figure 4



The measurement for this objective is a scale developed by the Illuminating Engineering Society (IES) which establishes optimal levels of lighting for different types of streets. As shown in Figure 4, the division continues to improve the percentage of streets meeting IES standards. In 1998, 97.1% of the lighted streets in the City of Milwaukee meet or exceed IES standards. This represents approximately 1,288 miles of lighted streets.

The Infrastructure Services Division created the following program result measures for its street and alley lighting program:

- Ensure 94% of streets meet IES standards;
- Convert all mercury vapor and incandescent lighting to more efficient and effective sodium vapor lamps by 2010;
- Annually convert 40,000 feet of series cable to multiple cable, which enhances lighting reliability;
- Ensure an average of 650 to 700 minutes per day of adequate lighting; and
- Resolve at least 95% of all street light system circuit malfunctions within 24 hours.

**ACTIVITIES**

- Lighting system operations
- Street lighting repair
- Replacing series circuitry with multiple circuitry to improve reliability and flexibility
- Converting mercury vapor and incandescent lighting to more efficient high pressure sodium lighting
- Capital Improvements
  - Replace deteriorated poles

- Replace defective underground cable
- Replace and repair substations
- Business Improvement District, Neighborhood Association and Commercial Area pedestrian level lighting

**PROGRAM CHANGES**

**Upgrading Control Circuits:** During 2000, the division proposes to upgrade street lighting control circuits to enhance reliability. It also will evaluate the current central lighting control unit for improvement or replacement.

**Central Lighting Control Unit:** The current lighting control unit, located at 1540 West Canal Street, is a World War II vintage electrical-mechanical device that is reaching the end of its useful life. A new non-mechanized computerized control unit will assist in identifying, locating and repairing malfunctions more quickly, thereby improving customer service and ensuring effective street lighting operations.

**Technology Improvements:** In 1999, the division plans to purchase a directional boring machine. This new type of equipment, which will be used for street lighting projects, allows for longer runs of cable and conduit installation without trench excavation. Compared to current boring methods, this machine requires fewer excavations, less restoration needs, and is less labor-intensive. This results in operating efficiencies by eliminating the need for an equivalent of three seasonal laborers.

**Position Reclassifications:** The 2000 budget eliminates one Street Lighting Engineer position and reclassifies the position with a Management Civil Engineer-Senior position.

**CAPITAL IMPROVEMENTS**

The Infrastructure Services Division manages the Street Lighting Program to protect, upgrade, and repair street lights. Total funding of \$5 million is

provided in the 2000 budget, including \$500,000 (10%) in assessments and \$4.5 million (90%) in city funding.

**DPW OBJECTIVE 10**

**Design and operate transportation systems which support the safe and efficient movement of people**

**and goods, and maintain the economic viability of the city by reducing the number of traffic crashes by 5%: from 17,224 in 1993 to 16,363 in 2000.**

**OUTCOME HISTORY (see page 174)**

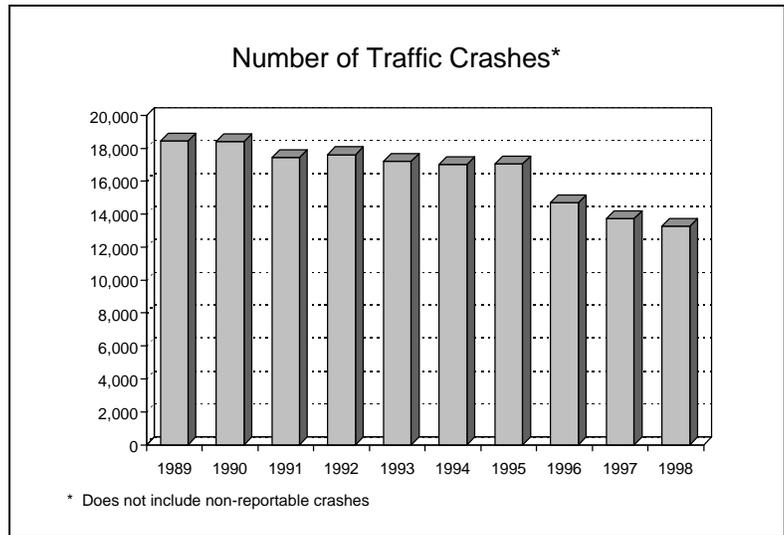
The Infrastructure Services Division follows the Manual of Uniform Traffic Control Devices for Streets and Highways and the American Association of State Highway and Transportation Officials in order to maintain consistent traffic control design standards and facilities. Uniformity in design standards maintains roadway safety and increases recognition and compliance with traffic control facilities, including traffic signals, signal systems, and traffic signs, by system users.

The Traffic Control Facilities program provides for the safe, efficient, and economical movement of the public and their goods and services, which helps to improve traffic flow, reduce pollution, and promote the health and safety of residents and visitors. The 2000 operating budget provides funding of \$4.1 million for this objective, including \$3.8 million from Infrastructures' budget, \$100,000 from Administrative Services, and \$190,000 from Buildings and Fleet. In addition to operating funds, \$632,000 million in capital funding is devoted to this objective.

While factors outside of Infrastructure's control, such as enforcement of traffic regulations by the Police Department and changes in traffic patterns resulting from economic development, influence the number of traffic crashes, the division's activities do affect traffic safety. As shown in Figure 5, the number of traffic accidents decreased by 27.9% since 1989, to 13,282 in 1998. While part of the reduction in crashes results from a change in the State Division of Motor Vehicles' reporting requirements, enhanced enforcement of traffic laws have also contributed to the decline in crashes.

Although the primary purpose of this program is to improve the safety and efficiency of public ways, another important outcome for the city is to reduce the environmental impact of the automobile. While more difficult to measure, the division does conduct traffic surveys every two years to measure the number of persons per automobile entering and leaving

Figure 5



downtown between 7 a.m. and 7 p.m. The goal is to increase the number of persons per automobile. Survey data show that the number of persons per automobile has decreased from 1.27 to 1.20, or 5.5%, between 1988 and 1998.

The Infrastructure Services Division created the following program result measures for its Traffic Control program:

- Reduce the three-year average number of traffic crashes; and
- For at least 90% of reported malfunctions at signalized intersections, respond within one hour and complete repairs within 24-hours.

**ACTIVITIES**

- Traffic control facilities
  - Install new traffic control facilities
  - Modify or upgrade existing traffic control facilities
  - Timing of traffic signals
- Repair of traffic signals
- Review land use access needs
- Participate on Milwaukee Safety Commission
- Meter Installation
  - Traffic pattern analysis

## CAPITAL IMPROVEMENTS

The division manages two programs, the Traffic Control Facilities Program and the Emergency Response Management - OPTICOM Program, to achieve this objective. The Traffic Control Facilities Program, funded at \$485,000, provides for installation of new and modification of existing traffic control facilities. The OPTICOM Program, funded at

\$147,000, allows Milwaukee Fire Department emergency equipment to preempt a traffic signal from the vehicle using optical communications. This reduces call response time and decreases the likelihood of accidents. The project will be employed at approximately 325 traffic signalized intersections.

## DPW OBJECTIVE 18

**Provide quality support services by satisfying 90% of customers with internal communication services.**

### OUTCOME HISTORY (see page 176)

The underground conduit system is designed and maintained by the Infrastructure Services Division and provides a secure and weatherproof means of connecting communication cables among various city departments, including the Fire Department, Police Department, Health Department, Milwaukee Public Libraries, Milwaukee Water Works, and the Department of Public Works. The conduit system also provides a reliable route for traffic signal and street lighting cable circuits and systems. The 2000 budget provides funding of \$900,000, including \$425,000 in Infrastructure Services Division, \$22,000 in Administrative Services, and \$454,000 in Buildings and Fleet. In addition, \$950,000 in capital funding is allocated to this objective.

Although the Infrastructure Services Division designs and maintains the conduit, the DPW-Buildings and Fleet Division funds and provides staff for the actual operation of the communications services. In 2000,

the department will develop and use a quantifiable outcome measure for evaluating communications services.

The Infrastructure Services Division created the following Program Result Measure for its Underground Conduit program:

- Ensure that communication manholes and underground conduits are available for use by the city's communication network at least 99% of the time.

### ACTIVITIES

- Install and replace underground communication conduit
- Maintain and replace manholes providing access to the underground electrical conduit system

### PROGRAM CHANGES

**Position Eliminated:** The 2000 budget includes the elimination of one Engineering Technician V position, for savings of \$46,235. This reduction may involve a layoff.

## CAPITAL IMPROVEMENTS

The Infrastructure Services and the Buildings and Fleet divisions allocate capital funding to this objective. Infrastructure Services manages the Underground Conduit and Manholes Program and the Underground Electrical Manhole Rehabilitation Program. Total funding of \$450,000, all of which is city funding, is provided in Infrastructure's 2000 capital budget for these programs. In addition, Buildings and Fleet provides approximately \$500,000 million in capital funding.

Infrastructure's capital budget also includes \$6.5 million in capital funding for sewer services that are not funded by the Sewer Maintenance Fund, including \$6 million, or 92.3%, in city funding and \$500,000, or 7.7%, in revenue. These funds support two programs: the Expansion of Capacity Sewer Program, which extends sewer service to areas of the city that do not currently have service and expands the capacity of existing sewers; and the Development Out-of-Program Agreement Sewer Program,

which extends sewer service or modifies existing sewer systems when new development occurs. These capital programs support the department’s strategic Objective 15, Sewer System Services, which is described in the “Sewer Maintenance Fund” section of the *2000 Plan and Budget Summary*.

The 2000 budget transfers a third sewer capital program, the Relief and Relay Sewer Program, to the Sewer Maintenance Fund. This change is described in more detail in the “Sewer Maintenance Fund” section of the *2000 Plan and Budget Summary*.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	301.25	310.40	273.60	-36.80
FTEs - Other	293.61	306.70	304.35	-2.35
Total Positions Authorized	815	815	801	-14
DLH - Operations and Maintenance	531,792	536,936	510,897	-26,039
DLH - Other Funds	500,558	577,313	547,323	-29,990
<b>EXPENDITURES</b>				
Salaries and Wages	\$12,232,314	\$12,155,394	\$11,383,035	\$-772,359
Fringe Benefits	4,016,288	4,132,834	3,642,572	-490,262
Supplies and Materials	2,267,650	0	0	0
Equipment and Facility Rent	-2,231	0	0	0
Services	4,727,799	0	0	0
Operating Expenditures	0	6,634,539	6,603,218	-31,321
Equipment	175,859	134,679	90,215	-44,464
Special Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$23,417,679</b>	<b>\$23,057,446</b>	<b>\$21,719,040</b>	<b>\$-1,338,406</b>
<b>REVENUES</b>				
Charges for Services	\$1,530,177	\$2,295,700	\$3,027,400	\$731,700
Licenses and Permits	0	0	0	0
Miscellaneous	<u>14,139</u>	<u>30,000</u>	<u>0</u>	<u>-30,000</u>
<b>TOTAL</b>	<b>\$1,544,316</b>	<b>\$2,325,700</b>	<b>\$3,027,400</b>	<b>\$701,700</b>

**CAPITAL PROJECTS** - Include \$34,155,576 for capital projects in the 2000 capital budget.

Please refer to the "Capital Improvements" section of the *2000 Plan and Budget Summary* for details on capital improvement projects.

# DEPARTMENT OF PUBLIC WORKS SANITATION DIVISION

## EXECUTIVE SUMMARY

**STRATEGIC ISSUES:** Maintain the safety of city streets during snow and ice emergencies while minimizing the use of salt.

Reduce the amount of residential solid waste disposed in city landfills.

Keep Milwaukee's neighborhoods clean and healthy.

**INITIATIVES FOR 2000:** Reduce one rear load route associated with apartment garbage collection services.

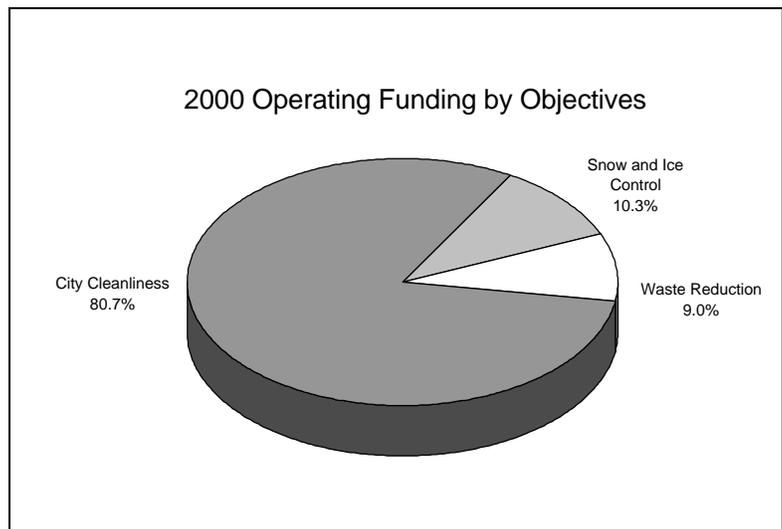
## BACKGROUND

The Sanitation Division provides some of the city's most vital services to city residents. The primary responsibility of the Sanitation Division is to collect and dispose of solid waste and keep city streets safe for travel during severe winter weather, which has a significant impact on the overall operations of the city.

Sanitation also plays a role in protecting the environmental health of the city. The Sanitation Division reduces the need for landfills through solid waste reduction efforts and the city's recycling program. In addition, the Sanitation Division protects city residents from infectious diseases and protects area lakes and rivers from harmful storm water run-off by collecting solid waste and sweeping city streets and alleys.

Approximately \$32.1 million in operating funds are included in the 2000 budget for Sanitation Division

Figure 1



activities. In addition to operating funds, the division's 2000 budget reflects grant funding of approximately \$2.8 million. Figure 1 depicts operating funding by objective.

## DPW OBJECTIVE 8

**Maintain current levels of public safety during snow and ice emergencies while minimizing the amount of salt used per lane mile to 250 pounds depending on the snowfall.**

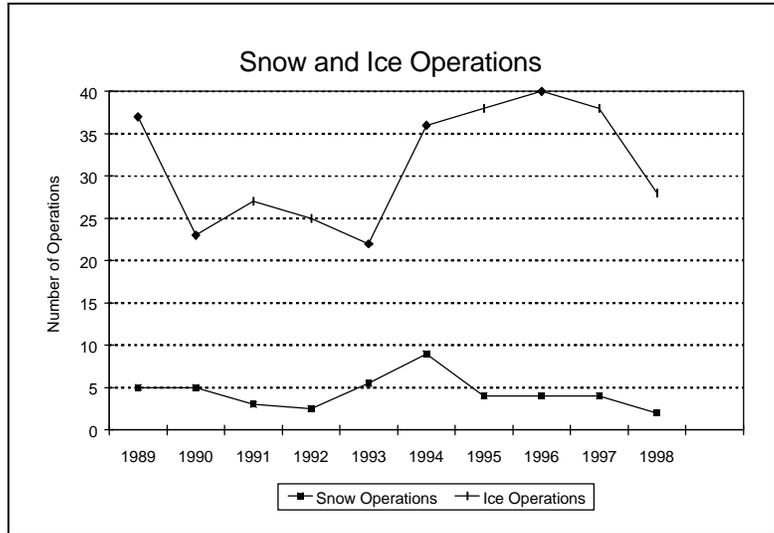
## OUTCOME HISTORY (see page 173)

The Department of Public Works' (DPW) 2000 budget includes approximately \$6.6 million in operating funds for snow and ice control. Of this amount, approximately \$3.3 million is budgeted in

the Sanitation Division. An additional \$3.1 million is reflected in the Buildings and Fleet Division, and approximately \$184,000 in the Administrative Services Division.

Conducting snow plowing and ice control (salting) operations is a reactive service, dictated by random, varying weather conditions. Figure 2 shows the number of operations the division has conducted each year since 1989 in order to maintain efficient movement of people and goods, and to ensure public safety during snow and ice emergencies. As indicated in the chart, the number of snow plowing and ice control operations has fluctuated tremendously over the past several years.

Figure 2



Budgeting for snow and ice operations in a given year proves very difficult due to uncertainty surrounding the number of operations. In addition, the actual cost of a plowing or salting operation varies greatly depending on the amount of snow, temperature, rate of snowfall, time and day, and the overall severity of the weather.

As a result, the Sanitation Division budgets for snow and ice operations based on an “average” winter. In 1998, there were 2 snow plowings and a total of 28 salting operations. The number of operations used for 2000 budgetary purposes is 4 snow plowings and 26 ice control operations.

**Program Result Measures:** In 2000, the Sanitation Division will measure the effectiveness of its snow operations by gauging the amount of time it takes to plow the city streets after the first snowfall ceases. In 2000, the Sanitation Division estimates that city streets will be plowed within 12-18 hours, depending on the severity of the weather, and the amount of snow.

**PROGRAMS AND ACTIVITIES**

- Snow plowing operations
- Salting operations

**DPW OBJECTIVE 12**

**Reduce the amount of residential solid waste land-filled per capita from 728 pounds to 700 pounds.**

**OUTCOME HISTORY (see page 174)**

The Department of Public Works’ 2000 budget includes \$7.4 million in operating and grant funds for residential solid waste reduction. The Sanitation Division’s 2000 budget includes approximately \$2.8 million in operating funding for recycling and resource recovery activities. The 2000 budget also includes approximately \$2.9 million in state grant funds for the city’s recycling program. An additional \$1.7 million is provided in the Buildings and Fleet Division’s 2000 budget and \$131,000 is reflected in Administrative Services budget.

DPW is committed to improving environmental quality through waste reduction efforts. As indicated in Figure 3, the division has made significant progress toward achieving the objective of reducing the amount of residential solid waste landfilled. The amount of residential waste disposed in landfills per capita has decreased approximately 14%, from 844 pounds in 1990 to 728 pounds in 1998.

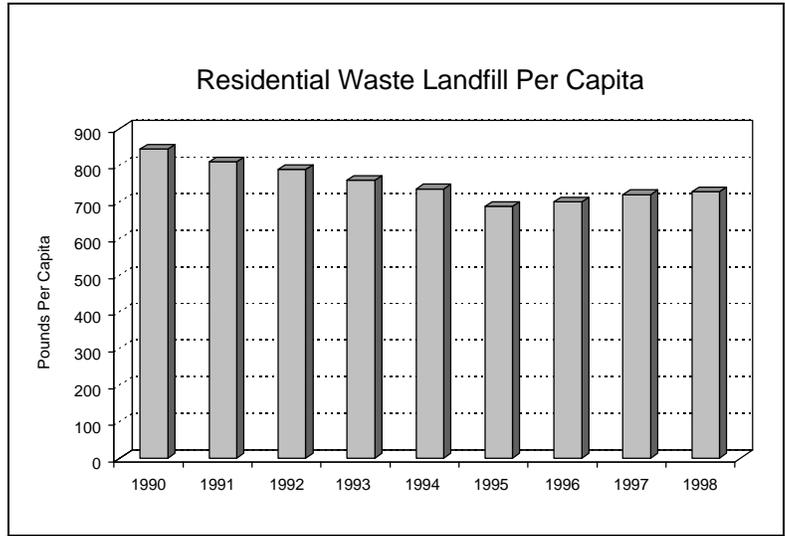
The division also emphasizes waste reduction in all aspects of educational outreach. The importance of “reduction” before “recycling” is stressed through citywide mailings, classroom presentations at city schools, Recycling Education Center programs, and direct constituent contact. The division is also actively involved in the Southeast Wisconsin Waste

Reduction Coalition whose mission is “to reduce the amount of waste generated by residents and businesses throughout southeast Wisconsin through a regionally coordinated waste reduction campaign.” Activities of the coalition include radio and television public service announcements, displays at civic events, and a scholarship competition for high school students.

**ACTIVITIES**

- Curbside recycling collection
- Fall leaf, brush, and yard waste collection and composting
- Recycling and waste reduction education
- White goods and tire collection
- Self-help center recycling programs

Figure 3



**Program Result Measures:** The Sanitation Division has developed two program result measures to measure the effectiveness of its solid waste program. In 2000, the Sanitation Division will develop questions in conjunction with the University of Wisconsin Milwaukee (UWM) asking city residents how satisfied they are with garbage collection services. These questions will be placed in the Greater Milwaukee Survey produced by UWM in the spring of 2000. The Sanitation Division seeks to provide quality services to city residents, and estimates that at minimum 80% of those surveyed will be satisfied with their garbage collection services. The Sanitation Division will also keep track of the number of city residents that are serviced at the Self-Help Stations.

In an attempt to measure the effectiveness of the recycling program, the Sanitation Division will track the amount of materials diverted from landfills. In 2000, the Sanitation Division projects that 60,000 tons of materials will be diverted.

**PROGRAM CHANGES**

**State Recycling Grant:** The 2000 budget anticipates a state recycling grant of \$2.8 million, or approximately \$55,000 less than funding reflected in the 1999 budget. As a result of the decrease in state funding for recycling, the Sanitation Division will absorb the majority of this loss by reducing the number of positions funded by the grant, and fund it with operating funds.

**DPW OBJECTIVE 14**

**Maintain the overall cleanliness of the city as measured by the Photometric Index projection of six.**

**OUTCOME HISTORY (see page 175)**

The Department of Public Works’ 2000 budget includes approximately \$34 million in operating funds for city cleanliness. Of this amount, approximately \$26 million is budgeted in the Sanitation Division, with the remainder reflected in the Buildings and Fleet Division (\$7.6 million), and Administrative Services Division (\$945,000).

Clean streets and alleys are critical to the quality of city neighborhoods and directly impact the city’s ability to retain middle income households. The Sanitation Division dedicates the majority of its operating budget (80%) to keeping the city clean. In 2000, the Sanitation Division has developed a formal outcome measure to gauge the cleanliness of city streets. The Sanitation Division will use a Photometric Index. The Photometric Index is the procedure for measuring changes in accumulations of loose trash in cities certified by Keep America Beautiful, Inc. (KAB) to participate in the Clean Community System – the behaviorally based program to reduce

litter by changing attitudes and practices relating to the handling of waste. This measurement technique was developed in 1974 by the Research Foundation – American Public Works Association, under contract to KAB. The process involves the use of 120 photographic slides taken at random in various locations throughout the city. Pictures are taken of streets, public right-of-ways, vacant lots, parking lots, loading docks, and commercial refuse storage areas. These slides are then analyzed and measured against a baseline year for comparative cleanliness. The Photometric Index is recorded as a number between zero and 96 that reflects the relative amount of litter detected when randomly generated pictures are analyzed. Over 500 cities, including Houston, Indianapolis and Chicago, make use of a Photometric Index to quantify city cleanliness.

#### PROGRAMS AND ACTIVITIES

- Weekly residential garbage collection
- Operation of two self-help centers
- Clean-up box program (each weekend from April through October)
- Systematic neighborhood clean-ups
- Street and alley sweeping
- Weed cutting (in compliance with city ordinances) costs recovered from property owners
- Clean-up and support for civic and special events ranging from the Great Circus Parade to neighborhood block parties

- Special collection services to residential property owners

#### PROGRAM CHANGES

**Apartment Garbage Collection Routes:** The 2000 budget reflects the restructuring of five rear-load routes to four rear-load routes. This reduction is due to the division providing apartment garbage collection services to fewer apartment buildings in 2000. As a result of various apartment building owners contracting with a private vendor, and the division estimating a more accurate number of apartment buildings to be serviced based on 1998 experience, this reduction is actually an operating efficiency and will not adversely affect service levels.

**Special Collection Services:** During 1999, the Sanitation Division worked in conjunction with the Department of Neighborhood Services (DNS) to increase the awareness of special pick-up services to city residents. Directed special pick-ups have been initiated where the nuisance inspectors in DNS will go door-to-door to post notices that the Sanitation Division will be coming through in small targeted areas for a special pick-up. As a result of this coordinated effort, the Sanitation Division has picked-up an additional 100,000 pounds of refuse. The Sanitation Division in coordination with DNS plan to explore expanding the program to more areas of the city, thereby increasing and improving the cleanliness of the city's neighborhoods.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	371.22	397.23	396.98	-0.25
FTEs - Other	33.14	36.00	35.00	-1.00
Total Positions Authorized	1,114	1,097	1,096	-1
DLH - Operations and Maintenance	668,212	715,014	714,564	-450
DLH - Other Funds	59,652	64,800	63,000	-1,800
<b>EXPENDITURES</b>				
Salaries and Wages	\$14,244,626	\$14,553,153	\$14,609,439	\$56,286
Fringe Benefits	4,612,329	4,948,071	4,675,021	-273,050
Supplies and Materials	1,148,876	0	0	0
Equipment and Facility Rent	28,701	0	0	0
Services	9,994,552	0	0	0
Operating Expenditures	0	11,850,165	11,985,040	134,875
Equipment	813,272	880,976	822,976	-58,000
Special Funds	905	0	0	0
<b>TOTAL</b>	<b>\$30,843,261</b>	<b>\$32,232,365</b>	<b>\$32,092,476</b>	<b>\$-139,889</b>
<b>REVENUES</b>				
Charges for Services	\$935,087	\$941,100	\$939,100	\$-2,000
Licenses and Permits	0	0	0	0
Miscellaneous	323,120	450,500	326,000	-124,500
<b>TOTAL</b>	<b>\$1,258,207</b>	<b>\$1,391,600</b>	<b>\$1,265,100</b>	<b>\$-126,500</b>
<b>CAPITAL PROJECTS - None</b>				

# SPECIAL PURPOSE ACCOUNTS

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## EXECUTIVE SUMMARY

**PURPOSE:** Special purpose accounts are used to appropriate funds for purposes not included in departmental budgets. These may include one-time appropriations for short-term programs and those programs that may affect numerous departments. Every year the Common Council adopts a resolution authorizing expenditures from various accounts by specific departments or by Common Council resolution.

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Highlights of 2000 special purpose accounts include:

### Newly Created 2000 Accounts

**Canadian American Police Games:** Provide \$25,000 in funding to serve as the City's contribution towards the sponsorship of the CAN-AM Police and Fire Summer Games to be held in Milwaukee in July, 2000.

**Census 2000:** Provide \$165,000 in funding to ensure the most accurate count of the city's population.

**Constituent Service Referral System:** Provide \$40,000 in funding for developing a new service request system. The system will standardize the process of handling Aldermanic Service Requests.

**Handgun Violence Media Campaign:** Provide \$50,000 in funding as matching funds for a Handgun Violence Media Campaign. This campaign will fund a public education program related to promoting the consequences of using firearms in the commission of a crime.

**Y2K Production Testing and Year 2000 Compliance Project:** These two accounts provide a total of \$110,700 in funding to assess and remediate any problems that may arise involving the city's information systems.

**Parking Fund Enforcement Payment:** In 2000, responsibility for parking enforcement will shift from the Police Department to the Parking Fund. \$2,107,691 is provided to reimburse the Parking Fund for providing this service.

### Other Significant Changes

**Cable TV Franchise Regulation:** Provide \$50,000 in funding to renegotiate contract with Time-Warner to provide citizens with viewing of local government activities.

**FMIS Maintenance and Upgrade:** The 2000 budget does not include funding for the FMIS Maintenance and Upgrade special purpose account.

**Maintenance of Essential Utility Services:** Increase funding by \$20,000 (from \$55,000 to \$75,000) to reflect an increased demand to correct conditions threatening the life, health, and safety of citizens in either owner-occupied or tenant-occupied properties when the owner fails to do so.

**Business Improvement Districts (BIDs):** Funding authority for BIDs in 2000 totals \$3.3 million. In addition, four new BIDs totaling \$243,000 will be added in 2000. These new BIDs include Capitol Drive, The Valley, Burleigh/Sherman and Center Street.

**Unemployment Compensation Fund:** Increase funding by \$75,000 (from \$700,000 to \$775,000) to reflect an anticipated increase in the number of employees that will separate from service in 2000. These payments are mandated by state statutes.

**Graffiti Abatement Fund:** Decrease funding by \$34,000 (from \$179,000 to \$145,000) to reflect a more accurate amount as illustrated by 1998 expenditures. Abatement activities include aid to individual businesses, matching grants to business associations, and the Department of Neighborhood Services ordered abatement for the removal of graffiti.

**Long Term Disability Insurance:** Increase funding by \$45,000 (from \$380,000 to \$425,000) to reflect a more accurate amount needed as illustrated by 1998 expenditures. This account provides income continuation at 60% of pre-disability earnings to employees who are unable to work due to a lengthy disability or illness. This account strengthens the city's effort to recruit and retain the best employees by providing a very competitive benefit program.

**Wages Supplement Fund:** Increase funding by approximately \$9.6 million (from \$9,000,000 to \$18,555,000) to reflect anticipated wage and fringe benefit increases resulting from collective bargaining agreements. In addition, the 2000 budget for the wages supplement fund is \$3.0 million less than the requested budget due to actual experience and the continuation of the hiring freeze into the year 2000.

**Outside Council/Expert Witness Fund:** An additional \$50,000 is provided for this purpose in 2000. An increasing need for expertise in relation to various pending lawsuits

**City Attorney Collection Contract:** This account shows a decrease of \$225,000 from 1999. This is due to a change in how the fees are paid to Kohn Law Firm. Fees for collection activities will be deducted before the net is remitted to the city.

**Alternative Transportation for City Employees:** The 2000 Budget shows a change in this employee

benefit program. Instead of receiving coupons for discounted bus fare, employees will receive a picture identification card that will be revalidated each quarter. The 2000 budget includes \$75,000 for this new program.

**Retirees Benefit Adjustment:** The 2000 budget includes a \$300,000 supplemental increase to the Police Annuity and Benefit Fund and the Fire Annuity and Benefit Fund in addition to an increase of \$36,000 to reflect actual experience. The supplemental increase will be distributed based on the annuitants' date of retirement and need. Of the total increase, \$75,000 will be distributed on year of retirement and the remaining \$225,000 will be based on need.

Based on the method of distribution, Police Annuity and Benefit annuitants will receive \$180,000 of the supplement and Fire Annuity and Benefit annuitants will receive the remaining \$120,000. It is estimated that the average annual increase will be \$470 - \$500 for Police Annuity and Benefit annuitants and \$440 for Fire Annuity and Benefit annuitants.

**Reserve for 27<sup>th</sup> Payroll:** The 2000 budget shows an increase of \$465,000 for the 27<sup>th</sup> payroll. The cost for the 2000 and 2004 leap years will be amortized over a six-year period. As a result, this account will increase by \$465,000 each year from 2000 to 2005. This will stabilize the payments required until 2005.

## SPECIAL PURPOSE ACCOUNTS - REIMBURSABLE SERVICE ADVANCE FUND

The Reimbursable Service Advance Fund serves as a mechanism for advancing funds to city departments to pay for services and materials which will subsequently be reimbursed through non-tax levy funding sources. Funds must be appropriated by Common Council resolution.

Funding for this account is provided by temporary transfer of general city funds in accordance with Section 925-130a, Wisconsin Statutes 1919. (General city funds are then reimbursed from revenues received from interdepartmental billings.) This mechanism may also be used to address greater than expected expenses when related to the generation of additional revenue.

Currently, increased costs relating to revenue generating activities normally require a supplemental contingent fund appropriation. For example, an increase in citation processing activity will likely require a contingent fund appropriation to cover additional costs even though the increased activity results in greater than anticipated revenue to the city. A mechanism that would allow for recognition of additional revenue to offset increases in costs would help to preserve the contingent fund for other purposes.

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Reimbursable Services Advance Fund	\$0	\$50,000,001	\$50,000,001	\$0
Less Cost Recovery From Reimbursable Operations	0	-50,000,000	-50,000,000	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1</b>	<b>\$1</b>	<b>\$0</b>

## SEWER USER CHARGES

This account will provide expenditure authority of \$37,286,350 to pay the Milwaukee Metropolitan Sewerage Commission's sewer user charges. The account also covers the city's expenses associated

with administering and collecting the sewer user charge. The expenditure authority is offset, except for \$1, by anticipated collection of the user charge from sewer users in the city.

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
MMSD-Sewer User Charge Advance Fund Account	\$0	\$37,997,579	\$37,286,350	\$-711,229
Less Cost Recovery From Sewer User Charge	0	-37,997,578	-37,286,349	711,229
<b>TOTAL</b>	<b>\$0</b>	<b>\$1</b>	<b>\$1</b>	<b>\$0</b>

NOTE: The budget amounts for the Reimbursable Service Advance Fund and Sewer User Charges are included in the Special Purpose Account - Miscellaneous total. This summary is provided for informational purposes only.

## SPECIAL PURPOSE ACCOUNT - WORKER'S COMPENSATION

The Worker's Compensation special purpose account, administered by the Employee Benefits Division of the Department of Employee Relations, consists of two sub-accounts. One sub-account compensates city employees who incur job-related injuries. Recovery of payments from third parties helps to offset part of these worker's compensation claims. A second sub-account, Required Employer Law Compliance Expenses, covers expenses incurred as a result of exposure to bloodborne pathogens in the workplace, as mandated by the Bloodborne Pathogen Law.

The 2000 budget for the worker's compensation expenses sub-account totals approximately \$5.4 million, an increase of \$668,179 from the 1999 adopted budget. This appropriation is based upon previous full-year and year-to-date experience. The second sub-account, Required Employer Law Compliance Expenses, is budgeted at \$80,000 for 2000.

In total, these two sub-accounts include budgeted funds just over \$5.48 million for 2000.

### SUMMARY OF EXPENDITURES

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Worker's Compensation	\$4,812,163	\$4,731,821	\$5,400,000	\$668,179
Required Employer Law Compliance Expenses	88,557	80,000	80,000	0
<b>TOTAL</b>	\$4,900,720	\$4,811,821	\$5,480,000	\$668,179

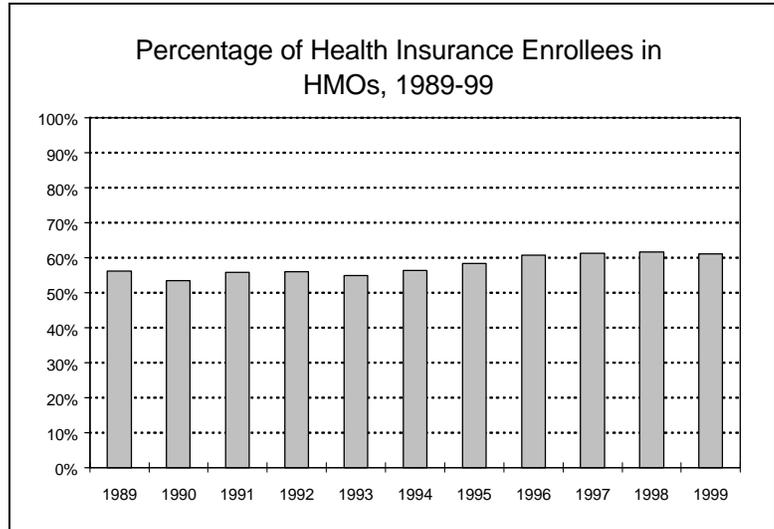
## SPECIAL PURPOSE ACCOUNT - EMPLOYEE HEALTH CARE BENEFITS

This special purpose account covers employee health care benefit costs associated with the self-insured health care benefit program (the "Basic" Plan), health maintenance organizations (HMOs), and dental insurance. Approximately 61% of city health insurance members are enrolled in HMOs with the remainder enrolled in the "Basic" plan (see Figure 1).

The Employee Health Care Benefits special purpose account also includes funding for administrative expenses and cost containment measures. The Employee Benefits Division of the Department of Employee Relations (DER) manages the account.

The 2000 employee health care budget is just over \$53.3 million. In addition to this budget amount, DER anticipates a carryover of approximately \$2.7 million for all of the health care accounts, bringing the total amount available for 2000 health care funding to \$56.0 million, an increase of 5.7% from the 1999 funding level of \$53.0 million. The 1999 funding level included the 1999 adopted budget of \$50.4 million and carryover of \$2.6 million.

Figure 1



In 1999, HMO rates were negotiated for 2000. The re-negotiated rates increased 7%-18% over 1999 rates. Approximately \$3.0 million is provided in the 2000 budget to cover this increase.

### SUMMARY OF EXPENDITURES

EXPENSE CATEGORY	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Claims	\$16,647,476	\$15,791,011	\$18,780,000	\$2,988,989
Health Maintenance Organizations	28,671,114	31,088,215	31,200,000	\$111,785
Dental Insurance	2,551,936	2,600,000	2,300,000	-\$300,000
Administrative Expense	616,845	640,000	710,000	\$70,000
Cost Containment	678,749	300,000	300,000	\$0
<b>TOTAL</b>	<b>\$49,166,120</b>	<b>\$50,419,226</b>	<b>\$53,290,000</b>	<b>\$2,870,774</b>

# SPECIAL PURPOSE ACCOUNT - DEFERRED COMPENSATION PLAN

## EXECUTIVE SUMMARY

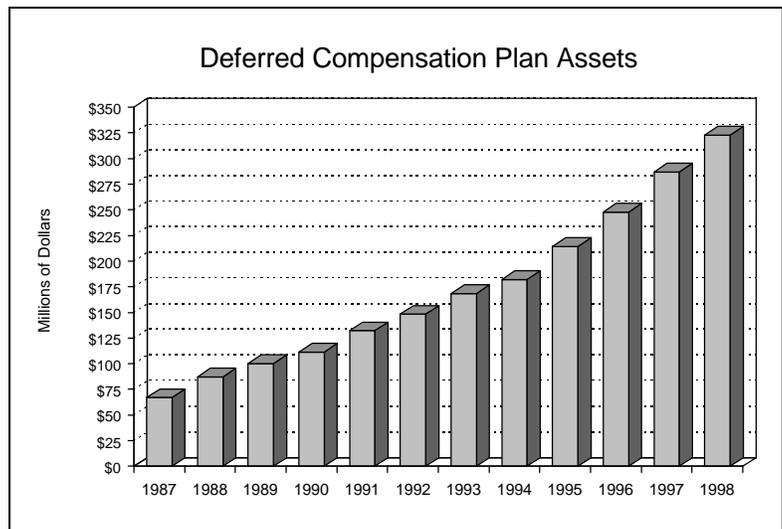
- MISSION:** To provide a tax deferred retirement savings option for city employees that is cost effective and responsive to the needs of its participants and which is in accordance with s. 457 of the Internal Revenue Code.
- STRATEGIC ISSUES:** Continue a responsive organizational structure and enhance labor/management partnerships.  
Offer a wide variety of investment options to meet the needs of participants.
- INITIATIVES FOR 2000:** Continue to provide administration for the Deferred Compensation Plan in the most efficient manner.

## BACKGROUND

Section 5-50 of the Milwaukee City Charter allows for establishment of a Deferred Compensation Plan. The Plan is a non-qualified, tax deferred retirement plan governed under Section 457 of the Internal Revenue Code. Such a plan allows city employees to defer, or set aside, a portion of their income before federal and state taxes are withheld. The income is not taxed until it is withdrawn from the plan, usually at retirement, when an individual's marginal tax rate may be lower.

The Deferred Compensation Plan has been in existence since 1974 and was opened to all employees in 1977. It is funded entirely by payroll and rollover contributions of city employees and associated earnings. The Plan is administered by a nine-member Deferred Compensation Board which has hired contractors to perform daily activities in enrollment, record keeping, marketing and investment selection, and monitoring. In 1987, the Plan was unbundled to offer participants five investment options in which to invest their funds. Since then, the plan has grown to its present size of approximately 6,600 participants which is a 62 percentage rate of participation with assets of \$350 million.

Figure 1



The Deferred Compensation Plan was previously administered from the Office of the Comptroller, but a separate budgetary control unit was established in 1996. The plan is totally self-sustaining and does not have an impact on the City of Milwaukee's tax levy. All expenses of the plan are paid for by participants.

**OBJECTIVE 1**

**Maintain a qualified, cost effective, and responsive Deferred Compensation Plan in accordance with s. 457 of the Internal Revenue Code and employees’ needs.**

**OUTCOME HISTORY**

The present menu of investments consists of “new plan” and “old plan” investments. The “old plan” investments are two insurance company contracts which provide a fixed return and a variable return for as long as funds are accumulated during an employee’s working years. “Old plan” investments of this sort were used exclusively during the first decade of the Plan’s existence, largely because no real alternative existed for 457 plans. In 1987, the Board closed “old plan” investments to new monies. Arrangements were made with the insurance carriers to enable participants to move out of these investments if they so desired. As a result, today only about \$3 million of the Plan’s assets remain in “old plan” investments.

There are five “new plan” investment options from which participants choose for payroll contribution deposits. Since this is a participant-directed plan, the decision of which investment option(s) to use is made entirely by the participant. The Board hires a third-party administrator to provide education to participants about the varying investment characteristics of each of the five options. The Board has assumed responsibility for specifying the options from which participants make their choices. In doing this, the Board has decided to focus on broad investment categories, or strategies, in making options available to participants. The Plan’s five investment options are Stable Value Account; Income Account; Socially Conscious Balanced Account; Passively Managed Equity Account; and Actively Managed Equity Account. Supporting the investment options are either a group of investment contracts selected by the Plan’s discretionary investment manager for the Stable Value Account or a group of mutual funds selected by the Board for the other four accounts.

By offering a variety of investment options, the Board has provided plan participants with an opportunity to diversify their investments, should they so desire. The Board has improved investment returns

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Increase employee participation by 3%.</b>	57.0%	59.0%	65.0%
<b>Increase participant cash flow by 2%.</b>	\$4,692	\$4,240	\$4,786
<b>Funding by Source:</b>			
Operating Funds (Employee Contributions)	\$892,746	\$1,135,014	\$1,220,740
<b>Total:</b>	\$892,746	\$1,135,014	\$1,220,740

to the participants by actively seeking out manager fee reductions, institutional class fund shares, 12 B-1 fee rebates, and low operating cost funds.

Outcome indicators have been reduced to more accurately reflect actual experience. Services provided to employees in 1999 will remain the same for 2000.

**ACTIVITIES**

- Enrollment, agreement processing, payroll changes, future allocation changes, quarterly reporting, participant advising, and educational seminars
- Invest in five investment options (Stable Value Account, Income Account, Balanced Socially Conscious Account, Passively Managed Equity Account, and Actively Managed Equity Account)
- Receive and deposit participant contributions

**PROGRAM CHANGES**

**Internal Revenue Code:** The City Ordinance establishing the Deferred Compensation Plan and the Plan’s Master Agreement was changed to satisfy the amendment to Section 457 of the Internal Revenue Code which requires the assets to be held in trust for the exclusive benefit of Plan Participants and beneficiaries.

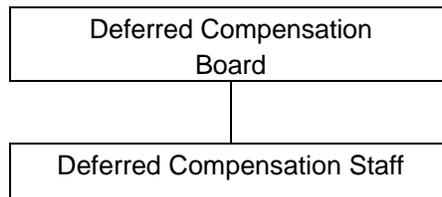
**Contingency:** Since this fund is fully offset by revenue from participants, the department has requested a \$75,000 contingency to avoid using the tax levy-supported Common Council Contingent Fund to cover unanticipated expenses. Funds in this contingency can only be released by the Deferred Compensation Board.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	2.00	2.00	2.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	2	2	2	0
DLH - Operations and Maintenance	4,160	3,792	3,792	0
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$96,693	\$99,176	\$106,697	\$7,521
Fringe Benefits	29,304	33,720	34,143	423
Supplies and Materials	1,600	0	0	0
Equipment and Facility Rent	0	0	0	0
Services	765,149	0	0	0
Operating Expenditures	0	927,118	1,002,400	75,282
Equipment	0	0	2,500	2,500
Special Funds	0	75,000	75,000	0
<b>TOTAL</b>	<b>\$892,746</b>	<b>\$1,135,014</b>	<b>\$1,220,740</b>	<b>\$85,726</b>
<b>REVENUES</b>				
Charges for Services	<u>\$892,746</u>	<u>\$1,135,014</u>	<u>\$1,220,740</u>	<u>\$85,726</u>
<b>TOTAL</b>	<b>\$892,746</b>	<b>\$1,135,014</b>	<b>\$1,220,740</b>	<b>\$85,726</b>

**CAPITAL PROJECTS** - None

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES – None**

# SPECIAL PURPOSE ACCOUNT- BOARD OF ZONING APPEALS

## BACKGROUND

The Board of Zoning Appeals (BOZA) is composed of five members appointed by the Mayor, subject to confirmation by the Common Council. The Board's

duty is to hear and decide appeals of rulings on city zoning ordinances.

## OBJECTIVE 1

**Provide decisions on routine zoning appeals within four to eight weeks of application and within eight to twelve weeks on decisions on complex or controversial appeals.**

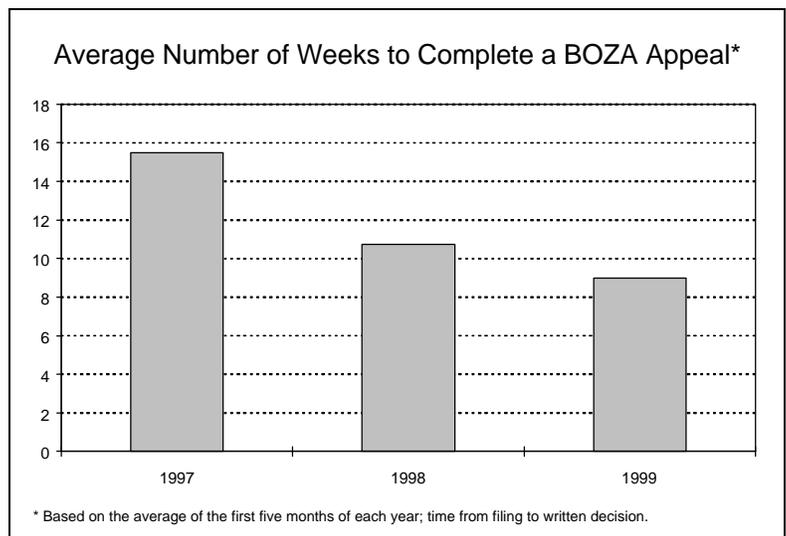
## OUTCOME HISTORY

Several years ago, written decisions on Board of Zoning Appeals cases took an average of 27 weeks between the customer's application and a final letter communicating the board's decision. It took slightly more than 12 of these 27 weeks for a case to be heard before the Board, followed by a 15 week wait for a final decision letter. As of May 1999, with the aid of recent revisions to the ordinances governing the appeals process, the Board was issuing written decisions within 8 to 12 weeks on average (see Figure 1).

Ordinance revisions were designed to reduce delay and increase process efficiency. For example, a Zoning Administration group now reviews each application and makes recommendations to the Board. In the past this function had been performed by the full Plan Commission Board. This new procedure has helped to reduce the processing time by 3 to 4 weeks.

In a survey of Board of Zoning Appeals customers, conducted in 1999, approximately 78% of all respondents indicated that they were "Very Satisfied" with the processing time for a zoning appeal. In 1995, the customer satisfaction with the length of time to process an appeal was approximately 33 percent. In 2000, BOZA will continue to focus on reducing the time spent on waiting for a hearing. Its goal for 2000 is to hear and decide 75% of all cases within eight weeks.

Figure 1



**Program Result Measures:** In 2000, BOZA will measure the success of its programs by measuring the amount of time to provide decisions on routine and complex zoning appeals. In 2000, BOZA estimates that decisions on routine cases will be made within eight weeks. Decisions on controversial cases will be made in twelve weeks. BOZA will dedicate approximately \$241,000 to measure the success of its programs to meet the goals of its objective.

## UPDATE OF PROGRAM CHANGES

**Consent Agenda Implemented:** Historically, about one-third of the cases heard before BOZA were renewals of appeals that had been granted in earlier years. BOZA now reviews renewal cases, as well as many non-controversial special uses and variances, on a consent agenda if the Zoning Administration

Group recommends approval. This avoids a full hearing on routine renewals and allows the Board to devote the majority of its time to hearing complex or controversial appeals. As of May 1999, approximately 40% of the Board's agenda items were on the consent agenda.

**Prompt Decision Letter Notification:** Receiving the Board's written decision in a timely manner after a hearing is very important to BOZA customers. BOZA staff has continued to prepare and deliver written decision letters within an average of one week of the hearing. BOZA staff also transmits the hearing results to the Development Center staff electronically so that permits may be issued as soon as possible.

**Two Tiered Discretionary Hearings Eliminated:** In July of 1998, the Council approved a change that allows special use applications to proceed directly to BOZA instead of also being reviewed by the City Plan Commission. This eliminated one public hearing and has led to quicker decisions being made by the Board. As of May 1999, the average length of time to process a completed special use application was eight weeks. This is a substantial decrease in time as compared to the ten week average in 1997 and the first half of 1998.

<b>Outcome Indicators and Funding</b>			
	<b>1998 Experience</b>	<b>1999 Budget</b>	<b>2000 Projection</b>
<b>Average number of weeks to complete a BOZA appeal.</b>			
Routine Appeals	9.0	8.0	8.0
Complex appeals	11.0	12.0	12.0
<b>Funding by Source:</b>			
Operating Funds	\$203,121	\$242,646	\$241,322
<b>Total:</b>	\$203,121	\$242,646	\$241,322

**Citywide Zoning Code Revision:** To insure that the city's regulatory processes are responsive to contemporary development needs, the Mayor and Common Council in 1998 approved funding to update, simplify and illustrate the city's zoning code. This initiative is being conducted with the assistance of the Department of City Development and should be complete and implemented in 2000. An improved zoning code that meets contemporary development needs should result in fewer customers submitting appeals to BOZA.

**OTHER ACTIVITIES AND CHANGES**

**Information Technology Services:** The 2000 budget reflects a change in the way city departments receive information technology services. As a result, BOZA's budget has been reduced by \$5,000 to account

for the change. For more information please see the section "Department of Administration" in the *2000 Plan and Budget Summary*.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	3.00	3.00	3.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	10	11	11	0
DLH - Operations and Maintenance	3,732	5,400	5,400	0
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$129,891	\$155,926	\$160,144	\$4,218
Fringe Benefits	11,162	32,165	31,623	-542
Supplies and Materials	4,529	0	0	0
Equipment and Facility Rent	4,506	0	0	0
Services	49,027	0	0	0
Operating Expenditures	0	54,555	49,555	-5,000
Equipment	4,006	0	0	0
Special Funds	0	0	0	0
<b>TOTAL</b>	<u>\$203,121</u>	<u>\$242,646</u>	<u>\$241,322</u>	<u>\$-1,324</u>
<b>REVENUES</b>				
Charges for Services	<u>\$137,797</u>	<u>\$164,000</u>	<u>\$175,000</u>	<u>\$11,000</u>
<b>TOTAL</b>	<u>\$137,797</u>	<u>\$164,000</u>	<u>\$175,000</u>	<u>\$11,000</u>

**CAPITAL PROJECTS** - None

**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES** - None

## SPECIAL PURPOSE ACCOUNT - INTERN PROGRAM

The Department of Employee Relations' Intern Program consists of a pool of five undergraduate and three graduate college student interns. Interns hired with funding from this account perform special projects for any requesting city department on an as-needed basis. However, interns hired by specific departments to perform routine and/or daily tasks are authorized and paid out of the employing department's operating budget. The number of interns

hired through the Intern Program has increased over 100%, from 0.6 FTE in 1996 to 1.60 FTE in 1998.

In 2000, the Department of Employee Relations will continue to evaluate strategies for increasing minority participation in the Intern Program. Internships have proven to be one of the most successful strategies for providing real work experience for college graduates and expanding minority representation in the city's workforce.

### BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
Total Positions Authorized	8	8	8	0
FTEs - Operations and Maintenance	1.60	2.30	2.30	0.00
DLH - Operations and Maintenance	2,947	4,160	4,160	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$24,782	\$30,493	\$34,154	\$3,661
Fringe Benefits	0	0	0	0
Services	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	\$24,782	\$30,493	\$34,154	\$3,661

## SPECIAL PURPOSE ACCOUNTS SUMMARY

LINE DESCRIPTION	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>SPECIAL PURPOSE ACCOUNTS - MISCELLANEOUS</b>				
AIDS Initiative	\$395,776	\$309,200	\$309,200	\$0
Alternative Transportation For City Employees	47,758	55,000	75,000	20,000
Annual Payment to DNR	7,034	7,100	7,100	0
Audit Fund	110,168	115,000	128,000	13,000
Boards & Commissions Reimbursement Expense	12,810	15,000	14,000	-1,000
Board of Ethics	11,697	23,850	22,100	-1,750
BID #2 (Historic Third Ward) City Contribution	0	18,000	18,000	0
BID #2 (Historic Third Ward) Self-Supporting	217,920	210,000	200,000	-10,000
BID #2 (Historic Third Ward) Loan Repayment	0	275,000	0	-275,000
BID #3 (RiverWalk) Loan Repayment	15,766	15,766	23,649	7,883
BID #4 (Greater Mitchell Street) City Contribution	0	25,000	25,000	0
BID #4 (Greater Mitchell Street) Self-Supporting	109,386	84,386	84,599	213
BID #5 (Westtown) City Contribution	0	18,000	18,000	0
BID #5 (Westtown) Self-Supporting	93,938	90,000	76,315	-13,685
BID #8 (Historic King Drive) City Contribution	0	21,000	21,000	0
BID #8 (Historic King Drive) Self-Supporting	123,922	102,922	108,553	5,631
BID #9 (739 N. Water-RiverWalk) Loan Repayment	31,609	30,314	30,314	0
BID #10 (Avenues West) City Contribution	0	12,000	12,000	0
BID #10 (Avenues West) Self-Supporting	101,466	100,117	106,114	5,997
BID #11 (Brady Street Business Area) Self-Supporting	77,698	19,000	37,471	18,471
BID #11 (Brady Street Business Area) Loan Repayment	0	58,698	58,698	0
BID #13 (Oakland Avenue) Loan Repayment	0	30,791	30,791	0
BID #13 (Oakland Avenue) Self-Supporting	43,500	19,145	19,209	64
BID #15 (RiverWalk) Self-Supporting	46,000	15,000	10,000	-5,000
BID #15 (RiverWalk) City Contribution	0	40,000	40,000	0
BID #16 (Uptown Triangle) Loan Repayment	0	43,194	43,194	0
BID #16 (Uptown Triangle) Self-Supporting	54,594	11,400	12,183	783
BID #17 (Northwest Area Business) Loan Repayment	0	16,537	16,537	0
BID #17 (Northwest Area Business) Self-Supporting	33,435	16,898	16,897	-1
BID #19 (Villard) Loan Repayment	0	24,100	24,100	0
BID #19 (Villard) Self-Supporting	74,100	50,000	64,134	14,134
BID #20 (North Ave./Prospect/Farwell) Self-Supporting	120,392	80,000	78,834	-1,166
BID #20 (North Ave./Prospect/Farwell) Loan Repayment	0	40,392	40,392	0
BID #21 (Downtown Management Dist.) Self-Supporting	1,700,533	1,766,853	1,766,853	0
BID #21 (Downtown Management Dist.) City Contribution	0	35,000	35,000	0
BID #22 (Edgewood/Oakland) Self-Supporting	4,441	4,441	4,440	-1
BID #23 ( Lincoln Village) Self-Supporting	0	70,000		-70,000
BID Capitol Dr. Self Supporting	0	0	50,000	50,000
BID The Valley Self Supporting	0	0	30,000	30,000
BID Burleigh/Sherman Self Supporting	0	0	25,000	25,000
BID Center St Self Supporting	0	0	138,000	138,000
<b>BIDs</b>				
Self-Supporting	2,801,325	2,640,162	2,828,602	188,440
City Contribution	0	169,000	169,000	0
Loan Repayment	47,375	534,792	267,675	-267,117
<b>Total BIDs</b>	<b>2,848,700</b>	<b>3,343,954</b>	<b>3,265,277</b>	<b>-78,677</b>
Cable TV Franchise Regulation	120,000	0	50,000	50,000
Care of Prisoners Fund	136,143	174,600	201,900	27,300
Canadian American Police Games	0	0	25,000	25,000

SPECIAL PURPOSE ACCOUNTS SUMMARY

LINE DESCRIPTION	1998	1999	2000	CHANGE
	ACTUAL EXPENDITURES	ADOPTED BUDGET	ADOPTED BUDGET	2000 ADOPTED VERSUS 1999 ADOPTED
Census 2000	0	0	165,000	165,000
City Attorney Collection Contract	735,038	750,000	525,000	-225,000
Citywide Email Upgrades	0	165,000	0	-165,000
C/CJIS Administration	108,976	0	42,350	42,350
Clerk of Court-Witness Fees Fund	12,967	15,000	15,000	0
Constituent Service Referral System	0	0	40,000	40,000
Contribution Fund - General	0	1,000,000	675,000	-325,000
Convention & Travel Expense Fund	46,343	50,000	55,000	5,000
Corporate Database	0	100,000	100,000	0
Damages & Claims Fund	8,983,424	1,900,000	1,900,000	0
Delinquent County Taxes	5,604,900	4,900,000	4,900,000	0
Drug Testing	6,746	8,500	8,500	0
Economic Development Committee Fund	115,464	50,000	25,000	-25,000
Employee Training Fund	42,976	74,500	74,500	0
Environmental Remediation Fund	5,697	350,000	350,000	0
Equip. Cost Offset - DOA-Milw. Information Systems	140,131	120,800	0	-120,800
Equip. Cost Offset - Sewer Maintenance Fund	0	107,500	61,250	-46,250
Facade Improvement Program	39,629	20,000	20,000	0
Firemen's Relief Fund	63,691	72,000	77,575	5,575
Flexible Spending Account	43,286	46,500	46,500	0
FMS Support Services	0	0	0	0
FMS Maintenance Upgrade	0	562,000	0	-562,000
FSA Dependent Care Account	256,446	294,000	245,000	-49,000
FSA Medical Care Account	185,254	203,000	215,000	12,000
Graffiti Abatement Fund	119,730	179,000	145,000	-34,000
Grants & Aids-Current Levy	4,326	0	0	0
Group Life Insurance Premium	2,142,591	2,217,000	2,217,000	0
Handgun Violence Media Campaign	0	0	50,000	50,000
Insurance Fund	377,599	450,000	400,000	-50,000
Long Term Disability Insurance	435,264	380,000	425,000	45,000
Low Interest Mortgage Loan Program	12,967	20,000	18,000	-2,000
Maintenance of Essential Utility Services	108,095	55,000	75,000	20,000
Memberships, City	115,146	121,202	123,760	2,558
Milwaukee Arts Board Projects	204,159	192,000	192,000	0
Milwaukee Fourth of July Commission	123,035	130,000	130,000	0
Municipal Court Commissioner Project	119,526	0	0	0
Municipal Court Intervention Program	268,295	393,652	393,652	0
Netware Security Upgrade	32,299	0	0	0
Outside Council/Expert Witness Fund	675,000	200,000	250,000	50,000
Pabst Theater Board Fund	150,000	150,000	150,000	0
Pabst Theater Rent Fund	10,000	10,000	10,000	0
Parking Fund Reimbursement	0	0	2,107,691	2,107,691
Razing & Vacant Bldgs.	1,601,737	2,000,000	2,000,000	0
Reimbursable Services Advance Fund	0	50,000,001	50,000,001	0
Less Recover Reimbursable	0	-50,000,000	-50,000,000	0
Remission of Taxes Fund	2,853,965	500,000	500,000	0
Reserve for 27th Payroll	1,084,622	1,200,000	1,665,000	465,000
Retirees Benefit Adjustment Fund	602,386	550,000	886,000	336,000
River Skimmer	137,250	30,000	0	-30,000
Safety Glasses	20,368	26,000	26,000	0
Seminar Fund	14,449	20,000	20,000	0
Sewer Maintenance	115,750	40,000	30,000	-10,000
MMSD User Charge	0	37,997,579	37,286,350	-711,229
Less Recover - MMSD	0	-37,997,578	-37,286,349	711,229
Tuition Reimbursement Fund	679,590	675,000	700,000	25,000

SPECIAL PURPOSE ACCOUNTS SUMMARY

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LINE DESCRIPTION	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Unemployment Compensation Fund	733,956	700,000	775,000	75,000
Wages Supplement Fund	0	9,000,000	18,555,000	9,555,000
Wis. League of Municipalities Meetings	3,444	6,500	6,500	0
Year 2000 Production Testing	0	0	70,700	70,700
Year 2000 Compliance Project	51,310	100,000	40,000	-60,000
 Total Misc. SPAs	 \$32,877,913	 \$34,177,860	 \$45,599,557	 \$11,421,697
 Board of Zoning Appeals	 \$203,121	 \$242,646	 \$241,322	 \$-1,324
 Workers' Compensation Fund	 \$4,900,720	 \$4,811,821	 \$5,480,000	 \$668,179
 Employee Health Care Benefits				
Claims	\$16,647,476	\$15,791,011	\$18,780,000	\$2,988,989
HMO	28,671,114	31,088,215	31,200,000	111,785
Dental Insurance	2,551,936	2,600,000	2,300,000	-300,000
Administration Expenses	616,845	640,000	710,000	70,000
Cost Containment Program	678,749	300,000	300,000	0
 EMPLOYEE HEALTH CARE SUBTOTAL	 \$49,166,120	 \$50,419,226	 \$53,290,000	 \$2,870,774
 Intern Program	 \$24,782	 \$30,493	 \$34,154	 \$3,661
 Deferred Compensation	 \$892,746	 \$1,135,014	 \$1,220,740	 \$85,726
 GRAND TOTAL	 \$88,065,402	 \$90,817,060	 \$105,865,773	 \$15,048,713

# CITY TREASURER

## EXECUTIVE SUMMARY

- MISSION:** To fulfill the duties and responsibilities of the independently, citywide elected city treasurer, who serves as the chief investment and revenue collection officer of the City of Milwaukee, as set forth in Wisconsin State Statutes, the City of Milwaukee Charter and Code of Ordinances, and Common Council Resolutions.
- STRATEGIC ISSUES:** Fulfill the mission of the City Treasurer Department in an environment of fiscal constraint.
- Utilize technology wherever feasible and cost justified to compile and transfer needed information.
- Provide quality services to customers.
- INITIATIVES FOR 2000:** Continue the modification of department operations to more effectively utilize the PeopleSoft Financial and Human Resource Software Modules implemented in 1999.
- Improve upon the integration of the Cashier for Windows and SymPro investment portfolio management software.

## BACKGROUND

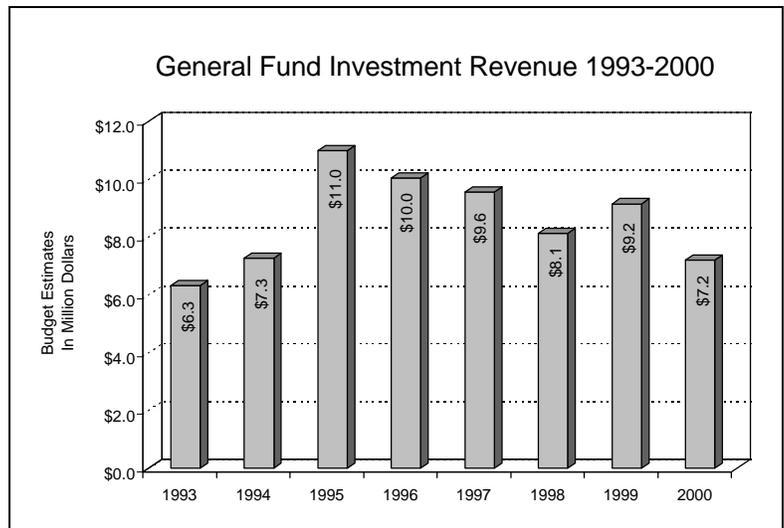
The City Treasurer is one of 24 elected officials within Milwaukee's municipal government. Under authority provided by the Wisconsin State Statutes and the Milwaukee City Charter, the Office of the City Treasurer receives and accounts for all monies paid to the city, makes disbursements vouchered for payment by the comptroller, invests city funds that are not needed to meet current expenditures, collects current property taxes and delinquencies for all six tax levies within the City of Milwaukee, settles property tax collections on a pro-rata basis, and remits to each taxing jurisdiction their share of the monies collected.

One of the most important functions performed by the Treasurer's Office is the investment of city funds that are not needed immediately to meet current expenditures, i.e.: property taxes and lump sum revenue payments such as state shared revenue.

In making investment decisions, the Treasurer's Office considers the safety, liquidity, and rate of return of various investment instruments. Even though certain constraints

apply to the investment of city funds, the Treasurer has obtained rates of return ranging between 5.69% and 6.18% under current market conditions during the period of 1995-1998. As shown in Figure 1, this has translated into city general fund investment revenue of \$8.12 million in 1998. The projection of \$7.2 million in investment revenue for 2000 is based on a lower available average fund balance.

Figure 1



**OBJECTIVE 1**

**Fulfill its mission to the satisfaction of the Milwaukee electorate as measured by the rate of return on city investments and the cost of tax collection services.**

**OUTCOME HISTORY**

The city treasurer is responsible for investing available city fund balances. These balances consist of tax dollars collected and revenues received, including state shared revenue and various fines and fees. The city's cash flow requirements do not always equal the current fund balance. The city invests any funds not needed immediately in low-risk investments.

Earnings from these investments are used to reduce the tax levy. Total city investment revenue is projected to be \$10,800,000 in 2000, with \$7,200,000 being credited to the General Fund and \$3,600,000 to the Public Debt Amortization Fund. The rate of return is a critical component in determining the amount of investment earnings. The goal of the treasurer is to maximize the city's rate of return, while ensuring the safety of invested funds. Figure 2 shows the city's rate of return from 1993 through the estimated 2000 rate of return. The city's rate of return is compared to that of the State of Wisconsin Local Government Investment Pool (LGIP), which serves as a "benchmark" for measuring investment performance.

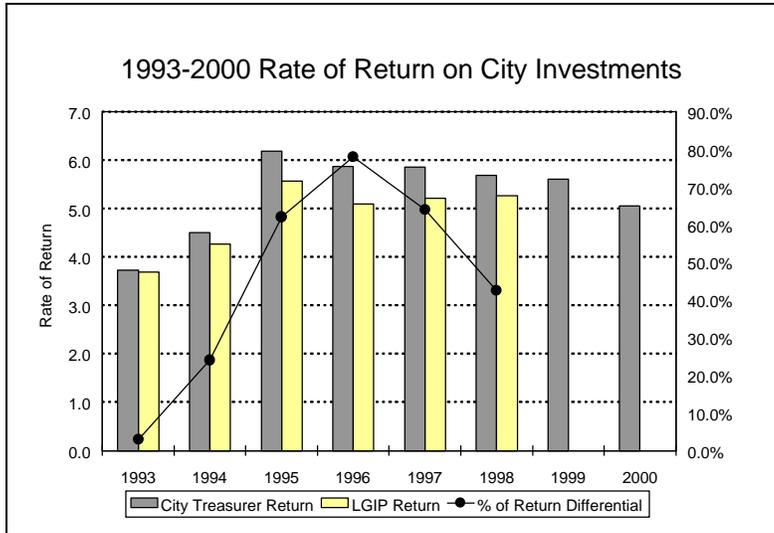
**Program Result Measures:** In 1999, the Office of the City Treasurer implemented new program result measures to track its financial management program. The amount of dollars invested, the rate of return on investments, and the amount of dollars for taxes and delinquent taxes collected are used to assess the department's financial activity.

**ACTIVITIES**

- Receive and account for all monies paid to the city
- Make disbursements that have been vouchered for payment by the city comptroller
- Invest city funds not needed immediately to meet current expenditures

	1998 Experience	1999 Budget	2000 Projection
Rate of return on investments.	5.69%	5.60%	5.05%
Cost of tax collection as a percent of taxes collected.	0.14%	0.20%	0.35%
Cost of delinquent tax collection as a percent of reduction in delinquent taxes receivable.	1.37%	2.50%	2.50%
<b>Funding by Source:</b>			
Operating Funds	\$2,802,411	\$2,940,537	\$2,889,185
Special Purpose Accts.	5,604,900	4,900,000	4,900,000
<b>Total:</b>	<b>\$8,407,311</b>	<b>\$7,840,537</b>	<b>\$7,789,185</b>

Figure 2



- Collect property taxes and delinquent taxes of all six levies within the city

**PROGRAM CHANGES**

In 2000, the City Treasurer's Office will continue the modification of department operations to more effectively utilize the PeopleSoft Financial and Human Resource Software Modules implemented in 1999, while improving upon the integration of the Cashier for Windows and SymPro investment portfolio management software.

**OTHER ACTIVITIES AND CHANGES**

**Investment Fund Balances:** The Treasurer’s Office experienced a lower average fund balance available for investment purposes in 1999 and anticipates this will continue in 2000. The estimated impact of the lower average investment balance is a reduction of \$2.06 million in total investment income in 2000. The lower average fund balances available for investment purposes are the result of several factors:

- The change in funding for Milwaukee Public Schools, whereby two thirds of the cost is now paid by the State of Wisconsin in lump sum amounts later in the fiscal year in lieu of property taxes being collected and invested during the course of the entire fiscal year;
- Changes in trends for cash flow borrowing;
- Cash outlays for Miller Park and lawsuit settlements; and
- Required cash outlays by the Milwaukee Water Works for infrastructure improvements to assure the safety of the city’s potable water supply

have delayed cash payments due to the city in lieu of taxes.

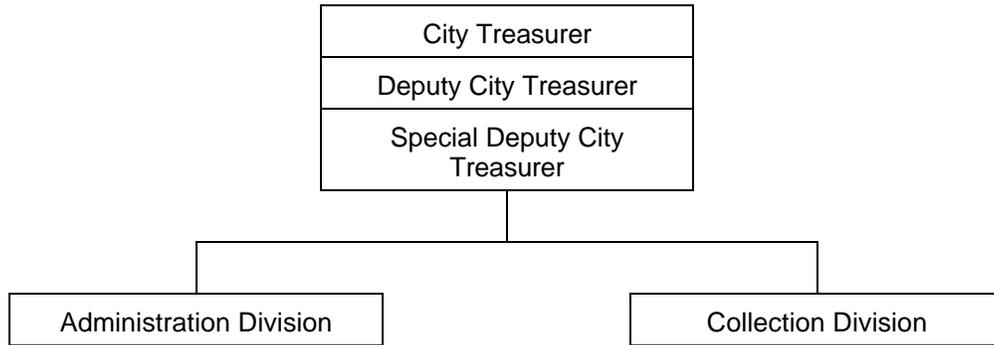
**Commuter Value Pass Program:** At the end of 1999, the Milwaukee County Transit System (MCTS) will discontinue the bus coupon program that the city currently provides as a benefit to employees. In order to continue to provide the benefit of reduced bus fares to employees, the city will pilot a new program created by MCTS. The administration of this new transit program will be moved from the Treasurer’s Office to the Department of Employee Relations.

**Information Technology Services:** The 2000 budget reflects a change in the way city departments receive information technology services. As a result, the Treasurer’s budget has been reduced by \$211,890 to account for the change. For more information, please see the section “Department of Administration” in the *2000 Plan and Budget Summary*.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	34.60	35.70	35.90	0.20
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	66	65	65	0
DLH - Operations and Maintenance	60,370	63,485	63,835	350
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$1,457,659	\$1,496,655	\$1,504,625	\$7,970
Fringe Benefits	480,411	508,865	487,820	-21,045
Supplies and Materials	84,111	0	0	0
Equipment and Facility Rent	0	0	0	0
Services	718,007	0	0	0
Operating Expenditures	0	868,230	853,770	-14,460
Equipment	588	0	0	0
Special Funds	<u>61,635</u>	<u>66,787</u>	<u>42,970</u>	<u>-23,817</u>
<b>TOTAL</b>	<b>\$2,802,411</b>	<b>\$2,940,537</b>	<b>\$2,889,185</b>	<b>\$-51,352</b>
<b>REVENUES</b>				
Charges for Services	\$128,271	\$172,900	\$172,785	\$-115
Licenses and Permits	26,468	25,500	25,300	-200
Taxes & Payment in Lieu of Taxes	<u>3,714</u>	<u>3,700</u>	<u>3,500</u>	<u>-200</u>
<b>TOTAL</b>	<b>\$158,453</b>	<b>\$202,100</b>	<b>\$201,585</b>	<b>\$-515</b>
<b>CAPITAL PROJECTS - None</b>				

**ORGANIZATION CHART**



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Systems Coordinator (Operating Funding \$-58,334)	] Position reclassification.
1	1.00	Business Systems Coordinator (Operating Funding \$61,367)	
-1	-1.00	Systems Support Specialist (Operating Funding \$-30,759)	] Position reclassification.
1	1.00	Network Coordinator-Assistant (Operating Funding \$36,389)	
0	0.20	Various (Operating Funding \$4,200)	Overtime compensation adjustment.
0	0.20	<b>TOTAL</b>	

## FRINGE BENEFIT OFFSET

Employee fringe benefit costs are appropriated in various special purpose accounts. In addition, department operating budgets include an estimated employee fringe benefit factor in order to reflect the total cost of department operations. In prior years this second appropriation, or “double” budget, was offset by a “paper” revenue to avoid levying twice

for employee benefits. The 2000 budget offsets the second, or double budget, with a budget offset, as opposed to a revenue offset. This approach avoids overstating the total city budget by the fringe benefit factor, which in 2000 amounts to approximately \$72.0 million.

### BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Fringe Benefit Offset	\$0	\$-84,759,702	\$-71,952,616	\$12,807,086

# SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

## EXECUTIVE SUMMARY

**PURPOSE:** To determine the amount of resources needed to support city services and to evaluate the most appropriate revenue stream for recovering costs, including general government revenue, user fees, and local taxes.

**STRATEGIC ISSUES:** In an ever-competitive economy, local tax policy can be an important factor in decisions concerning residential and business investment. For Milwaukee to grow and prosper, local tax policies should not impede the expansion of the local economy.

Structural changes in the economy, originating well beyond the city's borders, are impacting Milwaukee's fiscal environment. These changes have influenced, among other things, job trends in the city, tax base growth, and income trends. It is expected that structural change in the broader macro-economy will continue to influence fiscal conditions in Milwaukee well into the future.

**INITIATIVES FOR 2000:** Limit the tax burden on local property owners by further diversifying the city's revenue base.

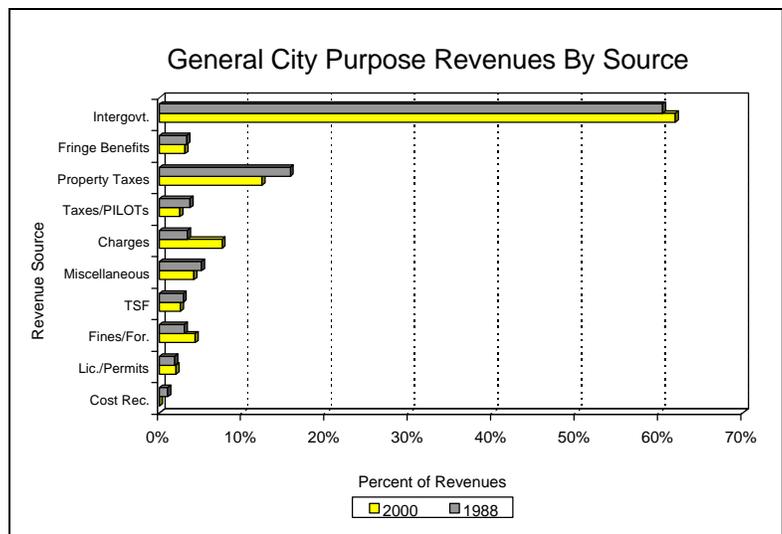
## BACKGROUND

The 2000 general city purpose budget totals \$450.9 million, an increase of \$8.5 million over the 1999 adopted budget. A variety of revenue sources support the general city purposes budget (see Figure 1). The largest of these, intergovernmental revenues and the property tax levy, together account for nearly three-fourths of total revenue for general city purposes.

While actual general city purpose revenues have increased since 1994, they have grown at a rate less than inflation (see Figure 2). As a result, revenues have decreased in "real" or inflation-adjusted terms. At the same time, costs continue to rise in response to the effects of inflation. Thus, if spending increases at the rate of inflation and revenues do not, property taxes will rise unless the city reduces expenditures.

In 2000, total revenues are expected to increase by only 1.9% over 1999 estimated levels, 0.4% below the projected rate of inflation for 2000 of 2.3%. Therefore, in order to avoid an increase in taxes for 2000, the city reduced spending growth to a level below the projected rate of inflation.

Figure 1



**Intergovernmental Revenue:** These revenues include funding received from other governmental jurisdictions, state and federal aid formulas, grants, and other program-specific government aid. From 1990, intergovernmental revenues have experienced steady, though moderate, annual growth through 1998. However, in 1999, intergovernmental revenues fell 0.4% or \$1,133,600. In 2000, intergovern-

mental revenues increased \$1.1 million or 0.4%. Moreover, although intergovernmental revenues grew between 1990 and 2000, with the exception of 1999, they did so only in nominal terms. In “real” or inflation-adjusted dollars, intergovernmental revenues have fallen from 1992 to 2000 (Figure 3).

The 1999-2000 State of Wisconsin budget increased funding for transportation aids and the expenditure restraint program. The city will receive an additional \$1.7 million in transportation aids and \$1.3 million in expenditure restraint program revenue above the initial 2000 projected revenues for these programs.

In the 2000 budget intergovernmental revenues total \$279.1 million. Of this amount, \$236.2 million will consist of state shared revenues, \$4.4 million less than received in 1999. This represents a decrease of 1.8% from the 1999 amount, a rate of change that fails even to keep pace with the current modest rate of inflation.

**Fringe Benefits:** Beginning in 1999, the budget no longer contained a fringe benefit offset as a revenue for general city purpose funded positions. The offset instead will be included on the appropriation side of the budget. A fringe benefit offset will continue to be provided for positions funded with reimbursable, enterprise, and capital funding.

**Property Taxes:** The property tax levy will provide \$55.4 million in revenue for the general city purposes budget in 2000. This represents an increase of \$8.2 million from the 1999 levy.

**Taxes and Payments in Lieu of Taxes:** The 2000 budget includes an estimated \$10.9 million in revenue attributable to taxes and payments in lieu of taxes (PILOTs). These funds include revenues raised by non-property tax levies; occupation taxes; trailer park taxes; tax incremental district close-out revenue; principal, interest, and penalties on delinquent taxes; property tax adjustments; and payments from property-tax exempt governmental entities for city services. Revenue from 2000 taxes and PILOTs represents a net decrease of \$4.2 million from the final

Figure 2

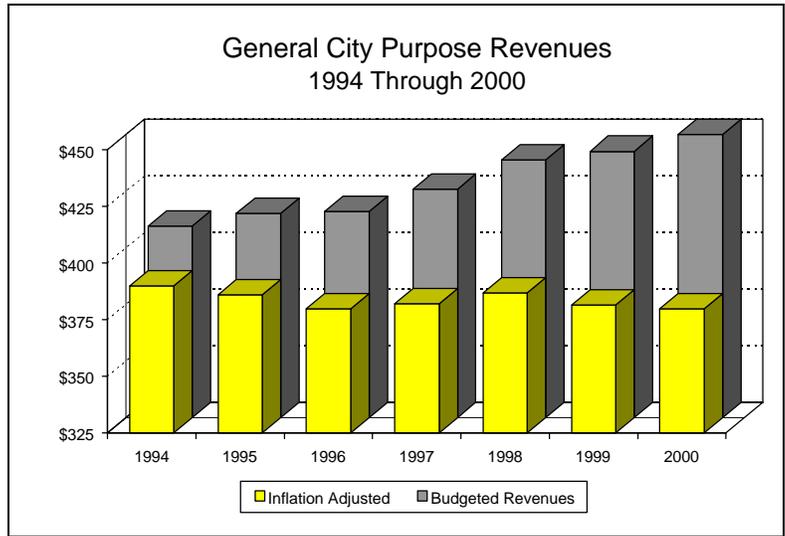
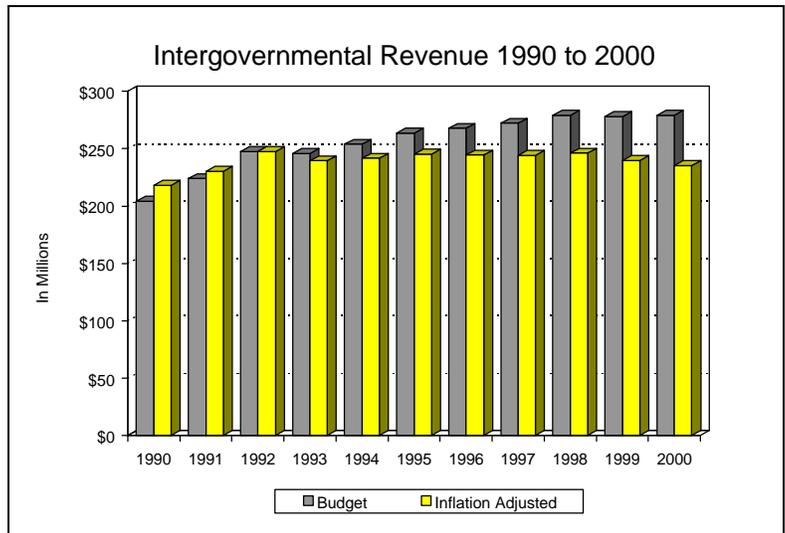


Figure 3



estimates contained in the 1999 budget. Most of this decrease is attributable to a change in the way the city accounts for delinquent county taxes.

**Charges for Services:** The 2000 budget includes \$33.9 million in revenue from charges for services. This source of general city purpose funding encompasses revenue received for services provided by city operating departments. Public Works charges are the largest component, accounting for almost one-third of this revenue source. Charges for services revenue has increased almost every year since 1990 (Figure 4).

**Miscellaneous Revenues:** Miscellaneous revenue includes interest on investments, funds from the sale of surplus property, real estate property sales, several spending offset accounts, and other revenues not included in any other category. For 2000, these revenues are expected to total \$18.5 million.

Two-thirds of the interest on the city's unrestricted investments is counted as general city purpose revenue (one-third accrues to the Public Debt Amortization Fund). For 2000, a 5.05% rate of return on unrestricted investments of approximately \$205 million is assumed. This translates into \$7.2 million in general city purpose revenue (two-thirds of the \$10.8 million in estimated interest earnings), down \$1.9 million from the budget adopted for 1999.

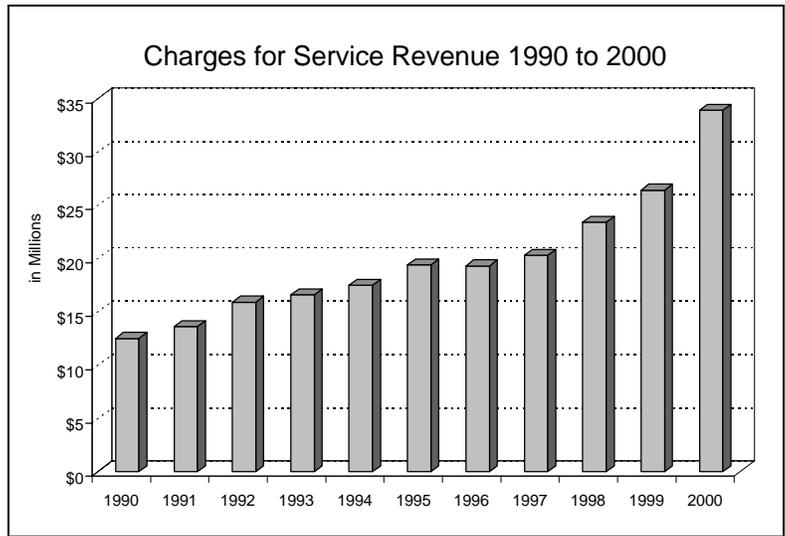
**Fines and Forfeitures:** Revenue of \$19.3 million related to fines and forfeitures is included in the 2000 budget. Fines and forfeitures include payments received from individuals as penalties for violating municipal laws.

Fines and forfeitures increased by \$2.5 million from the 1999 estimate. Four factors contribute to this increase.

- \$1 million due to a change in ordinance to increase the level of fines for various parking-related fines. The majority of the increase is due to a change in the meter violation fine from \$10 to \$15 (\$800,000).
- \$500,000 due to an increase in parking checker productivity relating to their relocation from the Police Department to the Parking Fund.
- \$500,000 associated with improved collection processes.
- \$400,000 from a \$5 increase in the late fee to cover the cost of the state license suspension program.

**Licenses and Permits:** Revenue from licenses and permits in 2000 is estimated at \$8.8 million. These

Figure 4



funds include charges for legal permission to engage in a business, occupation, or other regulated activity. In 2000, several permit fees will be increased to allow certain revenues to grow at the same rate as associated costs.

**Cost Recovery:** Cost recovery funds do not represent an actual revenue to the city. They offset tax levy funds included in departmental equipment rental accounts to pay the depreciation portion of internal service agency charges.

**Tax Stabilization Fund:** The Tax Stabilization Fund (TSF) is used to accumulate unexpended appropriations and revenue surpluses. A total of \$5.8 million was transferred into the fund at the end of 1998. The purpose of the fund is to assist in stabilizing the city's tax rate and to protect citizens from tax rate fluctuations that can result from failure to capture accurate property values in non-reassessment years and erratic variations in non-property tax revenues.

The balance in the fund (as of April 15, 1999) totals \$26.4 million, of which a maximum of \$16.6 million was available for withdrawal. The TSF withdrawal for 2000 totals \$11.3 million, which leaves a balance of \$15.2 million. This withdrawal represents 42.6% of the available fund balance and a decrease of \$1.6 million from 1999 levels.

**2. SOURCE OF FUNDS FOR GENERAL CITY PURPOSES**

	1997 ACTUAL EXPENDITURE	1998 ACTUAL EXPENDITURE	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
REVENUES IN DOLLARS					
TAXES & PAYMENTS IN LIEU OF TAXES					
Housing Authority	\$960,914	\$1,009,594	\$960,000	\$960,000	\$0
Parking	957,709	1,008,422	1,076,000	1,200,000	124,000
Water Services Division	6,774,176	6,878,839	7,130,000	7,800,000	670,000
Trailer Park Taxes	120,272	129,725	110,000	120,000	10,000
Occupational Taxes	10,365	3,714	3,700	3,500	-200
Payment in Lieu of Taxes - Other	195,679	195,524	200,000	200,000	0
Interest/Penalties on Taxes	450,422	813,405	612,400	621,200	8,800
PILOT - Potawatomi	63,073	60,997	63,000	0	-63,000
Milwaukee County Delinquent Taxes Certificate Collections	0	0	4,900,000	0	-4,900,000
TID #7 - Excess Revenue	864,125	0	0	0	0
<b>TOTAL TAXES</b>	<b>\$10,396,735</b>	<b>\$10,100,220</b>	<b>\$15,055,100</b>	<b>\$10,904,700</b>	<b>-\$4,150,400</b>
LICENSES & PERMITS					
LICENSES					
Amusement Dance/Music	\$221,331	\$225,831	\$230,000	\$305,000	\$75,000
Bicycle	2,622	7,666	2,600	2,600	0
Dog and Cat	27,102	26,468	25,500	30,000	4,500
Electrical	52,940	54,289	50,000	0	-50,000
Food - Health Department	741,003	777,274	784,300	1,000,000	215,700
Health Department-Non Food	69,723	61,888	63,300	26,200	-37,100
Lead Abatement	17,590	19,800	18,000	0	-18,000
Liquor and Malt	914,037	980,018	930,000	915,000	-15,000
Rooming House	31,025	27,906	30,600	0	-30,600
Scales	7,708	6,489	7,000	228,000	221,000
Stationary Engineer	36,810	61,620	53,000	0	-53,000
Miscellaneous	216,225	198,013	225,300	0	-225,300
Miscellaneous - City Clerk	0	0	0	202,000	202,000
Miscellaneous - Dept. of Neigh. Services	0	0	0	278,500	278,500
Miscellaneous - DPW-Administration	0	0	0	9,200	9,200
Asbestos Removal	44,427	54,701	48,000	0	-48,000
Commercial Scales/Meters	232,187	229,634	185,100	0	-185,100
Service Station Licenses	44,277	29,353	11,500	0	-11,500
Tire-Generators/Transporters	33,500	33,175	35,000	0	-35,000
PERMITS					
Board of Zoning Appeals	\$0	\$0	\$0	\$154,000	\$154,000
Zoning Change Fees	0	0	0	21,000	21,000
Building	2,092,291	2,159,268	1,834,900	1,963,500	128,600
Building Code Compliance	216,605	220,205	232,000	232,000	0
Covered Sidewalk Openings	15,960	29,120	29,000	0	-29,000
Curb Space Special Privilege	25,358	76,241	25,400	76,200	50,800
Driveways	17,720	16,283	22,500	0	-22,500
Electrical	379,939	540,774	410,000	524,500	114,500
Elevator	219,145	260,252	275,000	360,000	85,000
Erosion Control	38,280	35,980	35,000	0	-35,000
Occupancy	219,870	185,442	210,000	232,500	22,500
Plan Exam - DCD	0	0	0	77,000	77,000
Plumbing	593,615	622,523	590,000	627,500	37,500
Sewer Connection	3,325	3,994	3,500	0	-3,500
Sign and Billboard	61,360	81,630	127,000	121,100	-5,900
Special Events	100,061	113,765	100,000	122,000	22,000
Special Privilege-Miscellaneous	290,707	328,747	335,000	0	-335,000
Sprinkler Inspection	346,725	324,652	340,000	350,000	10,000
Use of Streets-Excavating	49,243	48,904	190,000	493,000	303,000
Use of Streets-Surface	211,162	246,356	244,000	0	-244,000

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	1997 ACTUAL <u>EXPENDITURE</u>	1998 ACTUAL <u>EXPENDITURE</u>	1999 ADOPTED <u>BUDGET</u>	2000 ADOPTED <u>BUDGET</u>	CHANGE 2000 ADOPTED VERSUS <u>1999 ADOPTED</u>
Miscellaneous	25,158	30,924	62,800	0	-62,800
Miscellaneous - Dept. of Neigh. Services	0	0	0	51,100	51,100
Miscellaneous - DPW	0	0	0	82,000	82,000
Special Privilege-Misc. Dept. of Neigh. Serv.	0	0	0	275,000	275,000
Water Works - Street Excavating	<u>0</u>	<u>0</u>	<u>158,000</u>	<u>0</u>	<u>-158,000</u>
<b>TOTAL LICENSES &amp; PERMITS</b>	<b>\$7,599,031</b>	<b>\$8,119,185</b>	<b>\$7,923,300</b>	<b>\$8,758,900</b>	<b>\$835,600</b>
<b>INTERGOVERNMENTAL REVENUE</b>					
State Shared Revenues-Fire					
Insurance Premium	\$521,694	\$489,303	\$536,000	\$595,000	\$59,000
Health-Fire Inspection Aid	40,053	46,994	40,000	25,400	-14,600
Local Street Aids	25,539,371	27,975,412	27,000,000	27,700,000	700,000
Payment for Municipal Services	1,941,334	1,846,606	1,800,000	1,830,000	30,000
State Payments-Police	562,583	644,362	670,000	530,000	-140,000
State Shared Revenue (General)	234,479,179	239,419,502	240,600,000	236,192,000	-4,408,000
Expenditure Restraint Aid	8,704,615	8,535,415	7,290,000	8,677,000	1,387,000
Other State Payments	7,034	7,034	7,100	7,100	0
Computer Exemption Aid	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,500,000</u>	<u>3,500,000</u>
<b>TOTAL INTERGOVERNMENTAL REVENUES</b>	<b>\$271,795,863</b>	<b>\$278,964,628</b>	<b>\$277,943,100</b>	<b>\$279,056,500</b>	<b>\$1,113,400</b>
<b>CHARGES FOR SERVICES</b>					
<b>GENERAL GOVERNMENT</b>					
Board of Standards and Appeals	\$14,250	\$18,325	\$15,000	\$0	\$-15,000
Board of Zoning Appeals	109,222	137,796	164,000	0	-164,000
City Attorney	403,082	381,453	300,800	294,800	-6,000
Dept. of Employee Relations (DER)	339,365	372,843	398,100	372,200	-25,900
City Treasurer	130,517	128,271	172,900	179,385	6,485
Common Council-City Clerk	40,651	35,826	29,500	27,500	-2,000
Comptroller	158,693	151,702	191,800	176,400	-15,400
BID Assessment	0	0	0	3,096,277	3,096,277
Deferred Compensation	816,304	892,746	1,135,014	1,220,740	85,726
Election Commission	11,817	8,246	26,700	28,300	1,600
Municipal Court	835,808	1,005,424	960,500	1,131,300	170,800
Public Debt Commission	203,665	227,755	181,000	188,000	7,000
Assessor	606	25,206	800	29,400	28,600
Department of City Development	191,403	134,581	118,000	455,000	337,000
Department of Administration	117,172	69,497	110,000	797,550	687,550
Telecommunications Franchise Fees	0	0	0	3,100,000	3,100,000
MPS Service Charges	0	0	3,529,117	3,579,100	49,983
Department of Neighborhood Services	1,143,779	1,505,567	1,422,500	1,707,000	284,500
Building Razing	0	0	0	1,835,000	1,835,000
Fire Prevention Inspections	1,011,783	1,017,344	1,020,000	1,060,800	40,800
Essential Services	51,983	65,796	65,000	75,000	10,000
Fire Department	1,861,009	1,219,211	1,203,500	1,235,000	31,500
Paramedic Program	3,496,871	3,320,008	3,687,000	0	-3,687,000
Police Department	420,804	475,035	277,000	257,000	-20,000
DPW-Buildings & Fleet	1,281,998	1,557,084	1,589,000	2,551,000	962,000
Forestry	192,263	193,050	270,000	206,000	-64,000
Harbor Commission	2,257,654	2,130,520	2,206,183	2,220,060	13,877
DPW-Administrative Service	382,358	368,677	365,000	365,000	0
Sanitation	369,529	698,396	341,100	754,000	412,900
Apartment Garbage Collection	0	236,691	600,000	583,000	-17,000
Infrastructure Services	1,496,492	3,318,479	2,295,700	3,027,400	731,700
Health Department	956,010	1,428,745	1,423,600	929,300	-494,300
Public Library	371,979	437,119	469,600	460,000	-9,600
County Fed. System	1,654,870	1,704,955	1,795,100	1,735,500	-59,600
Department Central Services Cost Recovered	<u>0</u>	<u>0</u>	<u>0</u>	<u>234,300</u>	<u>234,300</u>
<b>TOTAL CHARGES FOR SERVICES</b>	<b>\$20,321,937</b>	<b>\$23,266,348</b>	<b>\$26,363,514</b>	<b>\$33,911,312</b>	<b>\$7,547,798</b>

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	1997 ACTUAL <u>EXPENDITURE</u>	1998 ACTUAL <u>EXPENDITURE</u>	1999 ADOPTED <u>BUDGET</u>	2000 ADOPTED <u>BUDGET</u>	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>FINES AND FORFEITURES</b>					
Police Department	\$10,648,984	\$11,056,855	\$11,335,000	\$13,800,000	\$2,465,000
Municipal Court	<u>4,929,411</u>	<u>5,080,758</u>	<u>5,437,400</u>	<u>5,506,000</u>	<u>68,600</u>
<b>TOTAL FINES AND FORFEITURES</b>	<b>\$15,578,395</b>	<b>\$16,137,613</b>	<b>\$16,772,400</b>	<b>\$19,306,000</b>	<b>\$2,533,600</b>
<b>MISCELLANEOUS REVENUES</b>					
Interest on Temporary Investments	\$9,251,274	\$8,161,194	\$9,150,000	\$7,200,000	\$-1,950,000
Telecommunications Excess Franchise Fee	2,813,271	2,879,151	3,100,000	0	-3,100,000
BID Assessment	838,632	2,730,725	3,174,954	0	-3,174,954
Interest on Sewer User Charges	896	120	0	0	0
Contributions	807,412	743,261	1,000,000	675,000	-325,000
DOA Property Sales	407,952	615,404	408,000	563,000	155,000
DCD Property Sales	7,983	191,320	50,000	50,000	0
DPW-Buildings & Fleet Div. - Rent	392,353	379,535	419,300	379,300	-40,000
Comptroller - Rent	134,681	140,696	138,000	138,300	300
DCD - Rent	283,824	187,408	360,000	250,000	-110,000
Other Miscellaneous	726,775	-906,024	28,700	0	-28,700
Department Central Service Costs Recovered	1,429,308	1,600,353	1,300,000	0	-1,300,000
Buildings Razing Assessments	1,648,405	1,641,872	1,835,000	0	-1,835,000
LIMP Revenue	184,583	132,933	125,000	120,000	-5,000
Vacation of Streets and Alleys	11,199	14,139	30,000	0	-30,000
Refuse Collection-Other Municipalities	329,781	194,386	300,000	0	-300,000
Witness and Jury Fees	9,447	5,756	8,000	0	-8,000
Recycling Program	149,525	126,660	150,000	0	-150,000
Flexible Spending	413,671	462,564	497,000	460,000	-37,000
Equipment Rental - Sewer Services	0	949,133	1,456,062	0	-1,456,062
Petroleum Tank Removal	116,028	106,073	100,000	0	-100,000
Environmental Remediation	0	0	350,000	350,000	0
Purchase of Milw. Co. Delinquent Taxes	0	0	0	4,900,000	4,900,000
Potawatomi	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,380,000</u>	<u>3,380,000</u>
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>\$19,957,000</b>	<b>\$20,356,659</b>	<b>\$23,980,016</b>	<b>\$18,465,600</b>	<b>\$-5,514,416</b>
<b>FRINGE BENEFITS</b>					
Fringe Benefit Offset	\$0	\$0	\$0	\$13,850,000	\$13,850,000
Operating	77,569,863	82,338,336	1,133,623	0	-1,133,623
Reimbursable	3,868,144	4,547,846	3,800,000	0	-3,800,000
Grant-in-Aid	4,382,664	4,144,027	4,100,000	0	-4,100,000
Capital Improvements	3,512,412	3,710,396	3,500,000	0	-3,500,000
Enterprise	<u>339,898</u>	<u>1,509,562</u>	<u>1,600,000</u>	<u>0</u>	<u>-1,600,000</u>
<b>TOTAL FRINGE BENEFITS</b>	<b>\$89,672,981</b>	<b>\$96,250,167</b>	<b>\$14,133,623</b>	<b>\$13,850,000</b>	<b>\$-283,623</b>
<b>COST RECOVERY</b>					
Central Services	\$162,728	\$167,277	\$146,500	\$0	\$-146,500
Sewer Maintenance	<u>42,916</u>	<u>19,700</u>	<u>161,785</u>	<u>36,000</u>	<u>-125,785</u>
<b>TOTAL COST RECOVERY</b>	<b>\$205,644</b>	<b>\$186,977</b>	<b>\$308,285</b>	<b>\$36,000</b>	<b>\$-272,285</b>
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$435,527,586</b>	<b>\$453,381,797</b>	<b>\$382,479,338</b>	<b>\$384,289,012</b>	<b>\$1,809,674</b>
Amount to be raised Pursuant to 18-02-6	\$66,187,354	\$60,715,936	\$59,983,328	\$66,635,058	\$6,651,730
Less:					
Total Tax Stabilization Fund Withdrawal	\$16,326,000	\$17,600,000	\$12,820,000	\$11,250,000	\$-1,570,000
Property Tax Levy	<u>49,861,354</u>	<u>43,115,936</u>	<u>47,163,328</u>	<u>55,385,058</u>	<u>8,221,730</u>
<b>TOTAL SOURCE OF FUNDS FOR GENERAL CITY PURPOSES</b>	<b>\$501,714,940</b>	<b>\$514,097,733</b>	<b>\$442,462,666</b>	<b>\$450,924,070</b>	<b>\$8,461,404</b>

## B. PROVISION FOR EMPLOYEES' RETIREMENT FUND

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### EXECUTIVE SUMMARY

- PURPOSE:** To provide the means by which the city can track and monitor pension-related expenditures and resources.
- STRATEGIC ISSUES:** Maintain the health of the fund in an era of increasing costs and variable earnings.
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### BACKGROUND

The Employees' Retirement System (ERS) is responsible for administering the city's defined benefit pension plan for city employees and other members of the system. The system operates under the direction of the Annuity and Pension Board, a body of eight members (three elected by active system members, one by city retirees, three appointed by the President of the Common Council, and one, the City Comptroller, ex-officio). Retirement contributions for employees of the Milwaukee Metropolitan Sewerage District, the Wisconsin Center District, the Water Works, Milwaukee Public School Board (excluding teachers), and Milwaukee Area Technical College are borne by those respective governmental units and are not included in these appropriations. There are approximately 25,200 members in the system.

The Policemen's Annuity and Benefit Fund administers pensions for city police officers employed prior to 1947. There were 360 members as of August 1999.

Police officers who started working for the city after 1947 are covered by the Employees' Retirement System.

Funds in the Firemen's Pension Fund are provided for retired firefighters who were employed prior to 1947. This fund had 280 members as of September 1999. Firefighters who started working for the city after 1947 are members of the ERS.

The Former Town of Lake Employees' Retirement Fund provides retirement benefits to former Town of Lake employees that became city employees when the Town of Lake was annexed. At the present time there are five members.

The system also oversees the city's contribution for payment of the employer's share of social security tax.

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### ACTIVITIES

**Annuity Contribution:** In 2000, the city's share of employees' annuity contributions (5.5% of pay for general city employees and 7% for police officers, firefighters, and elected officials) will decrease \$485,950 from the 1999 budget. The reduction is due to a decline in covered compensation. The annuity contribution is budgeted at \$19.01 million for 2000. Additional funds are included in the wages supplement fund to account for any fringe benefit shortages resulting from collective bargaining agreements.

**Social Security Payments:** Social security payments in the 2000 budget remain unchanged from 1999 budgeted levels totaling \$15.4 million. Additional funds are included in the wages supplement fund to account for any fringe benefit shortages resulting from collective bargaining agreements.

**Pension Fund Contribution:** The 2000 budget assumes implementation of the Merger, DeBraska, and Pikalek court cases. The Merger case requires that the city's general retirement fund and duty disability fund be separately maintained. As a result, even though the general retirement fund is significantly

over-funded, a city tax levy contribution is required to address an unfunded liability in the duty disability fund.

In addition, the contribution amount has grown larger because of court losses in the DeBraska and Pikalek cases that further increased the unfunded liability in the Duty Disability Fund. In 2000, the employer's pension contribution will increase by \$1.64 million to account for the greater liability due to these cases. Borrowing authority for previous liabilities is also provided for in the 2000 budget. (See the "City Debt" section of the *2000 Plan and Budget Summary*.)

In addition to the \$1.64 million contribution to the Duty Disability Fund and the Combined Fund (affecting employees hired on or after February 1, 1996), a contribution of \$187,000 is included for the Police and Fire Survivorship Fund. This contribution is necessary, as mandated by existing labor agreements, and is \$9,000 lower in 2000 compared to 1999, due to a decrease in liability.

**Administration:** In 2000, ERS administrative costs have increased by \$8.1 million compared to 1999, to a total of \$12.3 million. All money manager and investment fees have been included in the 2000 budget. However, \$8.3 million in performance bonus and asset base fees have been charged to the retirement fund, which is consistent with the administration's position in the investment fee case that is currently on appeal.

**Pension Supplement:** The 2000 budget also includes a supplemental increase to the Police Annuity and Benefit Fund and the Fire Annuity and Benefit Fund totaling \$300,000. Additional information on this supplement is included in the special purpose accounts section of the budget.

**Other Changes:** Other changes include a reduction of \$246,952 to the Policemen's and Firemen's Pension Funds. The decrease is due to a reduction in liability. Also, there is an increase of \$25,198 to the Former Town of Lake Employees' Fund. The increase is sufficient to fund the interest on the total liability owed to the State of Wisconsin Employees' Retirement System for former Town of Lake employees.

**SUMMARY OF EXPENDITURES**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>BUDGETS</b>				
Firemen's Pension Fund	\$274,552	\$285,127	\$275,000	\$-10,127
Policemen's Pension Fund				
Employer's Pension Contribution	\$126,830	\$344,042	\$100,944	\$-243,098
Administration	105,492	109,048	105,194	-3,854
Annuity Contribution	<u>3,941</u>	<u>4,000</u>	<u>4,000</u>	<u>0</u>
<b>SUBTOTAL</b>	\$236,263	\$457,090	\$210,138	\$-246,952
Employes' Retirement Fund				
Employer's Pension Contribution	\$175,000	\$196,000	\$1,835,000	\$1,639,000
Administration	5,356,838	4,230,099	12,320,437	8,090,338
Annuity Contribution	<u>19,284,675</u>	<u>19,500,000</u>	<u>19,014,050</u>	<u>-485,950</u>
<b>SUBTOTAL</b>	\$24,816,513	\$23,926,099	\$33,169,487	\$9,243,388
Social Security Tax	\$14,717,858	\$15,435,900	\$15,435,900	\$0
Former Town of Lake Employes' Fund				
Employer's Pension Contribution	\$8,817	\$8,817	\$34,015	\$25,198
Firemen's Pension Fund	<u>31,191</u>	<u>31,200</u>	<u>31,200</u>	<u>0</u>
<b>SUBTOTAL</b>	\$40,008	\$40,017	\$65,215	\$25,198
<b>TOTAL</b>	\$40,085,194	\$40,144,233	\$49,155,740	\$9,011,507
<b>REVENUES</b>				
Charge to other Governments	\$3,713,555	\$4,485,191	\$3,795,307	\$-689,884
Fringe Benefits-Pensions	234,818	371,936	352,266	-19,670
Charge to Pension Fund	0	0	8,337,318	8,337,318
Property Tax Levy	34,135,168	35,287,106	36,670,849	1,383,743
<b>TOTAL</b>	\$38,083,541	\$40,144,233	\$49,155,740	\$9,011,507

# EMPLOYEES' RETIREMENT SYSTEM

## EXECUTIVE SUMMARY

**MISSION:** To guarantee the payment of retirement and other benefits to eligible persons as provided under City Charter and also to provide those same individuals with pertinent information needed to make informed retirement decisions.

**STRATEGIC ISSUES:** Maintain the health of the pension fund. Trends in the credit and equity markets will impact the system's near-term performance in addition to the balance between the fund's rate of return and exposure to investment risk.

Respond to a growing number of requests for information from city departments and agencies and outside entities, in addition to members of the system.

Make the administration of the system more efficient and responsive to members through automation.

**INITIATIVES FOR 2000:** Pay for investment management fees, excluding the base portion of performance fee contracts, by netting these costs out of fund earnings.

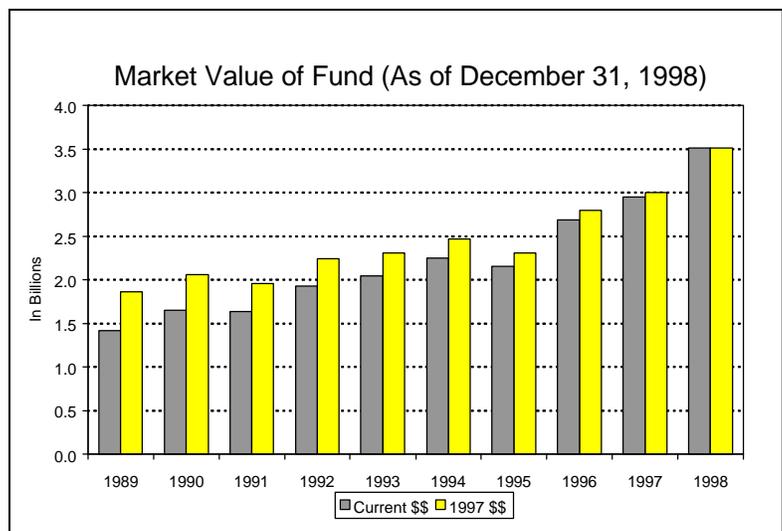
Begin implementation of an integrated pension management information system to support ERS' membership services functions.

Continue diversification of the investment portfolio to obtain sufficient returns to the fund and to manage the variability of the overall value of the portfolio.

## BACKGROUND

The Employees' Retirement System of the City of Milwaukee was created by an act of the Wisconsin Legislature in 1937 to provide retirement-related benefits for members and their beneficiaries. The ERS fund also includes the city's contribution for payment of the employer's share of social security and administers the group life insurance program for city workers. As of January 1, 1998, there were approximately 25,200 members (actives, inactive, and retirees) in the system and, as of December 31, 1998, the value of the fund stood at an estimated \$3.52 billion. Figure 1 shows growth in the value of the fund over time. Since 1994, the fund has consistently posted double-digit returns, reflecting a bullish stock market. Over the five-year period ending December 31, 1998, the fund experienced an annualized return of 14.1%.

Figure 1



The Annuity and Pension Board is trustee of the funds in the system and is charged with general administration of the system. The secretary and

executive director function under the direction of the board and are responsible for daily operation of the office.

**OBJECTIVE 1**

**Achieve a higher than average rate of return on the fund as measured by exceeding the performance of a benchmark blended index.**

**OUTCOME HISTORY**

To attract, hire, and retain quality employees, the city must provide employee benefits competitive with those available in the private market. In an era of increasing uncertainty about the funding of social security and increased longevity of employees, retirement benefits are an area of growing concern to both prospective and current employees.

An important objective of the Employee's Retirement System (ERS) is to manage the retirement fund prudently so that sufficient resources will be available in the future to pay retirees' promised pension benefits. To meet this objective, the ERS strives to achieve a balance between achieving high returns and minimizing variability in managing the fund. Both theory and evidence strongly support that a tradeoff exists between these two objectives. That is, the higher the return of the fund, the greater its variability. In essence, a higher than average return on a stock or bond is an investor's reward for taking on additional risk and accepting the potential for greater variability.

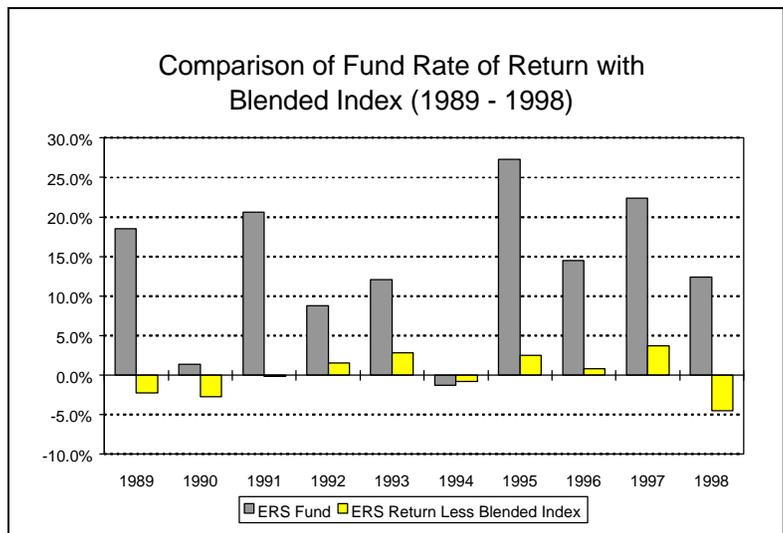
**Program Result Measures:** To measure the fund's performance, the ERS compares the return of the retirement fund against a benchmark index consisting of the weighted average return of the Russell 3000 Stock Index, the Lehman Brothers Aggregate Bond Index, the Morgan Stanley Capital International EAFE Index, the Soloman Brothers World Government Bond Index, the NCREIF Property Index and the MS Emerging Markets Free Index. This 'blended' index has two desirable properties as a benchmark: 1) it is the return that a 'passive' investor, who followed the same asset allocation strategy as the ERS and who bought a representative basket

of investment instruments within each asset category, could achieve; and, 2) it is a measure of return for a portfolio of stocks, bonds and real estate of average variability.

Therefore, achieving the outcome objective of exceeding the benchmark would indicate that the fund's money managers, by surpassing the performance of a 'passive' investor, are in fact adding value and that the investment strategy is sufficiently aggressive to achieve higher than average rates of return given the asset allocation strategy. Historically, and for budget year 2000, the ERS has set a goal for the fund of exceeding the return on the benchmark index by 0.5 percentage points. As Figure 2 shows,

	1998 Experience	1999 Budget	2000 Projection
Exceed the rate of return of the SEI Custom Index.	-4.5	0.5	0.5
<b>Funding by Source:</b>			
Operating Funds	\$1,157,245	\$1,643,364	\$6,585,530
<b>Total:</b>	\$1,157,245	\$1,643,364	\$6,585,530

Figure 2



the rate of return on the fund has exceeded the benchmark return in four out of the last five years, suggesting that, in recent history, ERS has been largely successful in achieving higher than average market rates of return.

In 1998, the most recent full year reported, the return on the city retirement fund fell below the blended benchmark index by 4.5 percentage points. However, for the five-year period ending in 1998, the fund's return exceeded the benchmark by 1.7%. These figures are reported gross of fees and suggest that for the period beginning in 1994 and ending in 1998, the ERS money managers 'beat' the market. What these figures do not tell us is whether the extra returns achieved by actively managing the retirement fund paid for the added expense of actively managing the fund. To determine the true value added by ERS money managers, a comparison needs to be made between an actively managed portfolio and an indexed portfolio after investment fees have been netted out of both the fund return and the index return. Although the 1.7% point differential achieved from 1994 through 1998 suggests that ERS money managers did beat the market, any valid picture of the fund's performance requires looking at returns net of investment fees. ERS is in the process of compiling data to document the historical returns net of investment fees, in order to assess the value added by its money managers.

**ACTIVITIES**

- Formulation of general investment policy and strategy

- Selection and negotiation of money management contracts
- Evaluation of money management contracts and fund performance

**PROGRAM CHANGES**

**Money Manager Fees:** For 2000, it is estimated that maximum expenditures for money management contracts and investment fees will be \$13.9 million. Actual expenditure in 2000 will depend on how well the money managers perform. For 2000, a total of \$9.3 million for all money manager and investment fees are included in ERS' administrative budget, but only the base portion of performance fee contracts (\$1.0 million) will be supported by the tax levy. All other money manager and investment fees will be netted out of the fund's earnings. This practice is consistent with standard financial and fiduciary procedures. Due to pending court cases involving the financing of money manager and investment fees, contingent borrowing has been authorized for 2000 to cover potential liabilities that may occur as a result of that litigation as well as aggressive performance manager returns.

Due to the inclusion of all money manager and investment fees in the budget, the amount of funding attributed to Objective 1 is significantly greater than in prior years. Also, the methodology used to calculate the amount of resources attributed to this objective has changed from prior years, making year-to-year comparisons difficult. This methodology will be carried-over in future years to allow year-to-year comparisons.

**OBJECTIVE 2**

**Maintain high levels of customer service for active pension members, retirees, and group life policy claimants.**

**OUTCOME HISTORY**

Essential to the goal of attracting and retaining the best employees is the level of employee benefits provided and the delivery of those services in an expeditious, careful, and courteous manner. ERS interacts with city employees on several levels in the delivery of pension benefits, including the provision of benefit estimates, pension counseling, the

Outcome Indicators and Funding			
	1998 Experience	1999 Budget	2000 Projection
Exceed 90% favorable rating on customer satisfaction surveys.	NA	NA	NA
Complete 95% of death claims within 48 hours.	95.0%	95.0%	95.0%
<b>Funding by Source:</b>			
Operating Funds	\$2,723,155	\$2,072,734	\$4,940,938
<b>Total:</b>	\$2,723,155	\$2,072,734	\$4,940,938

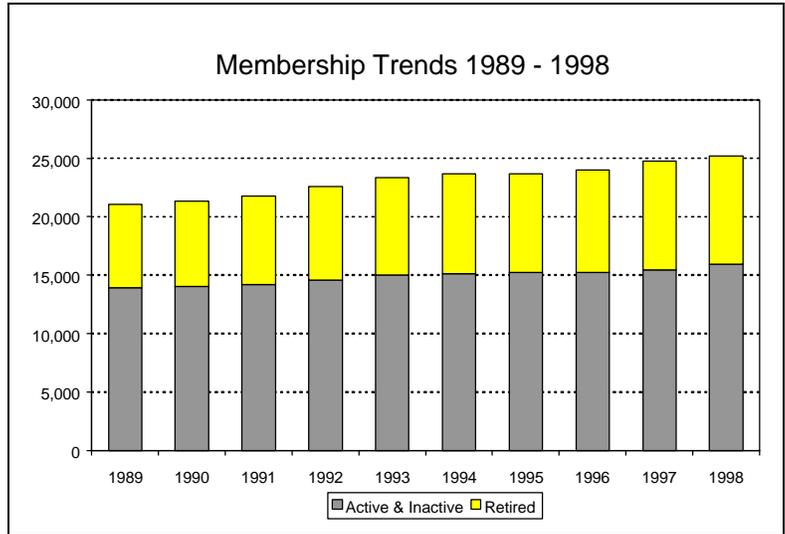
processing of retiree benefits, and the completion of death claims for the group life program. Figure 3 shows the growing membership of the pension system that ERS serves.

**Program Result Measures:** As discussed last year, ERS will develop a number of outcome indicators to measure the quality of its services to city employees. To measure the quality of its counseling services, ERS will develop a customer evaluation procedure to determine how satisfied city employees are with their pension counseling sessions and the other assistance they receive from the ERS. The goal is to achieve "favorable" ratings from at least 95% of ERS members. ERS plans to have this completed by 2001.

ERS also administers the group life insurance program. An important goal for ERS is to process death claims quickly. A quick turnaround is especially important for death claims because of the uncertainty and hardship faced by family members following a death. The ERS attempts to process 95% of death claims within 48-hours of receiving all the necessary information. This objective was reached in 1998 and is projected to be attained in 1999 and 2000.

For purposes of achieving this objective, the ERS will allocate approximately \$4.9 million to improve customer satisfaction with the administration of pension benefits. The significant increase in the funding of this objective is due to the inclusion of all investment manager fees in the ERS administration budget regardless of whether the fees are financed from the

Figure 3



fund or the tax levy. In addition, a different methodology was used to compute the amount of resources attributed to this objective, so comparisons to prior years cannot be made. The methodology used in the 2000 budget will be carried-over in future years, which will allow year-to-year comparisons.

**ACTIVITIES**

- Provision of benefit estimates
- Counseling pension members
- Maintenance of membership records and updating payroll records
- Administering the group life insurance program and processing death claims

**OBJECTIVE 3**

**Reduce the administrative costs of the ERS and make discrete advances in customer service through the design, development and implementation of an integrated pension information management system.**

**OUTCOME HISTORY**

It is essential to examine continually the delivery of services to assure that they are being provided at the lowest possible cost. The greater incorporation of information technologies into the delivery of pension-related services and benefits

	1998 Experience	1999 Budget	2000 Projection
<b>Funding by Source:</b>			
Operating Funds	\$1,476,438	\$514,001	\$793,969
Capital Budget	0	0	3,000,000
<b>Total:</b>	<b>\$1,476,438</b>	<b>\$514,001</b>	<b>\$3,793,969</b>

promises to revolutionize the administration of the ERS, dramatically reducing administrative costs and providing new, higher levels of customer service.

**ACTIVITIES**

- Contracting with information consultants, analysts, and programmers
- Provision of information to Integrated Pension Management System (IPMS) designers
- Implementation of functional modules

**PROGRAM CHANGES**

At present, much of the administration of pension benefits requires human intervention in the calculation and updating of benefits. In estimating pension benefits, the necessary data must now be gathered manually from microfiche that contain individual employee histories. The actual calculation of benefits requires an evaluation of the retrieved data to ascertain the values of the key variables required to compute projected benefits. Updating payroll records to conform with the city Cost of Living Adjustment policy for retirees also requires manual intervention and calculation.

The 2000 capital budget includes \$3.0 million to begin the implementation of an Integrated Pension Management Information System (IPMIS). This system will fully-automate and integrate many of the functions that are now done manually.

The objective of the IPMIS project is to provide the software, customization, and integration services to improve ERS' management functions. Specifically, the IPMIS will include:

- Historical record keeping of pension data for employees of the City of Milwaukee and related agencies for which ERS provides pension management services;
- Automation of pension payments for employees of the City of Milwaukee and related agencies;
- Calculation of pension benefits and estimates that follow the rules established in Chapter 36 of the City Charter;
- Calculation of accurate and timely pension benefits and estimates;
- Automation of pension payments in a manner that ensures timely processing of accurate payments to recipients who are due monies from ERS;
- Administration of life, health and COBRA dental programs; and
- Automation workflow and information sharing technologies.

Although the \$3.0 million is the amount included in the 2000 capital budget, future appropriations will be made as they are needed to complete the project.

Aside from the \$3.0 million capital expenditure in 2000, ERS will spend \$793,969 in 2000 for Objective 3. Once again, the increase is due to the overall increase in the ERS budget due to the inclusion of money manager and investment fees. Also, the methodology used to calculate the resources attributed to this objective has changed.

**OTHER ACTIVITIES AND CHANGES**

**Administrative Organizational Study:** The 1999 budget included funding of \$50,000 (funded in the Budget Office's budget) to conduct an organizational study of the ERS. In 1999, the Pension Board partnered with the Budget Office with an additional \$50,000 to hire an outside independent consultant to review ERS. In anticipation of the completion of the study, the 2000 budget includes auxiliary position authority for the positions identified in the study. All of these positions are subject to study and classification by the Department of Employee Relations

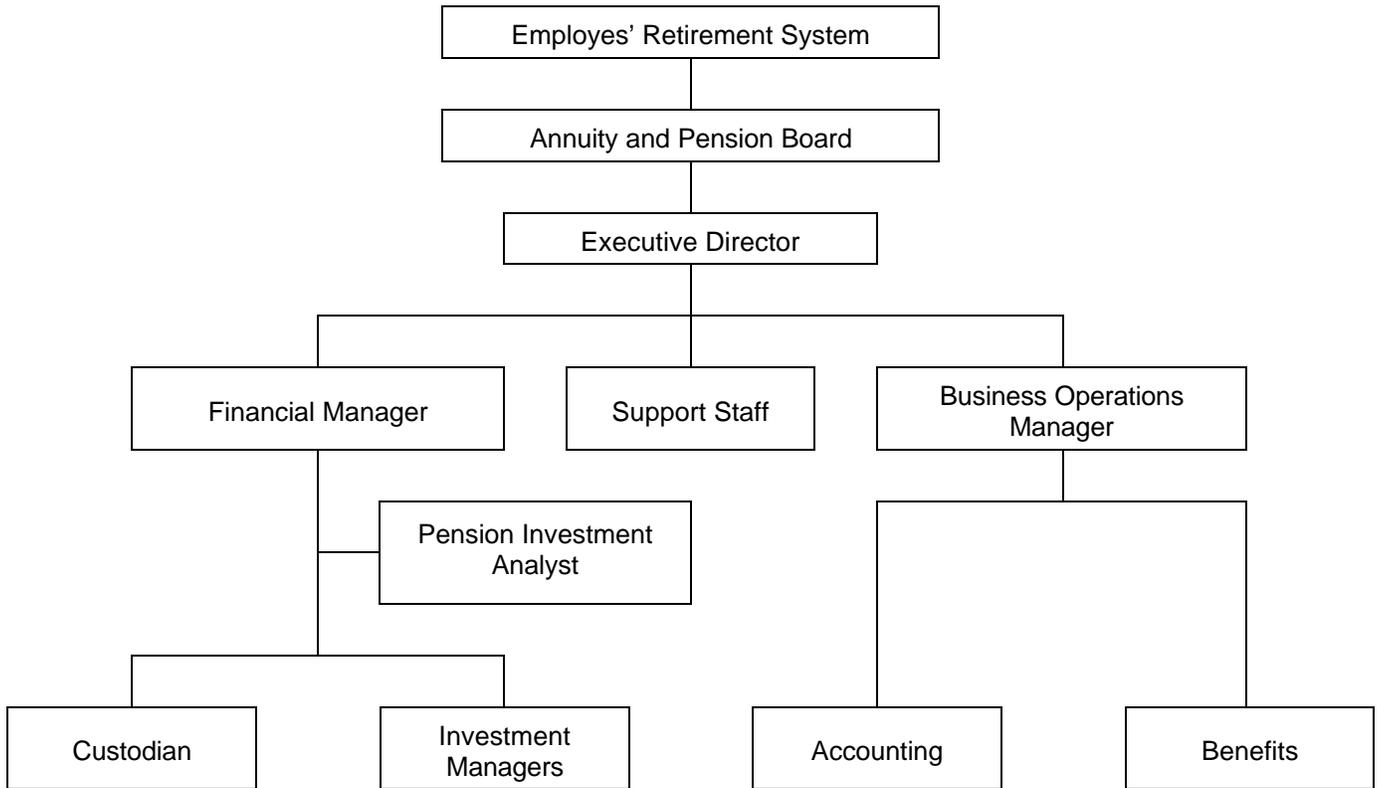
(DER). Upon completion of DER's study and classification, each auxiliary position will replace its corresponding position in the existing ERS organizational structure. Salaries for six positions - Infrastructure Support Manager, Information System Manager, Application Support Manager, Special Projects Manager, Records Manager, and Administrative Assistant - will be charged to the capital account for the Employee Retirement System-Automated Computer System.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	18.00	27.50	27.50	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	18	33	72	39
DLH - Operations and Maintenance	29,600	49,500	49,500	0
DLH - Other Funds	0	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$700,618	\$1,077,476	\$1,083,395	\$5,919
Fringe Benefits	234,818	366,342	346,686	-19,656
Supplies and Materials	12,896	0	0	0
Equipment and Facility Rent	861	0	0	0
Services	4,127,597	0	0	0
Operating Expenditures	0	2,660,781	1,525,797	-1,134,984
Equipment	2,116	25,500	15,000	-10,500
Special Funds	<u>277,932</u>	<u>100,000</u>	<u>9,349,559</u>	<u>9,249,559</u>
<b>TOTAL</b>	<b>\$5,356,838</b>	<b>\$4,230,099</b>	<b>\$12,320,437</b>	<b>\$8,090,338</b>
<b>REVENUES</b>				
Charges for Services	\$3,713,555	\$4,485,191	\$3,874,409	\$-610,782
Licenses and Permits	0	0	0	0
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$3,713,555</b>	<b>\$4,485,191</b>	<b>\$3,874,409</b>	<b>\$-610,782</b>

**CAPITAL PROJECTS** - Include \$3,000,000 for pension management information system

### ORGANIZATION CHART



**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Oper. Funding	Non-Oper. Funding	Position Title	Reason
AUXILIARY POSITIONS						
1	0.00			\$0	Executive Director	Restructure ERS staff.
1	0.00			\$0	Board Administrative Assistant	
1	0.00			\$0	Deputy Executive Director	
1	0.00			\$0	Research Analyst	
1	0.00			\$0	Paralegal	
1	0.00			\$0	Administrative Assistant	
1		0.00		\$0	Infrastructure Support Manager	
1		0.00		\$0	Information System Manager	
1		0.00		\$0	Application Support Manager	
1		0.00		\$0	Special Projects Manager	
1		0.00		\$0	Records Manager	
1		0.00		\$0	Administrative Assistant	
1	0.00			\$0	Member Services Manager	
1	0.00			\$0	Communication Specialist	
1	0.00			\$0	Disability Specialist	
1	0.00			\$0	Benefits Specialist	
1	0.00			\$0	Insurance Specialist	
1	0.00			\$0	Administrative Assistant	
1	0.00			\$0	Receptionist	
1	0.00			\$0	Chief Investment Officer	
1	0.00			\$0	Investment Analyst	
1	0.00			\$0	Administrative Assistant	
1	0.00			\$0	Controller	
1	0.00			\$0	Contribution Accountant	
1	0.00			\$0	Payroll Accountant	
1	0.00			\$0	Investment / Budget Accountant	
1	0.00			\$0	Investment Accountant	
1	0.00			\$0	Administrative Assistant	
1	0.00			\$0	Special Analyst	
29	0.00	0.00	0.00	0.00	<b>TOTAL</b>	

## C. CAPITAL IMPROVEMENTS FUNDS

### EXECUTIVE SUMMARY

- MISSION:** To maintain and enhance the city's infrastructure in a cost-efficient and effective way so as to ensure that the city remains economically competitive well into the twenty-first century.
- STRATEGIC ISSUES:** Prepare a six-year capital improvements plan to identify long-range capital needs and to establish spending, debt, and tax rate goals.
- Develop investment strategies to ensure favorable rates of return on city capital investments.
- INITIATIVES FOR 2000:** Continue to convert funding for recurring infrastructure preservation projects from borrowing to cash financing as required by resolution.
- Continue to evaluate the condition of the city's infrastructure by utilizing data-based condition assessment project planning.
- Provide increased funding of \$2.1 million to strengthen the city's sewer system.
- Transfer Sewer Relief and Relay Program to the Sewer Maintenance Fund.

### BACKGROUND

The 2000 capital improvements budget represents the initial year of a six-year capital improvements plan. The budget reflects the city's capital needs and identifies project costs and funding sources. Capital improvements may include projects to reconstruct, rehabilitate, or otherwise restore an existing system

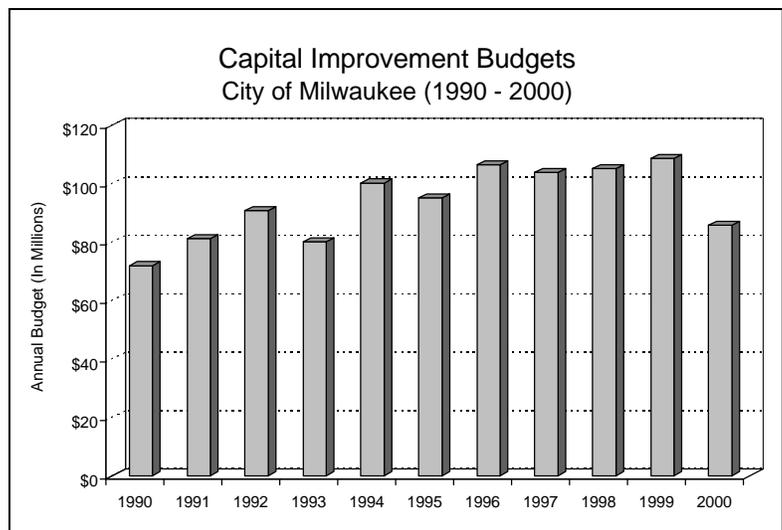
or facility to full functionality. They may also include projects to construct a new or more expansive facility to meet increased demands, or to enhance economic development through job creation, business formation, and housing production.

### HIGHLIGHTS

The 2000 capital improvements budget totals \$85,710,056, a decrease of \$22,980,869, or 21.2%, from the 1999 budget of \$108,690,925. The tax levy-supported portion of the capital budget, which includes tax levy cash resources as well as tax levy-supported general obligation debt, totals \$66,163,933, a decrease of \$12,646,254, or 16% from the 1999 budget of \$78,810,187.

Figure 1 shows capital improvement budgets from 1990-2000. As shown, the capital improvement budget increased significantly between 1990 and 1994, remained relatively stable between 1995 and 1999, and decreased

Figure 1



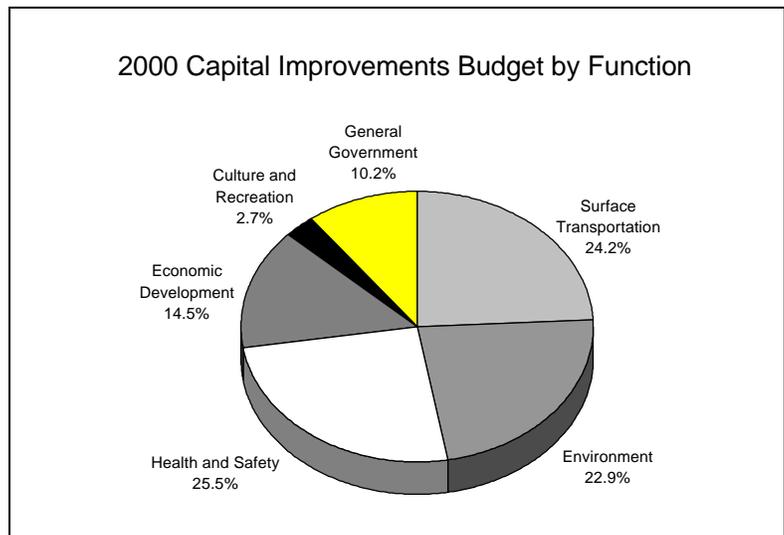
in 2000. The majority of the decrease in 2000 is due to a transfer of the Sewer Relief and Relay Program capital projects to the Sewer Maintenance Fund. In addition, increased grant funding helped reduce the city portion in some program areas. For example, city funding allocated to the bridge program was reduced by approximately \$6.5 from 1999 levels due to significant increases in grant funding.

**Functional Categories:** Projects included in the 2000 city-funded capital improvements budget are categorized in six functional areas, including surface transportation, environment, health and public safety, economic development, culture and recreation, and general government. Figure 2 illustrates the portion of the capital budget allocated to each functional area. Total funding includes the \$12.9 million Sewer Relief and Relay Program, which is transferred to the Sewer Maintenance Fund in 2000 (Water, Parking, and Grant and Aids are excluded).

Health and safety-related projects represent the largest portion of the capital budget in 2000. Approximately 25.5%, or \$22.8 million, of the city's capital budget is provided for this purpose. Most of the funding allocated to this functional area is for construction of a new Police Department Data and Communication Services Center and 3<sup>rd</sup> District Station. The 2000 budget contains \$20.5 million for this purpose, and it is the largest project funded in the capital plan. The estimated total project cost is \$36.4 million and the Datacom/3<sup>rd</sup> District Station is expected to be completed in 2001.

Funding for surface transportation-related projects comprises the second functional area, or 24.2% of the capital budget. Nearly \$21.7 million is provided for this purpose. As mentioned previously, the city's portion of the bridge program was reduced significantly (\$6.5 million) over 1999 levels due to an expected grant of \$63.8 million in 2000. In addition, the street resurfacing-regular city program was reduced by \$500,000 to reflect funding of projects by Community Development Block Grant Funds. The 2000 capital plan does not include funds for new streets financed by developers. Due to planned projects and developer requests for projects in 2000, an allocation was not needed (\$1.5 million was provided for this purpose in 1999). Major transportation projects include:

Figure 2



- Major bridges (\$213,000)
- Streets and alleys (\$12,902,576)
- Street lights (\$5,000,000)

Funding for the environment comprises 22.9%, or \$20.5 million of the city's capital budget. The major component of this functional area is expanding and maintaining the city's sewage system. The 2000 budget includes \$6.0 million for the Expansion of Capacity Sewer Program, which is a decrease of approximately \$3.3 million over 1999. However, this decrease is primarily due to a one-time large diameter sewer replacement project on Beecher Street totaling more than \$6 million in 1999. Capital funding for the second sewer-related program, Relief and Relay, has increased approximately \$600,000 over 1999 levels. Funding for this program is included in the Sewer Maintenance Fund budget in 2000. It should be noted that an additional \$1.5 million for sewer-related maintenance is included in the 2000 Sewer Maintenance Fund operating budget, increasing overall sewer maintenance funding approximately \$2.1 million over the 1999 budget.

Other environmental project highlights include increasing funding for the city's tree planting program in 2000. The 2000 budget includes an additional \$71,000 over the 1999 budget. This increased funding will allow DPW-Forestry to plant approximately 102 more trees than in 1999. In addition, \$20,000 is included for the "Greening Milwaukee's Schools" initiative. This initiative will replace several Mil-

waukee Public School blacktop playgrounds with grass and trees.

Culture and recreation-related projects represent approximately 2.7% of the capital budget, or \$2.4 million. In addition to providing funding for the Central and Neighborhood Libraries and the city's tot lots, the 2000 budget includes funding of \$1.0 million for internal and external infrastructure needs for the Pabst Theater.

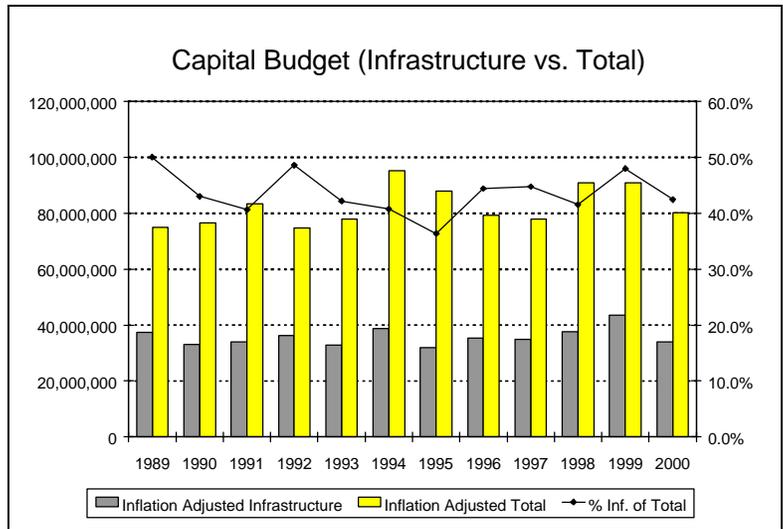
Economic development projects constitute 14.5% of tax levy-supported capital funding, or \$13 million. The 2000 budget includes \$1.9 million to fund improvements in the Port's South Harbor Tract. These improvements will allow a commercial ferry business to travel between Western Michigan and Milwaukee. It is expected that once fully operational, the ferry will transport nearly 300,000 people per year to Milwaukee.

General government projects are the last capital functional area. Approximately \$9.2 million, or 10.2% of capital budget resources are provided for this purpose. In 1999, \$12.3 million was provided for this purpose. The primary reason for the decrease in 2000 is that this year's budget does not include funding for the new Financial Management Information System (FMIS) project (the 1999 budget included \$4.7 million for this system).

**Infrastructure versus Total:** Over the past decade, the city has made a concerted effort to fund adequately the maintenance, replacement, and, when appropriate, the expansion of the city's infrastructure system. Analysis conducted by the Budget Office concluded that during the period 1985-1996, capital investments by the city not only replaced infrastructure value lost due to normal wear and tear, but also increased the inflation-adjusted value of Milwaukee's share of regional public infrastructure by 4.6%.

The 2000 capital improvements budget continues the city's long-standing policy of adequately funding infrastructure needs. In nominal terms, the portion of the city's 2000 capital budget dedicated to infrastructure (which includes sewers, streets, alleys, sidewalks, traffic controls, etc.) totals \$41.9 million, a decrease of approximately \$10.2 million from the 1999 budget. This decrease is the result of a one-

Figure 3



time expansion of capacity sewers project totaling nearly \$6.6 million in 1999, and a significant increase in grant-funding in the city's bridge program.

Figure 3 shows the long-run trend in infrastructure capital spending in inflation-adjusted terms (1992 dollars). As Figure 3 shows, the infrastructure portion of the total capital budget has fluctuated between approximately 40% and 50% since 1989. As this figure clearly illustrates, city funding has remained relatively constant in real terms over the past 11 years, which is indicative of the city's continuing commitment to maintain adequately its various infrastructure systems.

**Preservation versus Expansion:** Capital projects are further classified into two categories: preservation and expansion. Figure 4 illustrates the proportion of capital projects that either preserve or expand the city's infrastructure. As shown, a major portion of the total capital budget, \$76.6 million (excluding grant and aid), or 77.6%, is allocated to preserving existing infrastructure, namely the city's sewer and transportation systems. This level of funding for preservation projects reflects the advancing age of many of the city's infrastructure systems and the level of investment needed to maintain the condition of these systems. The 2000 capital budget provides \$22.0 million, or 22.4%, for expansion projects. These projects include economic development-related projects, and new street and expansion of capacity sewer construction projects. (Preservation total includes \$12.9 million Sewer Relief and Relay Program which is transferred to the Sewer Maintenance Fund in 2000.)

**Funding Sources:** The 2000 capital budget is financed through several funding sources including the property tax levy, tax levy-supported debt, tax incremental districts, special assessments, cash revenues, and grants and aids (grant and aid not directly spent by the city is excluded). Figure 5 shows funding sources for the 2000 city-funding capital budget.

The largest source of funding for capital projects is tax levy-supported debt financing, approximately \$52 million, or 60.7%, of total funding. This is a decrease of \$1.9 million from the 1999 level.

The second largest funding source is tax levy (cash) financing which totals \$14.1 million, or 16.5%, of total city funding in 2000. In the 1999 budget, this source of funding totaled nearly \$24.9 million. The large decrease is due to the transfer of Sewer Relief and Relay to the Sewer Maintenance Fund.

Figure 6 shows cash and debt financing trends for capital improvements from 1990-2000. As shown, cash financing of capital improvements increased by more than \$14 million between 1990-1999. This increase is due, largely, to the infrastructure cash conversion policy. The large decrease in cash levy in 2000 is due to the transfer of Sewer Relief and Relay, which was part of the Infrastructure Cash Conversion Policy, to the Sewer Maintenance Fund. Tax levy-supported debt has fluctuated between \$30 million and \$56 million between 1990 and 2000, with increases due to the effects of large one-time capital projects.

Other non-tax levy-related funding sources for the 2000 capital budget include cash revenues totaling \$7.7 million, special assessments totaling \$3.8 million, and tax incremental financing totaling \$8 million. In addition, certain city infrastructure projects receive funding from state and federal grants and aids which are expected to total \$84.5 million. These funds are reflected in the budget as footnotes since the city does not control how they are expended.

Figure 4

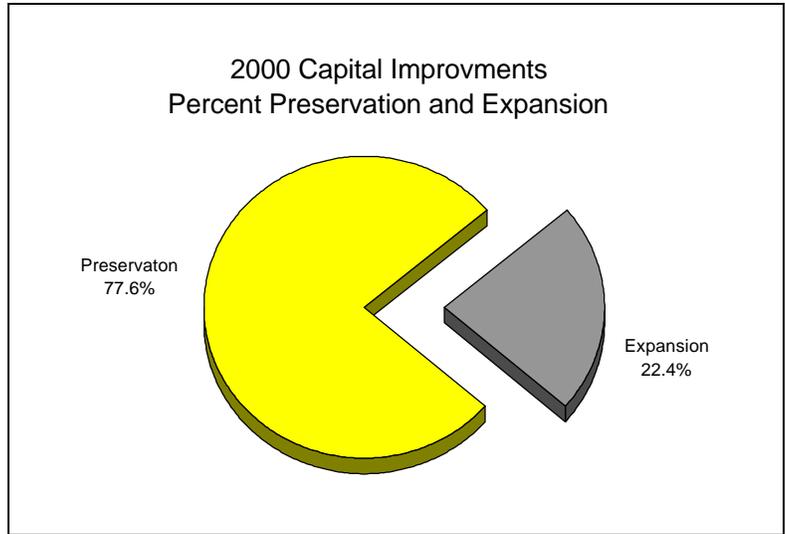


Figure 5

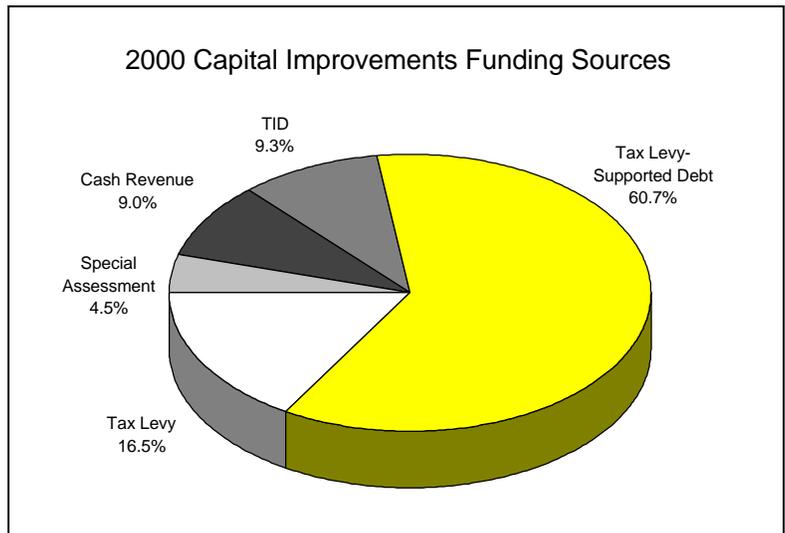
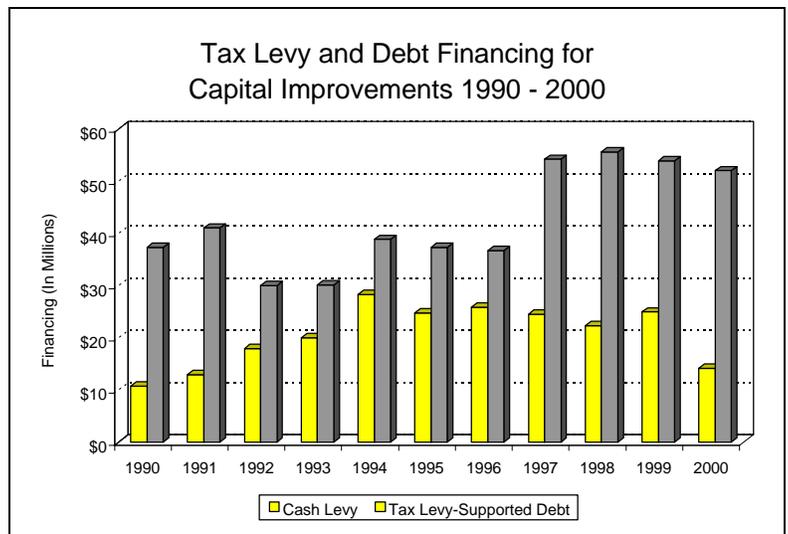


Figure 6



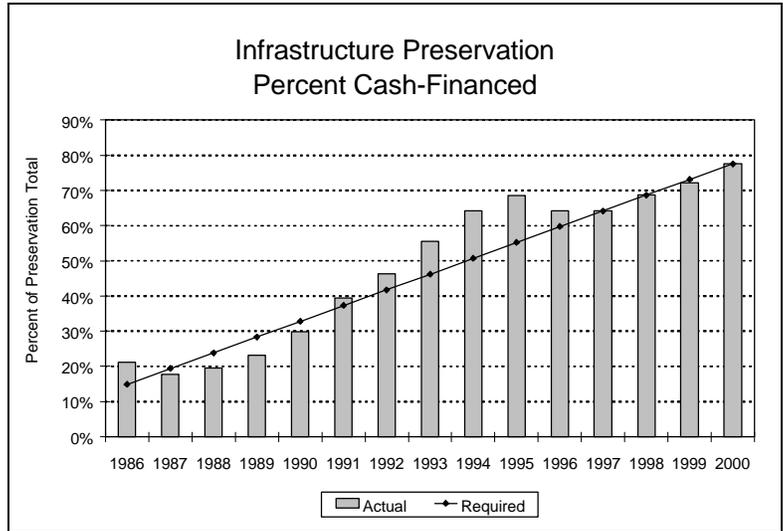
**Cash Conversion Policy:** In 1986, the Common Council adopted a resolution that gradually converts funding for recurring infrastructure projects from borrowing to cash financing through the year 2005. This strategy was employed to decrease overall debt, and ultimately reduce costs and resulting tax levies for, what are in effect, annually recurring replacement projects. Figure 7 graphically illustrates the effects of the cash conversion policy since 1986.

In the 2000 capital budget, infrastructure projects are cash financed at 77.6%, at the resolution level. The recurring infrastructure budget totals approximately \$15 million. This decrease of \$15 million from 1999 is due largely to the transfer of Sewer Relief and Relay to the Sewer Maintenance Fund in 2000.

**Capital Project Detail:** Detail of each individual capital project is provided in the appropriate department summary.

**Note:** The information contained in this budget summary regarding tax levy-supported debt and cash levy-financing of capital projects does not reflect the detailed budget. The detailed budget has been adjusted to reflect a change, recommended by the City Comptroller, to utilize Public Debt Amortization Fund (PDAF) assets to offset a portion of the tax levy allocated to finance the capital budget. This action significantly skews the financing of the capital budget as well as the infrastructure cash conversion

Figure 7



policy. The data contained in this summary does not reflect this change so that an accurate depiction of capital financing can be presented.

The Public Debt Commissioners approved a PDAF withdrawal totaling \$11.5 million to purchase city debt. The proceeds of this debt will be used to substitute for capital cash that would otherwise have to be levied. Consequently, \$11.5 million in tax levy (cash) financing of capital projects is replaced by debt issued through the PDAF. However, this debt will be immediately canceled upon purchase avoiding debt service costs in the ensuing year and resulting in no tax levy impact in 2000, or thereafter. (For further discussion of this issue, see "City Debt" in the 2000 Plan and Budget Summary.)

**SUMMARY OF DEPARTMENTAL APPROPRIATIONS**

	<b>1999 ADOPTED BUDGET</b>	<b>2000 ADOPTED BUDGET</b>	<b>CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED</b>
Special Projects	\$18,701,120	\$13,025,000	\$-5,676,120
City Attorney	0	45,300	45,300
City Development	12,940,000	10,850,000	-2,090,000
Common Council	20,000	0	-20,000
Fire Department	100,000	1,600,000	1,500,000
Health Department	243,300	141,000	-102,300
Library	1,966,000	880,000	-1,086,000
Municipal Court	100,000	0	-100,000
Neighborhood Services	600,000	1,770,000	1,170,000
Police Department	13,018,000	21,093,180	8,075,180
Port of Milwaukee	680,000	2,150,000	1,470,000
Public Works	<u>60,322,505</u>	<u>34,155,576</u>	<u>-26,166,929</u>
<b>TOTAL CAPITAL BUDGET</b>	<b>\$108,690,925</b>	<b>\$85,710,056</b>	<b>\$-22,980,869</b>

C. CAPITAL IMPROVEMENTS FUNDS

**2000 CAPITAL IMPROVEMENTS FINANCED BY CATEGORY**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT/ PROGRAM TOTAL
<b>SPECIAL CAPITAL PROJECTS</b>								
<b>Grant and Aid</b>								
Budget	\$0	\$0	\$0	\$0	\$5,500,000	\$5,500,000	\$0	\$5,500,000
Carryover	(0)	(6,045,000)	(0)	(0)	(0)	(6,045,000)	(0)	(6,045,000)
<b>Auditorium-Arena and Exposition Center Modification</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(217,780)	(0)	(0)	(0)	(217,780)	(0)	(217,780)
<b>Municipal Art Fund</b>								
Budget	25,000	0	0	0	0	25,000	0	25,000
<b>Employee Fringe Benefits - Public Buildings</b>								
Budget	0	484,000	0	0	0	484,000	0	484,000
<b>Employee Fringe Benefits - Bridge &amp; Viaduct</b>								
Budget	0	145,000	0	0	0	145,000	0	145,000
<b>Employee Fringe Benefits - Sewer Imp. &amp; Constr.</b>								
Budget	0	409,000	0	0	0	409,000	0	409,000
<b>Employee Fringe Benefits - Street Improvements</b>								
Budget	0	2,254,000	0	0	0	2,254,000	0	2,254,000
<b>Employee Fringe Benefits - Parks &amp; Public Grounds</b>								
Budget	0	208,000	0	0	0	208,000	0	208,000
<b>Pabst Theatre Modifications</b>								
Budget	0	1,000,000	0	0	0	1,000,000	0	1,000,000
<b>FMIS Post - Implementation Work</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(760,000)	(0)	(0)	(0)	(760,000)	(0)	(760,000)
<b>Financial Management Information System</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(653,506)	(0)	(0)	(0)	(653,506)	(0)	(653,506)
<b>Employee Retirement System-Automated Computer System</b>								
Budget	0	3,000,000	0	0	0	3,000,000	0	3,000,000
<b>Stadium Related Improvements</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(3,898,550)	(0)	(0)	(0)	(3,898,550)	(0)	(3,898,550)
<b>Fairview Mausoleum</b>								
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>TOTAL SPECIAL PROJECTS</b>								
Budget	\$25,000	\$7,500,000	\$0	\$0	\$5,500,000	\$13,025,000	\$0	\$13,025,000
Carryover	(\$0)	(\$11,574,836)	(\$0)	(\$0)	(\$0)	(\$11,574,836)	(\$0)	(\$11,574,836)
<b>CITY ATTORNEY'S OFFICE</b>								
<b>Lobby Alterations</b>								
Budget	\$45,300	\$0	\$0	\$0	\$0	\$45,300	\$0	\$45,300
<b>TOTAL CITY ATTORNEY'S OFFICE</b>								
Budget	\$45,300	\$0	\$0	\$0	\$0	\$45,300	\$0	\$45,300

**C. CAPITAL IMPROVEMENTS FUNDS**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT/ PROGRAM TOTAL
<b>DEPARTMENT OF CITY DEVELOPMENT</b>								
<b>Advance Planning</b>								
Budget	\$150,000	\$0	\$0	\$0	\$0	\$150,000	\$0	\$150,000
<b>Neighborhood Commercial District</b>								
<b>Street Improvement Fund</b>								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
<b>Tax Increment Financed Urban Renewal</b>								
<b>Projects - Including Grant Funded Projects</b>								
Budget	0	0	8,000,000	0	0	8,000,000	0	8,000,000
Carryover	(0)	(0)	(20,234,180)	(0)	(0)	(20,234,180)	(0)	(20,234,180)
<b>Riverfront and Other Downtown</b>								
<b>Planning and Improvements</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(1,994,000)	(0)	(0)	(0)	(1,994,000)	(0)	(1,994,000)
<b>King Drive Improvement Program</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(235,000)	(0)	(0)	(0)	(235,000)	(0)	(235,000)
<b>Development Zone - Commercial</b>								
<b>Development Revitalization</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
<b>Development Opportunities Fund</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(1,920,000)	(0)	(0)	(0)	(1,920,000)	(0)	(1,920,000)
<b>MEDC Loan Program</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(1,000,000)	(0)	(0)	(0)	(1,000,000)	(0)	(1,000,000)
<b>Development Fund</b>								
Budget	0	1,700,000	0	0	0	1,700,000	0	1,700,000
Carryover	(0)	(1,880,000)	(0)	(0)	(0)	(1,880,000)	(0)	(1,880,000)
<b>Business Improvement Districts</b>								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(2,097,000)	(0)	(0)	(0)	(2,097,000)	(0)	(2,097,000)
<b>TOTAL DEPT. OF CITY DEVELOPMENT</b>								
Budget	\$150,000	\$2,700,000	\$8,000,000	\$0	\$0	\$10,850,000	\$0	\$10,850,000
Carryover	(\$0)	(\$10,126,000)	(\$20,234,180)	(\$0)	(\$0)	(\$30,360,180)	(\$0)	(\$30,360,180)
<b>FIRE DEPARTMENT</b>								
<b>Ventilation and Bathroom Separation</b>								
Budget	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
<b>New Construction Site Engine Company #3</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
<b>Computer Aided Dispatch System</b>								
Budget	0	1,500,000	0	0	0	1,500,000	0	1,500,000
<b>Construction - Engine House #35</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(147,000)	(0)	(0)	(0)	(147,000)	(0)	(147,000)

**C. CAPITAL IMPROVEMENTS FUNDS**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT/ PROGRAM TOTAL
<b>Training/Activity Center Alterations</b>								
Carryover	(0)	(11,000)	(0)	(0)	(0)	(11,000)	(0)	(11,000)
<b>TOTAL FIRE DEPARTMENT</b>								
<b>Budget</b>	\$100,000	\$1,500,000	\$0	\$0	\$0	\$1,600,000	\$0	\$1,600,000
<b>Carryover</b>	(\$0)	(\$258,000)	(\$0)	(\$0)	(\$0)	(\$258,000)	(\$0)	(\$258,000)
<b>HEALTH DEPARTMENT</b>								
<b>Mechanical Systems Program</b>								
Budget	\$141,000	\$0	\$0	\$0	\$0	\$141,000	\$0	\$141,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Exterior Building Repair</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Interior Building Repair</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Office and Lab Remodeling</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(838,000)	(0)	(0)	(0)	(838,000)	(0)	(838,000)
<b>TOTAL HEALTH DEPARTMENT</b>								
<b>Budget</b>	\$141,000	\$0	\$0	\$0	\$0	\$141,000	\$0	\$141,000
<b>Carryover</b>	(\$0)	(\$838,000)	(\$0)	(\$0)	(\$0)	(\$838,000)	(\$0)	(\$838,000)
<b>LIBRARY</b>								
<b>Central Library</b>								
<b>Central Library Improvements Program</b>								
Budget	\$0	\$650,000	\$0	\$0	\$0	\$650,000	\$0	\$650,000
<b>Remodel Central Library Building</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(1,200,000)	(0)	(0)	(0)	(1,200,000)	(0)	(1,200,000)
<b>Neighborhood Libraries</b>								
<b>Neighborhood Library Improvements Fund</b>								
Budget	\$0	\$230,000	\$0	\$0	\$0	\$230,000	\$0	\$230,000
<b>Neighborhood Interior Renovation</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(550,000)	(0)	(0)	(0)	(550,000)	(0)	(550,000)
<b>TOTAL LIBRARY</b>								
<b>Budget</b>	\$0	\$880,000	\$0	\$0	\$0	\$880,000	\$0	\$880,000
<b>Carryover</b>	(\$0)	(\$1,750,000)	(\$0)	(\$0)	(\$0)	(\$1,750,000)	(\$0)	(\$1,750,000)
<b>MUNICIPAL COURT</b>								
<b>Court/PAB Entrance Remodeling</b>								
Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Carryover	(0)	(65,000)	(0)	(0)	(0)	(65,000)	(0)	(65,000)
<b>TOTAL MUNICIPAL COURT</b>								
<b>Budget</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Carryover</b>	(\$0)	(\$65,000)	(\$0)	(\$0)	(\$0)	(\$65,000)	(\$0)	(\$65,000)

**C. CAPITAL IMPROVEMENTS FUNDS**

	<b>TAX LEVY</b>	<b>GENERAL OBLIGATION</b>	<b>TID</b>	<b>SPECIAL ASSESSMENTS</b>	<b>CASH REVENUES</b>	<b>CITY BUDGET TOTAL</b>	<b>GRANT AND AID FINANCING</b>	<b>PROJECT/ PROGRAM TOTAL</b>
<b>NEIGHBORHOOD SERVICES</b>								
<b>1st Floor Remodeling-Municipal Building</b>								
Budget	\$0	\$1,770,000	\$0	\$0	\$0	\$1,770,000	\$0	\$1,770,000
Carryover	(0)	(600,000)	(0)	(0)	(0)	(600,000)	(0)	(600,000)
<b>TOTAL NEIGHBORHOOD SERVICES</b>								
Budget	\$0	\$1,770,000	\$0	\$0	\$0	\$1,770,000	\$0	\$1,770,000
Carryover	\$0	(600,000)	\$0	\$0	\$0	(\$600,000)	\$0	(\$600,000)
<b>POLICE DEPARTMENT</b>								
<b>Data Services/Comm. Center Construction</b>								
Budget	\$0	\$20,500,000	\$0	\$0	\$0	\$20,500,000	\$0	\$20,500,000
Carryover	(0)	(15,669,000)	(0)	(0)	(0)	(15,669,000)	(0)	(15,669,000)
<b>ADA Compliance Program-Various Facilities</b>								
Budget	18,180	0	0	0	0	18,180	0	18,180
<b>Radio Tower Maintenance Program</b>								
Budget	75,000	0	0	0	0	75,000	0	75,000
<b>Replace Cooling Tower - PAB</b>								
Budget	0	150,000	0	0	0	150,000	0	150,000
<b>District 7 HVAC</b>								
Budget	0	150,000	0	0	0	150,000	0	150,000
<b>Evidence Storage Facility</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(428,490)	(0)	(0)	(0)	(428,490)	(0)	(428,490)
<b>Remodel Administration Building Offices</b>								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(210,000)	(0)	(0)	(0)	(210,000)	(0)	(210,000)
<b>TOTAL POLICE DEPARTMENT</b>								
Budget	\$93,180	\$21,000,000	\$0	\$0	\$0	\$21,093,180	\$0	\$21,093,180
Carryover	(\$0)	(\$16,307,490)	(\$0)	(\$0)	(\$0)	(\$16,307,490)	(\$0)	(\$16,307,490)
<b>PORT OF MILWAUKEE</b>								
<b>Major Maintenance - Terminals and Piers</b>								
Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Carryover	(0)	(414,000)	(0)	(0)	(0)	(414,000)	(0)	(414,000)
<b>Cargo Handling Equipment</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(320,000)	(0)	(0)	(0)	(320,000)	(0)	(320,000)
<b>Pier &amp; Berth Improvements</b>								
Budget	0	200,000	0	0	0	200,000	800,000	1,000,000
<b>Demolish Dock Office</b>								
Budget	50,000	0	0	0	0	50,000	0	50,000
<b>South Harbor Tract Improvements</b>								
Budget	0	1,900,000	0	0	0	1,900,000	0	1,900,000
<b>Liquid Cargo Pier Improvements</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)

**C. CAPITAL IMPROVEMENTS FUNDS**

	<b>TAX LEVY</b>	<b>GENERAL OBLIGATION</b>	<b>TID</b>	<b>SPECIAL ASSESSMENTS</b>	<b>CASH REVENUES</b>	<b>CITY BUDGET TOTAL</b>	<b>GRANT AND AID FINANCING</b>	<b>PROJECT/ PROGRAM TOTAL</b>
<b>Terminal 3 &amp; 4 Structural Repairs</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(75,000)	(0)	(0)	(0)	(75,000)	(0)	(75,000)
<b>Terminal 2 Warehouse</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(339,000)	(0)	(0)	(0)	(339,000)	(0)	(339,000)
<b>Dockwall Rehabilitation</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(745,000)	(0)	(0)	(0)	(745,000)	(0)	(745,000)
<b>TOTAL PORT</b>								
<b>Budget</b>	\$50,000	\$2,100,000	\$0	\$0	\$0	\$2,150,000	\$800,000	\$2,950,000
<b>Carryover</b>	(\$0)	(\$2,093,000)	(\$0)	(\$0)	(\$0)	(\$2,093,000)	(\$0)	(\$2,093,000)
<b>DPW-ADMINISTRATION</b>								
<b>DPW Environmental Projects Fund</b>								
Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Carryover	(0)	(400,000)	(0)	(0)	(0)	(400,000)	(0)	(400,000)
<b>College Avenue Landfill Closure</b>								
Budget	70,000	0	0	0	0	70,000	0	70,000
Carryover	(0)	(450,000)	(0)	(0)	(0)	(450,000)	(0)	(450,000)
<b>TOTAL DPW-ADMINISTRATION</b>								
<b>Budget</b>	\$70,000	\$0	\$0	\$0	\$0	\$70,000	\$0	\$70,000
<b>Carryover</b>	(\$0)	(\$850,000)	(\$0)	(\$0)	(\$0)	(\$850,000)	(\$0)	(\$850,000)
<b>DPW-BUILDINGS &amp; FLEET DIVISION</b>								
<b>Boiler Replacement - Various Locations</b>								
Carryover	\$0	(\$47,000)	(\$0)	(\$0)	(\$0)	(\$47,000)	(\$0)	(\$47,000)
<b>Digital Controller - City Buildings</b>								
Carryover	(0)	(105,000)	(0)	(0)	(0)	(105,000)	(0)	(105,000)
<b>Interim Reorganizational Alterations</b>								
Budget	125,000	0	0	0	0	125,000	0	125,000
<b>City Hall Complex Mechanical Systems</b>								
Carryover	(0)	(3,000)	(0)	(0)	(0)	(3,000)	(0)	(3,000)
<b>City Hall Complex Remodeling</b>								
Budget	0	405,000	0	0	0	405,000	0	405,000
Carryover	(0)	(857,000)	(0)	(0)	(0)	(857,000)	(0)	(857,000)
<b>Communications and Control/Citywide</b>								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(60,000)	(0)	(0)	(0)	(60,000)	(0)	(60,000)
<b>Underground Storage Tank Removal Program</b>								
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
<b>Fire Protection System - City Hall</b>								
Carryover	(0)	(157,000)	(0)	(0)	(0)	(157,000)	(0)	(157,000)
<b>Playgrounds and Totlots</b>								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(133,000)	(0)	(0)	(0)	(133,000)	(0)	(133,000)
<b>Facility Systems Program</b>								
Budget	0	1,375,000	0	0	0	1,375,000	0	1,375,000
Carryover	(0)	(2,570,000)	(0)	(0)	(0)	(2,570,000)	(0)	(2,570,000)
<b>Facilities Exterior Upgrades Program</b>								
Budget	525,000	0	0	0	0	525,000	0	525,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

**C. CAPITAL IMPROVEMENTS FUNDS**

	<b>TAX LEVY</b>	<b>GENERAL OBLIGATION</b>	<b>TID</b>	<b>SPECIAL ASSESSMENTS</b>	<b>CASH REVENUES</b>	<b>CITY BUDGET TOTAL</b>	<b>GRANT AND AID FINANCING</b>	<b>PROJECT/ PROGRAM TOTAL</b>
<b>Environmental Program (City-Wide)</b>								
Budget	440,000	0	0	0	0	440,000	0	440,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>City Hall Restoration Program</b>								
Budget	0	640,000	0	0	0	640,000	0	640,000
<b>CCTV - Card Access System and Expansion</b>								
Carryover	(0)	(41,000)	(0)	(0)	(0)	(41,000)	(0)	(41,000)
<b>Facilities Interior Upgrades</b>								
Carryover	(0)	(550,000)	(0)	(0)	(0)	(550,000)	(0)	(550,000)
<b>TOTAL DPW-BUILDINGS &amp; FLEET DIVISION</b>								
Budget	\$1,090,000	\$3,420,000	\$0	\$0	\$0	\$4,510,000	\$0	\$4,510,000
Carryover	(\$0)	(\$5,023,000)	(\$0)	(\$0)	(\$0)	(\$5,023,000)	(\$0)	(\$5,023,000)
<b>DPW-FORESTRY DIVISION</b>								
<b>Concealed Irrigation and General Landscaping</b>								
Budget	\$152,000	\$0	\$0	\$0	\$0	\$152,000	\$0	\$152,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Planting Program</b>								
Budget	446,000	0	0	0	0	446,000	0	446,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Consolidation of District Headquarters</b>								
Carryover	(0)	(994,000)	(0)	(0)	(0)	(994,000)	(0)	(994,000)
<b>TOTAL DPW-FORESTRY</b>								
Budget	\$598,000	\$0	\$0	\$0	\$0	\$598,000	\$0	\$598,000
Carryover	(\$0)	(\$994,000)	(\$0)	(\$0)	(\$0)	(\$994,000)	(\$0)	(\$994,000)
<b>DPW-INFRASTRUCTURE SERVICES</b>								
<b>SEWER CONSTRUCTION</b>								
<b>Expansion of Capacity Sewer Program</b>								
Budget	\$0	\$6,010,000	\$0	\$0	\$0	\$6,010,000	\$0	\$6,010,000
Carryover	(0)	(7,282,000)	(0)	(1,565,841)	(0)	(8,847,841)	(0)	(8,847,841)
<b>Sewers-Out of Program Developer Financed</b>								
Budget	0	0	0	0	500,000	500,000	0	500,000
<b>Relief &amp; Relay Sewer Program</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(9,563,752)	(0)	(0)	(0)	(9,563,752)	(0)	(9,563,752)
<b>TOTAL SEWER CONSTRUCTION</b>								
Budget	\$0	\$6,010,000	\$0	\$0	\$500,000	\$6,510,000	\$0	\$6,510,000
Carryover	(\$0)	(\$16,845,752)	(\$0)	(\$1,565,841)	(\$0)	(\$18,411,593)	(\$0)	(\$18,411,593)
<b>BRIDGE CONSTRUCTION</b>								
<b>Major Bridge Program</b>								
Budget	\$0	\$0	\$0	\$0	\$213,000	\$213,000	\$63,801,000	\$64,014,000
Carryover	(0)	(9,788,000)	(0)	(0)	(0)	(9,788,000)	(0)	(9,788,000)

**C. CAPITAL IMPROVEMENTS FUNDS**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT/ PROGRAM TOTAL
<b>TOTAL BRIDGE CONSTRUCTION</b>								
Budget	\$0	\$0	\$0	\$0	\$213,000	\$213,000	\$63,801,000	\$64,014,000
Carryover	(\$0)	(\$9,788,000)	(\$0)	(\$0)	(\$0)	(\$9,788,000)	(\$0)	(\$9,788,000)
<b>PAVING PROGRAM</b>								
<b>Street Reconstruction-City Contribution to State and Federally-Aided Projects</b>								
Budget	\$0	\$5,087,203	\$0	\$747,673	\$717,700	\$6,552,576	\$19,132,306	\$25,684,882
Carryover	(0)	(5,346,074)	(0)	(2,409,384)	(0)	(7,755,458)	(0)	(7,755,458)
<b>STREET RECONSTRUCTION OR RESURFACING-REGULAR CITY PROGRAM</b>								
Budget	0	3,100,000	0	600,000	0	3,700,000	500,000	4,200,000
Carryover	(0)	(3,406,800)	(0)	(2,350,052)	(0)	(5,756,852)	(0)	(5,756,852)
<b>ALLEY RECONSTRUCTION PROGRAM</b>								
Budget	0	1,250,000	0	750,000	0	2,000,000	0	2,000,000
Carryover	(0)	(0)	(0)	(2,197,853)	(0)	(2,197,853)	(0)	(2,197,853)
<b>NEW STREET CONSTRUCTION PROGRAM</b>								
Budget	0	550,000	0	100,000	0	650,000	0	650,000
Carryover	(0)	(805,000)	(0)	(407,583)	(0)	(1,212,583)	(0)	(1,212,583)
<b>NEW STREETS-DEVELOPER FINANCED</b>								
Budget	0	0	0	0	0	0	0	0
<b>ADA Compliance - Curb Ramps</b>								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(60,000)	(0)	(0)	(0)	(60,000)	(0)	(60,000)
<b>TOTAL STREET CONSTRUCTION PROGRAM</b>								
Budget	\$0	\$9,987,203	\$0	\$2,197,673	\$717,700	\$12,902,576	\$19,632,306	\$32,534,882
Carryover	(\$0)	(\$9,617,874)	(\$0)	(\$7,364,872)	(\$0)	(\$16,982,746)	(\$0)	(\$16,982,746)
<b>Street Improvements-Sidewalk, Driveway Curb and Gutter - Replacement</b>								
Budget	\$0	\$899,500	\$0	\$1,100,500	\$0	\$2,000,000	\$0	\$2,000,000
Carryover	(0)	(100,000)	(0)	(2,347,965)	(0)	(2,447,965)	(0)	(2,447,965)
<b>Street Improvements-Street Lighting</b>								
Budget	0	4,500,000	0	500,000	0	5,000,000	0	5,000,000
Carryover	(0)	(3,817,500)	(0)	(900,047)	(0)	(4,717,547)	(0)	(4,717,547)
<b>Emergency Response Mgmt. -Opticom Program</b>								
Budget	147,000	0	0	0	0	147,000	0	147,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Street Improvements-Traffic Control Facilities</b>								
Budget	0	485,000	0	0	0	485,000	0	485,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Traser Yard - Parking &amp; Storage Facility</b>								
Budget	0	350,000	0	0	0	350,000	232,500	582,500
Carryover	(0)	(38,750)	(0)	(0)	(0)	(38,750)	(0)	(38,750)
<b>E. North Avenue Paving Project</b>								
Budget	0	102,750	0	29,750	787,500	920,000	0	920,000

**C. CAPITAL IMPROVEMENTS FUNDS**

	<b>TAX LEVY</b>	<b>GENERAL OBLIGATION</b>	<b>TID</b>	<b>SPECIAL ASSESSMENTS</b>	<b>CASH REVENUES</b>	<b>CITY BUDGET TOTAL</b>	<b>GRANT AND AID FINANCING</b>	<b>PROJECT/ PROGRAM TOTAL</b>
<b>Underground Electrical Manhole Recon.</b>								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
<b>Street Improvements-Underground Conduit &amp; Manholes</b>								
Budget	128,000	122,000	0	0	0	250,000	0	250,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>TOTAL DPW-INFRASTRUCTURE SERVICES</b>								
Budget	\$275,000	\$22,656,453	\$0	\$3,827,923	\$2,218,200	\$28,977,576	\$83,665,806	\$112,643,382
Carryover	(\$0)	(\$40,407,876)	(\$0)	(\$12,178,725)	(\$0)	(\$52,586,601)	(\$0)	(\$52,586,601)
<b>DPW-SANITATION DIVISION</b>								
<b>Sanitation/Forestry Joint Headquarters</b>								
Carryover	(\$0)	(\$450,000)	(\$0)	(\$0)	(\$0)	(\$450,000)	(\$0)	(\$450,000)
<b>Sanitation Hdq Modifications</b>								
Carryover	(0)	(662,500)	(0)	(0)	(0)	(662,500)	(0)	(662,500)
<b>TOTAL-DPW SANITATION DIVISION</b>								
Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Carryover	(\$0)	(\$1,112,500)	(\$0)	(\$0)	(\$0)	(\$1,112,500)	(\$0)	(\$1,112,500)
<b>TOTAL DEPARTMENT OF PUBLIC WORKS</b>								
Budget	\$2,033,000	\$26,076,453	\$0	\$3,827,923	\$2,218,200	\$34,155,576	\$83,665,806	\$117,821,382
Carryover	(\$0)	(\$48,387,376)	(\$0)	(\$12,178,725)	(\$0)	(\$60,566,101)	(\$0)	(\$60,566,101)
<b>TOTAL PROJECTS</b>								
Budget	\$2,637,480	\$63,526,453	\$8,000,000	\$3,827,923	\$7,718,200	\$85,710,056	\$84,465,806	\$170,175,862
Carryover	(\$0)	(\$91,999,702)	(\$20,234,180)	(\$12,178,725)	(\$0)	(124,412,607)	(\$0)	(\$124,412,607)

## D. CITY DEBT

### EXECUTIVE SUMMARY

- PURPOSE:** To limit debt for capital improvements to only those asset purchases and projects that occur infrequently and benefit future, as well as current, taxpayers.
- STRATEGIC ISSUES:** Maintain the city's bond rating by ensuring the city's outstanding debt level is manageable and affordable.
- Continue to monitor the city's debt levels, as well as the overlapping debt burden imposed on city residents by other local governments.
- INITIATIVES FOR 2000:** Implement a policy for the use of alternatively structured debt to reduce reliance on general obligation debt.
- Continue to monitor Milwaukee Public Schools' capital improvement needs and the impact on city debt levels and the tax levy.

### BACKGROUND

In 1995, Moody's Investors Services upgraded the city's bond rating from Aa to Aa1. This rating is comparable to the AA+ rating received from Standard and Poor's and Fitch's Investors Services. According to the rating agencies, the upgrade of the city's bond rating was the result of strong financial management, healthy fund balances, stable revenues, and predictable budgets. Overall debt levels are considered above average, but due to an exceptionally rapid amortization schedule, a healthy debt reserve fund, and increased use of tax levy funding for recurring infrastructure projects, debt levels are considered affordable. These strengths offset several weaknesses noted by the rating agencies such as income levels lagging behind both state and national averages and slow economic growth.

Table 1

City Debt Indicators Relationship to Standard & Poor's Debt Benchmarks		
Debt Indicators	S & P Rating	
<b>Economic</b>		
Income as % of the National Ave.	78.6%	Low
Market Value per Capita	26,319	Low
Taxpayer Concentration	6.20%	Diverse
<b>Financial</b>		
Total General Fund Balances	15.70%	Adequate
Unreserved Fund Balance	5.80%	Adequate
Property Tax Burden	2.80%	Moderately High
<b>Debt</b>		
Overall Debt per Capita	\$1,111	Moderate
Debt Amortization over 10 Years	85%	Standard is 50%

Several debt indicators are provided in Table 1. These indicators are consistent with the

weaknesses and strengths mentioned above.

### OVERVIEW

The debt needs of the city in 2000 total \$106,243,430 an increase of \$9,537,503, or 9.9%, from the 1999 debt budget of \$96,705,927. The tax levy-supported por-

tion of the 2000 debt budget is \$48,973,382 a decrease of \$1,470,101 or 2.9%, from the 1999 levy contribution of \$50,443,483.

Table 2

<b>CITY DEBT EXPENDITURES</b>			
<b>PURPOSE</b>	<b>1999 ADOPTED</b>	<b>2000 ADOPTED</b>	<b>CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED</b>
<b>SELF-SUPPORTING DEBT</b>			
Sewer Maintenance	\$0	\$418,600	\$418,600
Parking	4,072,892	4,374,260	301,368
Tax Increment Districts	9,292,229	9,897,142	604,913
Delinquent Tax Financing	11,300,817	12,568,390	1,267,573
Special Assessments	3,797,493	3,675,785	-121,708
Land Bank	239,352	231,545	-7,807
Water Works	9,071,041	7,620,259	-1,450,782
Brewer MEDC Loan	618,025	669,143	51,118
MPS Energy Retrofit	833,765	963,037	129,272
MPS - Loans from the State	<u>2,640,085</u>	<u>2,933,170</u>	<u>293,085</u>
<b>SUBTOTAL</b>	<b>\$41,865,699</b>	<b>\$43,351,331</b>	<b>\$1,485,632</b>
<b>TAX LEVY DEBT</b>			
Schools	\$8,055,691	\$8,787,507	\$731,816
General City	<u>49,980,456</u>	<u>57,355,634</u>	<u>7,375,178</u>
<b>SUBTOTAL</b>	<b>\$58,036,147</b>	<b>\$66,143,141</b>	<b>\$8,106,994</b>
<b>TOTAL DEBT NEEDS</b>	<b>\$99,901,846</b>	<b>\$109,494,472</b>	<b>\$9,592,626</b>
Deduction for S.A. Gain	\$-150,000	\$-100,000	\$50,000
Deduction for Segregated S.A.	<u>-3,045,919</u>	<u>-3,151,042</u>	<u>-105,123</u>
<b>TOTAL</b>	<b>\$96,705,927</b>	<b>\$106,243,430</b>	<b>\$9,537,503</b>

Table 3

<b>CITY DEBT SOURCE OF FUNDS</b>			
<b>PURPOSE</b>	<b>1999 ADOPTED</b>	<b>2000 ADOPTED</b>	<b>CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED</b>
<b>SELF-SUPPORTING DEBT</b>			
Sewer Maintenance	\$0	\$418,600	\$418,600
Parking	4,072,892	4,924,583	851,691
Tax Increment Districts	6,805,524	14,010,105	7,204,581
Delinquent Tax Financing	11,088,318	12,350,890	1,262,572
Special Assessments	0	0	0
Land Bank	0	0	0
Water Works	9,071,041	7,620,259	-1,450,782
Pension - Other Jurisdictions	0	350,000	350,000
Brewer MEDC Loan	1,063,339	0	-1,063,339
MPS Energy Retrofit	861,004	963,037	102,033
MPS - Loans from the State	<u>2,562,948</u>	<u>2,933,170</u>	<u>370,222</u>
<b>SUBTOTAL</b>	<b>\$35,525,066</b>	<b>\$43,570,644</b>	<b>\$8,045,578</b>
<b>GENERAL OBLIGATION DEBT FINANCING</b>			
Other Revenues	\$10,737,378	\$13,699,404	\$2,962,026
Tax Levy	<u>50,443,483</u>	<u>48,973,382</u>	<u>-1,470,101</u>
<b>SUBTOTAL</b>	<b>\$61,180,861</b>	<b>\$62,672,786</b>	<b>\$1,491,925</b>
<b>TOTAL DEBT NEEDS</b>	<b>\$96,705,927</b>	<b>\$106,243,430</b>	<b>\$9,537,503</b>

City debt is categorized as self-supporting debt and tax levy-supported debt. Self-supporting debt includes debt related to parking, tax incremental districts, delinquent taxes, special assessments, Land Bank, and Water Works. Each debt category is financed with earnings from the operation of the particular program for which debt was incurred.

The city funds debt service on tax levy-supported debt through revenues collected using property taxes. Included in the tax levy-supported debt category is borrowing for school purposes, general city

capital improvement borrowing, and all other purposes not included in the self-supporting debt category.

Table 2 shows expenditures for city debt, including both self-supporting and tax levy-supported debt. Table 3 shows funding sources for city debt, including self-supporting debt and the tax levy. Highlights of the major changes in city debt expenditures and funding sources are contained in the following summary.

**CITY DEBT EXPENDITURE**

**General City (Excluding Schools and Revenue Anticipation Notes):** Debt service costs associated with city borrowing, namely for capital improvement projects, are estimated to total \$46.1 million, an increase of approximately \$4.3 million from 1999. This includes debt service costs associated with a bond sale which occurred in June 1999, as well as anticipated sales in November 1999 and June 2000.

**Milwaukee Public Schools:** The city is required under state law to issue debt for Milwaukee Public Schools and make principal and interest payments on this debt. Debt service costs associated with school borrowing are \$8.8 million in 2000, an increase of \$700,000 from 1999. The 1999 budget included \$27 million in school borrowing authority to finance deferred maintenance, remodeling, and other capital improvement projects for the Milwaukee Public Schools. In 2000, the budget includes \$17 million in borrowing authority for school-related capital projects.

Since 1989, the city has provided MPS with a total of \$126.5 million in borrowing authority to help fund school improvements (including the contribution in 2000). These funds represent a significant commitment on the part of the city to help MPS maintain and upgrade its facilities in order to enhance the educational opportunities of Milwaukee students. The 2000 contribution is for the following projects:

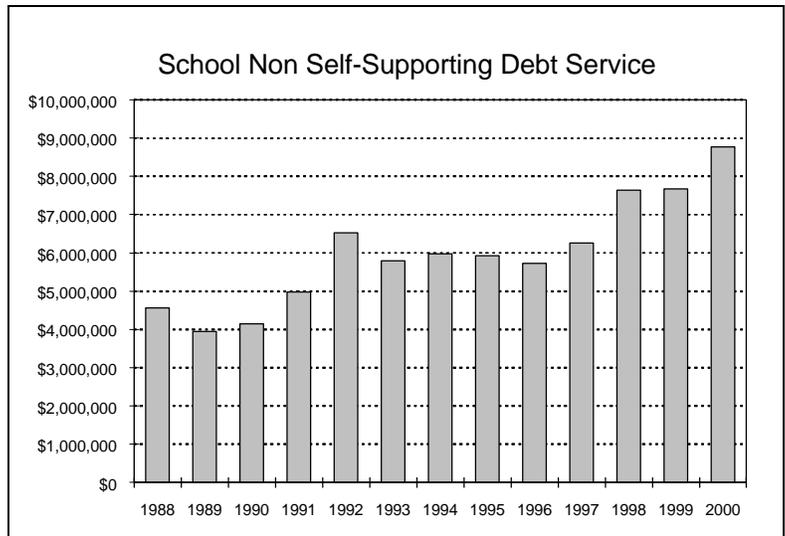
- ADA Requirements (\$2.0 million)
- Major Maintenance Projects (\$7.0 million)
- Todd Wehr Metcalfe Park Community School (\$3.0 million)

- Milwaukee Tech High School (\$5.0 million)

Besides providing assistance to MPS with regards to their capital improvement needs, the city also issues short-term Revenue Anticipation Notes (RANs) on behalf of the schools to assist them in their cash flow needs. The city sold \$100 million worth of MPS-related Revenue Anticipation Notes in August 1999 and anticipates selling an additional \$120 million in 2000.

**Tax Incremental Districts (TID):** Wisconsin state law allows municipalities to designate tax incremental districts for the purpose of generating revenue to pay for public improvements associated with new developments. Funding for these districts is provided from borrowing and other outside sources. When a district is created, a tax base value for the property is established. Redevelopments are anticipated to create increases in the property value above the base value, which is referred to as value incre-

Figure 1



ment. The taxes collected on the value increment portion of the property are recognized as revenue which is used to retire the debt for district improvements.

In the 2000 debt budget, debt service costs associated with tax incremental districts are estimated to total \$9.9 million, whereas revenues are projected to total \$14 million, an increase of over \$7 million from 1999.

**Delinquent Taxes:** The city debt finances delinquent taxes. The repayment schedule on delinquent tax bonds is structured to conform to the receipt of delinquent tax payments.

The 2000 debt budget includes \$12.6 million to finance debt service costs associated with delinquent tax borrowing. These costs are nearly \$1.3 million higher than in 1999. The increase reflects higher annual tax delinquencies, and consequently, greater borrowing. Sources of funding for delinquent taxes are expected to equal \$12.4 million in 2000. This is an increase of \$1.3 million from 1999.

**Parking Debt:** The Parking Fund was established to account for revenues from parking meters, parking permits, rentals and leasing of parking facilities, and other revenues attributable to parking. Revenues are used to fund administrative and operational costs related to parking operations, as well as to fund debt service costs related to borrowing for parking capital projects. A transfer from the Parking Reserve Fund equivalent to the amount of annual outstanding debt service is made each year to offset parking-related debt service costs. In the 2000 debt budget, the Parking Fund provides nearly \$4.3 million to finance debt service costs associated with parking capital projects. These costs are approximately \$300,000 higher than in 1999.

**Special Assessments:** When certain infrastructure improvements are made, such as repaving a street or installing a new sewer, part of the cost is charged to the abutting property owners as special assessments. The property owner may either pay the entire

amount when the bill is received, have the assessment placed on the next tax bill, or pay the amount over six years with interest charged for the final five years. When taxpayers choose the six-year option, the city may borrow money to finance the project. If this is done, the interest cost to the city is offset by the interest charged to the property owners.

The 2000 debt budget includes nearly \$3.7 million to finance debt service costs associated with special assessment borrowing. This is an increase of almost \$100,000 from 1999.

**Water Works:** The 2000 debt budget includes \$7.6 million in debt service costs associated with the Water Works enterprise fund. Debt service costs associated with these borrowings will be reimbursed from Water Works' earnings. The 1995 budget included \$89 million in borrowing authority for these capital projects. By December of 1998 all bonds for the \$89 million project have been sold.

**Pension:** Part of the lawsuits regarding pension funding involved payment of costs that were incurred prior 2000. These costs total \$19.6 million. The city will pay these costs in 1999 through contingent borrowing. The debt budget will reflect debt payment cost of \$2.5 million in 2000. Of this \$2.5 million, \$0.4 million will be funded by the other jurisdictions in the pension system.

**Sewer Maintenance Fund:** The 2000 debt budget includes \$418,600 for debt service costs associated with Sewer Maintenance Fund capital projects. Sewer Maintenance Fund capital projects will be financed with proceeds from revenue bonds in 2000. Approximately \$14.6 million in borrowing authority is included in the 2000 budget for Sewer Maintenance Fund capital projects. Of this amount, \$13 million is for actual project costs. The remaining funds will go towards issuance costs and a 10% coverage ratio. Debt service costs associated with the revenue borrowing will be reimbursed from Sewer Maintenance Fund earnings.

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## CITY DEBT SOURCES OF FUNDS

The primary source of revenue for the debt service budget is the property tax levy. The property tax levy for debt service in 2000 totals nearly \$48.9 million, a decrease of \$1.5 million from 1999. Other

important sources of revenue for the debt service fund include self-supported debt revenues such as those, which come from TIDs, the Parking Fund, and Water Works, as well as other general debt budget revenues such as debt service sinking funds.

**General Debt Budget Revenues:** One especially important general debt budget revenue is the sinking fund entitled “excess budgeted interest”, which contains funds which were budgeted in previous years to make interest payments on outstanding city debt but were not expended. Sometimes, expectations of future interest expenses are greater than what actually is needed, and as a result, the city carries funds over in this account from one year to be made available in the next.

In past years, the excess budget interest fund has fluctuated significantly. This has been due to difficulty in predicting exactly how much interest is going to be expended in a single budget year.

At the end of 1997 for instance, the “excess budgeted interest” account was anticipated to have had a balance of approximately \$1.6 million. These funds were carried over and used to offset 1998 debt service. The 1997 end of the year fund balance was down nearly \$2.1 million from the previous year’s budget. The primary reason for this large reduction was that, in 1996, Tax Incremental District # 8 was closed earlier than expected, which meant that less borrowing, and hence, less interest expense was incurred by the city than had been budgeted in 1996. The result was that a larger than normal fund balance was carried over in the “excess budgeted interest” account into 1997 to help offset that year’s debt service needs. There was no such closure in 1997, therefore, the carryover into 1998 was much less.

The sharp fluctuations in the “excess budget interest” account seem to have stabilized between 1999 and 2000. At the end of 1999, it is estimated the account balance will total \$3.8 million, a \$0.3 million decrease from 1998. All of these funds will be applied to reduce debt service costs in 2000.

**Self-Supporting Debt Revenues:** One important factor influencing the debt budget tax levy is a mismatch between when debt service costs are incurred, and when revenues are received for self-supporting debt projects. In the 2000 debt budget, the city estimates that self-supporting debt expenditures will roughly equal revenues. However, since \$3.3 million will be used to retire special assessment borrowing through a withdrawal from the segregated portion of the PDAF, the tax levy will decrease by \$3.3 million. The major reason for the favorable revenues is the use of a one-time repayment of \$4.8 million from TID #19 (Campus Circle).

On an annual basis, revenue will not equal the debt payment for self-supporting debt. Over the life of the debt, however, revenue will equal total debt payments. The following types of self-supporting debt will affect the city’s 2000 budget:

- **Tax Incremental Districts** (\$-4.1 million): On paper, the city’s property tax levy will be reduced by \$4.1 million in 2000 because of repayment of a loan with a value of \$4.8 million from TID #19. Removing the one-time savings would show that there is a subsidy of \$700,000 for TIDs in 2000. This subsidy, however, results primarily from a timing problem wherein several new TIDs were initiated in recent years and have not yet begun to generate tax increments equal to their debt service. The city anticipates these new TIDs will generate significant property tax increments in future years which will offset all city debt service costs associated with these economic development projects. Beginning in 1998, the city started structuring TID debt in a different way in order to help minimize this timing problem. The first step was to capitalize the first two years of interest payments. In the future, a policy will be developed to issue revenue bonds for TID purposes.
- **Industrial Land Bank** (\$231,545): The city, due to a previous agreement with MEDC, is responsible for interest costs associated with a 1990 land bank project (\$2 million project cost).
- **Special Assessments** (\$424,743): The shortfall is due to three bond refundings conducted in 1992, 1993, and 1996. Due to accounting practice, the savings generated by these refunding actions are not reflected in the case of special assessment debt.
- **Delinquent Tax Financing** (\$217,500): Due primarily to one-third of interest earnings on unused delinquent tax revenues being transferred into the unsegregated portion of the PDAF.

**Miller Park Project:** The 2000 city debt budget includes approximately \$0.7 million in revenue-offset debt service which will be incurred by the city as a result of the Miller Park Stadium project. This amount reflects an agreement through which the city would transfer the payment stream associated with a Milwaukee Economic Development Corporation

(MEDC) loan (for which the city has been issuing general obligation debt) to the Southeastern Wisconsin Professional Baseball Park District. As a result of this transfer, the Milwaukee Brewers will repay the stadium district for the loan and not the city. In addition to the payment stream, the agreement also calls for the issuance of \$5.9 million of Parking Fund

- supported general obligation debt. In total, this agreement will fulfill the city's commitment to the Miller Park project. All debt service expense associated with this agreement will be paid for through excess revenues into the Parking Fund. The 2000 debt budget includes approximately \$666,500 in debt service expense for the Miller Park project.

**PUBLIC DEBT AMORTIZATION FUND (PDAF)**

The Public Debt Commission oversees the use of the Public Debt Amortization Fund, which was created in 1925 by state statutes. The fund is composed of interest earned by assets of the fund, one-third of the general interest earnings of the city, and one-third of interest received on delinquent personal property taxes. Fund assets may be used to prepay a portion of the principal and interest on city debt due the following year, thereby reducing the levy portion of the debt budget. In addition, fund assets may be used to purchase city debt and subsequently invest or cancel such debt. Immediate cancellation of this debt avoids debt service costs in the ensuing years. In 1999, the PDAF withdrawal taken for 2000 budget purposes totals \$11.5 million, an amount \$0.5 million above the prior year. As a result of this withdrawal, the end of the year 1999 PDAF unsegregated fund balance is estimated to total \$49.2 million, a drop of approximately \$3.5 million from the prior year.

Table 4

PDAF Unsegregated Balance (In Thousands)			
Year	Fund Balance	Year	Fund Balance
1988	56,809	1994	57,088
1989	56,935	1995	56,891
1990	55,663	1996	52,622
1991	56,551	1997	53,797
1992	56,803	1998	52,666
1993	56,456	1999	49,227 *

\* Estimated

Table 4 shows how the unsegregated portion of the PDAF has fluctuated over time. In 1997 and 1998, the PDAF has had earnings of approximately \$10.3 million each year. Estimated PDAF earnings for 1999 total \$8.1 million.

**OUTSTANDING DEBT AND DEBT SERVICE**

The City of Milwaukee issues general obligation bonds for city and school capital improvement projects as well as for self-supporting projects, including tax incremental districts, special assessments, delinquent taxes, parking, Water Works, and the Land Bank Fund. As of December 31, 1998, the outstanding debt service requirements for the city totaled \$678.5 million, an increase of \$81.1 million from 1997 levels (an increase of 13.6%).

Of the \$678.5 million, \$332.6 million in outstanding debt service requirements is associated with general city capital expenditures. The remaining outstanding city obligation is split between MPS-related debt service (\$81.1 million) and self-supporting debt service (\$264.8 million).

**Legal Debt Limits:** State statutes limit direct general obligation borrowing to 7% of the equalized value of taxable property in the city. Of this 7% limitation, 5% is the limit on city borrowing for municipal purposes and 2% is the city's limit on school purpose capital borrowing. The remaining unutilized legal debt limit as of December 31, 1998, is \$642.5 million. Of the remaining unutilized debt, \$399.2 million is for city purposes and \$243.3 million is for school purposes.

**Debt Structure:** The general policy of the Public Debt Commission relating to general obligation bonds is to issue 15-year, level-principal-payment bond issues. This policy produces higher payments in the early years of a bond issue, but produces lower total financing costs. As a result of this rapid debt amortization schedule, 55% of principal is retired in five years and 86% is retired in ten years.

**City Capital Debt:** As previously indicated, \$332.6 million of total outstanding debt service requirements is related to city capital purposes. Table 5 shows that \$187 million is for the street, sewer, and bridge systems - the largest component of debt. In addition, \$93.8 million is for public facilities and \$31.8 million is for economic development-related activities.

**Self-Supporting Debt:** A significant portion of city debt is self-supporting even though it is issued as general obligation debt. The concept of self-supporting debt is that the use of borrowing proceeds will generate a stream of revenue that will

offset related principal and interest payments. There are six major categories of self-supporting debt: tax incremental districts, special assessments, delinquent taxes, parking, water, and land bank.

Outstanding debt service requirements for these purposes as of December 31, 1998, was \$264.7 million, or approximately 39.0%, of total debt service requirements. The largest component of self-supporting debt is tax incremental districts which total \$89.2 million. The remaining components are parking - \$27.8 million; water - \$83.5 million; special assessments - \$38.5 million; delinquent taxes - \$24.6 million; and land bank - \$1.1 million.

Table 5

Outstanding Debt Service Requirements by Purpose City of Milwaukee General Obligation Bonds and Notes As of December 31, 1998 (In Thousands)				
Purpose	Principal	Interest	Total	% of Total
<b>Self-Supporting Debt</b>				
Tax Incremental Districts	\$64,899	\$24,295	\$89,194	13.15%
Parking	21,532	6,229	27,761	4.09%
Water	61,982	21,561	83,543	12.31%
Delinquent Taxes	23,195	1,420	24,615	4.24%
Special Assessments	27,913	10,616	38,529	5.68%
Land Bank	873	191	1,064	0.16%
<b>SUBTOTAL</b>	<b>\$200,394</b>	<b>\$64,312</b>	<b>\$264,706</b>	<b>39.02%</b>
<b>Tax Levy Debt</b>				
Economic Development	\$23,816	\$8,029	\$31,845	4.69%
Public Facilities	71,792	22,000	93,792	13.82%
Streets, Sewers, Bridges	142,507	44,465	186,972	27.56%
Other	16,184	3,791	19,975	2.94%
School Debt	63,708	17,473	81,181	11.97%
<b>SUBTOTAL</b>	<b>\$318,007</b>	<b>\$95,758</b>	<b>\$413,765</b>	<b>60.98%</b>
Less Prepayment	\$0	\$0	\$0	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$518,401</b>	<b>\$160,070</b>	<b>\$678,471</b>	<b>100.00%</b>

Source: 1998 Comprehensive Annual Financial Report

**OVERLAPPING DEBT**

City taxpayers not only pay for City of Milwaukee debt, but also the debt of other overlapping taxing jurisdictions. Overlapping debt is the combined debt obligation of all local units of government including the City of Milwaukee, Milwaukee County, Milwaukee Metropolitan Sewerage District (MMSD), and Milwaukee Area Technical College (MATC).

Table 6 shows the total direct and overlapping debt for all jurisdictions as of December 31, 1998. This debt totals \$951.5 million, of which the city's direct debt totaled \$493.5 million, or 51.9% of total overlapping debt.

Table 6

Summary of Net Direct and Overlapping Debt As of December 31, 1998 (In Thousands)				
Governmental Unit	Net Debt Outstanding	Percent Applicable to City	City Share of Debt	Percent of Total
<b>Direct Debt</b>				
City of Milwaukee	\$493,460	100.00%	\$493,460	51.86%
<b>Overlapping Debt</b>				
MATC	68,352	38.30%	26,179	2.75%
Milwaukee County	489,601	46.35%	226,930	23.85%
MMSD	431,168	47.54%	204,977	21.54%
<b>TOTAL DEBT</b>			<b>\$951,546</b>	<b>100.00%</b>

Source: 1998 Comprehensive Annual Financial Report

**OTHER DEBT (REVENUE BONDING)**

**Housing Authority and Redevelopment Authority Debt:** The Housing Authority and the Redevelopment Authority of the City of Milwaukee are public corporations established under state law with authority to issue debt. The Housing Authority issues debt for the construction and renovation of housing for the elderly and low-income persons, including veterans. Redevelopment Authority obligations are issued for blight elimination, economic development, and urban renewal projects. Debt issued by either entity is not considered a direct

obligation of the city and, consequently, is not backed by its general credit or taxing powers. The outstanding debt of each authority as of December 31, 1997, is as follows: Housing Authority - \$34.7 million; Redevelopment Authority - \$14.3 million.

For additional discussion on Housing Authority and Redevelopment Authority, see the "Department of City Development" summary in the *2000 Plan and Budget Summary*.

## E. DELINQUENT TAX FUND

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### EXECUTIVE SUMMARY

<b>PURPOSE:</b>	To provide tax levy authority to fund the loss or shortfall resulting from the sale of tax deed parcels and to provide a reserve for delinquent taxes based on prior uncollectables.
<b>STRATEGIC ISSUES:</b>	Provide a funding mechanism to finance uncollectable taxes without affecting the city's tax levy.
<b>INITIATIVES FOR 2000:</b>	Continue efforts to return tax delinquent properties to the tax rolls and increase future city revenue.

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### BACKGROUND

Over 50 years ago, the city created the Tax Deficit Fund, the predecessor to the Delinquent Tax Fund. Initially, this fund grew as a result of profits on the sale of tax deed properties. This pattern held true until the mid-1970's. However, since the mid-70's, tax deed properties have generally been sold at a loss.

By 1981, the reserve balance for the Tax Deficit Fund became negative. In 1990, the Comptroller identified a liquidity problem relating to the city's holdings of uncollectable delinquent real estate and personal property taxes. This contributed to creation of the Delinquent Tax Fund.

When a tax deed parcel is sold or transferred for city use, the net profit or loss on each transaction is charged to the Delinquent Tax Fund. As a result, the Delinquent Tax Fund uses tax levy dollars to fund losses suffered on uncollectable taxes and on the sale of tax deed property. All costs related to maintenance, destruction, hazardous waste removal, etc., performed by the city prior to the city's acquisition of the property, are delinquent tax costs. Once the city has acquired the property, however, any new costs incurred are considered the responsibility of the Department of City Development.

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### ACTIVITIES

**Administration:** The Comptroller's Office administers the Delinquent Tax Fund. The Comptroller is authorized to make fund transfers in accordance with appropriations made to the fund.

The Delinquent Tax Fund receives funding from property taxes, proceeds from the sale of properties, and other funds that may be appropriated by the Common Council. Property tax funding covers the difference between the sale price of the property and the costs associated with the property. If costs are higher than the sale price, tax dollars are needed.

Appropriations are based upon the Comptroller's assumptions about the city's average uncollectable tax and tax deed property holdings over the past

three years. The bulk of this appropriation goes to offset increases in the city's holdings of (and anticipated losses on) tax deed property. However, if the city is successful at enforcing judgments against owners or re-selling the property at a profit, the required tax levy appropriations are lower.

State law now allows *in personam* actions against delinquent taxpayers. This new law places the delinquent tax liability with the individual rather than the property, enabling the city to seek punitive action against delinquent property tax owners. At this time the city has not yet used this authority to recover delinquent taxes. However, the city anticipates that the *in personam* process will reduce amounts needed to fund delinquent taxes.

**Delinquent Property Maintenance:** Maintenance of delinquent tax properties is the responsibility of the Department of City Development (DCD). These duties would include acting as a landlord if there is a tenant present, paying utility bills, and yard maintenance. Costs associated with maintenance are able

to be recovered at the time the property is sold. Unfortunately, there is no mechanism to track these costs on the nearly 2,300 properties owned by the city. In 2000, the city will begin tracking these costs with the new Financial Management Information System.

**SUMMARY OF EXPENDITURES**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Delinquent Tax Fund	<u>\$1,400,000</u>	<u>\$1,400,000</u>	<u>\$1,400,000</u>	<u>\$0</u>
<b>TOTAL</b>	\$1,400,000	\$1,400,000	\$1,400,000	\$0

**SOURCE OF FUNDS**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Property Tax Levy	<u>\$1,400,000</u>	<u>\$1,400,000</u>	<u>\$1,400,000</u>	<u>\$0</u>
<b>TOTAL</b>	\$1,400,000	\$1,400,000	\$1,400,000	\$0

## F. COMMON COUNCIL CONTINGENT FUND

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### EXECUTIVE SUMMARY

- PURPOSE:** To provide budgetary authority and funding to pay for emergency and other purposes that may arise during the year for which no express provisions have been made elsewhere in the city's budget.
- STRATEGIC ISSUES:** Maintain the integrity of the fund as an "emergencies only" source of funds.
- INITIATIVES FOR 2000:** Continue to adhere to adopted guidelines and information standards in considering requests for Contingent Fund withdrawals.
- Reduce appropriation by \$400,000 to reflect actual expenditures.
- 

### BACKGROUND

The Common Council Contingent Fund provides budgetary authority and funding to pay for emergency situations that require expenditures above and beyond budget authorizations. The fund also covers those situations for which no express provisions have been made in the annual budget.

Requests for Contingent Funds must meet one of the following criteria:

- Emergency circumstances,
- Obligatory circumstances, and
- Fiscal advantage and/or compliance with fiscal management principles.

Monies in this account may be expended only if approved by three-quarters of the Common Council. Recent expenditures from the fund have been made for snow and ice removal, flood clean up, information system cost over-runs, and legal fees. Funds that are not expended from the Contingent Fund revert to the Tax Stabilization Fund and result in lower future tax rates and levies.

On December 18, 1992, the Common Council passed a resolution (Common Council File 921360) which established guidelines and information standards relative to Finance and Personnel Committee review of Contingent Fund requests. These guidelines focus on:

- Timelines and process requirements, and
- Information that must be provided to the Finance and Personnel Committee when the department requests a Contingent Fund appropriation, which includes the following:
  - 1) A statement of the action requested, including the specific departmental account to which the Contingent Fund appropriation is requested to be made;
  - 2) Purpose of the action which includes the program service or activity to be supported by the funding as well as the objectives to be accomplished; and
  - 3) A description of the emergency that prompts the request.

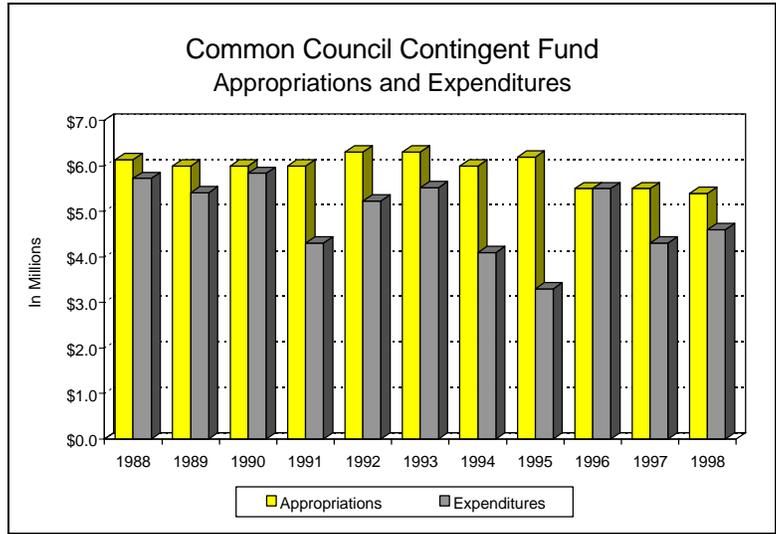
These information standards were established to ensure that the Finance and Personnel Committee is fully aware of all issues affecting Contingent Fund requests.

Limiting Contingent Fund requests to these criteria forces departments to manage allocated budgets and discourages use of the fund for initiating new projects or programs. Prior to the adoption of Common Council File 921360, there were no specific guidelines or information standards for review of Contingent Fund appropriations by the Finance and Personnel Committee.

**ACTIVITIES**

The 2000 budget includes \$5.0 million for the Common Council Contingent Fund. As shown in Figure 1, Contingent Fund appropriations ranged between \$5.4 million and \$6.0 million from 1989-1998. During that period, total expenditures ranged from 53% of the appropriation in 1995 to 100% in 1996. The reduction in the Contingent Fund budget in recent years is due to the fact that expenditures have been well below appropriations in each of the years from 1991 to 1995, as well as in 1997 and 1998.

Figure 1



In 1995, \$3.3 million was expended out of a \$6.19 million appropriation. However, in 1996 the entire fund was expended. In 1997, approximately 78%, or \$4.3 million of the Common Council Contingent Fund appropriation of \$5.5 million, was expended. In 1998, the amount spent increased to 85.2% of the total appropriation. As of November 1999, \$3,037,571 has been expended or reserved in the 1999 Common Council Contingent Fund.

unanticipated events. Under this plan, a total of \$5.0 million would be available. The five-year average expenditure from the Contingent Fund is \$4.4 million. Therefore, the ability of the city to respond to emergencies and unanticipated events should not be compromised.

The 2000 budget includes a \$400,000 reduction in appropriation authority for city emergencies and

**SUMMARY OF EXPENDITURES**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Common Council Contingent Fund	<u>\$4,598,524</u>	<u>\$5,400,000</u>	<u>\$5,000,000</u>	<u>\$-400,000</u>
TOTAL	\$4,598,524	\$5,400,000	\$5,000,000	\$-400,000

**SOURCE OF FUNDS**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Property Tax Levy	<u>\$4,598,524</u>	<u>\$5,400,000</u>	<u>\$5,000,000</u>	<u>\$-400,000</u>
TOTAL	\$4,598,524	\$5,400,000	\$5,000,000	\$-400,000

## SPECIAL REVENUE FUNDS

This section of the budget includes funds supported by revenues other than the city property tax levy. This section also includes internal service agencies, which provide services to other city departments and agencies and recover their costs by billing the users of their services.

property tax levies related to these special revenue funds are provided in other sections of the city's budget. The 1998 budget created a new special revenue fund to support sewer maintenance expense. In prior years, these costs were paid through general property taxes.

The appropriations in this section are offset by revenues other than the city property tax. Any

EXPENSE CATEGORY	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
G. Parking Fund	\$19,552,683	\$29,727,464	\$25,401,779	\$-4,325,685
H. Grant and Aid Project Fund	67,174,610	67,088,507	72,385,581	5,297,074
I. Internal Service Agencies	6,527,146	7,207,516	0	-7,207,516
J. Water Works	117,535,901	92,264,069	79,999,526	-12,264,543
K. Sewer Maintenance Fund	8,219,927	9,695,024	30,475,620	20,780,596
<b>TOTAL</b>	<b>\$219,010,267</b>	<b>\$205,982,580</b>	<b>\$208,262,506</b>	<b>\$2,279,926</b>

## G. PARKING FUND

### EXECUTIVE SUMMARY

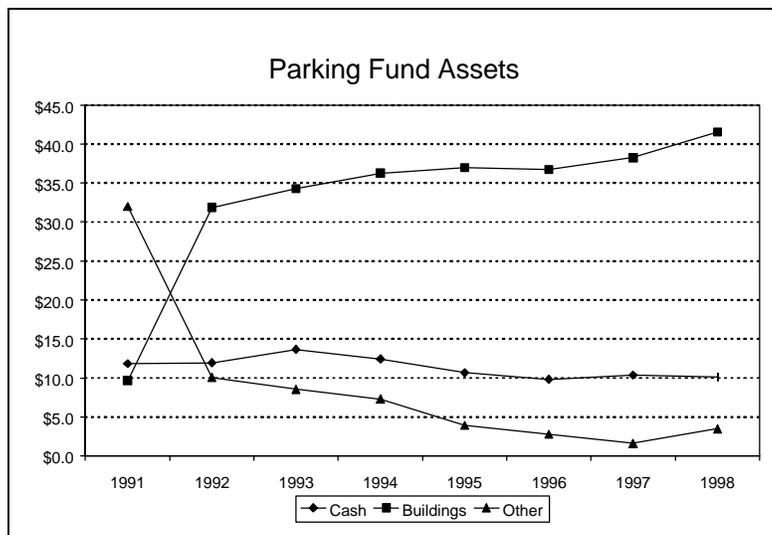
- MISSION:** To provide clean, safe on- and off-street parking in a manner which maintains the financial solvency of the Parking Fund and independence from city tax levy funding.
- STRATEGIC ISSUES:** Integrate parking policies and economic development goals.  
Maintain the fiscal health of the fund.
- INITIATIVES FOR 2000:** Explore opportunities for increasing revenue from city parking structures as downtown development increases the demand for parking.  
Improve the operations of the tow lot by enhancing the revenue generated from towing functions and selling abandoned cars.  
Examine and implement methods to improve city parking facilities, including development of a long-term capital maintenance plan.  
Incorporate parking enforcement activities into the fund's operations and improve parking enforcement efforts.

### BACKGROUND

The Parking Fund is an enterprise fund administered by the Department of Public Works (DPW). It receives revenues from parking activities which finance the city's on- and off-street parking expenses. The Parking Fund was established in 1949 to finance the operation and maintenance of parking meters. Since that time its responsibilities have expanded to include other activities, including managing parking structures and lots, storing and disposing of towed vehicles, and administering the overnight parking permit program.

The purpose of the fund is to allow the city to finance parking activities through parking revenues without burdening taxpayers through the property tax. Currently, the Parking Fund has \$55.2 million in assets (a 10% increase from 1997) and \$33.5 million in outstanding debt service, making it a relatively healthy enterprise fund. As shown in Figure 1, the fund's assets are comprised primarily of buildings. The value of its buildings continues to increase. In addition, the fund has begun to stabilize its cash assets by reduc-

Figure 1



ing its use of cash reserves. In 1998, the fund withdrew \$234,000 from reserves, reducing the fund's overall cash reserves to \$10.1 million, but the 2000 budget anticipates a balanced budget with no withdrawal or addition to reserves. In order to maintain the fund's financial solvency, parking activities will need to continue generating additions to reserves.

**DPW OBJECTIVE 19**

**Maintain the financial solvency of the Parking Fund by generating net revenues from parking activities and making additions to the fund's cash reserves.**

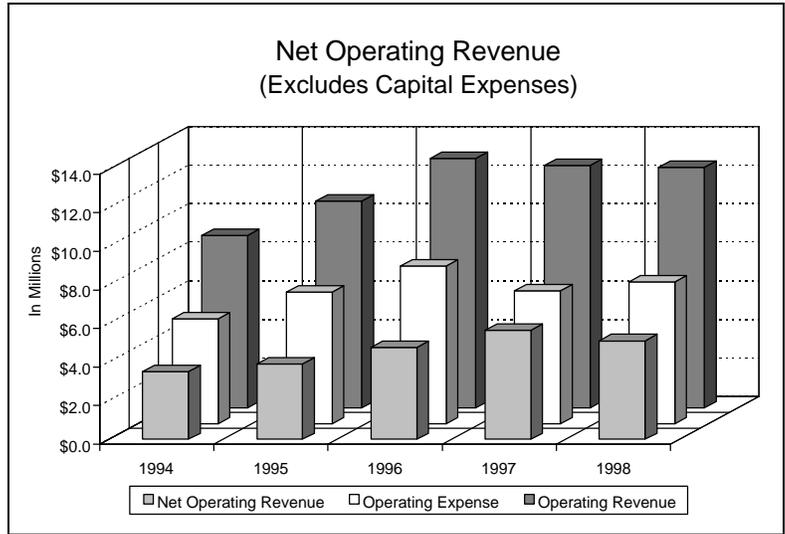
**OUTCOME HISTORY (see page 176)**

Since the purpose of the fund is to provide a self-supporting source of revenue for city parking operations, a meaningful measure of the fund's performance is whether it fully funds its expenses and makes additions to its cash reserves. In order to fund fully its expenses, including operating and non-operating expenses, the Parking Fund must generate net revenue from its operating activities. If these operating activities, including meters, structures, lots, permits, and towing, generate sufficient net revenue to cover total non-operating expenses, the fund will not make withdrawals from reserves; rather, it may increase its reserves.

Although in recent years the fund has withdrawn reserves to fund its expenses, primarily because of debt service related to construction and renovation of parking structures, it has also increased its net operating revenue. As shown in Figure 2, net operating revenue has increased gradually since 1994, although it did suffer a 9.5% decrease in 1998. This decline in revenue in 1998 resulted from several one-time expenses associated with the tow lot expansion and decreased structure revenue resulting from extensive construction at the 2<sup>nd</sup> and Plankinton structure. Although the fund decreased its cash reserves by \$234,000 in 1998, it does not anticipate a decrease in 2000.

While net operating revenue measures the financial performance of the fund, it does not measure how well parking activities support the fund's other purpose: strengthening the local economy. The city's parking assets serve business needs throughout the city by making the marketplace accessible to customers and clients. Changes in parking restrictions and accommodations designed to better serve these needs contribute to the local economy by encouraging more visits to downtown for shopping, as well as recreation, tourism, and other activities. An indirect measure of this outcome is the change in meter

Figure 2



revenue. If more people visit downtown, utilization of meters should increase, thereby increasing meter revenue. In fact, meter revenue did increase by \$80,000, or 2.4% between 1997 and 1998, and DPW estimates that meter revenue will continue to rise, increasing by an additional \$150,000 through 2000.

**Program Result Measures:** As part of the city's new Financial Management Information System, departments created new Program Result Measures as a means of providing meaningful data-driven outcome measures for their programs. These measures will provide department staff and city policymakers with a simple and concise measure of program success. The Parking Fund created the following measures for its programs:

- **Towing:** Percentage of Cost Recovery, with the goal of 100% cost recovery; and Percentage of Vehicles Returned to Owner, with the goal of returning at least 68% of towed vehicles to their owner.
- **Surface Lots:** Percentage of Cost Recovery, with the goal of 100% cost recovery.
- **Parking Meters:** Service Percentage for the Meter Population, with the goal of 99% of meters in service; and Meter Service Calls, with the goal of a 24-hour completion time for all meter repairs; and
- **Parking Structures:** Percentage of Cost Recovery, with the goal of having revenue exceed total expenses by at least 3%.

## PROGRAMS AND ACTIVITIES

- Operation and maintenance of approximately 6,400 parking meters located throughout the city.
- Operation of four and capital management of five city-owned parking structures.
- Management of approximately 70 metered, leased, and permit parking lots.
- Towing illegally parked and abandoned vehicles and operating the city's tow impound lot.
- Administering the overnight parking permit program, in conjunction with the Police Department.

## PROGRAM CHANGES

**Improving City Tow Lot Operations:** In March 1998, the Common Council approved an ordinance authorizing the Parking Fund to expand the city tow lot in order to enable DPW to assume responsibility for all storage and disposal activities for vehicles towed under city towing contracts. Expansion of the tow lot was completed in August 1998. However, data from 1998 and 1999, show that the expanded tow lot has yet to recover fully its costs.

While overall towing revenue increased in 1999, expenses have also increased as a result of the tow lot expansion. The Parking Fund has also lost revenue due to a significant decrease in returns from metal recycling. Specifically, in 1998 the fund received \$52.11 per ton, but this declined to only \$36.68 per ton in 1999, a 26% decrease. The fund is taking measures to increase net revenue from towing operations. Specifically, two positions at the tow lot will be eliminated and efforts are being taken to increase revenue from the sale of unclaimed cars.

**Increasing Rates in Parking Structures:** In July 1998, the Parking Fund, under authority provided by city ordinance, increased rates in the MacArthur Square parking structure. DPW will request an additional rate increase for the 2<sup>nd</sup> and Plankinton structure. The daily rate will increase by \$1 and the monthly rate will increase by \$5. These rate increases are estimated to increase structure revenue by \$132,000. Rates are increased because of increased demand for parking in the downtown area resulting from development projects such as the Midwest Express Center. The increased rates at

these structures are consistent with rates charged by private parking facilities in the same area.

**Transfer Parking Enforcement to the Fund:** The 2000 budget shifts certain parking enforcement functions from the Police Department to the Parking Fund. Specifically, the parking checker, tow desk, and night parking call-in desk functions will transfer to the Parking Fund. Parking Checkers patrol the city and enforce parking regulations through the issuance of citations. The tow desk will operate 24-hours a day, 7 days a week, handling all requests for and inquiries about towing, including illegally parked, abandoned, and stolen vehicles. The night parking call-in desk operates for five hours, seven days a week, processing information from callers requesting temporary permission to park overnight on city streets.

The budget reflects transfer of the parking checker activities from the Police Department to the Parking Fund effective January 1, 2000. The tow desk and night parking desk functions will transfer to the fund effective July 1, 2000. The delay in transferring the latter functions will give the Parking Fund sufficient time to implement fully these functions. Overall, 69 positions and \$2.1 million in funding are added to the Parking Fund for parking enforcement activities. These costs will be offset by a payment to the Parking Fund from a special purpose account, thereby avoiding a drain of the fund's cash reserves while maximizing the citation revenue to the general fund.

Parking enforcement functions will shift to the Parking Fund in order to improve the productivity of parking checkers and the enforcement of parking regulations. The Department of Public Works, through its Administrative Services Division and the Parking Fund, currently performs several parking functions, including administering the citation processing contract, installing and maintaining parking meters, and administering the tow lot operations and related vehicle towing contracts. Transferring parking enforcement functions to DPW will consolidate most parking-related functions into a single department, allowing for better coordination and management of these functions. Additional information on this change is included in the "Police Department" section of the *2000 Plan and Budget Summary*.

## OTHER ACTIVITIES AND CHANGES

**Potential Sale of City Parking Structures:** Due to their large debt service costs, which results in a drain on the Parking Fund's cash reserves, the city has considered selling all or some of its parking structures. Moreover operating parking structures is not necessarily consistent with the city's strategic plan, because this places the city in a position wherein it competes directly with the private sector operators. The city has sold structures in the past, including the 6<sup>th</sup> and Highland and the North 8<sup>th</sup> and West State Street structures, in order to improve the fund's financial condition.

On July 29, 1999, the Common Council authorized DPW to develop a Request for Proposal (RFP) for the

sale of city parking structures. DPW will work with other city departments, including the Comptroller's Office and City Attorney, as well as the Budget Office and Council staff, to develop the RFP. Upon its completion the Council will consider the RFP and determine whether to authorize the actual issuance of the request. If the RFP is issued, the city will review any proposed bids to purchase the structures and determine if selling the structures is in the city's best fiscal interest. Failure to issue an RFP does not mean that the city will not decide to sell the structures at some point in the future.

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## CAPITAL IMPROVEMENTS

The Parking Fund's 2000 budget does not include any capital improvement projects. Parking staff developed a long-term capital maintenance plan in order to ensure the proper maintenance of its facilities, in particular, its parking structures. Parking staff will undertake development of a more detailed

plan for actual capital improvements to existing parking structures in order to prepare for the financial costs of these improvements. This will help the fund maintain its assets in proper condition and will also reduce the use of reserves to finance capital costs.

**BUDGET SUMMARY**

	<b>1998 ACTUAL EXPENDITURES</b>	<b>1999 ADOPTED BUDGET</b>	<b>2000 ADOPTED BUDGET</b>	<b>CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED</b>
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	27.88	32.00	89.50	57.50
FTEs - Other	0.04	0.00	0.00	0.00
Total Positions Authorized	25	32	99	67
DLH - Operations and Maintenance	53,559	57,600	161,100	103,500
DLH - Other Funds	64	0	0	0
<b>EXPENDITURES</b>				
Salaries and Wages	\$1,032,511	\$1,117,754	\$2,725,516	\$1,607,762
Fringe Benefits	228,540	380,036	572,165	192,129
Supplies and Materials	390,208	0	0	0
Equipment and Facility Rent	107,578	0	0	0
Services	4,568,383	0	0	0
Operating Expenditures	0	4,867,050	4,882,850	15,800
Equipment	0	0	50,000	50,000
Special Funds	<u>5,542,397</u>	<u>7,291,220</u>	<u>7,171,248</u>	<u>-119,972</u>
<b>TOTAL</b>	<b>\$11,869,617</b>	<b>\$13,656,060</b>	<b>\$15,401,779</b>	<b>\$1,745,719</b>
Capital Projects	\$7,093,810	\$5,869,160	\$0	\$-5,869,160
<b>TOTAL</b>	<b>\$18,963,427</b>	<b>\$19,525,220</b>	<b>\$15,401,779</b>	<b>\$-4,123,441</b>

**STATEMENT OF REVENUES AND EXPENSES**

<b>OPERATING EXPENDITURES</b>				
Structures	\$1,670,482	\$2,007,042	\$1,922,465	\$-84,577
Meters	805,448	776,529	764,509	-12,020
Permits	176,356	188,000	181,000	-7,000
Towing	3,435,642	2,806,008	2,756,915	-49,093
Lots	113,536	410,550	324,061	-86,489
Parking Enforcement	0	0	2,107,691	2,107,691
Debt Service	4,533,975	6,215,221	5,943,083	-272,138
PILOT	1,008,422	1,075,999	1,228,165	152,166
Administration	125,756	176,711	173,890	-2,821
Addition to Reserves	<u>589,256</u>	<u>202,244</u>	<u>0</u>	<u>-202,244</u>
<b>TOTAL</b>	<b>\$12,458,873</b>	<b>\$13,858,304</b>	<b>\$15,401,779</b>	<b>\$1,543,475</b>
<b>OPERATING REVENUES</b>				
Structures	\$5,047,526	\$5,627,804	\$5,519,788	\$-108,016
Meters	3,311,454	3,356,000	3,513,500	157,500
Permits	1,322,785	1,329,500	1,352,300	22,800
Towing	2,454,451	3,240,000	2,600,000	-640,000
Lots	316,703	305,000	308,500	3,500
Parking Enforcement	0	0	2,107,691	2,107,691
Miscellaneous	5,954	0	0	0
Withdrawal from reserves	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$12,458,873</b>	<b>\$13,858,304</b>	<b>\$15,401,779</b>	<b>\$1,543,475</b>
<b>CAPITAL EXPENDITURES</b>				
Structures	\$3,329,880	\$0	\$0	\$0
Surface Lots	87,101	0	0	0
Tow Lot	3,676,829	0	0	0
Miller Parking Improvements	<u>0</u>	<u>5,869,160</u>	<u>0</u>	<u>-5,869,160</u>
<b>TOTAL</b>	<b>\$7,093,810</b>	<b>\$5,869,160</b>	<b>\$0</b>	<b>\$-5,869,160</b>
<b>CAPITAL FINANCING</b>				
Proceeds from Borrowing	\$6,764,000	\$5,869,160	\$0	\$-5,869,160
Retained Earnings	<u>329,810</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$7,093,810</b>	<b>\$5,869,160</b>	<b>\$0</b>	<b>\$-5,869,160</b>

**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-1.00	Tractor Operator (Operating Funding \$-42,861)	] Vacant positions.
-1	-1.00	Office Assistant III (Operating Funding \$-28,957)	
40	40.00	Parking Checker (Operating Funding \$1,075,447)	] Transfer parking enforcement functions from the Police Department to the Parking Fund.
5	5.00	Lead Parking Checker (Operating Funding \$123,621)	
4	4.00	Parking Enforcement Supervisor (Operating Funding \$160,817)	
1	1.00	Citation Enforcement Manager (Operating Funding \$48,687)	
2	1.00	Tow Desk Manager (Operating Funding \$36,680)	
5	2.50	Clerk Dispatcher II (Operating Funding \$66,169)	
12	6.00	Clerk Dispatcher I (Operating Funding \$148,345)	
67	57.50	<b>TOTAL</b>	

## H. GRANT AND AID FUND

### EXECUTIVE SUMMARY

**PURPOSE:** The Grant and Aid Fund provides expenditure authority for federal, state, and other grants whose proceeds are restricted to operating expenditures for specific purposes. These expenditures are to be made in accordance with the grant and aid process as stated in Common Council Ordinance 940843.

### BACKGROUND

This fund serves as a "parent" account wherein grant funds accumulate prior to allocation on a project-by-project basis as the year progresses. The account has three major components:

- Grantor Share (non-city)
- In-Kind City Share
- Local Share Out-of-Pocket (current levy)

Expenditures cannot be made directly against the parent account. In order to expend funds, a common council resolution must be adopted to authorize a specific project, create a sub-account, and allocate specific funding from the parent account. The fund provides expenditure authority for both planned and potential projects during the calendar year.

### PROGRAM CHANGES

The 2000 grant and aid budget reflects an increase in expenditure authority for Grantor Share of \$16,754,709 above 1998 actuals, and \$5,297,074 above the 1999 budget (see Table 1). The expenditure authority for In-Kind City Share has also increased \$4,009,191 from 1998 actual expenditures, but has decreased from the 1999 budget by \$4,896,872. The total grant and aid budget, including in-kind contributions, has increased almost 31% over 1998.

**Health Department Grants:** The Health Department is the largest recipient of grant funding among city departments. The total amount of grant projects anticipated in 2000 is \$13.8 million. The Municipal Health Service Program is the department's largest grant at \$9 million. Other large grants include Women's, Infant's, and Children's Program (WIC) (\$1.2 million), Community Recreational Water Qual-

**Community Block Grant Administration:** The Community Block Grant Administration (DOA) anticipates approximately \$31 million in funds in 2000. These funds will be used to continue neighborhood strategic planning efforts so as to ensure that the city's federal block grant allocation is targeted toward city neighborhood priorities and needs. Approximately \$21.6 million of this anticipated funding will be applied toward the Community Development Block Grant (CDBG) program. In addition, an anticipated \$8.6 million will be applied to the HOME program. Other various programs throughout the administration will also receive anticipated funding.

Table 1

<b>Comparison of Projected Grant Activity (Grantor Share)</b>			
Department	1999	2000	Difference
DOA-Administration	\$ 31,396,324	\$ 31,205,000	\$-191,324
City Development	359,770	137,000	-222,770
Fire	22,550	4,428,872	4,406,322
Health	14,268,809	13,757,503	-511,306
Library	796,000	831,450	35,450
Police	4,570,274	4,217,694	-352,580
Public Works	2,863,220	2,808,062	-55,158
Unanticipated	<u>12,811,560</u>	<u>15,000,000</u>	<u>2,188,440</u>
<b>Totals</b>	<b>\$67,088,507</b>	<b>\$72,385,581</b>	<b>\$5,297,074</b>

ity Assessment Program (\$320,000), Pregnancy Prevention Consortium Grant (\$345,000), and two lead detection and poisoning prevention grants (\$974,583).

**Police Department Grants:** The Police Department anticipates receiving grants totaling \$4.2 million for 2000. This funding will primarily be applied toward the Local Law Enforcement Block Grant III (\$1.1 million), Juvenile Accountability Block Grant (\$810,000), and HIDTA (\$674,296).

**Fire Department Grants:** The Fire Department anticipates receiving two grants totaling \$4.4 million

for 2000. This funding has increased substantially due to a change in budgeting for the county paramedic agreement. In 2000, this program will be funded as a grant. In years past, the program was funded in the Fire Department's operating account, with off-setting revenue received from the county. The Fire Department anticipates allocating \$4.3 million for this purpose.

**Grant and Aid Current Levy:** No levy appropriation was requested for cash matches. Few grants actually require cash matches and sufficient carryover is available if the need should arise for a cash match.

### BUDGET SUMMARY

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
Grantor Share (Non-City)	\$55,630,872	\$67,088,507	\$72,385,581	\$5,297,074
In-Kind City Share	11,543,413	20,449,476	15,552,604	-4,896,872
Local Share Out-of-Pocket (Current Levy)	325	0	0	0
Project Total	\$67,174,610	\$87,537,983	\$87,938,185	\$400,202
Less In-Kind Contribution	<u>0</u>	<u>-20,449,476</u>	<u>-15,552,604</u>	<u>4,896,872</u>
<b>TOTAL</b>	\$67,174,610	\$67,088,507	\$72,385,581	\$5,297,074

The Community Development Block Grant Program projects and amounts for each project approved (by the Common Council under resolution) for 2000 are as follows:

**2000 Community Development Contract Awards**  
(Total award amounts listed alphabetically by organization)

Organization Name	Source of Funds			Total
	CDBG	HOME	SHELTER	All Awards
Agape Community Center	\$19,405			\$19,405
ASHA Family Service, Inc.	52,470			52,470
BI Code Enforcement	57,043			57,043
Black Health Coalition of Wisconsin	229,560			229,560
Boys & Girls of Greater Milwaukee	278,679			278,679
Building Inspection - NIP	358,016			358,016
Building Inspection	287,116			287,116
Career Youth Development	79,959			79,959
Center for Teaching Entrepreneurship	24,256			24,256
Community Advocates	195,301		65,983	261,284
Community Block Grant Administration - (Tech Asst.)	32,493			32,493
Community Enterprises of Greater Milwaukee	316,182			316,182
Council for the Spanish Speaking, Inc.	46,765			46,765
Counseling Center of Milwaukee	23,669		20,390	44,059
Daughters of Luke, Ltd.	131,116			131,116
Daystar, Inc.	25,340		28,444	53,784
Dept of City Development	151,404			151,404
Dept of Neighborhood Services	1,188,396			1,188,396
Dept of Public Works	500,000			500,000
DOA-EOE	39,930			39,930
Esperanza Unida, Inc.	168,822			168,822
Fair Lending Coalition	46,419			46,419
Franklin Pierce School	12,324			12,324
Guest House of Milwaukee, Inc.	69,256		96,880	166,136
Harambee Ombudsman Project, Inc.	314,415	243,590		558,005
Health Department	61,797			61,797
Hispanic Chamber of Commerce of Wis	58,214			58,214
Hmong-American Friendship Association	95,192			95,192
Hope House	127,641		87,232	214,873
Housing Resources, Inc.	83,555			83,555
Howard Fuller Education Fund	24,256			24,256
Journey House, Inc.	416,359			416,359
LaCausa, Inc.	26,237		29,851	56,088
Learning Opportunities Center, Inc.	24,256			24,256
Lincoln Center of the Arts	12,128			12,128
Lincoln Neighborhood Redevelopment Corp.	293,745			293,745
Lincoln Park Community Center, Inc.	111,266			111,266
Lisbon Avenue Neighborhood Development	606,635			606,635
Martin Luther King Economic Development Corp.	154,863			154,863
Merrill Park Neighborhood Association	218,681			218,681
Metcalfe Park Residents Association	106,726			106,726
Metro Milwaukee Fair Housing Council	64,988			64,988
Mid-Town Neighborhood Association	232,999			232,999
Milwaukee Careers Cooperative	56,221			56,221

H. GRANT AND AID FUND

Organization Name	Source of Funds			Total
	CDBG	HOME	ESG	All Awards
Milwaukee Christian Center	\$101,875			\$101,875
Milwaukee Christian Center-NIP	727,832	732,162		1,459,994
Milwaukee Christian Center-Handicap Access. Ramps	98,409			98,409
Milwaukee Community Service Corp.	114,086			114,086
Milwaukee Indian Economic Development Agency	29,793			29,793
Milwaukee Public Schools	77,619			77,619
Milwaukee Urban League	194,048			194,048
Milwaukee West North Avenue Business Assoc	77,619			77,619
Milwaukee Women's Center, Inc.	105,843		80,391	186,234
Modjeska Youth Theater Company	32,697			32,697
Neighborhood House of Milwaukee	66,619			66,619
Neighborhood Housing Services of Milwaukee	367,160			367,160
Neighborhood Improvement Development Corp.	1,653,004	4,127,453		5,780,457
Non-Profit Center of Milwaukee, Inc.	101,990			101,990
Northeast Milwaukee Industrial Development Corp.	82,471			82,471
Northwest Side Community Development Corp.	283,751			283,751
Open Gate			23,339	23,339
Opportunities Industrialization Ctr of Gtr Milw	437,623	799,418		1,237,041
Project Respect, Inc.	93,081			93,081
RACM	1,331,004			1,331,004
Right Alternative Family Service Center	119,858			119,858
Rosalie Manor, Inc.	29,107			29,107
Salvation Army	0		96,262	96,262
Select Milwaukee, Inc.	81,698			81,698
Sherman Park Community Association	300,340			300,340
Social Development Commission	746,740		98,101	844,841
Sojourner Truth House, Inc.	147,333		52,545	199,878
South Community Organization	382,358	827,937		1,210,295
Southside Organizing Committee	72,768			72,768
Task Force on Family Violence, Inc.	94,248			94,248
United Community Center	48,512			48,512
Urban Sports Authority, Inc.	4,851			4,851
UWM Institute for Urban Health Partnerships	9,702			9,702
Walker's Point Development Corp.	281,385	235,634		517,019
Walker's Point Youth & Family Center	70,958		22,931	93,889
West End Community Association	471,222	458,229		929,451
Wisconsin Correctional Services	102,844			102,844
Word of Hope Ministries, Inc.	38,809			38,809
Work for Wisconsin, Inc.	100,951			100,951
YMCA of Metro Milwaukee-Holton Center	410,399	249,400		659,799
YMCA of Metro Milwaukee-North Central Branch	518,239	510,079		1,028,318
YMCA of Metro Milwaukee-Parklawn	22,315			22,315
YWCA of Greater Milwaukee	51,935		42,651	94,586
<b>Total All Sources of Funds</b>	<b>\$17,507,191</b>	<b>\$8,183,902</b>	<b>\$745,000</b>	<b>\$26,436,093</b>

Return to NSP Areas - Area 13	\$33,365			\$33,365
Dept of Public Works - Area 17	38,809			38,809
HOME Funds (Unallocated)		232,098		232,098
Large Impact Development Fund	1,412,796			1,412,796
Targeted Commercial Development Fund	92,839			92,839
Administration (Common Council File 991097)	2,540,000	180,000		2,720,000
<b>2000 CDBG Anticipated Total Allocations</b>	<b>\$21,625,000</b>	<b>\$8,596,000</b>	<b>\$745,000</b>	<b>\$30,966,000</b>

## I. INTERNAL SERVICE AGENCIES

This section included the budgets of departments and agencies whose primary mission was to provide services to other city departments and agencies. Internal service agencies recover their costs by billing users of their services.

In the 2000 budget, the last internal service agency will be moved to the operating budget. Historic data is provided in the table that follows.

The city departments and agencies included in this section of the budget for historic purposes are the following:

DOA-Central Services Division – Consolidated in the Department of Administration operating budget in 2000. Some services will be provided on a reimbursable basis while services provided to non-city agencies will be offset by general fund revenue.

DER-Training and Development Services Section - The 1999 budget consolidated the Training and Development Services Section into the operating budget of the Department of Employee Relations. Training services will be provided to city departments and agencies on a reimbursable basis.

EXPENSE CATEGORY	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
DOA-Central Services Division	\$6,231,970	\$7,207,516	\$0	\$-7,207,516
DER-Training and Development Services Section	\$295,176	\$0	\$0	\$0
<b>TOTAL</b>	\$6,527,146	\$7,207,516	\$0	\$-7,207,516

# J. WATER WORKS

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## EXECUTIVE SUMMARY

- MISSION:** Maintain the highest quality of service while providing a safe, reliable, and aesthetically pleasing supply of water.
- Ensure that water service is a key contributor in sustaining the economic prosperity of the City of Milwaukee, while protecting the quality of Milwaukee's environment.
- STRATEGIC ISSUES:** Maintain the ability to respond to the presence of chemical and biological threats in Lake Michigan.
- Enhance the utility's finances by adding new customers without incurring major capital expenditures.
- Improve customer service and satisfaction.
- INITIATIVES FOR 2000:** Negotiate agreements to provide water service to new customers.
- Continue implementation of organizational changes to achieve operational efficiencies.
- Continue development of water quality controls.
- 

## **BACKGROUND**

The Department of Public Works (DPW) Water Works is a municipally-owned water utility regulated by the State of Wisconsin Public Service Commission (PSC). Water from Lake Michigan is provided to customers through the operation of two water treatment and filtration plants, various pumping stations, storage facilities, and 1,946 miles of water mains. Water Works treats and pumps approximately 49 billion gallons of water each year.

The rates at which water is sold are regulated by the PSC. The most currently effective Rate Order (PSC 3720-WR-102; September 13, 1994) authorized a 7.25% rate of return on investment for Water Works. As shown in Table 1, the 1998 rate of return was 2.35% and Water Works estimates a return of 1.47% in 1999. These decreases led Water Works to petition the PSC for a rate increase, which is needed for the Water Works to earn sufficient revenue to maintain its current level and quality of services. The PSC granted a 15% rate increase in August 1999.

Decreases in the rate of return are the result of several factors. Revenues generally are decreasing, primarily because of declining consumption. In addition, expenses are increasing due to higher depreciation and taxes caused, mainly, by extensive capital expenses for water quality improvement projects. Between 1997 and 1999, these factors are estimated to decrease the utility's net operating income by 40%, while increasing its rate base, a measure of the assets which its income supports, by 35%.

Although a rate increase is needed, Water Works is also implementing a long-term strategy of reducing operating expenses by enhancing the efficiency of its operations. Plans include upgrading technology; cross-training staff; eliminating vacant positions; reallocating workloads across remaining staff; and conducting more preventative maintenance. Improved efficiency has minimized the magnitude of the pending rate increase. Although allowed to earn 7.25% on assets, the Water Works sought and received a 4.5% rate of return on assets.

**DPW OBJECTIVE 13**

**Provide safe, sufficient and aesthetically pleasing water, 100% of the time, at standards equal to or more stringent than required by the Safe Drinking Water Act, thereby reducing customer complaints to an average of less than 600 per year.**

**OUTCOME HISTORY  
(see page 174)**

Water Works' activities are intended to ensure that customers are supplied with the highest quality drinking water. In 2000, the Water Works' budget provides \$57.6 million in operating funding and \$12.1 million in capital funding for this objective.

Water Works received 900 water quality-related complaints in 1998, an increase of 21.6% from 1997. Of these complaints, however, only 7% were substantiated as actually reflecting deteriorated water quality at the customer's tap. Water Works will strive to reduce the number of overall substantiated water quality complaints by 33% in 2000.

Customer complaints alone, however, do not completely measure actual water quality. Water Works implemented a new outcome indicator last year to provide a more thorough and meaningful measure of this objective: Percentage Compliance with the Environmental Protection Agency's (EPA) Safe Drinking Water Act Standards. Full conformance with this measure indicates that Water Works follows required water treatment processes, monitoring procedures and maximum allowable contaminant levels 365 days of the year, or 100% of the time. Compliance is based upon monthly reports filed with the State of Wisconsin Department of Natural Resources. Compliance with EPA standards will protect public health by reducing the risk of contaminants, such as Cryptosporidium, in drinking water. In 1998, Water Works had 100% compliance with the Safe Drinking Water Act.

**Program Result Measures:** As part of the city's new Financial Management Information System, departments created new Program Result Measures as a

Table 1

MILWAUKEE WATER WORKS RATE OF RETURN				
	1996 Actual	1997 Actual	1998 Actual	1999 Estimate
GROSS REVENUE	\$55,474,268	\$53,535,519	\$54,206,025	\$54,014,802
Operating Expenses				
Operating Expenses	32,055,769	33,476,984	33,960,589	33,519,162
Depreciation	5,412,485	6,181,117	7,174,642	8,441,781
Taxes	7,745,225	7,814,206	7,975,218	8,402,158
TOTAL OPERATING EXPENSES	\$45,213,479	\$47,472,307	\$49,110,449	\$50,363,101
NET OPERATING INCOME	\$10,260,789	\$6,063,212	\$5,095,576	\$3,651,701
RATE BASE				
Utility Plant in Service	\$337,355,248	\$351,888,211	\$420,615,689	\$434,787,211
Materials & Supplies	2,229,255	2,073,801	2,397,427	2,200,000
Accumulated Depreciation	(92,701,167)	(98,317,587)	(106,094,986)	(113,115,060)
Contributions for Construction	(67,447,493)	(68,013,077)	(70,245,011)	(69,013,077)
RATE BASE - End of Year	\$179,435,843	\$187,631,348	\$246,673,119	\$254,859,074
RATE BASE - Average Net Investment	\$162,792,763	\$183,533,596	\$217,138,557	\$247,757,415
RATE OF RETURN (Net Operating Income/Rate Base)	6.30%	3.30%	2.35%	1.47%

means of providing meaningful data-driven outcome measures for their programs. In addition to the percentage of days in compliance with Safe Drinking Water Act standards, the Water Works will use the following measures to track the success of its programs: percentage of days within target pressures; annual number of main breaks; and percentage favorable rating on a customer satisfaction survey.

**PROGRAMS AND ACTIVITIES**

- Supply and pumping - minimize operating costs while ensuring proper maintenance of purification, pumping, and storage facilities.
- Customer accounts
  - Provide accurate billing and collection services.
  - Quickly repair meter damages.
  - Handle all customer inquiries in a timely, efficient, and satisfactory manner.
- Water treatment - minimize plant operating and maintenance costs while fully complying with federal and state water quality standards.
- Distribution - repair main breaks within 24-hours.

**PROGRAM CHANGES**

**Providing Service to New Customers:** Water Works began selling wholesale water to Menomonee Falls in August 1999, beginning a 10-year contract. The

additional service is estimated to increase sales by one billion gallons and revenues by \$775,000 annually.

In July 1999, the Common Council approved a resolution to allow the Water Works to negotiate with the village of Butler for water service. If such an agreement is approved the additional sales are estimated to increase the utility's distribution by approximately 200 million gallons and increase revenue by \$150,000 annually.

The Water Works continues to look for opportunities to increase water sales and take advantage of existing treatment and pumping capacity by adding new customers. In 2000, Water Works will evaluate providing its services to the cities of Brookfield, Elm Grove, and New Berlin.

Water service will be extended to new customers if engineering studies indicate feasibility, if it is consistent with city goals, and provided it does not violate the federal prohibition against inter-basin water diversion. The latter regulation prevents the utility from soliciting customers west of the "divide" in eastern Waukesha County. By law, distribution of water from the Great Lakes is limited to consumption for those within the Great Lakes Basin.

**Operational Efficiencies:** The 2000 budget includes several changes which are part of a multi-year effort to achieve significant operational efficiencies in the Water Works. The purpose of this effort is to make the utility more competitive by implementing model operating practices from the private sector. These practices will enable the Water Works to maintain

and improve the high quality of its services while significantly reducing operating costs.

As improvements in technology, organization, and operational procedures are implemented, the need for positions will be reduced. The 2000 budget eliminates 31 positions, a 7% reduction in staff. Over the next two years, the utility plans to consolidate position titles and implement cross-training, enabling it to make even further position reductions while maintaining current standards of customer service and water quality.

Many of the positions eliminated are due to advancements in the Automatic Meter Reading (AMR) system. AMR will be installed in 85% of all residential meters by 2000, and will provide billing information cheaper, quicker, and more accurately than manual reading. Water Works anticipates expanding the program in 2001 to other industrial and commercial meters.

**Rate Increase:** Water Works petitioned the Public Service Commission for a rate increase in 1999. The last rate increase for Water Works provided an overall increase of 18%, and was granted in September 1994. Although a rate increase is needed to increase the utility's net operating revenue, Water Works is also reviewing its operations to identify methods to reduce significantly its operating costs. Such reductions will increase efficiency and enable the utility to seek a lower rate increase than would otherwise be requested. The PSC approved a 15% rate increase in August 1999. The rate increase was approved by the Common Council in September 1999.

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## CAPITAL IMPROVEMENTS

The 2000 Water Works capital improvements budget is \$12.1 million, or \$12.2 million less than the 1999 capital budget. The capital budget includes \$10.1 million for water main improvements, consisting of \$8.2 million for distribution mains (16-inches in diameter and smaller), and \$1.9 million for feeder mains (20-inches in diameter and larger). The purpose of these improvements is to replace water mains before they break. Capital improvement funding is estimated to reduce approximately 70 main breaks and 20 maintenance repairs of feeder mains per year. The mains improvement program

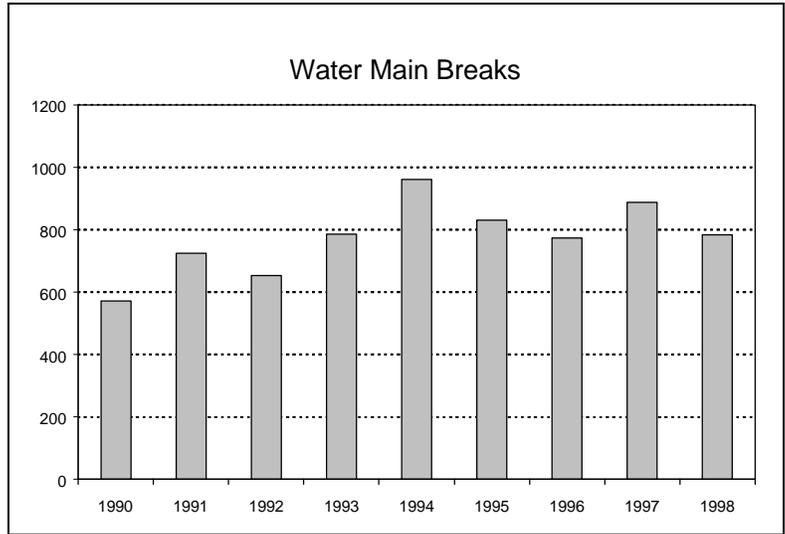
includes \$500,000 for installation of water mains in new developments; expenditures for these projects are reimbursed by revenues from developers.

The number of main breaks reflects the effectiveness of the Water Main Replacement Program. As shown in Figure 1, there is significant fluctuation in the number of main breaks, in part because factors outside the utility's control, such as severe winter weather conditions, influence the number of main breaks. There were 784 main breaks in 1998, a decrease of 104 or 11.7% from 1997.

The remaining \$2.1 million in the capital budget is for improvements in the Water Works facilities, including:

- Howard and Linnwood Plants building improvements totaling \$375,000 for security upgrades at both plants to protect key areas of the plant thereby protecting drinking water.
- Linnwood Plant treatment improvements of \$220,000 to provide upgrading of mechanical equipment and changes in chemical feed systems to keep current with changing technology in the water purification industry.
- Pump facilities improvements equaling \$1.5 million, including replacement of two pumps at Menomonee Valley Pumping Station which is oversized for the current system demand, replacement of pump and electrical upgrade at Adler Pumping Station, and upgrading the pump room at the North Point Pumping Station.

Figure 1



Water Works is completing implementation of a major water quality improvement project authorized in the 1995 budget. Ozone disinfectant facilities were substantially completed at both plants in 1999. Related improvements at the plants will be made through 2000.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	394.07	432.77	389.38	-43.39
FTEs - Other	22.25	19.52	23.16	3.64
Total Positions Authorized	490.00	443	412	-31
DLH - Operations and Maintenance	711,934.00	705,259	671,059	-34,200
DLH - Other Funds	37,239	35,142	41,695	6,553
<b>EXPENDITURES</b>				
Salaries and Wages	\$15,710,217	\$15,065,470	\$14,371,385	\$-694,085
Fringe Benefits	4,758,296	4,368,986	4,455,127	86,141
Supplies and Materials	2,883,621	0	0	0
Equipment and Facility Rent	1,001,564	0	0	0
Services	20,306,830	0	0	0
Operating Expenditures	0	26,069,228	28,186,714	2,117,486
Equipment	1,035,711	464,898	1,581,300	1,116,402
Special Funds	12,284,029	13,370,487	9,040,000	-4,330,487
<b>TOTAL</b>	<b>\$57,980,268</b>	<b>\$59,339,069</b>	<b>\$57,634,526</b>	<b>\$-1,704,543</b>

**CAPITAL BUDGET SUMMARY**

<b>CAPITAL BUDGET</b>				
Main Program	\$7,955,860	\$8,700,000	\$10,050,000	\$1,350,000
Plants	35,949,773	15,600,000	2,070,000	-13,530,000
<b>TOTAL CAPITAL BUDGET</b>	<b>\$43,905,633</b>	<b>\$24,300,000</b>	<b>\$12,120,000</b>	<b>\$-12,180,000</b>
<b>CAPITAL FINANCING</b>				
Retained Earnings	\$17,993,208	\$8,625,000	\$10,245,000	\$1,620,000
Proceeds from Borrowing	22,917,153	14,300,000	0	-14,300,000
Assessments	0	0	0	0
Developer Financed	344,132	375,000	375,000	0
Interest Earnings	2,651,140	1,000,000	1,500,000	500,000
<b>TOTAL CAPITAL FINANCING</b>	<b>\$43,905,633</b>	<b>\$24,300,000</b>	<b>\$12,120,000</b>	<b>\$-12,180,000</b>

**STATEMENT OF REVENUES, EXPENSES & CHANGES IN RETAINED EARNINGS**

<b>REVENUES</b>				
Operating	\$54,603,984	\$55,266,000	\$62,445,000	\$7,179,000
Non-Operating	2,995,272	4,277,277	3,415,246	-862,031
Withdrawal From Retained Earnings	16,031,012	8,420,792	2,019,280	-6,401,512
<b>TOTAL REVENUES</b>	<b>\$73,630,268</b>	<b>\$67,964,069</b>	<b>\$67,879,526</b>	<b>\$-84,543</b>
<b>EXPENDITURE AUTHORIZATIONS</b>				
Operating	\$57,980,268	\$59,339,069	\$57,634,526	\$-1,704,543
Capital Funding from Retained Earnings	15,650,000	8,625,000	10,245,000	1,620,000
Deposit to Retained Earnings	0	0	0	0
<b>TOTAL AUTHORIZATIONS</b>				
<b>OPERATING &amp; DEPOSITS</b>	<b>\$73,630,268</b>	<b>\$67,964,069</b>	<b>\$67,879,526</b>	<b>\$-84,543</b>

**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

<b>POSITIONS</b>	<b>FULL-TIME EQUIV.</b>	<b>POSITION TITLE</b>	<b>REASON</b>
<b>BUSINESS DECISION UNIT</b>			
-1	-0.50	Office Assistant II (Operating Funding \$-9,797)	] Efficiency anticipated from FMIS.
-1	-1.00	Utility Service Liaison (Operating Funding \$-62,161)	
1	1.00	Utility Service Liaison (Operating Funding \$64,026)	] 1999 reclassification.
-1	-0.50	Manag. Acct. Spec - Auxiliary (Operating Funding \$-25,675)	
1	1.00	Management Accounting Specialist (Operating Funding \$52,895)	] Reinstatement.
-1	-1.00	Systems and Project Manager (Operating Funding \$-45,122)	
1	1.00	Systems Analyst Senior (Operating Funding \$53,290)	] Reorganization.
-1	-1.00	Systems Analyst Senior (Operating Funding \$-58,334)	
1	1.00	Water Systems Analyst (Operating Funding \$60,084)	] Position reclassification.
-1	-1.00	Water Tech Systems Supervisor (Operating Funding \$-48,172)	
1	1.00	Network Coordinator, Senior (Operating Funding \$51,422)	
-1	-1.00	Customer Service Representative III (Operating Funding \$-29,455)	
-13	-13.00	Meter Reader - Residential (Operating Funding \$-403,987)	] Efficiency anticipated from AMR technologies and lock box services.
-1	-0.50	Meter Investigator - Auxiliary (Operating Funding \$-15,086)	
-4	-4.00	Meter Reader Resid. - Auxiliary (Operating Funding \$-124,431)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
4	2.00	Meter Reader Resid.- Auxiliary (Operating Funding \$64,060)	Efficiency anticipated from AMR technologies and lock box services.
2	2.00	Meter Investigator - Auxiliary (Operating Funding \$65,519)	
-10	-10.00	Meter Technician I - Auxiliary (Operating Funding \$-185,950)	
4	2.00	Meter Technician I - Auxiliary (Operating Funding \$64,923)	
-2	-2.00	Acct. Assistant II - Auxiliary (Operating Funding \$-66,021)	
-1	-1.00	Delinquent Accts. Supervisor (Operating Funding \$-45,187)	
-1	-1.00	Chief Teller (Operating Funding \$-45,187)	
-1	-1.00	Water Materials Supervisor (Operating Funding \$-34,314)	Transferred to Distribution Decision Unit to achieve operational efficiencies.
-1	-1.00	Water Materials Clerk III (Operating Funding \$-31,211)	
-1	-1.00	Pipe Yard Crew Leader (Operating Funding \$-32,289)	
-1	-1.00	Special Pipe Yard Labor (Operating Funding \$-30,035)	
-1	-1.00	Water Yard Equipment Operator (Operating Funding \$-31,534)	
-1	-0.25	Pipe Yard Crew Leader - Auxiliary (Operating Funding \$-7,863)	
-1	-0.25	Water Yard Equipment Operator (Operating Funding \$-7,918)	
-1	-0.25	Water Materials Clerk III (Operating Funding \$-8,007)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
-1	-0.50	Accountant I - Auxiliary (Operating Funding \$-16,330)	Efficiency anticipated from FMIS.
-1	-0.50	Pers. Payroll Asst. I - Auxiliary (Operating Funding \$-13,917)	
-1	-1.00	Water Billing Manager (Operating Funding \$-60,286)	1999 reclassification.
1	1.00	Water Billing Manager (Operating Funding \$62,094)	
-1	-1.00	Water Customer Service Supv. (Operating Funding \$-49,925)	
1	1.00	Revenue Manager (Operating Funding \$53,290)	
<b>PLANTS DECISION UNIT</b>			
-1	-0.50	Water Chemist II - Auxiliary (Operating Funding \$-15,572)	Transfer of position authority.
1	0.50	Emergency Chemist II - Auxiliary (Operating Funding \$18,916)	
2	2.00	Plant Mechanic II (Operating Funding \$70,616)	Reorganization for plant efficiency.
-1	-1.00	Water Plant Mechanic I (Operating Funding \$-31,534)	
-1	-1.00	Equipment Mechanic III (Operating Funding \$-32,874)	
-2	-2.00	Water Labor Crew Leader (Operating Funding \$-64,578)	Implementation of work consolidation with Forestry.
-9	-9.00	Department Laborer - Auxiliary (Operating Funding \$-327,489)	
-3	-3.00	Water Building and Grounds Laborer (Operating Funding \$-47,696)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
7	3.50	Water Plant Laborer (Operating Funding \$111,290)	Implementation of work consolidation with Forestry.
2	2.00	Water Plant Laborer (Operating Funding \$63,594)	
1	1.00	Water Plant Operator I (Operating Funding \$35,319)	Correct 1999 administrative oversight.
-1	-1.00	Water Chemist II (Operating Funding \$-35,463)	Position reflected as auxiliary in anticipation of operating efficiencies.
1	1.00	Water Chemist II - Auxiliary (Operating Funding \$44,519)	
-1	-1.00	Water Laboratory Helper I (Operating Funding \$-28,402)	1998 reclassification.
1	1.00	Water Laboratory Technician (Operating Funding \$29,254)	
-1	-0.50	Water Chemist II - Auxiliary (Operating Funding \$-15,572)	Transfer of position authority.
1	0.50	Emerg. Water Chemist II - Auxiliary (Operating Funding \$18,916)	
<b>ENGINEERING DECISION UNIT</b>			
-1	-0.50	Mgmt. Service Analyst - Auxiliary (Operating Funding \$-29,167)	Vacant position.
<b>DISTRIBUTION DECISION UNIT</b>			
1	1.00	Water Materials Supervisor (Operating Funding \$36,442)	Transferred from Business Decision Unit.
1	1.00	Water Materials Clerk III (Operating Funding \$34,019)	
1	1.00	Pipe Yard Crew Leader (Operating Funding \$33,258)	
1	1.00	Special Pipe Yard Labor (Operating Funding \$30,937)	

POSITIONS	FULL-TIME EQUIV.	POSITION TITLE	REASON
1	1.00	Water Yard Equipment Operator (Operating Funding \$31,724)	Transferred from Business Decision Unit.
1	0.25	Pipe Yard Crew Leader - Auxiliary (Operating Funding \$7,863)	
1	0.25	Water Yard Equipment Operator (Operating Funding \$7,918)	
1	0.25	Water Materials Clerk III (Operating Funding \$8,007)	
-10	-10.00	Water Distribution Laborer (Operating Funding \$-284,285)	Position reorganization to allow greater flexibility.
2	2.00	Chief Distribution Repair Worker (Operating Funding \$87,513)	
4	4.00	Distribution Repair Worker II (Operating Funding \$163,826)	
4	4.00	Distribution Repair Worker I (Operating Funding \$152,553)	
<b>WATER QUALITY DECISION UNIT</b>			
-1	-1.00	Water Microbiologist I (Operating Funding \$-35,314)	Position reclassification.
1	1.00	Water Microbiologist II (Operating Funding \$34,453)	
-31	-35.50	<b>TOTAL</b>	
		Miscellaneous Adjustments	
	-7.89	Operating	
	3.64	Non-operating	

## K. SEWER MAINTENANCE FUND

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### EXECUTIVE SUMMARY

- STRATEGIC ISSUES:** Provide for fair distribution of sewer maintenance costs based on usage.
- Maintain an efficient and effective sewer system.
- Improve water quality to meet federal requirements.
- Customer service and satisfaction.
- INITIATIVES FOR 2000:** Increase efficiency in various operations through consolidation and/or reallocation of workloads.
- Implement the new Sanitary Manhole Rehabilitation program, which will reduce infiltration and inflow into the city's sanitary sewer system.
- Transfer financing of the Relief and Relay Sewer program to the Sewer Maintenance Fund.
- 

### **BACKGROUND**

The 1998 budget established a new enterprise fund for sewer maintenance expenses. The Sewer Maintenance Fund (created in accordance with Wisconsin State Statutes, section 66.076, which permits municipalities to implement sewer fees to recover the costs of operation, maintenance, repair, and depreciation of sewer collection and transportation facilities) recovers sewer maintenance costs through a user fee rather than through the property tax.

The City of Milwaukee implemented a sewer maintenance fee to achieve three principal goals:

- To fairly distribute sewer maintenance costs according to usage;
- To require property tax-exempt sewer users to pay their portion of the sewer costs; and
- To allow for direct comparison of costs and tax rates with other municipalities that recover sewer costs through a user fee.

The former method of using property taxes to support sewer maintenance failed to link consumers' use of the system with costs of maintaining the system; the amount users paid bore no relationship to actual use of the sewer system. As a result, subsidies existed between property classes as well as within property classes.

The city's sewer maintenance fee allocates sewer maintenance costs based upon users' actual water consumption, which serves as a proxy for the amount of water returned to the sewer system. However, not all water consumed by users returns to the sewer system. Water used by residents for gardening purposes and a portion of the water used in certain industrial and commercial business processes does not enter the sewer system. The fee allows for several adjustments to compensate for non-sewer related consumption of water.

The DPW-Infrastructure Services Division administers the Sewer Maintenance Fund, including oversight of personnel and activities. Annual administrative costs of \$100,000 are charges by the Milwaukee Water Works and include costs such as recording the actual billing and collection information, revising fee amounts as needed, and providing customer service. The city bills and collects for the sewer fee as part of its quarterly water bill.

In 2000, the Department of Public Works, in cooperation with the city Budget Office, will review the entire sewer rate methodology. Particular attention will be placed on whether the current methodology truly captures all the beneficiaries of the system.

**2000 Sewer Maintenance Rate**

The 2000 rate for the sewer maintenance fee will equal \$0.4546 per 100 cubic feet (ccf) of discharged water, a \$0.1764 increase over the 1999 rate. For a typical single-family residential property this change will result in an annual increase of \$18.68 in the sewer maintenance bill.

This rate change is based upon several major factors as shown in Table 1. Water consumption remained relatively constant, decreasing by 21,000 ccf from the prior year, a decrease of less than 1%. In contrast to last year, no large users received adjustments in their consumption. The budget includes a \$848,838 increase (or 58%) for equipment rental costs. Equipment rental expenses for 1998 were understated, requiring an adjustment in the 2000 budget. This is a one-time adjustment and additional increases, if they occur, should be no larger than the rate of inflation. Additional funds are also included for changes in the fringe benefit rate and equipment depreciation. The fund includes \$1.6 million for a Sanitary Manhole Rehabilitation

Table 1

Percentage Change in Sewer Maintenance Rate Charge per 100 Cubic Feet				
	Water Quantity/ Budget	Percent Change in Rate	Change in Rate	Impact on Single Family Res.
<b>Water Consumption</b>				
1998-1999 Change	(21,209)	0.06%	\$0.0002	\$0.02
<b>Total Water Adjustment</b>	(21,209)	0.06%	\$0.0002	\$0.02
<b>Cost Increases</b>				
Sanitary Manhole Rehabilitation	\$1,454,094	15.28%	\$0.0425	\$4.51
Operating Expenditures	783,104	8.23%	0.0229	2.43
Debt Service	3,716,440	39.05%	0.1086	11.53
Contingencies	62,508	0.66%	0.0018	0.19
Depreciation	1,200	0.01%	0.0000	0.00
<b>Total Cost</b>	\$6,017,346	63.23%	\$0.1758	\$18.66
<b>Total Change</b>		63.29%	\$0.1760	\$18.68
	<b>User Fee</b>		<b>Rate</b>	<b>Single Family Impact</b>
<b>Total 2000</b>	\$15,539,870		\$0.4546	\$48.44
<b>Total 1999</b>	\$9,522,524		\$0.2782	\$29.76
<b>Difference</b>	\$6,017,346		\$0.1764	\$18.68

project. This is a mandatory project required by the Milwaukee Metropolitan Sewerage District. Finally, \$3.7 million is included for debt service costs resulting from the transfer of the Relief and Relay Sewer capital program to the Sewer Fund.

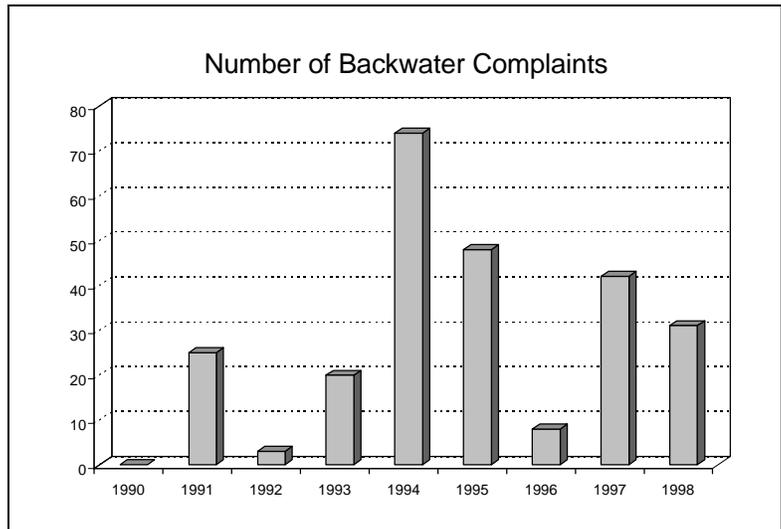
**DPW OBJECTIVE 15**

**Provide and maintain systems for storm and wastewater conveyance by limiting service backups to 45 to 55 incidents and street flooding to 6,000 incidents.**

**OUTCOME HISTORY (see page 175)**

Assessing the condition of Milwaukee's 2,458 mile sewer underground system requires the use of both visual and televised inspections. In 2000, \$17.4 million in operating funding is allocated to maintain and improve the sewer systems, including \$15.9 million under the direction of the Infrastructure Services Division. In addition, \$21.1 million in capital and \$674,920 in grant funding are provided.

Figure 1



The number of backwater and flooding complaints represent important indicators of the condition of the city's sewer systems and private building services. These types of complaints indicate potential clogged sewers and catch basins/storm inlet, in-flow/infiltration both from the city system and private services, illegal connections, collapsed sewers, and/or poor hydraulics. Figure 1 shows the number of incidents where backwaters or sewerage flowed into homes between 1991 and 1998 because the main sewer was either clogged or had collapsed. In 1998, these incidents decreased by 11, or 26.2%.

Weather conditions play a major role in this outcome, explaining the extreme variability in the number of complaints received from year-to-year. For example, severe storms in both 1997 and 1998 resulted in severe flooding. In June 1997, the city experienced several days of torrential rains (ten inches or more in some locations), leading to major flooding and resulting in a major rise in the number of backwater complaints. Flooding was so severe that the city qualified for federal disaster relief. In August 1998, more than eight inches of rain fell on parts of the city over a twelve-hour period, resulting in flooding of the area's drainage channels, streams and rivers. Overloaded sanitary and combined sewers backed up into basements of homes and businesses. As in 1997, the city received disaster relief funding from the Federal Emergency Management Agency.

Although the primary goal of the sewer fund is to maintain an efficient sewerage system, another goal is to improve stormwater quality. Unlike sewerage, stormwater runoff generally flows untreated into area rivers and lakes. As the runoff moves toward these bodies of water, it picks up and carries various forms of pollutants, adversely affecting water quality. The city improves the quality of the stormwater by meeting Federal Clean Water Standards monitored by the Wisconsin Department of Natural Resources (DNR).

In 1998, the city continued to comply with the Wisconsin Pollutant Discharge Elimination System Permit issued by the DNR. The current permit expires in 1999 and when the DNR issues the new permit, it is expected to contain new guidelines and requirements. The DNR also requires implementation of "Best Management Practices" designed to reduce types and amounts of pollutants that flow into storm sewers. These practices range from regulating lawn

fertilizing to street sweeping.

**Program Result Measures:** As part of the city's new Financial Management Information System, departments created new program result measures as a means of providing meaningful data-driven outcome measures for their programs, as defined in the program chartfield. These measures will provide department staff and city policymakers with a simple and concise measure of program success. The sewer fund created the following measures for its sewer program:

- Design the sewer system to maintain its condition at an index rating of 65 or higher (the index ratings range on a scale from 0 to 100, with 100 indicating the best condition); and
- Complete 90% of all sewer contracts within the allotted work days or by the prescribed completion date.

#### ACTIVITIES

- Design, engineering, and construction of new and existing sewers
- Sewer lining
- Sewer cleaning and maintenance
- Sewer condition assessment and examination
- Meeting requirements of the stormwater and crossover permits.

#### PROGRAM CHANGES

**New Rating Index:** In 1999, a new rating index was implemented to evaluate the condition of the sewer infrastructure. Index criteria include data gathered from sewer examinations, citizen complaints, cleaning and maintenance problems, hydraulic and structural condition, and the age and material of the sewer. The ratings range on a scale from 0 to 100, with 100 indicating the best condition. At the beginning of 1999, the rating index for the system was 68. The Infrastructure Services Division's goal is to maintain a rating of at least 65.

**Sanitary Manhole Rehabilitation Program:** The sewer fund includes funding for a new program to rehabilitate sanitary manholes throughout the city's sewer system. This program was initiated to comply with requirements of the Milwaukee Metropolitan Sewerage District (MMSD). MMSD issued requirements for all communities it serves to implement this

program in order to reduce the amount of infiltration and inflow that enters the sanitary sewer system. Through this program, all sanitary manholes will be inspected and necessary rehabilitation measures, including replacing lids, sealing lids, and re-

building the brick structure around the manhole, will be taken. The division anticipates annual funding of \$2 million through 2004. This program will help reduce backwater and mitigate flooding problems with sanitary sewers.

**CAPITAL IMPROVEMENTS**

Prior to 2000, the sewer maintenance fee did not incorporate capital improvement expenses. However, the 2000 budget transfers the Relief and Relay Sewer capital program from the city's capital improvement budget to the Sewer Maintenance Fund. The capital improvement budget still includes the expansion of capacity and developer-financed sewer programs, which are managed by the DPW-

Infrastructure Services Division. The amount in new and existing sewer construction for 2000 is \$21.1 million, with \$14.6 million in the Sewer Maintenance Fund and \$6.5 million in the city's capital budget. See the Capital Improvements Section of the *2000 Plan and Budget Summary* for more information on sewer capital programs.

**BUDGET SUMMARY**

	1998 ACTUAL EXPENDITURES	1999 ADOPTED BUDGET	2000 ADOPTED BUDGET	CHANGE 2000 ADOPTED VERSUS 1999 ADOPTED
<b>PERSONNEL</b>				
FTEs - Operations and Maintenance	91.87	101.00	101.90	0.90
FTEs - Other	33.43	47.00	37.90	-9.10
Total Positions Authorized	188	190	190	0
DLH - Operations and Maintenance	159,716	186,656	184,020	-2,636
DLH - Other Funds	55,685	84,600	68,280	-16,320
<b>EXPENDITURES</b>				
Salaries and Wages	\$3,769,643	\$3,602,525	\$3,579,594	\$-22,931
Fringe Benefits	1,175,896	1,224,859	1,145,470	-79,389
Supplies and Materials	482,778	0	0	0
Equipment and Facility Rent	1,709,541	0	0	0
Services	1,060,395	0	0	0
Operating Expenditures	0	4,151,645	6,737,946	2,586,301
Equipment	20,147	107,500	61,250	-46,250
Special Funds	<u>1,527</u>	<u>608,495</u>	<u>4,391,360</u>	<u>3,782,865</u>
<b>TOTAL</b>	<b>\$8,219,927</b>	<b>\$9,695,024</b>	<b>\$15,915,620</b>	<b>\$6,220,596</b>
Capital Projects	\$0	\$0	\$14,560,000	\$14,560,000
<b>TOTAL</b>	<b>\$8,219,927</b>	<b>\$9,695,024</b>	<b>\$30,475,620</b>	<b>\$20,780,596</b>
<b>REVENUES</b>				
Charges for Services	\$87,601	\$60,000	\$146,000	\$86,000
Equipment contribution	0	107,500	61,250	-46,250
Plat and Plan Review	0	5,000	500	-4,500
Miscellaneous Revenue	0	0	168,000	0
Proceeds from Borrowing	0	0	14,560,000	0
Sewer Maintenance Fee	<u>8,502,769</u>	<u>9,522,524</u>	<u>15,539,870</u>	<u>6,017,346</u>
<b>TOTAL</b>	<b>\$8,590,370</b>	<b>\$9,695,024</b>	<b>\$30,475,620</b>	<b>\$20,780,596</b>

**CAPITAL PROJECTS** - The Sewer Maintenance Fund includes \$14,560,000 in capital improvement expenses. The city's capital budget includes an additional \$6,510,000 for the following sewer capital projects:

- a. Expansion of Capacity Sewer Program \$6,010,000
- b. Developer Financed Sewers \$500,000

**DETAILED LISTING OF POSITION AND FULL-TIME EQUIVALENTS' CHANGES**

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

<b>POSITIONS</b>	<b>FULL-TIME EQUIV.</b>	<b>POSITION TITLE</b>	<b>REASON</b>
-1	-1.00	Sewer Crew Leader II (Operating Funding \$-32,965)	] Staff realignment to meet field operations oversight.
2	2.00	Sewer Crew Leader I (Operating Funding \$58,574)	
-1	-1.00	Sewer Laborer I (Operating Funding \$-29,159)	
0	0.90	Miscellaneous Operating	] Experience adjustment.
0	-9.10	Miscellaneous Non-Operating	
0	-8.20	<b>TOTAL</b>	



## II. BORROWING AUTHORIZATIONS

### GENERAL OBLIGATION BONDS OR SHORT-TERM NOTES

PURPOSE	Reauthorization of 1999 <u>Authority (1)(2)</u>	New 2000 <u>Authority</u>	<u>Total</u>
<b>A. GRANT AND AID PROJECTS - Specific Purposes Not Contemplated at the Time the Budget was Adopted.</b>			
1. For Public Improvements authorized under Section 62.11(5) for any of the purposes enumerated in Section 67.05(5)(b).			
2. For Harbor Improvements authorized under Section 30.30.			
3. For Library Improvements authorized under Section 229.11 and 229.17.			
4. For Convention Complex and Exposition Center improvements authorized under Section 229.26.			
5. For blight elimination, slum clearance, redevelopment, community development, and urban renewal projects under Section 66.405 to 66.425, 66.43, 66.431, 66.4325, 66.435, and 66.46.			
6. For developing sites for industry and commerce to expand the tax base as authorized under Section 66.52 and 66.521.			
Grant and Aid Projects (3)	\$6,045,000	\$0	\$6,045,000
<b>B. RENEWAL AND DEVELOPMENT PROJECTS</b>			
1. For providing financial assistance to blight elimination, slum clearance, redevelopment, and urban renewal projects under Section 66.405 to 66.425, 66.43, 66.431, 66.4325, 66.435, and 66.46.			
Renewal and Development Projects	\$10,295,550	\$2,200,000	\$12,495,550
MEDC Loan Program	1,000,000	0	1,000,000
<b>C. PUBLIC IMPROVEMENTS</b>			
1. Public Buildings for Housing Machinery and Equipment	\$10,959,536	\$9,024,000	\$19,983,536
2. Harbor Improvements	2,093,000	2,100,000	4,193,000
3. Parking Facility Improvement	2,043,000	0	2,043,000
4. Purchase of Sites for and Construction of Engine Houses, Fire Station Reconstruction, Remodeling, Planning, Design and Site Acquisition.	258,000	1,500,000	1,758,000
5. Police Department Facility Construction	16,307,490	21,000,000	37,307,490
6. Bridge and Viaduct	9,788,000	145,000	9,933,000
7. Sewage Disposal - Sewer Improvement and Construction	17,045,752	6,419,000	23,464,752

**II. BORROWING AUTHORIZATIONS**

<u>PURPOSE</u>	<u>Reauthorization of 1999 Authority (1)(2)</u>	<u>New 2000 Authority</u>	<u>Total</u>
8. Street Improvements - Street Improvement and Construction	14,330,374	19,550,453	33,880,827
9. Parks and Public Grounds	2,127,000	708,000	2,835,000
10. Library Improvements authorized under Section 229.11 and 229.17	<u>1,750,000</u>	<u>880,000</u>	<u>2,630,000</u>
Subtotal - General Obligation Bonds or Short-Term Notes (Sections A through C)	\$94,042,702	\$63,526,453	\$157,569,155
 <b>D. CONTINGENT BORROWING</b>			
Borrowing for a public purpose not contemplated at the time the budget was adopted.			
Contingent Borrowing	<u>\$0</u>	<u>\$45,000,000</u>	<u>\$45,000,000</u>
Subtotal - General Obligation Bonds or Short-Term Notes	\$0	\$45,000,000	\$45,000,000
 <b>E. SCHOOL BOARD BORROWING</b>			
School Purposes (A) (B) (C) (D)	<u>\$28,045,000</u>	<u>\$17,000,000</u>	<u>\$45,045,000</u>
Subtotal - General Obligation Bonds or Short-Term Notes	\$28,045,000	\$17,000,000	\$45,045,000
 <b>F. BORROWING FOR SPECIAL ASSESSMENTS</b>			
To finance public improvements in anticipation of special assessments levied against property.			
General City	<u>\$12,178,725</u>	<u>\$3,827,923</u>	<u>\$16,006,648</u>
Subtotal - General Obligation Bonds or Local Improvements Bonds	\$12,178,725	\$3,827,923	\$16,006,648
 <b>G. TAX INCREMENTAL DISTRICTS</b>			
1. For paying project costs in accordance with project plans for Tax Incremental Districts.			
2. For providing financial assistance to urban renewal projects authorized under Section 66.405.	<u>\$20,234,180</u>	<u>\$8,000,000</u>	<u>\$28,234,180</u>
Subtotal - General Obligation Bonds, Short-Term Notes, or Revenue Bonds	\$20,234,180	\$8,000,000	\$28,234,180
 <b>H. BORROWING FOR DELINQUENT TAXES</b>			
To finance General City Purposes for anticipated delinquent taxes	<u>\$0</u>	<u>\$15,000,000</u>	<u>\$15,000,000</u>
Subtotal - General Obligation Bonds or Short-Term Notes	\$0	\$15,000,000	\$15,000,000

*II. BORROWING AUTHORIZATIONS*

PURPOSE	<u>Reauthorization of 1999 Authority (1)(2)</u>	<u>New 2000 Authority</u>	<u>Total</u>
<b>I. REVENUE ANTICIPATION BORROWING</b>			
To borrow in anticipation of revenue in accordance with Section 67.12 (1a) of the Wisconsin State Statutes.	<u>\$0</u>	<u>\$240,000,000</u>	<u>\$0</u>
Subtotal - General Obligation Bonds or Short-Term Notes	\$0	\$240,000,000	\$240,000,000
<b>J. WATER WORKS BORROWING</b>			
Water Works Mortgage Revenue Bonds or General Obligation Bonds	<u>\$14,300,000</u>	<u>\$0</u>	<u>\$14,300,000</u>
<b>K. SEWER MAINTENANCE FUND BORROWING</b>			
Sewer Maintenance Fund Revenue Bonds or General Obligation Bonds	<u>\$0</u>	<u>\$14,560,000</u>	<u>\$14,560,000</u>
TOTAL BORROWING AUTHORIZATION (Sections A through K)	\$168,800,607	\$406,914,376	\$575,714,983

- (A) Design plans for any alteration to building exteriors and interiors shall be reviewed and approved by the city.
- (B) 1999 borrowing authority includes \$15 million associated with an Intergovernmental Agreement between the city and MPS.
- (C) 1999 borrowing authority includes \$2 million associated with an energy retrofit project for which MPS will reimburse the city for all debt service costs associated with the borrowing.
- (D) It is the intent of the Common Council that no less than \$15 million in borrowing authority be allocated to the Milwaukee Tech project over the budget years 1999, 2000, and 2001.
- (1) Reauthorization of prior unused borrowing authority:
 

It is the intent of such reauthorization to expressly authorize the issuance and sale of such obligations (either bonds or notes) as set forth in this borrowing section of the budget, for the purposes and amounts enumerated herein. Such carryover borrowing (reauthorization of prior unused borrowing authority) is also reflected in the capital budget for informational purposes, but such amounts are excluded from the capital budget totals to avoid duplication.
- (2) Bond authorizations included and approved by the Common Council in the preceding municipal budget and further approved by the adoption of a resolution of intent are herein continued and are deemed to be with the same force and effect as though they had been specifically enumerated, both as to purpose and amount in this municipal budget.
- (3) The purpose of this borrowing is to provide funds in connection with projects undertaken by the city with federal or other financial assistance. Expenditures shall be made only after adoption of a Common Council resolution adopted in accordance with Common Council resolution file 66-1893, as amended.

### III. CLARIFICATION OF INTENT

#### Employee Fringe Benefits

Employee fringe benefit costs are allocated to operating and capital budgets on an estimated basis for informational purposes only. Such estimated expenditures are 100% appropriation offset for operating budgets and 100% revenue offset for the capital budget to avoid any impact on the city's tax levy. Actual fringe benefit costs, such as health care benefits, life insurance, and pensions, are budgeted separately in non-departmental accounts, which are funded from the property tax levy.

The amount included in each departmental (or budgetary control unit) operating budget on the line entitled "Estimated Employee Fringe Benefits" is subject to adjustment by unilateral action of the City Comptroller, during the budget year, if the actual rate charged against salaries paid is at variance with the estimated rate used in calculating the budgeted amount.

#### Changes to Performance Measures to Correct Possible Errors or Omissions

The Budget and Management Director is authorized to make or approve changes in performance measures including additions, deletions, and modifications during the budget year.

The City Comptroller shall reflect such performance measure changes that are approved by the Budget and Management Director in the establishment of the necessary accounts for reporting purposes.

#### Departmental Salary Appropriations

Department net salary and wage appropriations reflect current wage rates and expenditures are limited to these amounts. Funding of future salary increases from the Wages Supplement Fund will be restricted to wage settlements only. These transfers must be pre-approved by the Budget and Management Director.

#### Footnotes

Section 18-07-12 of the Milwaukee City Charter states that the adoption of the budget shall be the authority for the expenditure by a department for the purposes therein provided and of the amounts assigned to the department thereby and no further action by the Common Council shall be necessary to authorize any department to make such expenditures. The City Attorney has advised that footnotes contained in the line item budget are informational only and not controlling over expenditures.

POSITIONS ORDINANCE &

SALARY ORDINANCE

The Positions Ordinance and the Salary Ordinance for the city may be obtained from the City Clerk's Office upon request. They therefore have not been included in this publication.

**AGENCIES AND FUNDS -  
BUDGETS NOT UNDER THE CONTROL OF THE COMMON COUNCIL**

Pabst Theater .....313

The following are presented with the Department of City Development Budget:

Housing Authority of the City of Milwaukee (HACM).....82

Redevelopment Authority of the City of Milwaukee (RACM) .....83

Milwaukee Economic Development Corporation (MEDC) .....84

The following is presented with the Department of Neighborhood Services Budget:

Neighborhood Improvement Development Corporation (NIDC).....161

# PABST THEATER

## BACKGROUND

The Pabst Theater, built in 1895, is a rare example of Victorian Baroque architecture. After over 100 years of operation, this city-owned historic building continues to operate as a community theater, advancing performing arts and enhancing the quality of cultural life in the City of Milwaukee. In 1998, 198 events were held at the theater with over 103,807 people attending. Attendance decreased 20.7% over 1997 levels.

Most events at the Pabst Theater are produced by groups who rent the theater for performance space. When demand is low, the Pabst Theater intermittently presents its own shows. In 1998, the Pabst Theater produced 16 of its own shows, sponsoring events as diverse as the Glenn Miller Orchestra, Capitol Steps, the Kennan Forum, and Parson's Dance Company. The structure, maintenance, and operations of the Pabst Theater are governed by the eleven-member Pabst Theater Board.

## ACTIVITIES

**Consolidation Efforts:** In 1996, the Milwaukee County Commission for the 21st Century proposed consolidating the Pabst Theater with the Marcus Performing Arts Center in order to provide for better coordination and administrative efficiency. A 1998 county study of the War Memorial also recommended that the county continue to pursue this as an option. The feasibility of consolidating these facilities is currently being explored.

**Pabst Theater Board Fund:** The 2000 Pabst Theater operating budget totals \$648,300 and supports 13 positions. This is an increase of \$47,700 or 8.0% from the 1999 budget.

The Pabst Theater anticipates \$498,300 in revenues from rental of the theater, fees, and other income. This is an increase of \$48,000 from 1999 revenue estimates.

The City of Milwaukee supports community arts organizations by providing an annual

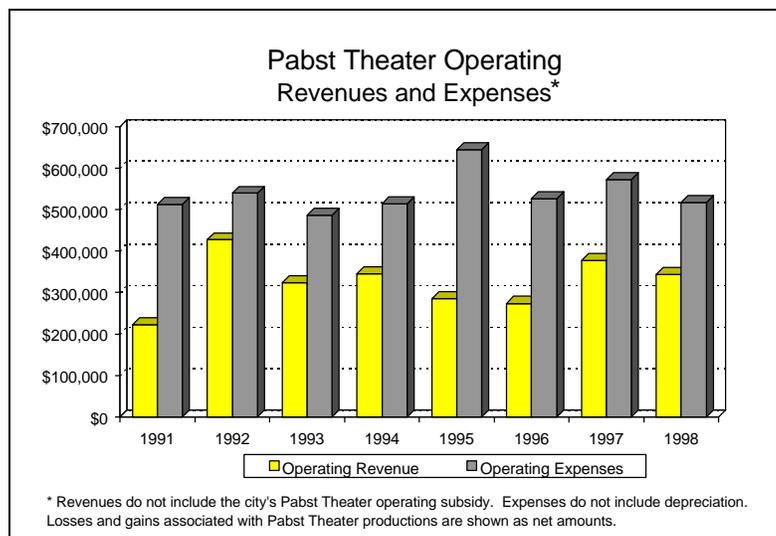
operating contribution to the Pabst Theater. Figure 1 shows that operating revenues and expenses in 1998 were slightly lower than in 1997. The 2000 budget includes \$150,000 in the Pabst Theater Board Fund special purpose account.

**Pabst Theater Rent Fund:** Another way Milwaukee supports the enhancement of cultural life in the city is through a rent subsidy for local arts groups who cannot afford to rent the Pabst Theater. In 2000, \$10,000 is provided in the Pabst Theater Rent Fund.

## CAPITAL IMPROVEMENT PROJECTS

The city also improves and maintains the historic Pabst Theater structure. The 2000 capital budget provides \$1.0 million in borrowing authority to fund various infrastructure replacement projects. The Pabst Theater Capital Campaign Committee is also undertaking a major fund raising effort to renovate the gallery, add elevators to the theater, and add a Winter Garden lobby. Total project cost is estimated around \$8.9 million. Approximately \$6 million is expected in private contributions. Work will begin in the spring of 2000.

Figure 1



## TAX LEVY TO RATE CONVERSION TABLE

Assessed Value Used in Conversion Calculation:      \$15,486,959,801

<u>Tax Rate Per \$1,000 of Assessed Valuation</u>	<u>Levy Change</u>	<u>Levy Change</u>	<u>Tax Rate Per \$1,000 of Assessed Valuation</u>
\$0.01	\$154,870	\$5,000	\$0.000
\$0.05	\$774,348	\$10,000	\$0.001
\$0.10	\$1,548,696	\$50,000	\$0.003
\$0.25	\$3,871,740	\$100,000	\$0.006
\$0.50	\$7,743,480	\$500,000	\$0.032
\$1.00	\$15,486,960	\$1,000,000	\$0.065

Formula for deriving tax rate per \$1,000 of assessed value from known assessed value and levy:

$$\frac{\text{TAX RATE} \times \text{ASSESSSED VALUE}}{\text{TAX LEVY}} = 1,000$$

Formula for deriving levy from known rate and assessed value:

$$\text{TAX LEVY} = \text{TAX RATE} \times (\text{ASSESSSED VALUE} / 1,000)$$

Formula for deriving assessed value from known rate and levy:

$$\text{ASSESSSED VALUE} = (\text{TAX LEVY} / \text{TAX RATE}) \times 1,000$$

NOTE: Results are approximate due to rounding.

## BASIS OF BUDGETING

The city's budgetary policies generally conform to Generally Accepted Accounting Principles (GAAP) applicable to governmental units. The city's Governmental Funds (general, special revenue, debt service, capital projects) use the modified accrual basis. Under the modified accrual basis, revenues are recorded when both available and measurable. Certain fines and forfeitures, however, are recorded when received as they are not subject to accrual. Expenditures are recognized when the related liability is incurred. The accrual basis of ac-

counting is used for the city's proprietary funds (enterprise and internal service agencies). The city prepares financial statements annually in conformity with GAAP for governmental entities which are audited by an independent certified public accounting firm. The city's Comprehensive Annual Financial Report (CAFR) is generally available about four months after December 31. The city's most recent CAFR for the fiscal year ended December 31, 1998, was audited by the accounting firm KPMG Peat Marwick LLP and is available for review.

## UNRESERVED FUND BALANCE

The city utilizes two separate reserve funds. One reserve fund, the Tax Stabilization Fund (TSF) is associated with the general fund balance. The other reserve, Public Debt Amortization Fund (PDAF) is related to the debt service fund. Each reserve fund was created via state statute and city ordinance and each is restricted in the manner in which funds are used. Table 1 shows the level of unreserved fund balances in each of the funds. There are additional funds in

the city fund balance; however, these funds are reserved for other uses.

As Table 1 indicates, \$1.1 million less of reserves will be used in 2000 versus 1999. A minimum balance policy was established in 1997 for the PDAF. The city will explore a minimum balance requirement for the TSF in 2000.

**Table 1**

<b>Unreserved Fund Balance</b>			
(In Thousands)			
<b>TSF Unreserved Balance</b>		<b>PDAF Unsegregated Balance</b>	
1997 Year End Balance	\$33,485	1997 Year End Balance	\$53,106
1999 Budget Withdraw	<u>12,820</u>	1999 Utilization	<u>11,000</u>
Subtotal	\$20,665	Subtotal	\$42,106
1998 Regeneration	<u>\$5,759</u>	1998 Earnings	<u>\$10,559</u>
Available for 2000 Purposes	\$26,424	Available for 2000 Purposes	\$52,665
2000 Withdraw	\$11,250	2000 Utilization	\$11,500
Remaining Balance Prior to 1999 Regeneration	\$15,174	Remaining Balance Prior to 1999 Earnings	\$41,165
Est. 1999 Regeneration	\$12,500	Est. 1999 Earnings	\$8,112
Est. Available for 2001	\$27,674	Est. Available for 2001	\$49,277
Total Unreserved TSF & Unsegregated PDAF Balance for 2000 Purposes		\$79,089	
Total Unreserved TSF & Unsegregated PDAF Balance Used in 2000		\$22,750	
Total Unreserved TSF & Unsegregated PDAF Balance Used in 1999		\$23,820	
Change in Reserves Used in 2000 Compared to 1999		-\$1,070	
Est. Total Unreserved TSF & Unsegregated PDAF Balance for 2001 Purposes		\$76,951	

# Glossary of Budget Items and Terms

**Activity:** A specific action or program component intended to support the achievement of a department or city objective.

**Allocation Account:** An informal disbursement of an appropriation account to the decision units of a budgetary control unit. Allocation accounts follow the object account structure of appropriation accounts, but are not formal disbursement of resources.

**Amendment:** The vehicle through which the budget proposed by the Mayor is altered by the Common Council.

**Appropriation (or control) Account:** An appropriation account is a classification of city expenditure for which formal disbursement is authorized (appropriated) through the budget process. Expenditures within appropriation accounts cannot exceed authorized levels. Mid-year appropriation adjustments can occur through fund transfers authorized by either the Budget Office or the Finance and Personnel Committee or through supplemental appropriation from the Common Council Contingent Fund.

**Assessed Value:** An estimate of market worth set upon real estate or personal property by the City Assessor and the State Department of Revenue as a basis for levying taxes.

**Budget Allocation:** The amount of resources available for appropriation to a department based upon estimates of city obligations and revenues. Each year, the Mayor identifies specific budget allocations for each operating department. Departments are asked to formulate their budget requests based upon the Mayor's recommended level of funding.

**Budgetary Control Unit (BCU):** A major organizational unit of the city for which a series of appropriations are made. For example, an operating department is typically one BCU.

**Capital Improvement Fund:** The city's capital improvement fund accounts for financial resources segregated for the acquisition, construction, and major repair and maintenance of the city's capital facilities (infrastructure and major assets).

**Contingent Fund:** The contingent fund accounts for resources segregated to pay for unexpected emergencies, and other purposes, that may arise during the year for which no or insufficient provision (appropriation) has been made elsewhere in the city's budget.

**Debt Service Fund:** The debt service fund accounts for resources segregated to pay for principal and interest on obligations resulting from the issuance of bonds. The city typically issues general obligation bonds for the purpose of financing the cost of capital improvement projects.

**Decision Unit (DU):** A sub-unit of a budgetary control unit around which budgetary decisions are based. For example, the Health Department as one BCU has three decision units: Administration, Public Health Services, and the Laboratory.

**Delinquent Tax Fund:** The Delinquent Tax Fund was established as a reserve against uncollected delinquent property taxes.

**Department Mission:** A brief statement explaining generally the purpose and goal of the department in relation to the overall mission of the city.

**Direct Labor Hours:** Time spent by an employee at work excluding vacation, sick leave, and other time paid but not worked.

**Expenditure:** The term designating the cost of goods delivered or services rendered whether paid or unpaid.

**F.I.R.E.:** A classification for reporting purposes encompassing the financial, insurance, and real estate sectors.

**Fringe Benefit:** Aid or payment provided to employees in addition to salary or wages. For City of Milwaukee purposes this includes pensions, health insurance, group life insurance, social security payments, and workers' compensation.

**Full-Time Equivalent (FTE):** A unit for measuring staffing levels, equal to one position working 40 hours per week for an entire year, less paid time not worked. The city uses 1,800 direct labor hours as the standard for one FTE.

**Fund:** An independent self-balancing fiscal entity with assets, liabilities, reserves, a residual balance or equity, and revenues and expenditures for undertaking activities.

**General City Purposes Fund:** The city's main operating and maintenance fund that is used to pay the city's basic services such as public health, safety, public works, and general administrative services.

**Gross City Product (GCP):** The value of final goods and services produced in the economy in a given time period (quarter or year), at the city level.

**Gross Domestic Product(GDP):** The value of final goods and services produced in the economy in a given time period (quarter or year). GDP is the basic measure of economic activity.

**Information Account:** An information account is a subdivision of the appropriation or major object account. Expenditures in an information account may exceed the amount allocated to the account as long as the sum of all information accounts does not exceed the aggregate amount of the appropriation account.

**Internal Management Indicators:** (previously called performance measures) Identified program inputs and outputs that are tracked to help measure performance efficiency and workload.

**Internal Service Agencies:** Governmental organizations, departments, or divisions that, in competition with other vendors, provide services to other units within the government for fees that cover cost of operations.

**Objective:** Specific and measurable statement of expected results or impacts related to the overall department mission.

**Organization Chart:** The formal departmental reporting structure including information on personnel resource allocation and funding.

**Outcome Indicator:** A measurement of the specific results of a program or group of programs. An outcome indicator should provide a quantifiable measure of the city's success at meeting objectives and suggest which activities are working best.

**Program:** A set of resources and activities designed to achieve one or more common goals.

**Public Debt Amortization Fund (PDAF):** One of the city's major reserve funds used to prepay a portion of the principal and interest on city debt due the following year. This fund may also be used to purchase city debt and subsequently invest or cancel such debt.

**Revenue:** The resources received by city government used to offset the cost of providing services.

**Special Purpose Account:** Accounts established in the budget for appropriations which are not included in departmental budgets. Special purpose accounts may include one-time appropriations and/or programs that involve numerous departments.

**Special Revenue Funds:** These funds account for revenues (other than the property tax) received that are designated for specific projects or purposes. Special revenue funds include the Water Works Fund, Parking Fund, Internal Service Agency Fund, Grant and Aid Fund, and the Sewer Maintenance Fund.

**Strategic Issue Summary:** Brief description of environmental factors affecting the city's future.

**Strategy:** A set of policies and actions designed to, in conjunction with other complementary strategies, assure that an organization achieves its mission.

**Supplemented Funds:** Funds financed primarily through property taxes, revenues, and withdrawals from reserves.

**Tax Incremental District (TID):** Special redevelopment districts allowed under state law. Tax increment financing is a mechanism for financing the cost of redevelopment and development using property tax revenue produced by growth in private investment within the project area.

**Tax Levy:** The amount of funding to be raised by general property taxes.

**Tax Rate:** The amount of tax charged for each \$1,000 of assessed valuation.

**Tax Stabilization Fund:** A reserve fund used to accumulate unexpended appropriations and revenue surpluses. Expenditures from this fund can only be used to offset the property tax levy.

**T.C.P.U.:** An economic indicator of activity on the transportation, communications, public utilities sectors.