2011 PROPOSED PLAN AND EXECUTIVE BUDGET SUMMARY

CITY OF MILWAUKEE

STATE OF WISCONSIN

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Mayor

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Budget and Management Division

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GUIDE TO BUDGET DOCUMENTS

PLAN AND BUDGET SUMMARY

A document containing a fiscal summary of the 2011 budget; a budget forecast for Milwaukee; detailed narrative descriptions of each department's mission, services, 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 provides a listing of all appropriation accounts by department and is published after the final budget adoption.

SIX-YEAR CAPITAL PLAN

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

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

Budget and Management Division
City Hall - Room 603
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3741
(414) 286-5475 (Fax)

or

Visit the Budget and Management website at:
www.milwaukee.gov/budget

BUDGET AND PLANNING PROCESS

City Strategic Plan

Citywide Objectives
Citywide Strategies

↓

Unified Strategic Plans and Budget

Department Objectives
Department Strategies
Department Performance Measures
Department Annual Budget

↓

Annual Budget

Executive Budget

↓

Adopted City Budget

Calendar Date	Activity
January - March	Departments Prepare Plans, Objectives, and Performance Measures
Mid-March	Departments Receive Budget Materials
May 11*	Plans and Budget Requests Due
July	Mayor's Public Hearings on Plans and Budgets
July - September	Mayor's Executive Plan and Budget Review
September 23**	Plan and Budget Submitted to Common Council
Mid-October	Legislative Hearings
October 28 and 29	Finance and Personnel Committee Budget Amendment Days
November 5***	Common Council Action on Budget

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

ELECTED OFFICIALS

Mayor ..... Tom Barrett
City Attorney ..... Grant F. Langley
City Comptroller ..... W. Martin Morics
City Treasurer ..... Wayne F. Whittow

COMMON COUNCIL

President ..... Willie L. Hines, Jr.

DISTRICT	ALDERMEN
First	Ashanti Hamilton
Second	Joe Davis Sr.
Third	Nik Kovac
Fourth	Robert J. Bauman
Fifth	James A. Bohl, Jr.
Sixth	Milele A. Coggs
Seventh	Willie C. Wade
Eighth	Robert G. Donovan
Ninth	Robert W. Puente
Tenth	Michael J. Murphy
Eleventh	Joseph A. Dudzik
Twelfth	James N. Witkowiak
Thirteenth	Terry L. Witkowski
Fourteenth	Tony Zielinski
Fifteenth	Willie L. Hines, Jr.

MUNICIPAL JUDGES

Branch 1 ..... Valarie A. Hill
Branch 2 ..... Derek C. Mosley
Branch 3 ..... Philip M. Chavez

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THE VALUE OF MILWAUKEE

Milwaukee is a cohesive, talent rich, diverse, safe and economically vibrant community. It is nationally recognized for its manufacturing, arts, recreation, museums, academic institutions, revitalized lakefront and rivers, beautiful neighborhoods and well-maintained housing.

Milwaukee is the economic hub of the southeast region and entire state of Wisconsin, the "Fresh Coast City" that is rising fast in national stature and prominence. It is a premiere center for advanced manufacturing, fresh water research and development, clean and green technology, health care, biomedical technology and financial services. These core industries spur productivity, innovation, heightened rates of business formation and growth, a strong and growing entrepreneurial climate, and a boost in Milwaukee's national and global competitiveness. Milwaukee's dynamic and accessible markets attract people, business and investment in large and increasing numbers, and its transportation system is a gateway for tourism, conventions, commerce, business growth and economic development.

OUR VISION FOR MILWAUKEE

We want Milwaukee to become an even more desirable place to live and work. Our vision is a Milwaukee where opportunity is abundant and accessible to all citizens - a Milwaukee where:

- Neighborhoods are safe, healthy, thriving and culturally rich;
- Children are empowered with the tools they need to reach their full potential, including a superior education;
- Citizens have equal access to good family supporting jobs and benefits; and
- Our environment and economy support and sustain the quality of life for this generation and the next.

MISSION

The mission of city government is to enhance the safety, prosperity, and quality of life of all of our citizens by working directly and through partnerships with our community stakeholders.

City government is dedicated to delivering services at a competitive cost and achieving customer satisfaction and responsiveness to citizens. This enables the city to deliver the highest quality services possible to residents and businesses. These services enhance the value of Milwaukee by:

- Building safe and healthy neighborhoods;
- Increasing investment and economic vitality throughout Milwaukee;
- Improving workforce development and connecting more citizens to family supporting jobs;
- Helping children succeed, prepare for post-secondary education, and meet their full potential;
- Promoting racial, social and economic equity for all citizens; and
- Sustaining, enhancing and promoting Milwaukee's natural environmental assets.

OVERVIEW OF THE 2011 PROPOSED EXECUTIVE BUDGET

The 2011 Proposed Executive Budget reflects improved stability as a result of 2010 budget actions to address pension funding and reduce the ongoing level of operating expenses. However, the city faces significant sustainability challenges due to the projected impacts of fringe benefit costs and the implications of its revenue structure.

The most significant fiscal impact of the 2010 budget was the need to include a substantial employer's pension contribution for the first time since the $3.5 million contribution in 1995, due to significant Pension Fund investment loss in 2008. In effect, the longstanding funded status of the city's Employees' Retirement System (ERS) served as a "silent dividend" by enabling the employer's share of normal pension cost to be absorbed by the Pension Fund. The return of the employer's share of normal cost was the primary factor in generating a $49 million employer contribution for 2010 approximately $47 million of which came from the property tax levy.

In order to meet this challenge, the 2010 budget took several actions which improved the city's immediate fiscal future. These include:

- Reductions of approximately $31 million in baseline operating budget expenses and 362 Full Time Equivalent (FTE) O&M funded positions. These reductions result in a manageable level of adjustments that are needed to meet 2011 budget priorities and funding parameters.

- Provision of the entire required employer pension contribution without resort to borrowing. Combined with changes to the ERS funding policy and strong 2009 investment return, the ERS now enjoys a funded ratio of approximately 113% on an actuarial basis. No employer contribution is required for the 2011 budget.

- Utilization of American Recovery and Reinvestment Act (ARRA) stimulus funds to leverage tens of millions of dollars of core infrastructure improvements and federal funding for 50 police officers that will extend through the middle of 2013, in addition to other purposes.

In addition, prior to 2010 budget adoption the city reached agreement on 2007-2009 and 2010-2011 collective bargaining agreements with the American Federation of State, County, and Municipal Employes (AFSCME) District Council 48, which included below trend wage increases and health care benefit premium changes in exchange for a no layoff provision through 2011. These provisions were eventually included in agreements with other general city unions covering the same time periods.

However, significant challenges remain regarding the city's ability to achieve ongoing fiscal sustainability. These challenges are especially difficult because for the most part they are either (a) rooted in prior commitments which are legally binding and which cannot be reversed; or (b) established by forces over which the city has no direct control.

Challenges to Sustainability

A growing proportion of the city's tax levy is non-discretionary. Non-discretionary expenses arise from legally-binding obligations such as debt service and financing for post-retirement benefits such as pensions and retiree health care benefits.

As Figure 1 indicates, in the 2010 budget approximately two-thirds (65.3%) of the $247 million city tax levy is allocated to non-discretionary expenses. These include the employer's pension contribution for 2010; the employer's share of the employee 2010 pension contribution, as provided for by law; pay-as-you-go financing for post-retirement health care benefits; the debt service levy; and a modest amount for two "closed" pension plans.

Estimates represented by Figure 2 indicate that the proportion of the city's total levy allocated to non-discretionary purposes will grow to approximately 76% by 2013. This impact exacerbates the city's limited budget flexibility that results from changes to State Shared Revenue policy.

For many years the State Shared Revenue program was successful at equalizing fiscal capacity among Wisconsin's local governments. In effect, State Shared Revenue redistributed state tax receipts in a manner that enabled local governments to provide similar levels of service at similar levels of local tax effort.

Two major policy elements have accompanied the state's "bargain" with local governments in return for equalizing tax capacity. First, local governments do not possess the diverse set of revenues that local governments in most states use to reduce their reliance on the property tax. Second, the state has mandated a prescriptive local government collective bargaining law that in practical terms has very little deference for differences among communities in local tax capacity and economic conditions.

As a result, the breakdown in the State's Shared Revenue program has created substantial consequences for the city's fiscal sustainability. Figure 3 illustrates the impact of this breakdown on city finances since 2003. In effect, the city has absorbed a $60 million loss (-20%) in purchasing power (as measured by the CPI-U) as a result of this change in State policy.

Figure 1

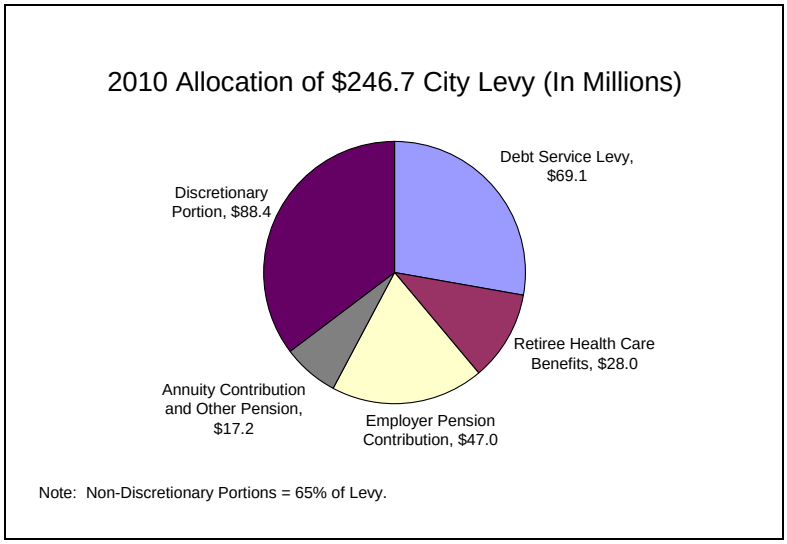
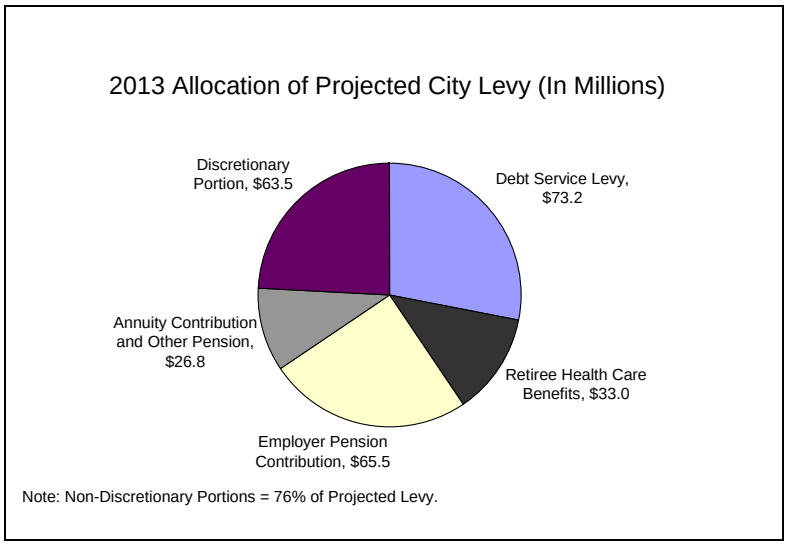


Figure 2



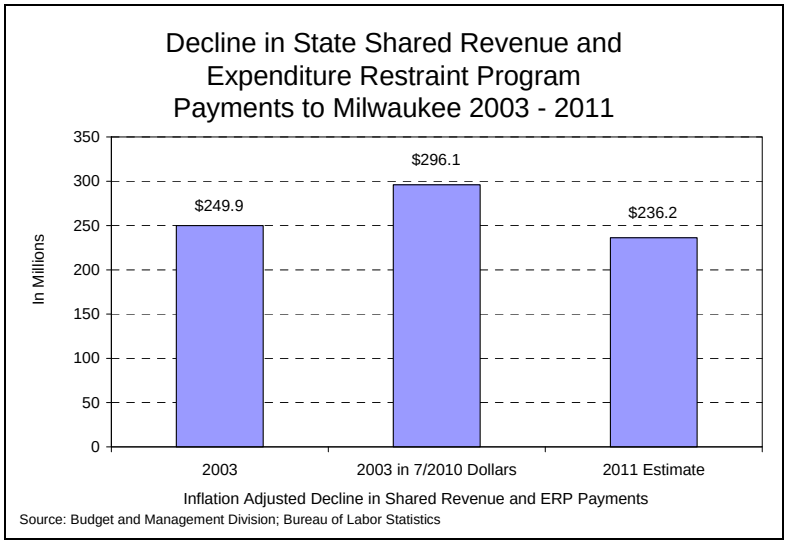
Using CPI-U to "benchmark" the changes in State Shared Revenue policy since 2003 actually understates the impact on the city's structural budget challenges. For example, annual increases in total compensation costs have typically exceeded the annual change in "headline" inflation during this time period. This factor is especially prevalent with respect to the cost of employee and retiree health care benefits.

As Figure 4 depicts, the projected increase in total health care costs (net of premium and co-insurance payments) from the 2003 base through 2011 is 98%. This increase is more than five times the rate of CPI-U change during this same time period.

During 2010 the city will initiate a Wellness Program that is designed to address the most significant drivers of health care benefit utilization. It is expected that a successful program will reduce the rate of growth in expenditures that would otherwise occur. However, this impact is likely to be gradual and will not modify the

underlying impact of a generous plan design, essentially unrestricted provider networks, and very low participant cost sharing inherent in the city's health benefit structure.

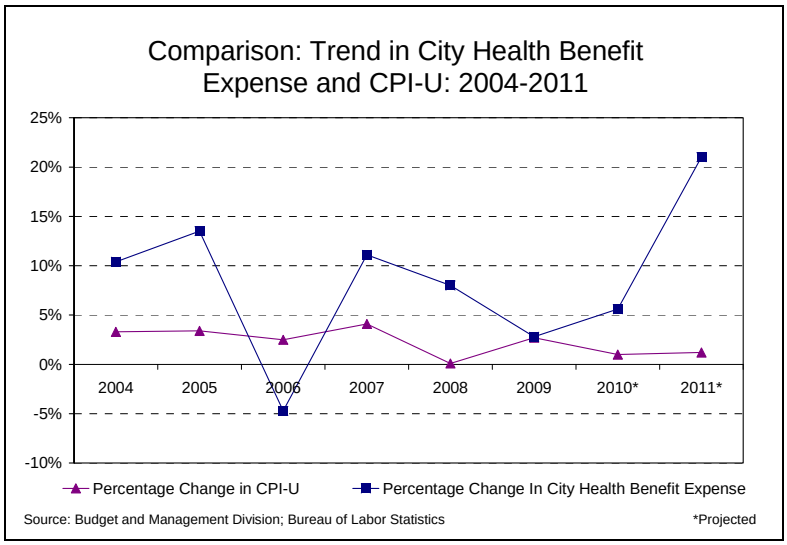
Figure 3



2011 Proposed Executive Budget

Development of the 2011 Proposed Executive Budget unfolded in a context of near-term fiscal stability, combined with the definite prospect of post 2011 challenges to sustainability. This proposed budget capitalizes on the near-term by maintaining key strategic priorities, advancing a limited set of new initiatives, and providing residents with a stable cost of city government. The proposed budget also addresses the future by increasing the city's reserves significantly and by decreasing the base level of department expenditures that will carry forward into future Budgets.

Figure 4



2011 Proposed Budget "Bottom Line"

The 2011 proposed budget holds the 2010 adopted city property tax levy constant, and maintains the existing total revenues from the four Municipal Service charges. This proposal is based on the following factors:

- The significant reductions to the operating budget that were made as part of the 2010 budget have significantly reduced the 2011 level of funding needed to deliver baseline operations. In addition, the return of the Employes' Retirement System (ERS) to an actuarial funded ratio of ~ 113% results in no employer contribution being required for the 2011 budget. As a result, the 2011 budget can provide key city services without revenue increases.

- The 2011 proposed budget (see page 7) includes a voluntary contribution of $17.35 million to the Employer's Reserve to help prepare for the return of significant employer pension contributions that are projected for the 2013 budget and beyond on an ongoing basis. Based on overall Budget and economic conditions, the proposed budget strikes a balance between maintaining services and providing for future budget challenges, without relying on revenue increases.

- A steady cost of city services will help residents and property owners deal with the impacts of continued weakness in the economy. Owners of a residential property of average value with a single garbage cart (see page 6) will save a combined total of $10 on their property taxes and municipal service charges compared to the 2010 adopted budget.

The 2011 proposed budget also maintains the recent level of annual new levy supported General Obligation (GO) borrowing authorizations. The proposed amount of new levy supported GO is $73 million, which is almost 12% lower than the 2004 level in inflation-adjusted terms.

Overall, the 2011 proposed budget reflects an operating budget increase of 4%. This increase is due entirely to a $25.1 million increase in estimated 2011 health care benefit expenditures. Proposed expenses for department operations are down $-1.2 million from the 2010 adopted budget level.

The 2011 proposed budget contains a modest reduction of less than 1% to the O&M funded full time equivalent (FTE) position count. In addition, the proposed budget anticipates a vacancy management program during 2011 that will hold approximately 1% of general city O&M funded FTE positions vacant, through attrition.

2011 Proposed Budget: Initiatives and Priorities

The 2011 proposed budget remains strategically focused by addressing community needs with new initiatives and focused priorities, even though it reduces the total amount of funding available for department operations.

Managing the Impact of Foreclosures

The economic downturn has resulted in an increased number of vacant or abandoned residential properties, including those in mortgage foreclosure. There are an estimated 6,075 open foreclosure filings as of July, 2010, an increase of 1,585 or 35.3% from April, 2009. Vacant and abandoned properties are likely to generate blight and crime in neighborhoods.

In 2009, the Mayor and Common Council adopted Common Council File Number 091517. This resolution modified the internal protocol for initiating *In Rem* foreclosure actions. The resolution provides for expedited *In Rem* foreclosure action against tax delinquent vacant or abandoned residential properties. Expedited foreclosure is intended to prevent the deterioration of the properties, minimize the blight on the neighborhood, and redevelop and return the properties to occupancy at the earliest possible time.

The 2011 proposed budget includes funding for a modified *In Rem* foreclosure process that will allow for expedited city action. The budget funds four regular foreclosure filings and projects that 1,700 parcels will have the foreclosure process initiated by the Treasurer. This will include the capacity for 100 to 200 filings against properties that the Council and city departments identify as the most critical to blight prevention and redevelopment objectives. A substitute resolution establishing this process has been submitted with the proposed budget.

The total cost for the Treasurer to expedite *In Rem* foreclosures is $229,000, with $114,000 funded in the operating budget and $115,000 funded through the NSP 3 grant.

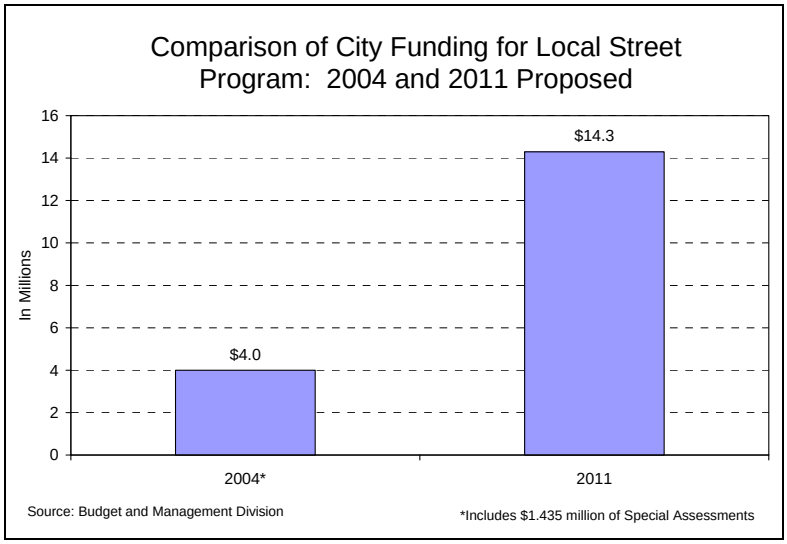
Increasing and expedited foreclosures will result in a larger inventory of city owned properties, which will increase other foreclosure related costs. The 2011 proposed budget includes additional funding for these purposes. This includes a $150,000 increase for DCD Land Management, including $100,000 in the O&M funded special purpose account and $50,000 from CDBG; an increase for DNS demolition funded through NSP 3, and a $50,000 increase for DPW vacant lot maintenance funded through NSP 3. In addition, the 2011 proposed capital budget includes $470,000 in the Housing Infrastructure Preservation Fund (including $170,000 of unexpended 2010 authorizations) which can be used to stabilize the condition of neighborhood properties that are priority candidates for significant restoration or rehabilitation. The proposed budget also provides $200,000 for a new *In Rem* property program to make minor repairs that are needed to prepare city owned properties for sale.

The modified *In Rem* foreclosure process will advance community preservation and improvement objectives in a manner that is administratively practical and cost effective. In addition, the proposed budget addresses the need for funding the increased cost of city ownership resulting from a larger number of foreclosures.

Commitments to Core Infrastructure

Infrastructure plays an essential role in the regional economy and protects public health and the environment. The 2011 proposed budget builds on recent commitments to core infrastructure and supplements the significant impact that ARRA stimulus funds have had on improving replacement cycles and system performance. The proposed budget includes $5.9 million of additional city funding for the major and local street reconstruction programs. The proposed 2011 city commitment to local streets is more than 250% higher than the level inherited by the new Administration in 2004.

Figure 5



The proposed budget also commits to significant renewal of the city's sewer system in areas that will have the most positive impact on system performance. This initiative provides $8.8 million in improvements to public infrastructure in the sewer sheds with the highest levels of infiltration and inflow and the greatest risk of basement backups. The budget also makes provisions for the possibility of investments into privately owned components of the local sewer system. This initiative will evaluate which components of a multi-faceted approach should be implemented in the local sewer sheds most in need of improved performance, in order to address this community need cost effectively.

Maintaining Excellence in Police and Fire Department Services

Approximately 67% of the O&M budget wage and salary funding is committed to the Fire and Police departments. This level of support provides the resources for both departments to continue to produce excellent results with respect to public safety.

The 2011 proposed budget provides the Police Department with a modest increase to its funded FTE position strength, in part due to the full year availability of 50 Police Officer positions funded through the ARRA federal stimulus. The department will continue to use data driven deployment strategies and its Neighborhood Task Force, which have contributed to approximately a 30% reduction in violent crime since the first half of 2007. The Proposed Budget eliminates furlough days for sworn non-management police staff.

The proposed budget will also maintain the Fire Department's capacity to respond to fire and medical emergencies at a rate which is superior to national standards. Average response to fire service calls was well below five minutes in 2009, and has remained so during the first half of 2010. Department response to emergency medical service calls through June of 2010 produced a 98.1% survival rate for stabbing victims and a 90.8% survival rate for victims of gun shot wounds.

Increasing Access to Library Services

The Milwaukee Public Library (MPL) supports literacy, skills development, and cultural enrichment for Milwaukeeans of all ages throughout the city. The proposed budget increases public service hours by ten hours weekly at four neighborhood libraries at a cost of approximately $259,000. This service level improvement is expected to increase both Library usage and circulation, thereby enhancing the impact of Library services on the community. Increased public service hours will also enable school children increased access to Library home work assistance and to the valuable collections and technology resources.

Sustainability in Solid Waste Operations

The Department of Public Works (DPW) operates solid waste programs that are the foundation of city government's role in a sustainable environment. Program objectives include diversion of waste from landfills as well as the immediate focus on neighborhood cleanliness.

Mayor Tom Barrett has directed DPW to achieve long term positive environmental impacts. One of the primary targets is a 40% reduction of waste entering the city's waste stream by 2020. In order to achieve this target, DPW is implementing solid waste innovations based on the principles of (a) enabling sustainable, not polluting behavior; and (b) establishing a relationship between the amount of solid waste generation from a household and its level of solid waste charges.

The 2011 proposed budget includes some important initial steps towards making these guiding principles operationally relevant. The budget proposes to eliminate any "outside the cart" allowance for the weekly garbage collection, effective in March, 2011. DPW will be authorized to issue or retain more than one garbage cart to a dwelling unit if that action is needed to store and dispose of domestic waste and garbage properly. Beginning in 2011, an additional cart surcharge of $5 per quarter will be assessed to the owners of dwelling units that are assigned with more than one garbage cart. There will be no charge associated with more than one recycling cart, as the city is interested in residents increasing the amount of material they recycle. The proposed budget also retains the three week frequency for recycling that the Common Council incorporated via amendment to the 2010 budget.

As a result of the proposed changes, the annual solid waste charge to a dwelling unit assigned one cart will decrease by approximately $3.50. This is the first step towards a more refined "pay as you throw" fee schedule for garbage collection service that will be developed for 2012.

Sustainability has three essential components: environmental improvement; economic efficiency; and political acceptability. This proposed initiative addresses all three components by creating economic incentives for diversion and recycling in a manner that eventually will help the city lower its solid waste costs. Users should find a solid waste fee structure that rewards lower use of garbage collection more equitable and reasonable.

Economic Development and Job Creation

Milwaukee has experienced considerable changes in its economic and employment structure over the last 30 years. These changes have driven a relative decline in the proportion of Milwaukeeans who hold jobs with sustainable wages and benefits. The 2011 proposed budget continues the Barrett Administration's focus on job creation as a major factor in community improvement. These initiatives are recreating Milwaukee's industrial landscape and improving our potential in the regional economy. Two current initiatives are noteworthy for their potential to help create Milwaukee's manufacturing future.

The ownership transition of the former A.O Smith/Tower Automotive site to the Redevelopment Authority of the City of Milwaukee (RACM) is now complete and work is underway to prepare the site for redevelopment as the Century City Business Park. This project, undertaken at some financial risk to the city, will help Milwaukee compete for manufacturing investment by adding 84 improved acres to the city's inventory ready for redevelopment.

The environmental assessment is completed for the entire site to prepare for demolition, building improvements and other site activities anticipated in the third quarter of 2010. In April 2010, work began at the southern end of the property to make infrastructure, rail and interior upgrades as part of a lease agreement and letter of intent with train manufacturer, Talgo, Inc. RACM's agreement with Talgo calls for a completion date of July 2010 with occupancy by September 2010. Talgo will create up to 125 new jobs.

The City of Milwaukee anticipates a multi-year redevelopment process at Century City incorporating a variety of funding sources to cover the anticipated costs of acquisition, demolition, site preparation, new infrastructure and other related activities. These sources include $10 million in capital budget funding, $15.6 million in TID revenues, with the balance of funding derived from federal and state grants, New Markets Tax Credits equity and land sale proceeds.

The Reed Street Yards redevelopment project represents another major investment with an eye to the future. This project, on Milwaukee's near south side, is intended to support catalytic development to lead Milwaukee's emergence as a world leader in water-based private enterprise. The project has established important relationships with the region's manufacturing and academic leadership. Eventually this project may be able to generate the location of new enterprises as well as assist in the growth of existing firms.

Fiscal Responsibility: Planning for Future Challenges

As previously mentioned, city government faces significant fiscal challenges due to the combined effects of the breakdown of the State Shared Revenue program and the increasing cost of fringe benefits. The 2011 proposed budget helps reduce the impact of projected increases in future pension contributions through an unprecedented $17.35 million voluntary contribution to the Employer's Reserve. This is approximately $1 million higher than the minimum voluntary contribution that the ERS actuary recommended. It is important that this disciplined and responsible consideration of future sustainability be maintained, so that Milwaukeeans are not faced with highly disruptive service level changes and tax increases in the future. In addition to the proposed Employer's Reserve contribution, the proposed 2011 budget reduces overall reserve use by a net of more than $7 million, compared to the 2010 adopted budget.

Summary

The 2011 proposed budget reflects the opportunities for improved near-term stability that result from the difficult choices the Mayor and Common Council have made in recent budgets. This proposal also enables Milwaukeeans to enjoy a stable cost of city government while taking significant steps towards reducing the potential destabilizing impacts of the city's projected budget challenges. The proposed budget also continues the Administration's willingness to identify and invest in priorities that meet community needs, even with declining total amounts available for department operations and a stable level of levy supported borrowing.

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2011 PROPOSED BUDGET AND TAX RATE COMPARED TO PRIOR YEAR

PURPOSE OF EXPENDITURE AND FUNDING SOURCE	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 MINUS 2010 ADOPTED	2010 ADOPTED	2011 PROPOSED	CHANGE 2011 MINUS 2010 ADOPTED
A. GENERAL CITY PURPOSES						
1. Budget (Expend. Auth.)	$567,601,832	$590,508,320	$22,906,488			
2. Non Tax Levy Funding	477,602,972	479,004,925	1,401,953			
3. Tax Levy Funding	89,998,860	111,503,395	21,504,535	$3.24	$4.12	$0.88
B. EMPLOYEE RETIREMENT						
1. Budget (Expend. Auth.)	$116,371,933	$91,570,467	$-24,801,466			
2. Non Tax Levy Funding	34,527,740	31,540,133	-2,987,607			
3. Tax Levy Funding	81,844,193	60,030,334	-21,813,859	$2.95	$2.22	$-0.73
C. CAPITAL IMPROVEMENTS						
1. Budget (Expend. Auth.)	$121,344,028	$117,628,388	$-3,715,640			
2. Non Tax Levy Funding	120,551,028	116,721,388	-3,829,640			
3. Tax Levy Funding	793,000	907,000	114,000	$0.03	$0.03	$0.00
D. CITY DEBT						
1. Budget (Expend. Auth.)	$280,136,319	$323,964,641	$43,828,322			
2. Non Tax Levy Funding	211,017,839	254,652,959	43,635,120			
3. Tax Levy Funding	69,118,480	69,311,682	193,202	$2.49	$2.56	$0.07
F. CONTINGENT FUND						
1. Budget (Expend. Auth.)	$5,000,000	$5,000,000	$0			
2. Non Tax Levy Funding	0	0	0			
3. Tax Levy Funding	5,000,000	5,000,000	0	$0.18	$0.18	$0.00
SUBTOTAL (A+B+C+D+E+F)						
1. Budget (Expend. Auth.)	**$1,090,454,112**	**$1,128,671,816**	**$38,217,704**			
2. Non Tax Levy Funding	**843,699,579**	**881,919,405**	**38,219,826**			
3. Tax Levy Funding	**246,754,533**	**246,752,411**	**-2,122**	**$8.89**	**$9.12**	**$0.24**
G. PARKING FUND						
1. Budget (Expend. Auth.)	$56,642,216	$54,603,800	$-2,038,416			
2. Non Tax Levy Funding	56,642,216	54,603,800	-2,038,416			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
H. GRANT AND AID						
1. Budget (Expend. Auth.)	$76,117,944	$72,446,206	$-3,671,738			
2. Non Tax Levy Funding	76,117,944	72,446,206	-3,671,738			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
I. DEVELOPMENT FUND						
1. Budget (Expend. Auth.)	$9,072,755	$8,839,558	$-233,197			
2. Non Tax Levy Funding	9,072,755	8,839,558	-233,197			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
J. WATER DEPARTMENT						
1. Budget (Expend. Auth.)	$122,462,804	$114,769,000	$-7,693,804			
2. Non Tax Levy Funding	122,462,804	114,769,000	-7,693,804			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
K. SEWER MAINTENANCE FUND						
1. Budget (Expend. Auth.)	$73,810,755	$88,320,000	$14,509,245			
2. Non Tax Levy Funding	73,810,755	88,320,000	14,509,245			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
M. COUNTY DELINQUENT TAXES FUND						
1. Budget (Expend. Auth.)	$15,000,000	$12,300,000	$-2,700,000			
2. Non Tax Levy Funding	15,000,000	12,300,000	-2,700,000			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
SUBTOTAL (G+H+I+J+K+M)						
1. Budget (Expend. Auth.)	**$353,106,474**	**$351,278,564**	**$-1,827,910**			
2. Non Tax Levy Funding	**353,106,474**	**351,278,564**	**-1,827,910**			
3. Tax Levy Funding	**0**	**0**	**0**	$0.00	$0.00	$0.00
TOTAL (A thru M)						
1. Budget (Expend. Auth.)	**$1,443,560,586**	**$1,479,950,380**	**$36,389,794**			
2. Non Tax Levy Funding	**1,196,806,053**	**1,233,197,969**	**36,391,916**			
3. Tax Levy Funding	**246,754,533**	**246,752,411**	**-2,122**	**$8.89**	**$9.12**	**$0.24**

Tax Rates and Assessed Value - 2011 rate column is based on an estimated assessed value of: $27,047,716,695 as of September 9, 2010.

COMPARISONS BY BUDGET SECTIONS BETWEEN 2011 PROPOSED BUDGET VERSUS 2010 ADOPTED AND 2011 REQUESTED BUDGETS, REVENUES TAX LEVIES, AND RESULTING CHANGES

	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
A. General City Purposes					
Appropriations					
Salaries and Wages	$336,957,283	$343,792,510	$334,490,162	$-2,467,121	$-9,302,348
Fringe Benefits	117,226,955	142,782,166	139,829,131	22,602,176	-2,953,035
Operating Expenditures	67,764,912	72,222,209	68,731,263	966,351	-3,490,946
Equipment Purchases	5,445,000	6,497,263	5,477,862	32,862	-1,019,401
Special Funds	6,635,654	7,321,645	6,922,870	287,216	-398,775
Special Purpose Account Miscellaneous*	16,273,483	17,508,263	16,852,163	578,680	-656,100
Workers Compensation Special Purpose Accounts	14,883,000	12,584,000	13,234,000	-1,649,000	650,000
Employee Health Care Special Purpose Accounts	119,642,500	150,000,000	144,800,000	25,157,500	-5,200,000
Fringe Benefit Offset	-117,226,955	-142,782,166	-139,829,131	-22,602,176	2,953,035
Total Appropriations	$567,601,832	$609,925,890	$590,508,320	$22,906,488	$-19,417,570
Funding Sources					
General City Revenues	$464,532,972	$460,756,027	$463,844,925	$-688,047	$3,088,898
Tax Stabilization Fund Withdrawal	13,070,000	14,000,000	15,160,000	2,090,000	1,160,000
Property Tax Levy	89,998,860	135,169,863	111,503,395	21,504,535	-23,666,468
Total Revenues	$567,601,832	$609,925,890	$590,508,320	$22,906,488	$-19,417,570
B. Employee Retirement					
Total Appropriations	$116,371,933	$114,892,261	$91,570,467	$-24,801,466	$-23,321,794
Funding Sources					
Non-Property Tax Revenue	$34,527,740	$31,618,961	$31,540,133	$-2,987,607	$-78,828
Property Tax Levy	81,844,193	83,273,300	60,030,334	-21,813,859	-23,242,966
Total Revenues	$116,371,933	$114,892,261	$91,570,467	$-24,801,466	$-23,321,794
C. Capital Improvements					
Total Capital Improvements Program Appropriations	$121,344,028	$192,584,537	$117,628,388	$-3,715,640	$-74,956,149
Funding Sources					
1. **Borrowing** (General Obligation)					
a. New	$74,129,580	$113,510,237	$73,147,688	$-981,892	$-40,362,549
b. Carryover	(151,701,879)	(0)	(129,623,701)	(-22,078,178)	(129,623,701)
2. **Borrowing** (Tax Incremental Districts)					
a. New	$23,222,323	$53,626,100	$22,000,000	$-1,222,323	$-31,626,100
b. Carryover	(164,578,922)	(0)	(167,831,245)	(3,252,323)	(167,831,245)
3. **Special Assessments** (Internal Borrowing)					
a. New	$770,000	$1,460,200	$545,200	$-224,800	$-915,000
b. Carryover	(8,582,492)	(0)	(6,547,593)	(-2,034,899)	(6,547,593)
4. **Cash Financed**					
a. From Revenues	$15,829,125	$15,381,000	$14,428,500	$-1,400,625	$-952,500
b. Vehicle Registration Fee*	6,600,000	6,600,000	6,600,000	0	0
c. From Tax Levy	793,000	2,007,000	907,000	114,000	-1,100,000
d. Total Cash Financed	23,222,125	23,988,000	21,935,500	-1,286,625	-2,052,500
Total Revenues (Capital Improvements)	$121,344,028	$192,584,537	$117,628,388	$-3,715,640	$-74,956,149

* Vehicle Registration Fee is in the Capital Budget as a transfer to the General Fund ($3.3 million) and a transfer to Debt Service ($3.3 million). These amounts are included in the Total Capital Improvements Program Appropriations above.

D. City Debt					
Total Appropriations (Includes Borrowing for Milwaukee Public Schools)	$280,136,319	$323,880,891	$323,964,641	$43,828,322	$83,750
Funding Sources					
Revenues	$163,527,972	$199,986,713	$201,144,713	$37,616,741	$1,158,000
TID Increments	23,829,873	25,834,453	25,834,453	2,004,580	0
Delinquent Tax Revenue	23,659,994	26,715,043	27,673,793	4,013,799	958,750
Property Tax Levy	69,118,480	71,344,682	69,311,682	193,202	-2,033,000
Total Revenues	$280,136,319	$323,880,891	$323,964,641	$43,828,322	$83,750
F. Common Council Contingent Fund					
Total Appropriations	$5,000,000	$5,000,000	$5,000,000	$0	$0
Funding Sources					
Total Revenue (Property Tax Levy)	$5,000,000	$5,000,000	$5,000,000	$0	$0
Subtotals (Items A through F)					
City Budget Appropriations	$1,090,454,112	$1,246,283,579	$1,128,671,816	$38,217,704	$-117,611,763

	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Less: Non-Property Tax Revenues	843,699,579	949,488,734	881,919,405	38,219,826	-67,569,329
Property Tax Levies	$246,754,533	$296,794,845	$246,752,411	$-2,122	$-50,042,434
Special Revenue Accounts (Items G through M)					
G. Parking					
Total Appropriations	$56,642,216	$51,919,733	$54,603,800	$-2,038,416	$2,684,067
Funding Sources					
Current Revenues	$22,992,745	$21,853,400	$21,853,400	$-1,139,345	$0
Capital Improvements from Reserves	5,000,000	5,000,000	5,000,000	0	0
Withdrawal from Reserves	5,699,471	1,891,333	4,575,400	-1,124,071	2,684,067
Citation Revenue and Processing	22,000,000	22,000,000	22,000,000	0	0
New Borrowing	950,000	1,175,000	1,175,000	225,000	0
Other Funding (Carryover Borrowing)	(4,439,064)	(0)	(3,759,764)	(679,300)	(3,759,764)
Total Revenues	$56,642,216	$51,919,733	$54,603,800	$-2,038,416	$2,684,067
H. Grant and Aid					
Total Appropriations	$76,117,944	$68,316,730	$72,446,206	$-3,671,738	$4,129,476
Funding Sources					
Grantor Share	$76,117,944	$68,316,730	$72,446,206	$-3,671,738	$4,129,476
Total Revenues	$76,117,944	$68,316,730	$72,446,206	$-3,671,738	$4,129,476
I. Economic Development					
Total Appropriations	$9,072,755	$9,707,848	$8,839,558	$-233,197	$-868,290
Funding Sources					
BID Assessment/Excess TID Revenue	$9,072,755	$9,707,848	$8,839,558	$-233,197	$-868,290
Total Revenues	$9,072,755	$9,707,848	$8,839,558	$-233,197	$-868,290
J. Water Works					
Appropriations					
Operating Budget	$77,702,804	$75,017,059	$71,356,906	$-6,345,898	$-3,660,153
Capital Improvements Program	20,030,000	24,365,000	20,645,000	615,000	-3,720,000
Debt Service (Principal and Interest)	5,100,000	6,100,000	6,273,000	1,173,000	173,000
Capital Funding from Retained Earnings	19,630,000	23,965,000	16,200,000	-3,430,000	-7,765,000
Deposit to Retained Earnings	0	0	294,094	294,094	294,094
Total Appropriations	$122,462,804	$129,447,059	$114,769,000	$-7,693,804	$-14,678,059
Funding Sources					
Current Operating Revenues	$83,000,000	$86,454,000	$86,454,000	$3,454,000	$0
Non-Operating Revenues	7,862,000	8,070,000	8,070,000	208,000	0
Proceeds from Borrowing	0	0	4,045,000	4,045,000	4,045,000
Use of Retained Earnings	31,600,804	34,923,059	16,200,000	-15,400,804	-18,723,059
Other Funding (Carryover Borrowing)	(12,275,000)	(0)	(11,600,000)	(-675,000)	(11,600,000)
Total Revenues	$122,462,804	$129,447,059	$114,769,000	$-7,693,804	$-14,678,059
K. Sewer Maintenance					
Appropriations					
Operating Budget	$49,873,755	$50,534,209	$48,486,421	$-1,387,334	$-2,047,788
Capital Improvements Program	23,937,000	38,370,000	39,833,000	15,896,000	1,463,000
Deposit to Retained Earnings	0	0	579	579	579
Total Appropriations	$73,810,755	$88,904,209	$88,320,000	$14,509,245	$-584,209
Funding Sources					
Sewer User Fee	$28,591,500	$26,554,000	$26,949,000	$-1,642,500	$395,000
Storm Water Management Fee	22,316,000	22,337,000	22,337,000	21,000	0
Charges for Services	1,286,000	1,351,700	1,351,000	65,000	-700
Miscellaneous Revenue and Retained Earnings	280,255	3,047,509	3,750,000	3,469,745	702,491
Other Funding (Carryover Borrowing)	(85,734,826)	(0)	(46,418,302)	-39,316,524	46,418,302
Proceeds from Borrowing	21,337,000	35,614,000	33,933,000	12,596,000	-1,681,000
Total Revenues	$73,810,755	$88,904,209	$88,320,000	$14,509,245	$-584,209
M. County Delinquent Taxes					
Appropriations					
Operating Budget	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0
Total Appropriations	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0
Funding Sources					
Operating Revenue	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0
Total Revenues	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0

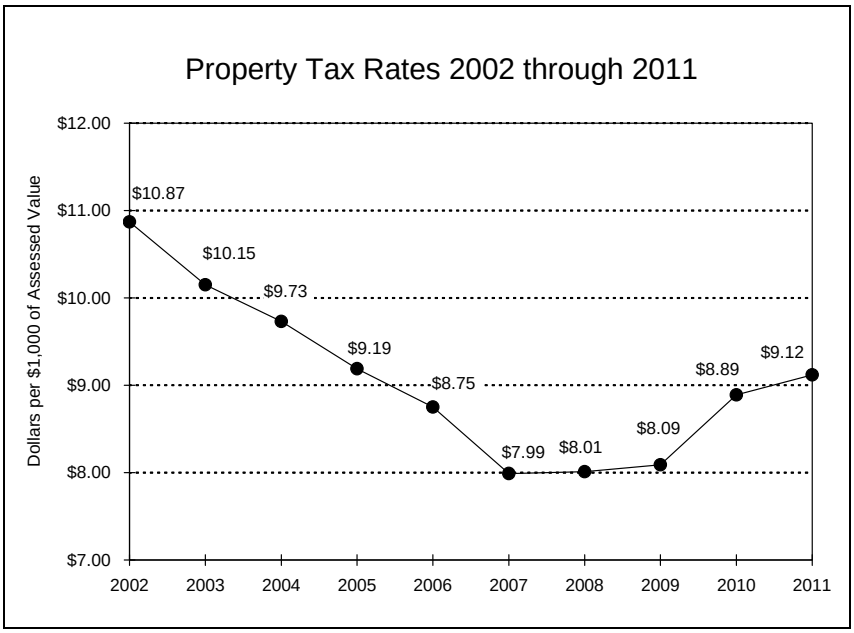
	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Subtotals Special Revenue Account Budgets (Items G through M)					
Total Budgets	$353,106,474	$360,595,579	$351,278,564	$-1,827,910	$-9,317,015
Total Revenues (Non-Property Tax)	$353,106,474	$360,595,579	$351,278,564	$-1,827,910	$-9,317,015
Grand Totals (Items A through M)					
Budget Appropriations	$1,443,560,586	$1,606,879,158	$1,479,950,380	$36,389,794	$-126,928,778
Less: Non-Property Tax Revenues	$1,196,806,053	$1,310,084,313	$1,233,197,969	$36,391,916	$-76,886,344
Property Tax Levies	$246,754,533	$296,794,845	$246,752,411	$-2,122	$-50,042,434

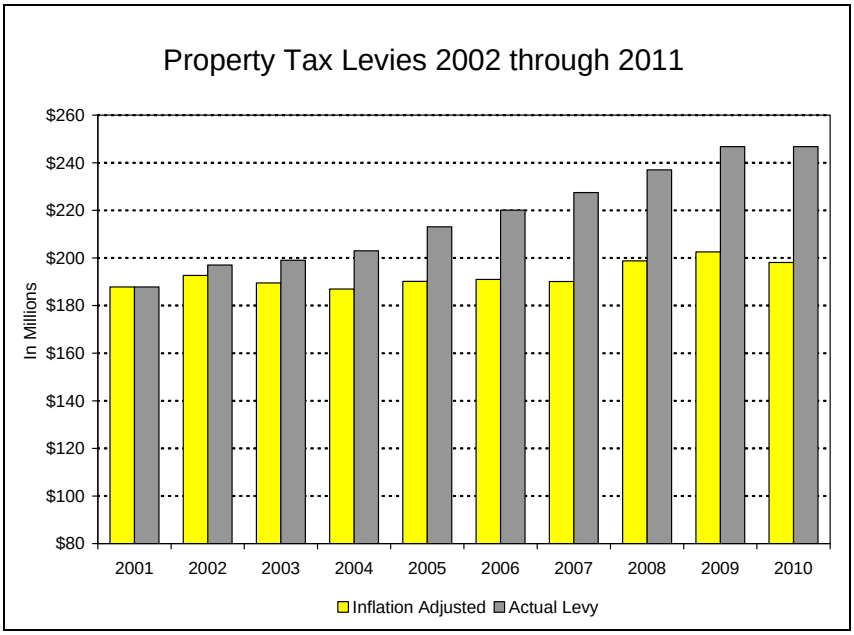
Note: All adopted budgets for governmental funds are prepared in accordance with the modified accrual basis of accounting, except for the treatment of the fund balance reserved for tax stabilization. For budget purposes, the fund balance reserved for tax stabilization is reflected as other financing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

* The Wages Supplement Fund appropriation for pending labor agreements is shown in this table under "Salaries and Wages" but is budgeted under "Special Purpose Accounts Miscellaneous" in the line item budget.

PROPERTY TAX RATE AND LEVY COMPARISON

The graphs below show property tax rates and levies for the City of Milwaukee from 2002 through the 2011 proposed budget. The 2011 proposed tax rate of $9.12 is $0.23 higher than the 2010 rate of $8.89. The 2011 proposed tax levy of $246.8 million is the same as the 2010 levy. Since 2002, the property tax rate has decreased by $1.75 from $10.87 in 2002 to the 2011 proposed rate of $9.12. During this same period, the "real" or inflation adjusted property tax levy has increased $10.3 million.

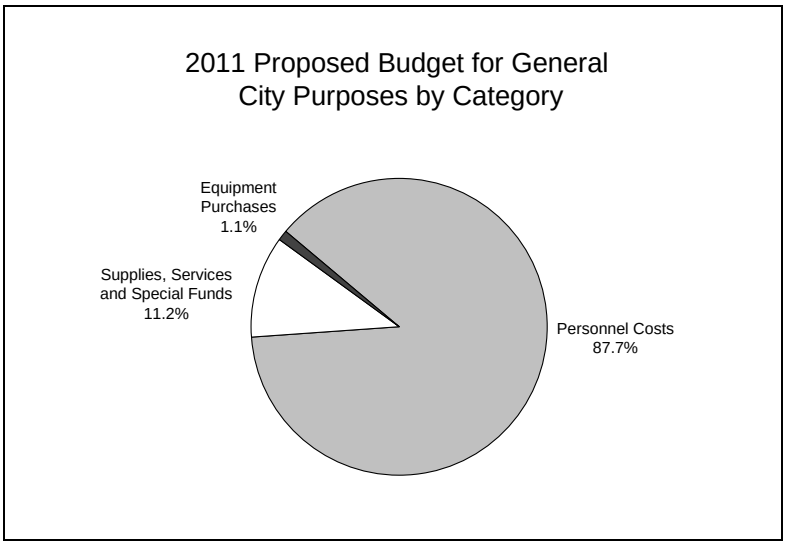




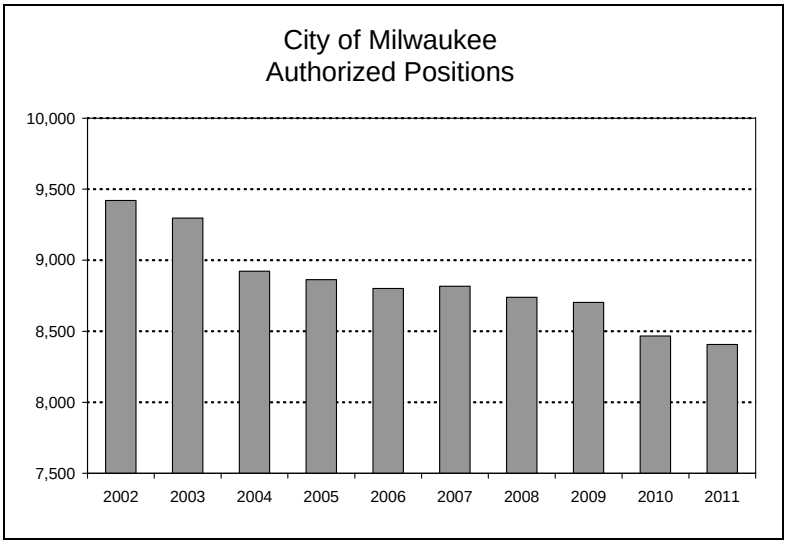
GENERAL CITY PURPOSES SPENDING

The pie chart below depicts the proportions of general city purposes spending allocated to Personnel Costs (87.7%), Supplies, Services, and Special Funds (11.2%), and Equipment Purchases (1.1%) in the 2011 proposed budget.

It should be noted that the 2011 proposed budget funds approximately $8.4 million of major equipment purchases in the capital budget.



The following bar graph indicates changes in authorized positions from 2002 to 2011. Funding for personnel costs (which include salary and wages) relates directly to the number of positions authorized citywide. Excluding temporary and seasonal staff, the 2011 proposed budget reflects a net decrease of 59 positions from 2010 levels (8,467 in 2010 to 8,408 in 2011).



CHANGE IN POSITIONS

	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
General City Purposes					
Administration, Department of	106	108	110	4	2
Assessor's Office	56	56	56	0	0
City Attorney	63	63	63	0	0
City Development, Department of	201	207	204	3	-3
Common Council City Clerk	113	112	113	0	1
Comptroller's Office	67	67	67	0	0
Election Commission	107	18	19	-88	1
Employee Relations, Department of	75	76	73	-2	-3
Fire and Police Commission	18	19	21	3	2
Fire Department	1,027	1,027	1,026	-1	-1
Health Department	274	276	273	-1	-3
Library	368	368	372	4	4
Mayor's Office	14	14	14	0	0
Municipal Court	45	45	45	0	0
Neighborhood Services, Department of	240	245	247	7	2
Police Department	2,907	2,902	2,902	-5	0
Port of Milwaukee	37	36	36	-1	0
Public Works, Department of **(Total)**	(2,337)	(2,340)	(2,315)	(-22)	(-25)
Administrative Services Division	66	66	64	-2	-2
Infrastructure Services Division	807	809	804	-3	-5
Operations Division	1,464	1,465	1,447	-17	-18
Special Purpose Account	11	11	11	0	0
Treasurer's Office	59	60	60	1	0
Unified Call Center	30	1	1	-29	0
General City Purposes Total	**8,155**	**8,051**	**8,028**	**-127**	**-23**
General City Purposes Total *	**8,057**	**8,043**	**8,020**	**-127**	**-23**
Pensions					
Deferred Compensation	2	2	2	0	0
Employees' Retirement System	52	69	52	0	-17
Pensions Total	**54**	**71**	**54**	**0**	**- 17**
Parking Fund	130	130	131	1	1
Sewer Maintenance Fund	164	164	164	0	0
Water Works	404	378	381	-23	3
Subtotal Budgeted Positions	**8,907**	**8,794**	**8,758**	**-149**	**-36**
Less Temporary Positions	440	350	350	-90	0
Total Budgeted Positions	**8,467**	**8,444**	**8,408**	**- 59**	**- 36**

* Does not include Election Commissioners and Election Commission Temporary Office Assistants (98 in 2010 and 8 in 2011) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS
O&M Funded

	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
General City Purposes					
Administration, Department of	64.59	65.14	64.14	-0.45	-1.00
Assessor's Office	42.55	42.55	42.55	0.00	0.00
City Attorney	54.80	59.80	56.80	2.00	-3.00
Common Council City Clerk	90.30	89.30	88.67	-1.63	-0.63
Comptroller's Office	51.95	51.16	51.16	-0.79	0.00
Department of City Development	40.30	42.70	39.70	-0.60	-3.00
Election Commission *	8.00	7.00	7.00	-1.00	0.00
Employee Relations, Department of	44.81	48.00	45.00	0.19	-3.00
Fire and Police Commission	8.70	9.60	11.60	2.90	2.00
Fire Department	1,026.05	1,026.05	1,025.05	-1.00	-1.00
Health Department	146.70	147.21	143.00	-3.70	-4.21
Library	287.89	288.18	291.18	3.29	3.00
Mayor's Office	11.00	11.50	11.50	0.50	0.00
Municipal Court	39.38	40.38	40.38	1.00	0.00
Neighborhood Services, Department of	162.50	168.00	169.00	6.50	1.00
Police Department	2,687.45	2,687.45	2,675.79	-11.66	-11.66
Port of Milwaukee	21.00	21.00	21.00	0.00	0.00
Public Works, Department of **(Total)**	(976.17)	(991.03)	(946.41)	(-29.76)	(-44.62)
Administrative Services Division	51.69	53.94	51.94	0.25	-2.00
Infrastructure Services Division	300.34	315.62	296.60	-3.74	-19.02
Operations Division	624.14	621.47	597.87	-26.27	-23.60
Special Purpose Accounts	4.00	4.00	4.00	0.00	0.00
Treasurer's Office	28.25	31.16	30.80	2.55	-0.36
Unified Call Center	7.75	1.00	1.00	-6.75	0.00
General City Purposes Total	**5,804.14**	**5,832.21**	**5,765.73**	**-38.41**	**-66.48**
Pensions					
Deferred Compensation	2.00	2.00	2.00	0.00	0.00
Employees' Retirement System	41.50	41.50	41.50	0.00	0.00
Pensions Total	**43.50**	**43.50**	**43.50**	**0.00**	**0.00**
Parking Fund	122.50	127.75	128.75	6.25	1.00
Sewer Maintenance Fund	107.52	104.02	104.02	-3.50	0.00
Water Works	355.43	356.22	358.72	3.29	2.50
Grand Total	**6,433.09**	**6,463.70**	**6,400.72**	**-32.37**	**-62.98**

* Election Commission does not include Temporary Office Assistants (13.56 FTEs in 2010 and 2.8 in 2011) due to staffing fluctuations between election and non-election years.

COMPARISON OF 2011 PROPOSED EXPENDITURES AND FUNDING SOURCES WITH PRIOR YEARS BY MAJOR BUDGET SECTIONS AND SUBSECTIONS

SECTION 1. CITY BUDGETS UNDER THE CONTROL OF THE COMMON COUNCIL

	2008 ACTUAL** EXPENDITURES	2009 ACTUAL** EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
A. General City Purposes					
1. Budgets for General City Purposes					
Administration, Department of	$8,754,750	$8,928,140	$7,902,031	$8,140,878	$238,847
Assessor's Office	4,927,120	4,834,024	4,278,246	4,665,708	387,462
City Attorney	7,268,135	7,480,908	6,783,737	7,673,922	890,185
City Development, Department of	3,918,972	5,320,229	3,946,428	4,340,956	394,528
City Treasurer	2,956,994	2,967,640	2,951,830	3,241,414	289,584
Common Council City Clerk	8,283,211	8,165,634	7,858,707	8,227,125	368,418
Comptroller	5,693,637	5,560,256	5,066,065	5,320,238	254,173
Election Commission	2,710,209	1,274,652	2,064,779	1,334,791	-729,988
Employee Relations, Department of	5,305,978	5,121,857	4,647,890	4,496,036	-151,854
Fire and Police Commission	776,656	994,628	970,473	1,280,472	309,999
Fire Department	105,553,127	109,909,413	99,820,902	103,047,292	3,226,390
Health Department	13,954,013	14,189,765	12,228,339	12,963,462	735,123
Library	23,260,351	23,032,140	20,133,502	22,265,743	2,132,241
Mayor's Office	1,250,514	1,167,823	1,099,265	1,202,701	103,436
Municipal Court	3,585,918	3,598,619	3,379,436	3,569,175	189,739
Neighborhood Services, Department of	14,534,520	15,524,383	14,117,724	15,685,462	1,567,738
Police Department	226,772,707	237,346,874	216,874,086	228,929,558	12,055,472
Port of Milwaukee	3,857,890	4,031,150	4,890,227	5,006,125	115,898
Public Works Department (Total)	(129,857,247)	(122,460,659)	(108,824,667)	(113,626,751)	(4,802,084)
Administrative Services Division	5,059,766	4,706,671	4,634,569	4,847,544	212,975
Infrastructure Services Division	27,930,801	29,678,155	33,656,488	36,937,077	3,280,589
Operations Division	96,866,680	88,075,833	70,533,610	71,842,130	1,308,520
Special Purpose Accounts	139,212,403 *	141,585,973 *	156,465,931	175,190,682 *	18,724,751
Unified Call Center	0	0	524,522	128,960	-395,562
Fringe Benefit Offset	-134,143,935	-138,644,481	-117,226,955	-139,829,131	-22,602,176
Total Budgets for General City Purposes	$578,290,417 **	$584,850,286 **	$567,601,832	$590,508,320	$22,906,488

* 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	$14,693,861	$14,195,291	$15,248,500	$16,534,500	$1,286,000
Licenses and Permits	12,909,731	12,186,050	12,754,420	12,057,200	-697,220
Intergovernmental Revenue	271,097,777	272,336,857	270,871,600	271,595,500	723,900
Charges for Services	90,241,003	96,273,406	96,061,752	99,110,825	3,049,073
Fines and Forfeitures	5,250,348	4,802,074	5,255,000	5,255,000	0
Miscellaneous Revenue	30,591,648	34,256,412	41,331,700	35,291,900	-6,039,800
Fringe Benefits	24,098,921	23,534,619	23,000,000	24,000,000	1,000,000
Cost Recovery	0	0	10,000	0	-10,000
Total Revenues	$448,883,289	$457,584,709	$464,532,972	$463,844,925	$-688,047
Tax Stabilization Fund Withdrawals	$29,457,500	$22,378,500	$13,070,000	$15,160,000	$2,090,000
Property Tax Levy	104,074,730	123,740,757	89,998,860	111,503,395	21,504,535
Total Financing for General City Purposes	$582,415,519	$603,703,966	$567,601,832	$590,508,320	$22,906,488
B. Employees' Retirement					
1. Budgets for Employees' Retirement					
Firemen's Pension Fund					
Pension Contribution	$106,036	$70,711	$71,000	$71,000	$0
Lump Sum Supplement Contribution	244,196	194,267	150,000	125,000	-25,000
Policemen's Pension Fund					
Pension Contribution	$56,972	$41,423	$329,672	$268,667	$-61,005
Administration	0	0	0	0	0
Lump Sum Supplement Contribution	0	0	0	0	0
Employees' Retirement Fund					
Pension Contribution	$0	$0	$49,100,000	$0	$-49,100,000
Administration	19,002,182	17,950,233	24,191,584	28,755,539	4,563,955

	2008 ACTUAL** EXPENDITURES	2009 ACTUAL** EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
Employers' Share of Employees' Annuity Contribution	23,639,683	19,349,705	16,791,142	24,980,000	8,188,858
Annuity Contribution Employer's Reserve Fund	0	5,581,000	7,000,000	17,350,000	10,350,000
Social Security					
Social Security Tax	$17,971,473	$18,594,501	$17,172,448	$18,531,000	$1,358,552
Former Town of Lake Employees' Retirement Fund					
Pension Contribution	$7,273	$6,667	$7,300	$7,300	$0
Deferred Compensation	$1,068,888	$1,114,302	$1,558,787	$1,481,961	$-76,826
Total Budgets for Employees' Retirement	$62,096,703 **	$62,902,809 **	$116,371,933	$91,570,467	$-24,801,466
2. Source of Funds for Employees' Retirement					
Fringe Benefits Pension	$976,185	$1,031,857	$1,041,500	$1,187,000	$145,500
Charges to Retirement Fund	19,969,080	17,510,713	23,883,904	28,461,539	4,577,635
Charges to Deferred Compensation	1,068,888	1,114,302	1,558,787	1,481,961	-76,826
Charges to Other Governmental Units	0	0	1,043,549	0	-1,043,549
Miscellaneous Revenue/Reserve Fund	69,503	5,652,500	7,000,000	409,633	-6,590,367
Property Tax Levy	40,188,093	35,888,093	81,844,193	60,030,334	-21,813,859
Total Financing for Employees' Retirement	$62,271,749	$61,197,465	$116,371,933	$91,570,467	$-24,801,466
C. Capital Improvements					
1. Budgets for Capital Improvements					
Special Capital Projects or Purposes	$134,961	$802,906	$16,335,000	$15,135,000	$-1,200,000
Administration, Department of	582,024	993,672	949,400	2,035,000	1,085,600
City Attorney	21,620	61,895	0	0	0
City Development, Department of	28,828,666	21,604,832	39,402,543	30,661,257	-8,741,286
City Treasurer	33,019	0	0	0	0
Common Council City Clerk	13,976	243,541	0	0	0
Employee Relations, Department of	198,338	18,375	0	0	0
Fire and Police Commission	0	752	0	0	0
Fire Department	3,915,075	2,666,580	4,056,000	3,064,000	-992,000
Health Department	408,087	1,451,270	100,000	110,000	10,000
Library	1,089,006	2,264,288	4,075,000	2,526,000	-1,549,000
Municipal Court	147,717	818,800	334,000	0	-334,000
Neighborhood Services, Department of	0	0	76,141	0	-76,141
Police Department	3,489,356	1,401,268	4,188,000	4,987,931	799,931
Port of Milwaukee	669,750	561,035	0	0	0
Public Works, Department of (Total)	(66,995,089)	(45,544,486)	(51,827,944)	(59,109,200)	(7,281,256)
Administration Division	1,632,502	921,401	500,000	500,000	0
Infrastructure Services Division	32,056,439	37,392,712	36,107,500	49,983,700	13,876,200
Operations Division	33,306,148	7,230,373	15,220,444	8,625,500	-6,594,944
Total Budgets for Capital Improvements (Other than Parking, Water Works, and Sewer Maintenance)	$106,526,684 **	$78,433,700 **	$121,344,028	$117,628,388	$-3,715,640
2. Source of Funds for Capital Improvements					
General Obligation Borrowings					
New Borrowing	$74,288,343	$59,277,121	$74,129,580	$73,147,688	$-981,892
Carryover Borrowing	0 (a)	0 (a)	151,701,879 (a)	129,623,701 (a)	-22,078,178 (a)
Tax Increment District Public Improvements					
New Borrowing	$25,125,610	$11,109,228	$23,222,323	$22,000,000	$-1,222,323
Carryover Borrowing	0 (a)	0 (a)	164,578,922 (a)	167,831,245 (a)	3,252,323 (a)
Anticipated Special Assessments					
New Authorizations	$2,801,207	$1,100,684	$770,000	$545,200	$-224,800
Carryover Special Assessments	0 (a)	0 (a)	8,582,492 (a)	6,547,593 (a)	-2,034,899 (a)
Capital Improvement Revenues					
Cash Revenues	$283,603	$5,560,539	$15,829,125	$14,428,500	$-1,400,625
Motor Vehicle Registration Fee	$0	$0	$6,600,000	$6,600,000	0
Property Tax Levy	4,027,921	1,386,128	793,000	907,000	114,000
Total Financing for Capital Improvements (Other than Parking, Water Works and Sewer Maintenance)	$106,526,684 *	$78,433,700 *	$121,344,028	$117,628,388	$-3,715,640

	2008 ACTUAL** EXPENDITURES	2009 ACTUAL** EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
(a) Reiteration of prior year's authority does not affect budget totals.					
* Does not include school board expenditures.					
D. City Debt (Including School Purposes)					
1. Budget for City Debt					
Bonded Debt (Principal)	$181,101,841	$205,228,056	$241,558,000	$289,094,030	$47,536,030
Bonded Debt (Interest)	33,636,754	31,941,372	44,527,939	40,048,518	-4,479,421
Bonded Debt (Fees)	296,373	315,024	400,000	400,000	0
Bonded Debt (Issuance Expenses)	147,235	462,616	1,000,000	1,000,000	0
Subtotal	$215,182,203	$237,947,068	$287,485,939	$330,542,548	$43,056,609
Less: Prepayment					
Prepayment Deduction (PDAF)	$-7,400,000	$-6,500,000	$-5,400,000	$-4,900,000	$500,000
Special Assessment	-3,258,000	-3,850,301	-1,949,620	-1,677,907	271,713
Total Budget for City Debt (a)	$204,524,203 **	$227,596,767 **	$280,136,319	$323,964,641	$43,828,322
		Milwaukee School Board			
(a) Included in city debt amounts above are the following amounts for school purposes not controlled by the Common Council.		2008	$20,763,771		
		2009	$20,556,484		
		2010	$17,593,929	(est.)	
		2011	$15,947,420	(est.)	
2. Source of Funds for City Debt					
Revenues	$83,878,000	$108,182,325	$163,527,972	$201,144,713	$37,616,741
TID Increments from Prior Year	17,423,000	23,819,667	23,829,873	25,834,453	2,004,580
Delinquent Tax Revenues	15,837,000	24,929,225	23,659,994	27,673,793	4,013,799
Property Tax Levy	74,200,995	70,665,550	69,118,480	69,311,682	193,202
Total Financing for City Debt	$191,338,995	$227,596,767	$280,136,319	$323,964,641	$43,828,322
F. Common Council Contingent Fund					
1. Budget for Common Council Contingent Fund					
Common Council Contingent Fund	[$5,000,000] *	[$1,449,764] *	$5,000,000	$5,000,000	$0
2. Source of Funds for Common Council Contingent Fund					
Property Tax Levy	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$0
* 2007 and 2008 experience shown for informational purposes only.					
Expenditure experience represents transfers and expenditures authorized by resolution.					
Subtotal Budget Authorizations Common Council Controlled Purposes (Except Water and Special Revenue Accounts)	$951,438,007	$953,783,562	$1,090,454,112	$1,128,671,816	$38,217,704
Non-Tax Levy	$720,061,208	$739,251,370	$843,699,579	$881,919,405	$38,219,826
Tax Levy	$227,491,739	$236,680,528	$246,754,533	$246,752,411	$-2,122
Subtotal Financing for (Estimated Revenues) Common Council Controlled Budgets (Except Water and Special Revenue Accounts)	$947,552,947	$975,931,898	$1,090,454,112	$1,128,671,816	$38,217,704
Special Revenue Accounts Sections G through M					
G. Parking					
1. Budget for Parking Program					
Operating and Maintenance Expense	$26,752,228	$24,618,783	$28,405,216	$27,641,800	$-763,416
Transfer to General Fund	17,000,000	18,132,150	22,287,000	20,787,000	-1,500,000
Capital Improvement Program	1,385,192	2,038,595	950,000	1,175,000	225,000
Capital Improvements to be Financed from Available Cash Reserves	0	0	5,000,000	5,000,000	0
Total Budget for Parking Program	$45,137,420 **	$44,789,528 **	$56,642,216	$54,603,800	$-2,038,416
2. Source of Funds for Parking Operations					
Parking Permits	$3,014,342	$3,165,150	$3,762,000	$3,762,000	$0
Meters	3,802,976	4,653,243	5,406,245	4,951,400	-454,845
Rental and Lease of Facilities	7,841,792	7,573,903	7,262,000	7,295,000	33,000
Towing of Vehicles	4,183,417	4,029,834	3,962,500	4,020,000	57,500
Vehicle Disposal	2,541,946	1,439,486	2,200,000	1,330,000	-870,000
Miscellaneous	354,049	499,729	400,000	495,000	95,000
Subtotal Financing of Parking Operations	$21,738,522	$21,361,345	$22,992,745	$21,853,400	$-1,139,345
Other Funding Sources					
Withdrawal from Reserves	$0	$1,024,631	$5,699,471	$4,575,400	$-1,124,071
Citation Revenue	22,222,538	20,879,206	22,000,000	22,000,000	0
Miscellaneous	0	4,200	0	0	0

	2008 ACTUAL** EXPENDITURES	2009 ACTUAL** EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
Capital Improvements to be Financed from Available:					
Cash Reserves	$0	$0	$5,000,000	$5,000,000	$0
New Borrowing	0	0	950,000	1,175,000	225,000
Carryover Borrowing	0 (a)	0 (a)	4,439,064 (a)	3,759,764 (a)	-679,300 (a)
Subtotal Other Funding Sources	$22,222,538	$21,908,037	$33,649,471	$32,750,400	$-899,071
Total Financing for Parking	$43,961,060	$43,269,382	$56,642,216	$54,603,800	$-2,038,416
(a) Reiteration of prior year's authority does not affect budget totals.					
H. Grants and Aids Projects (Except Capital Projects)					
1. Budget for Grants and Aids Projects					
Grantor Share (Non-City)	$55,500,463	$52,394,849	$76,117,944	$72,446,206	$-3,671,738
Total for Grants and Aids Projects	$55,500,463 **	$52,394,849 **	$76,117,944	$72,446,206	$-3,671,738
2. Source of Funds for Grants and Aids Projects					
Grantor Share (Non-City)	$55,500,463	$52,394,849	$76,117,944	$72,446,206	$-3,671,738
Total Financing for Grants and Aids Projects (Except Capital Projects)	$55,500,463	$52,394,849	$76,117,944	$72,446,206	$-3,671,738
I. Economic Development Fund					
1. Budget for Economic Development Fund					
Business Improvement Districts	$6,482,610	$6,744,919	$9,072,755	$8,839,558	$-233,197
Total Budget for Economic Development Fund	$6,482,610	$6,744,919	$9,072,755	$8,839,558	$-233,197
2. Source of Funds for Economic Development Fund					
Business Improvement District Assessments	$6,482,610	$6,744,919	$9,072,755	$8,839,558	$-233,197
Total Source of Funds for Economic Development Fund	$6,482,610	$6,744,919	$9,072,755	$8,839,558	$-233,197
J. Water Works					
1. Budget for Water Works, Department of Public Works					
Operating Budget	$66,165,760	$69,575,284	$82,802,804	$77,629,906	$-5,172,898
Capital Improvements Program	18,124,405	19,308,374	20,030,000	20,645,000	615,000
Deposits to Special Accounts (Retained Earnings)	17,672,549	19,256,986	19,630,000	16,494,094	-3,135,906
Total Expenditures and Deposits	$101,962,714 **	$108,140,644 **	$122,462,804	$114,769,000	$-7,693,804
2. Source of Funds for Water Works					
Operating Revenue	$68,414,358	$67,951,553	$83,000,000	$86,454,000	$3,454,000
Non-Operating Revenue	7,325,039	9,039,143	7,862,000	8,070,000	208,000
Proceeds from Borrowing	225,000	0	0	4,045,000	4,045,000
Retained Earnings	25,998,317	31,149,948	31,600,804	16,200,000	-15,400,804
Total Source of Funds for Water Works	$101,962,714	$108,140,644	$122,462,804	$114,769,000	$-7,693,804
K. Sewer Maintenance					
1. Budget for Sewer Maintenance					
Operating Budget	$35,634,818	$43,464,021	$49,873,755	$48,486,421	$-1,387,334
Capital Budget	26,939,928	36,236,229	23,937,000	39,833,000	15,896,000
Deposit to Retained Earnings	0	2,312,799	0	579	579
Total Budget for Sewer Maintenance	$62,574,746 **	$82,013,049 **	$73,810,755	$88,320,000	$14,509,245
2. Source of Funds for Sewer Maintenance					
Sewer User Fee	$26,358,869	$27,508,815	$28,591,500	$26,949,000	$-1,642,500
Storm Water Fee	12,756,516	18,950,771	22,316,000	22,337,000	21,000
Charges for Services	1,608,929	1,739,065	1,286,000	1,351,000	65,000
Miscellaneous Revenue	309,453	835,650	258,000	3,750,000	3,492,000
Retained Earnings	0	0	22,255	0	-22,255
Proceeds from Borrowing	24,778,791	32,978,748	21,337,000	33,933,000	12,596,000
Total Source of Funds for Sewer Maintenance	$65,812,558	$82,013,049	$73,810,755	$88,320,000	$14,509,245
M. Delinquent County Taxes					
1. Budget for Delinquent County Taxes					
Delinquent County Taxes and Tax Certificate Purchases	$14,396,282	$10,681,537	$15,000,000	$12,300,000	$-2,700,000
Total Budget for Delinquent County Taxes	$14,396,282	$10,681,537	$15,000,000	$12,300,000	$-2,700,000

	2008 ACTUAL** EXPENDITURES	2009 ACTUAL** EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
2. Source of Funds for Delinquent County Taxes					
Purchase of Milwaukee County Delinquent Taxes	$14,396,282	$10,681,537	$15,000,000	$12,300,000	$-2,700,000
Total Source of Funds for Delinquent County Taxes	$14,396,282	$10,681,537	$15,000,000	$12,300,000	$-2,700,000
Subtotal Budget Authorization for Special Revenue Accounts	$286,054,235	$304,764,526	$353,106,474	$351,278,564	$-1,827,910
Subtotal Estimated Revenues for Special Revenue Accounts	$288,115,687	$303,244,380	$353,106,474	$351,278,564	$-1,827,910
Total All Budgets Under the Control of the Common Council (Includes Water and Special Revenue Accounts)	$1,237,492,242	$1,258,548,088	$1,443,560,586	$1,479,950,380	$36,389,794
Total Financing Revenues of Budgets Under the Control of the Common Council (Includes Water and Special Revenue Accounts)	$1,235,668,634	$1,279,176,278	$1,443,560,586	$1,479,950,380	$36,389,794

** Expenditures include funding carried over from prior year.

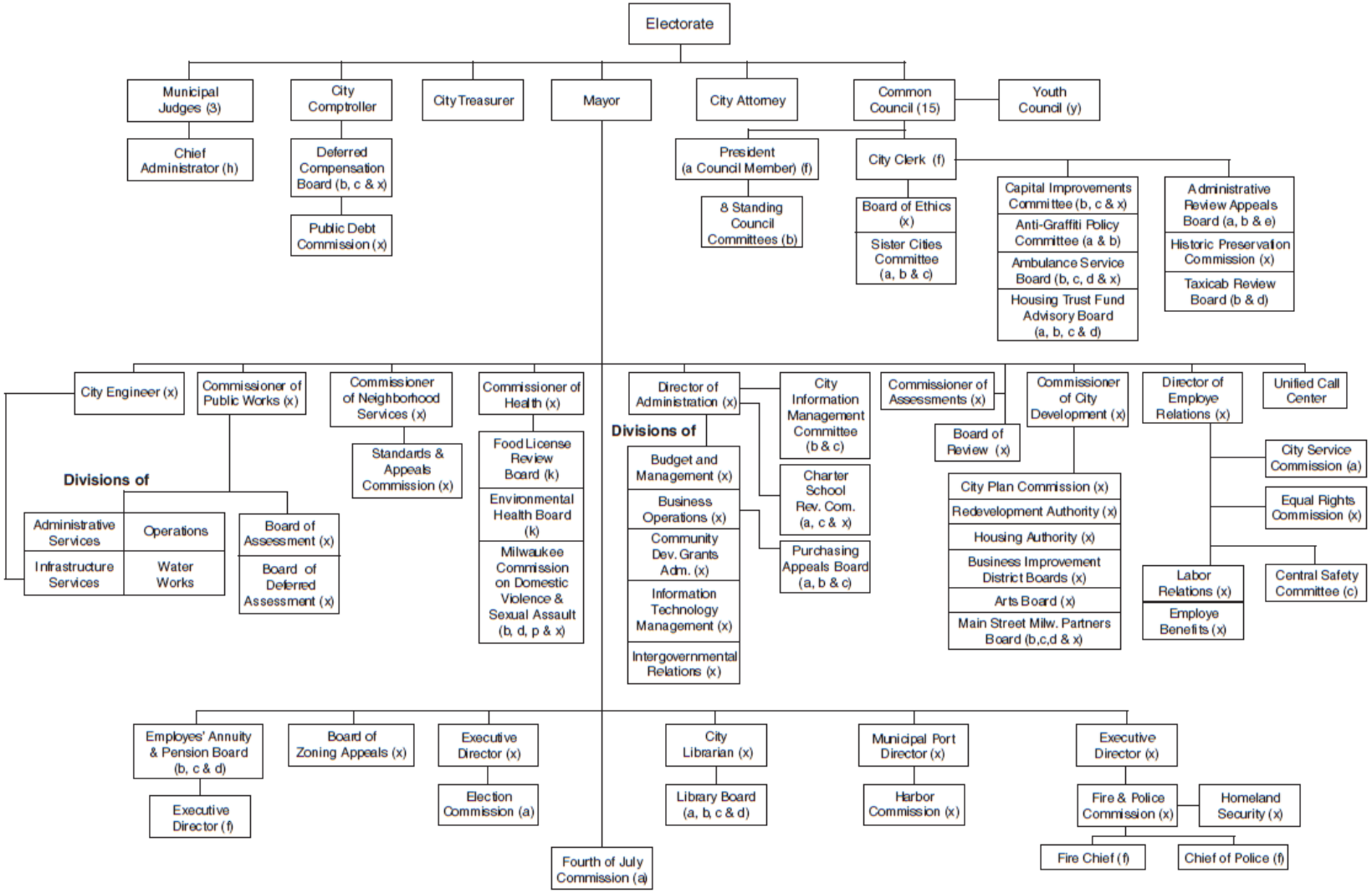
SECTION II. SUMMARY OF BORROWING AUTHORIZATIONS
(Including School Purposes)

	2009	2010	2011
General Obligation Bonds or Short Term Notes			
New Borrowing			
General City Purposes	$71,212,745	$75,079,580	$74,322,688
Schools	2,000,000	2,000,000	2,000,000
Subtotal New Borrowing	**$73,212,745**	**$77,079,580**	**$76,322,688**
Carryover Borrowing*	(135,411,649)	(150,190,863)	(141,333,465)
Subtotal	**$73,212,745**	**$77,079,580**	**$76,322,688**
Special Assessment Borrowing			
New Borrowing	$150,300	$770,000	$545,200
Carryover Borrowing*	(14,147,349)	(8,582,492)	(6,547,693)
Subtotal	**$150,300**	**$770,000**	**$545,200**
Contingency Borrowing			
New Borrowing	$130,000,000	$150,000,000	$150,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$130,000,000**	**$150,000,000**	**$150,000,000**
Tax Incremental District Borrowing			
New Borrowing	$36,268,614	$23,222,323	$22,000,000
Carryover Borrowing*	(140,310,308)	(164,578,922)	(167,831,245)
Subtotal	**$36,268,614**	**$23,222,323**	**$22,000,000**
Delinquent Taxes Borrowing			
New Borrowing	$21,000,000	$24,000,000	$28,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$21,000,000**	**$24,000,000**	**$28,000,000**
Revenue Anticipation Borrowing			
New Borrowing	$350,000,000	$400,000,000	$400,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$350,000,000**	**$400,000,000**	**$400,000,000**
Water Works Borrowing			
New Borrowing	$0	$0	$4,045,000
Carryover Borrowing*	(12,500,000)	(12,275,000)	(11,600,000)
Subtotal	**$0**	**$0**	**$4,045,000**
Sewer Maintenance Fund Borrowing			
New Borrowing	$28,550,000	$21,337,000	$33,933,000
Carryover Borrowing*	(57,518,648)	(85,755,826)	(46,418,302)
Subtotal	**$28,550,000**	**$21,337,000**	**$33,933,000**
Total All Borrowing			
New Borrowing	$639,181,659	$696,408,903	$714,845,888
Carryover Borrowing*	(359,887,954)	(421,383,103)	(373,730,705)
Total	**$639,181,659**	**$696,408,903**	**$714,845,888**

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

CITY OF MILWAUKEE ORGANIZATION CHART

Source: City Clerk's Office • September 2010



KEY

(a) Appointment by Mayor, not confirmed by Common Council
(b) Members appointed by Common Council President
(c) Members serve ex-officio; by law
(d) Members selected by other external bodies
(e) Appointment by City Attorney
(f) Appointment by connected board or department
(h) Appointment by Chief Municipal Judge, confirmed by Common Council
(k) Appointment by Health Department
(p) Appointment by Police Chief
(x) Appointment by Mayor, confirmed by Common Council
(y) Appointment by connected council, confirmed by Common Council

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I. CITY BUDGETS UNDER THE CONTROL OF THE COMMON COUNCIL

PROPERTY TAX SUPPLEMENTED FUNDS
SUMMARY OF EXPENDITURES

EXPENSE CATEGORY	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
A. General City Purposes	$584,850,286	$567,601,832	$609,925,890	$590,508,320	$22,906,488	$-19,417,570
B. Employees' Retirement	62,902,809	116,371,933	114,892,261	91,570,467	-24,801,466	-23,321,794
C. Capital Improvements	78,433,700	121,344,028	192,584,537	117,628,388	-3,715,640	-74,956,149
D. City Debt	227,596,767	280,136,319	323,880,891	323,964,641	43,828,322	83,750
F. Contingent Fund	[1,449,764] *	5,000,000	5,000,000	5,000,000	0	0
TOTAL	$953,783,562	$1,090,454,112	$1,246,283,579	$1,128,671,816	$38,217,704	$-117,611,763

* Contingent Fund experience shown for informational purposes only. Expenditure experience represents transfers to other expense categories and is not included in the total.

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A. GENERAL CITY PURPOSES

1. BUDGET APPROPRIATIONS AND EXPENDITURES

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DEPARTMENT OF ADMINISTRATION

EXECUTIVE SUMMARY

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

OBJECTIVES: Increase the level of non-property tax, non-municipal service fee revenues as a proportion of the General Fund budget by 2% by 2012.

Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).

Identify, prioritize, and target five racial, social, and economic disparities in the community that city government can work to reduce.

Achieve legislative action and external funding to support the city's strategic objectives.

Increase efficiency in citywide operation of information technology.

STRATEGIES: Lobby for state legislative authority for more local revenue options, including a .15% local sales tax.

Implement the MORE ordinance and changes to existing programs to increase the number of new EBE firms located in Milwaukee.

Select best practices from other cities on reducing racial disparities.

Improve energy efficiency in city buildings and facilities and purchase more energy efficient vehicles.

Collaborate with other city departments to consolidate redundant information systems and reduce costs of technology operations.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	71.11	64.59	65.14	64.14	-0.45	-1.00
FTEs - Other	29.33	34.25	37.26	39.26	5.01	2.00
Total Positions Authorized	106	106	108	110	4	2
EXPENDITURES						
Salaries and Wages	$4,955,780	$4,270,662	$4,381,393	$4,215,217	$-55,445	$-166,176
Fringe Benefits	2,061,795	1,750,972	2,103,069	2,023,304	272,332	-79,765
Operating Expenditures	666,957	697,807	679,357	679,357	-18,450	0
Equipment	16,682	37,590	18,000	18,000	-19,590	0
Special Funds	1,226,926	1,145,000	1,205,000	1,205,000	60,000	0
TOTAL	$8,928,140	$7,902,031	$8,386,819	$8,140,878	$238,847	$-245,941
REVENUES						
Charges for Services	$105,570	$106,000	$103,000	$103,000	$-3,000	$0
Miscellaneous	342,428	378,000	328,000	328,000	-50,000	0
TOTAL	$447,998	$484,000	$431,000	$431,000	$-53,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Administration (DOA) provides planning, policy, and management functions that assist the Mayor, Common Council, and city departments. Through these efforts, DOA supports numerous strategic goals and objectives. Key functions include providing analysis and recommendations on fiscal issues that affect the city, developing the annual city budget, influencing local, state and federal government policy actions, increasing grant funding, distributing grant funding to city agencies and neighborhood organizations, managing the citywide procurement processes, supporting the growth of emerging and local businesses, and developing strategic policy for environmental sustainability. Key initiatives include decreasing budget instability and improving the city's fiscal condition, establishing more intergovernmental and multi-jurisdictional cooperation, and making city government operations more energy efficient.

Strategies and Milestones for 2011

Objective: Abate lead in houses containing young children.	
Strategies	**2011 Milestones**
Lobby for state lead abatement tax credit.	Introduction of bill.
Objective: Enhance transit options and existing infrastructure.	
Strategies	**2011 Milestones**
Reduce local street replacement cycle to 65 years by 2014.	Adopt 2011 budget with a budget of at least $14 million for local streets, including funding for street preservation.
Establish a regional transportation strategy, including a Locally Preferred Alternative.	Council adoption of Locally Preferred Alternative and Downtown Plan revision; identify financial strategy for local match.
Objective: Increase the level of non-property tax, non-municipal service fee revenues as a proportion of the General Fund budget by 2% by 2012.	
Strategies	**2011 Milestones**
Establish city policy for distribution of Water Works surplus earnings to the General Fund.	Public Service Commission approval of a rate case that enables a sustainable approach to surplus earnings distribution.
Establish state authority for a .15% local sales tax.	State legislative approval.
Objective: Foster development of green jobs.	
Strategies	**2011 Milestones**
Implement Me2 Energy Retrofit Project.	Implement Phase I of the project.

Strategies and Milestones for 2011

Objective: Expose more inner city youth to career environments.	
Strategies	**2011 Milestones**
Maintain and expand Milwaukee GOT IT digital inclusion initiative.	Secure 10% increase in funding. Wire five HACM centers. Launch "Bee-hive" web portal. Implement Life Venture Center.
Objective: Increase graduation rates.	
Strategies	**2011 Milestones**
Secure private and state funding for SEED Urban Boarding School project.	Secure funding for 2012 launch.
Maintain and expand *I Have a Dream Milwaukee* program to empower youth to go to college.	Secure 10% increase in funding.
Objective: Identify, prioritize, and target five racial, social, and economic disparities in the community that city government can work to reduce.	
Strategies	**2011 Milestones**
Prioritize reductions to racial disparities where the city can have an impact.	Allocate federal stimulus funding to Diversity in Urban Forestry initiative.
Implement the MORE ordinance, which was adopted as city policy during 2009.	Increase the number of contracts to new EBE firms located in the city and increasing resident employment in major capital project.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2011 Milestones**
Improve energy efficiencies in city facilities and buildings.	Retrofit city buildings.

STRATEGY IMPLEMENTATION

Fiscal Sustainability: A key goal for DOA is improving the city's fiscal sustainability. DOA's long term objective is to increase the level of non-property tax, non-municipal service fee revenues as a proportion of the General Fund budget by 2% by 2012. As a result of declines in state shared revenue, state imposed municipal levy limits, and the Expenditure Restraint Program, increasing local own source revenue is necessary to improve the city's long term fiscal sustainability. Achieving statutory authority for new revenue options and increasing the liquidity of the city's utility assets provide more flexibility in increasing operating revenue without relying on the property taxes or municipal service fees.

Enhancing Transit and Infrastructure: Milwaukee serves as a regional and statewide transportation hub. Milwaukee's function as a transportation cornerstone to the broader regional and statewide economy provides economic benefits to the city. However, this creates a need to maintain and improve the transit and infrastructure in the metropolitan area. The city needs to ensure sufficient replacement cycles for its core infrastructure systems, including major and local streets. The goal is to achieve a local street replacement cycle of at least 65 years by 2014. As fiscal sustainability improves, the amount of replacement miles budgeted on an annual basis will increase.

The City of Milwaukee is one partner in a regional transportation system that encompasses surrounding municipalities, counties, and state government. DOA will work with the Mayor and the Common Council to establish a regional transportation strategy including adoption of a Locally Preferred Alternative, revision of the Downtown Plan, and a financial strategy for a local match, so that the city and its regional and state partners can work collaboratively on improving the metropolitan transit system. This improvement is critical to sustaining the economic growth supported by an effective transit system.

Environmental Sustainability: The Department of Administration's (DOA) Office of Environmental Sustainability (OES) through its own initiatives, and in collaboration with partners, seeks to create a sustainable city through closer strategic alliance with Milwaukee's businesses, community and environmental advocacy groups, and philanthropic organizations. The OES mission is to position Milwaukee as a leader in environmental sustainability by advocating economic development policies that incorporate the "triple bottom line" of sustainable development: people, planet and profits. OES has three goals:

- Improving sustainability and economic efficiencies of city operations;
- Improving area businesses' sustainability and competitiveness; and
- Improving community sustainability and livability.

OES is working to align the city's long term sustainable development strategies around these three goals. In addition, OES and DOA are working across city departments to reduce energy use in city operations by 15% by 2012.

In 2011, OES will continue working with city departments to improve energy efficiencies and environmental performance by upgrading city facilities and buildings using funding from the federal government stimulus via the Energy Efficiency Block Grant to implement improvements. This funding provides $5.8 million to implement projects that increase energy efficiency for government operations, homeowners, and businesses. Funds have been allocated based on projected reductions in energy use, and for "shovel ready" projects. OES is also conducting a Greenhouse Gas and Energy (GHG) inventory of city operations in order to measure baseline performance and energy expenditures. The GHG inventory will provide the necessary information on progress toward meeting the 15% energy reduction goal as well as help the city align and target policies and resources aimed at reducing the cost of city government operation through better energy and resource management. OES will be using this information as it begins researching the development of a Sustainability Plan for the city which focuses on strategic economic development tied to improving long term environmental sustainability.

OTHER SERVICE AND BUDGET CHANGES

Environmental Sustainability Program: The 2011 proposed budget creates a separate division with the Department of Administration for the Office of Environmental Sustainability. This will allow more accountability and flexibility for the program to manage its grant funding and programs.

A cornerstone OES program in the 2011 proposed budget is the Milwaukee Energy Efficiency Program (Me2) which will help improve the city's housing stock and help property owners save money on their utility bills by funding energy efficiency upgrades in residential and non-residential properties. The program is a collaborative effort between the City of Milwaukee and Focus on Energy, and will utilize $1.2 million of federal Energy Efficiency Block Grant funds as well as over $12 million in additional funds from the U.S. Department of Energy (DOE). Focus on Energy will coordinate low cost energy audits of residential and non-residential properties. The program will help eligible Milwaukee property owners afford cost effective energy efficiency upgrades that otherwise may not have been completed, and provide increased demand for the work required to complete these projects. The program will help Milwaukee residents manage energy costs, protect the environment, improve Milwaukee's housing stock, provide new skills training to area workers, and reduce the region's demand for electricity and natural gas.

The city's approach to industrial energy efficiency upgrades as part of the Me2 program will be augmented by the federal government partnership program E3: Economy, Energy and Environment. E3 is a coordinated federal and local technical assistance initiative sponsored by the U.S. Environmental Protection Agency (EPA), U.S. Department of Commerce (DOC), U.S. Department of Energy (DOE), U.S. Department of Labor (DOL) and the Small Business Administration (SBA). These five federal partners work with and through their affiliated local technical assistance providers (e.g., for DOC, the Wisconsin Manufacturing Extension Partnership or for EPA, its Region 5 offices) to provide a suite of sustainability related assessments on small and medium sized manufacturers (e.g., lean and clean process audits, energy audits, stormwater management best practices). By joining forces with the local community, E3 will provide Milwaukee manufacturers with low cost, customized, hands-on assessments of production processes and assists with the implementation of sustainability enhancing and cost saving projects. OES will supplement this initiative with Me 2 funds.

A second cornerstone program OES will administer in 2011 is the *Milwaukee Shines* Solar Program which is supported by two grants from DOE. Milwaukee is one of 25 Solar America Cities as designated by DOE. This prestigious award is helping to accelerate solar adoption in Milwaukee by supporting innovative local efforts with both financial and technical assistance. As a Solar America City, Milwaukee has launched a comprehensive, citywide approach to promoting the adoption of solar energy (solar electricity and solar hot water) which includes public outreach, consumer education, contractor training, free site assessments, and limited funding for solar installations. The *Milwaukee Shines* partners have also launched a Solar Hot Water Business Council which seeks to do for the solar hot water industry in Milwaukee what the Water Council has done for water technology firms and research in the region. The Solar Hot Water Business Council's mission is to attract, support and retain manufacturers and supply chain distributors in the solar hot water market, thus providing increased job opportunities and national recognition to Milwaukee.

Information Technology Management: The 2011 proposed budget continues to align information technology resources with service needs and the city's fiscal circumstances. In 2010, the city's Chief Information Officer (CIO) took an expanded role in citywide information technology cost management. This included thorough review of IT professional contracts and citywide IT staffing levels. The CIO will assess the feasibility and appropriateness of certain technology services to be considered for consolidation within ITMD during 2011.

2011 Budget by Services (Funding in Millions)

Service	**Office of the Director and Budgeting and Financial Management**	
Activities:	Operating and capital budget administration and planning, forecasting, revenue analysis, strategic and fiscal planning, performance measurement, environmental sustainability, homeland security, and workforce development.	
		2011 Projection
Performance Measures:	Increase in general city non-tax levy own source revenues.	5.0%
	Meet expenditure restraint program expenditure limit.	Yes
	Implement six service improvements through the AIM process.	6
	Percentage reduction in energy use in city facilities.	3.0%
	Percentage reduction in stormwater runoff from city properties.	1.0%
Funding by Source:	Operating Funds	$1.6
	Grants and Reimbursables	$0.3
	Totals	**$1.9**
Service	**Grants Management**	
Activities:	Grants administration, coordination, and planning.	
		2011 Projection
Performance Measures:	Dollar amount of new grant funding.	$1,000,000
	Number of successful grant applications.	8
Funding by Source:	Operating Funds	$0.1
	Grants and Reimbursables	$1.2
	Totals	**$1.3**
Service	**Information Technology and Management**	
Activities:	Enterprise systems, Geographic Information Systems, information policy, systems development and support, E-Government, and city website.	
		2011 Projection
Performance Measures:	Number of "visits" on the city's website.	5,000,000
	Number of service requests processed through the city's website.	10,000
	Number of registered E-Government users.	36,000
	Number of E-Notify subscribers.	15,000
Funding by Source:	Operating Funds	$4.9
	Special Purpose Accounts	$0.1
	Capital Budget	$2.0
	Totals	**$7.0**

2011 Budget by Services (Funding in Millions)

Service	**Procurement and Materials Management**	
Activities:	Purchasing administration, competitive bidding, contract administration, Procard administration, inventory monitoring, Emerging Business Enterprise, and material disposal and sale.	
		2011 Projection
Performance Measures:	Number of purchasing appeals.	2
	Number of EBE certifications and recertifications.	90
	EBE participation rate.	18.0%
	Percent of requisitions for items under $5,000.	25.0%
	Number of Procard transactions.	16,000
Funding by Source:	Operating Funds	$1.1
	Grants and Reimbursables	$0.4
	Totals	**$1.5**
Service	**Intergovernmental Relations**	
Activities:	Intergovernmental relations, lobbying, fiscal and budget analysis, and planning.	
		2011 Projection
Funding by Source:	Operating Funds	$0.4
	Totals	**$0.4**

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	Position Title	Reason
-1	-1.00		Management and Accounting Officer	Operational efficiencies.
1		1.00	Environmental Sustainability Program Manager	Grant funded positions.
1		1.00	GIS Analyst	
1		1.00	Project Manager Milwaukee Shines	
1		1.00	Grant Monitor	
1		1.00	Administrative Specialist Senior	
	0.55	0.01	Miscellaneous	Experience adjustment.
4	**-0.45**	**5.01**	**Totals**	

ASSESSOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Assure public confidence in the accuracy, efficiency, and fairness of the assessment process and ensure the equal distribution of the city's property tax levy.

OBJECTIVES: Improve customer service and transparency in assessment operations.

Increase assessment accuracy, reducing the need for appeals and changes to final property tax revenues.

STRATEGIES: Utilize technology to control operating costs and increase transparency and accuracy of information.

Utilize technology to increase ease of accessing, acquiring and understanding information.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	47.85	42.55	42.55	42.55	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	59	56	56	56	0	0
EXPENDITURES						
Salaries and Wages	$3,085,549	$2,623,437	$2,832,906	$2,764,870	$141,433	$-68,036
Fringe Benefits	1,321,724	1,075,609	1,359,795	1,327,138	251,529	-32,657
Operating Expenditures	263,273	429,200	472,450	417,700	-11,500	-54,750
Equipment	0	0	0	0	0	0
Special Funds	163,478	150,000	156,000	156,000	6,000	0
TOTAL	$4,834,024	$4,278,246	$4,821,151	$4,665,708	$387,462	$-155,443
REVENUES						
Charges for Services	$306,282	$351,500	$305,500	$305,500	$-46,000	$0
TOTAL	$306,282	$351,500	$305,500	$305,500	$-46,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The city wants to deliver services in a manner that achieves customer satisfaction. This involves recovering costs in an equitable manner. The Assessor's Office is responsible for uniformly and accurately assessing taxable property in the City of Milwaukee. Accurate assessments ensure that all areas of the city and classes of property pay an equitable share of taxes.

The department has focused on improving its valuation systems by maximizing technology. This allows the department to improve quality while reducing costs. Recent technology improvements have focused on providing public information and assistance. Using technology has dramatically increased the availability of property information via the Internet, helping both potential buyers and sellers of property, and has significantly reduced the number of assessment objections and telephone inquiries for the Assessor's Office.

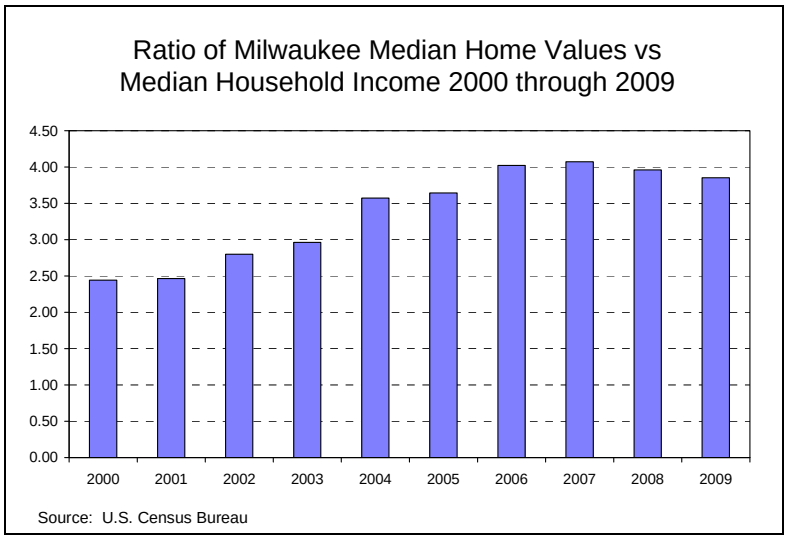
Strategies and Milestones for 2011

Objective: Improve customer service and transparency in assessment operations.	
Strategies	**2011 Milestones**
Increase ease of taxpayers and property owners in accessing, acquiring, and understanding information.	Reduce public requests for general information by 5% via increased availability of information on website. Increase the availability of assessment and housing market related information on the Internet.
Objective: Increased accuracy of assessments, reducing the need for appeals and changes to final property tax revenues.	
Strategies	**2011 Milestones**
Continued accuracy of information.	Number of assessment appeals remain at or below levels that have been maintained since 2004.

STRATEGY IMPLEMENTATION

The performance of the Assessor's Office in producing fair, accurate, and equitable assessments is measured statistically using assessment ratios. The assessment level is calculated by dividing the assessment by the sale price. The Assessor's Office was able to reach its goal of residential assessments being within 5% of sales prices in 2009, despite a large drop in sales and prices in the last three months of the year. As shown in Figure 1, increases in Milwaukee residential home values outpaced residents' gains in income from 2000 through 2007. In 2008 this began to fall which may signal a return to more traditional value-to-income ratios of 2.5:1.

Figure 1



The Assessor's Office has used technology, strong recordkeeping, and other efficiency improvements to increase its productivity by nearly 50% between the 1999 and 2009 assessment years (see Figure 2). These improvements have occurred with taxable land parcels increasing by 7,300 and full time equivalent staffing levels decreasing 26.0%.

The coefficient of dispersion and the price related differential further test the uniformity of assessments. The coefficient of dispersion measures the average difference that sales are from the median sales ratio (see Figure 3). For example, if the target is an assessment level of 100%, and the coefficient of dispersion is 10, this means that the average assessment is within 10% of that 100% target. The Price Related Differential (PRD) is a statistical measure used to determine if assessments are favoring one class of homeowners over another. If this differential is greater than 1, the assessment is regressive (advantageous to those with higher property values); if it is less than 1, the assessment is progressive (advantageous to those with lower property values). The Assessor's Office had a PRD of 1.02 for 2009, indicating a high degree of accuracy and fairness in valuing property despite the challenging housing market.

The Board of Assessors and the Board of Review hear assessment appeals, affording property owners the opportunity to voice concerns or contest an assessment. In recent years, efforts have focused on improving assessment accuracy, providing public information and education, and increasing access to assessment and sales data to reduce the number of appeals. These efforts have resulted in a significant reduction in appeals since 1988, and appeals have remained at relatively low levels in recent years despite swings in the housing and commercial development market (see Figure 4).

In the City of Milwaukee, there were nearly 7,000 tax exempt properties in 2009 with an estimated exempted value of more than $4 billion. To protect the city's tax base, the Assessor's Office critically reviews all tax exemptions on an ongoing basis to ensure that all exempt properties continue to serve the public good and provide the services that rendered them tax exempt. The Assessor's Office has also worked with some non-profit organizations and colleges and universities to have these organizations provide Payments in Lieu of Taxes (PILOTs) as part of agreements related to new development.

OTHER SERVICE AND BUDGET CHANGES

The Assessor's Office will increase expenditures by 9.1% from its 2010 budget, to $4.7 million. This increase reflects salary settlements from 2007 through 2009 contracts.

The Assessor's Office constantly works to improve its assessment efficiency and accuracy, including initiatives to update technology, maintaining up-to-date information on land parcels and the housing market.

Figure 2

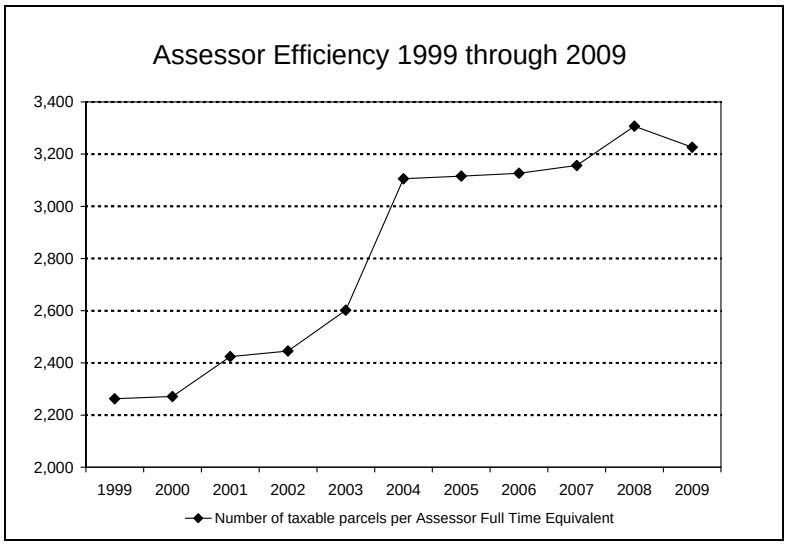


Figure 3

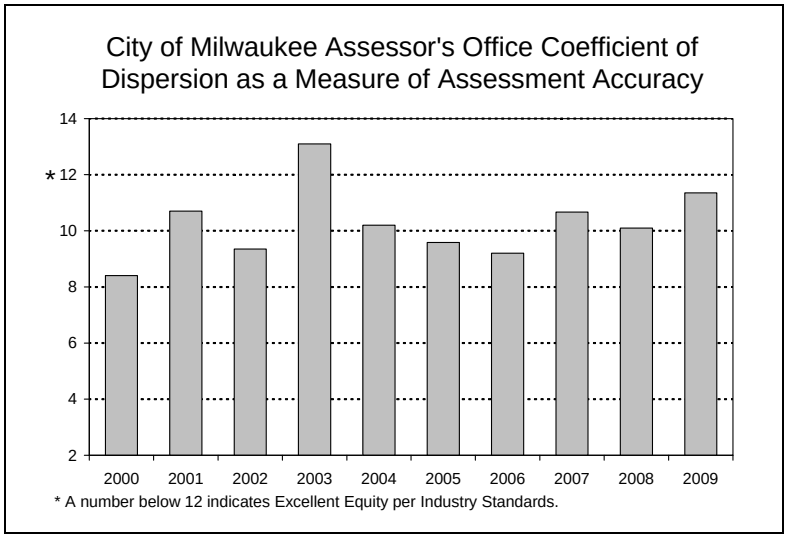
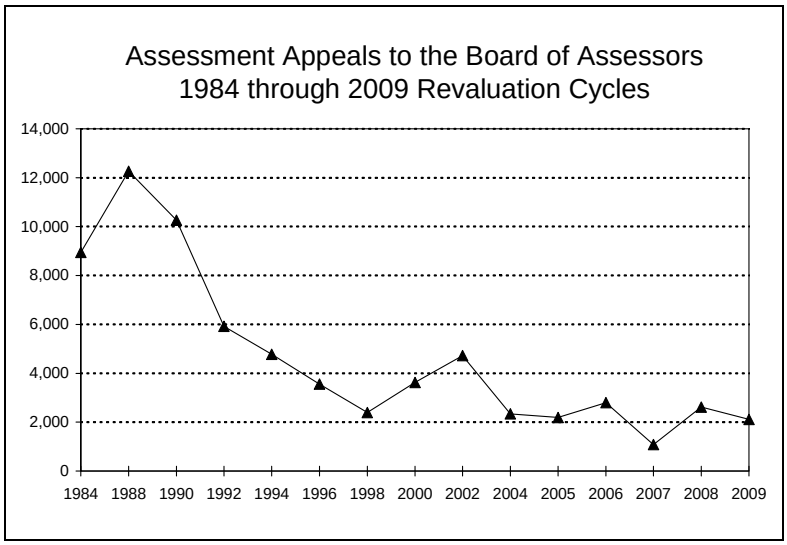


Figure 4



2011 Budget by Services (Funding in Millions)

Service	**Property Assessment**	
Activities:	Assessment of real and personal property, supporting the Board of Assessors and Board of Review, reviewing exemption requests.	
		2011 Projection
Performance Measures:	Assessment level.	95% - 105%
	Coefficient of dispersion.	<10.0
	Price related differential.	1.00
Funding by Source:	Operating Funds	$3.7
	Special Purpose Accounts	$0.8
	Totals	**$3.7**
Service	**Process Objections**	
Activities:	Timely resolution of objections and appeals to property assessments.	
		2011 Projection
Performance Measures:	Total assessment objections.	2,600
	Number of appeals to Board of Review	560
Funding by Source:	Operating Funds	$0.9
	Totals	**$0.9**
Service	**Public Information**	
Activities:	Providing prompt and accurate information to taxpayers and property owners of assessment related information.	
		2011 Projection
Performance Measures:	Residential property inquiries.	2,700
	Commercial property inquiries.	400
	Website hits.	1,500,000
Funding by Source:	Operating Funds	$0.1
	Totals	**$0.1**

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

CITY ATTORNEY

EXECUTIVE SUMMARY

MISSION: Provide legal services and meet the city's needs in accordance with the City Charter and statutory requirements.

OBJECTIVES: Protect the city's interests in litigation.

Improve the quality of life for Milwaukee residents.

Manage risk so that liabilities do not disrupt finances.

STRATEGIES: Assess and defend claims, lawsuits, and administrative cases.

Provide legal advice and policy options to city officials and departments.

Community prosecution initiatives to abate nuisances.

Vigorously prosecute ordinance violations.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	57.55	54.80	59.80	56.80	2.00	-3.00
FTEs - Other	4.25	4.00	2.25	2.25	-1.75	0.00
Total Positions Authorized	65	63	63	63	0	0
EXPENDITURES						
Salaries and Wages	$4,816,763	$4,454,423	$4,901,667	$4,852,650	$398,227	$-49,017
Fringe Benefits	2,204,384	1,826,314	2,352,800	2,329,272	502,958	-23,528
Operating Expenditures	368,682	449,000	413,000	413,000	-36,000	0
Equipment	91,079	54,000	79,000	79,000	25,000	0
Special Funds	0	0	0	0	0	0
TOTAL	$7,480,908	$6,783,737	$7,746,467	$7,673,922	$890,185	$-72,545
REVENUES						
Charges for Services	$709,826	$635,700	$888,000	$888,000	$252,300	$0
TOTAL	$709,826	$635,700	$888,000	$888,000	$252,300	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City Attorney's Office supports the city's goals of building safe and healthy neighborhoods and improving fiscal capacity. It supports these goals to the extent that it effectively prosecutes ordinance violations, abates nuisances through community prosecution and related efforts, and minimizes financial liabilities resulting from claims and lawsuits.

The City Attorney is a publicly elected official and 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 litigation and maintains 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, in collecting claims and delinquencies, and in prosecuting violations of city ordinances.

Strategies and Milestones for 2011

Objective: Protect the city's interest in litigation.	
Strategies	**2011 Milestones**
Assess merits of claims, lawsuits, and administrative cases. Vigorously defend the city's interest.	Number of claims resolved through denial or settlement. Number of lawsuits filed and resolved.
Provide legal advice and support to city officials and departments.	Legal opinions drafted. Resolutions and ordinances prepared and reviewed. Contracts and other legal documents drafted.
Objective: Improve quality of life for Milwaukee residents.	
Strategies	**2011 Milestones**
Continue Community Prosecution Unit initiatives to abate nuisance properties, investigate problem licensed premises, and prosecute prostitution activity in conjunction with other departments and residents.	Number of referrals received and closed. Number of lawsuits initiated and closed.
Prosecute violations of city ordinances in Municipal Court.	Number of ordinance violations resolved through dismissal, settlement, or trial.

STRATEGY IMPLEMENTATION

The primary objective of the City Attorney's Office is to protect the legal interests of the City of Milwaukee. The department has two indicators that measure achievement of 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 tries 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 shown in Figure 1, in 2009 there was a slight decrease in the cases resolved by pre-trial evaluation.

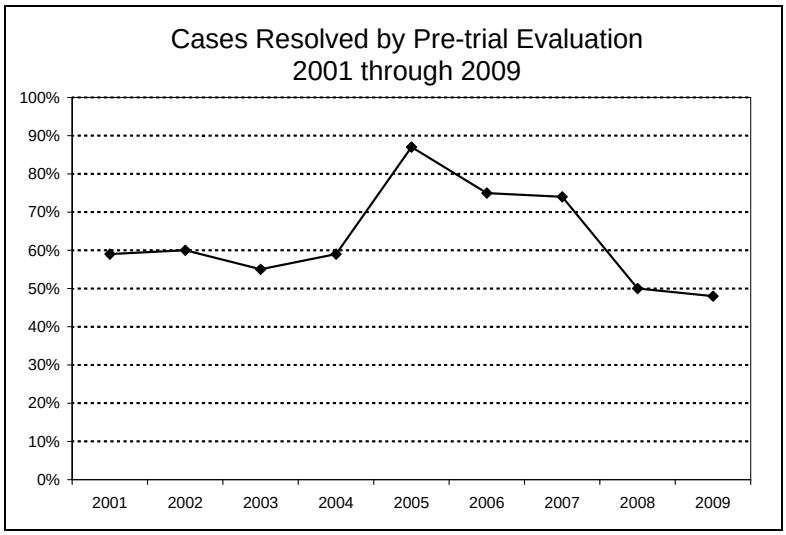
The second measure is the percent of claims filed three years prior that result in lawsuits. When claims between the city and claimant cannot be resolved they expose the city to increased liability and additional time spent in court. Therefore, it is in the best interests of the city to minimize the number of claims that proceed to litigation. However, claimants have three years after filing a claim to file a lawsuit.

OTHER SERVICE AND BUDGET CHANGES

Community Prosecution: Since 2005, the Community Prosecution Unit of the City Attorney's Office has collaborated with community agencies and other City of Milwaukee departments to abate nuisance properties, eliminate known drug and gang houses, investigate problem licensed premises, and prosecute prostitution

activity. Community prosecutors are actively assisting the Police Department by focusing on problem properties in specific neighborhoods. The unit now includes assigned Police Officers and an inspection team from the Department of Neighborhood Services in addition to City Attorney staff. In 2009, a total of 467 general nuisance referrals have been opened, closed, or are being actively investigated and monitored.

Figure 1



Special Purpose Accounts: The City Attorney's Office utilizes various Special Purpose Accounts to manage the legal issues encountered by the City of Milwaukee. These funds support ordinance enforcement, payment of legal claims and settlements, insuring the city against loss, expert witnesses, and receivership obligations. The 2011 proposed budget provides $1.4 million for the Damages and Claims Fund for anticipated liability exposure. The Collection Contract Fund maintains its funding at $1 million, in line with projected expenditures. Policy premiums of $450,000 are required for the Local Government Insurance Fund. The Outside Counsel/Expert Witness Fund maintains funding of $430,000 to prepare for upcoming lawsuits. The Nuisance Abatement Fund (formerly the Receivership Fund, prior 2009) is provided with $25,000 in 2011 to continue to abate commercial or residential properties that have been officially declared a nuisance.

2011 Budget by Services (Funding in Millions)

Service	**City Attorney Legal Services**	
Activities:	Prepare and review corporate and general documents, special legal services, represent the city in litigation cases, collection enforcement, and ordinance violation prosecution.	
		2011 Projection
Performance Measures:	Cases resolved by pre-trial evaluation.	55.0%
	Claims that result in lawsuits (reflects claims filed three years prior).	5.0%
Funding by Source:	Operating Funds	$7.7
	Grants and Reimbursables	$0.1
	Special Purpose Accounts	$3.3
	Totals	**$11.1**

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	Position Title	Reason
	2.00	-2.00	Assistant City Attorney	Shift from grant funding to revenue for RACM activity.
		0.25	Miscellaneous	Grant funding increase.
0	**2.00**	**-1.75**	**Totals**	

DEPARTMENT OF CITY DEVELOPMENT

EXECUTIVE SUMMARY

MISSION: Improve the quality of life in Milwaukee by guiding and promoting development that creates jobs, builds wealth, and strengthens the urban environment.

OBJECTIVES: Increase the amount of net new construction in the community by 1% or more annually.

Become ranked in top 30 of 50 largest cities by showing an upward trend in job growth by 2012.

Improve neighborhood appearance as measured by Neighborhood Quality Index.

STRATEGIES: Increase ease and efficiency of permit process by promoting use of the E-permit system.

Work vigorously to reduce the impact of high rates of residential foreclosures on Milwaukee neighborhoods.

Improve marketing of city owned property for redevelopment and regional marketing of commercial real estate opportunities.

Identify 20 acres for spot acquisition or brownfield redevelopment.

Improve neighborhood appearance and vitality by continuing the Healthy Neighborhoods and Targeted Investment Neighborhood programs.

Continue façade grants, retail investment funds, and the main street program to catalyze small businesses and improve neighborhoods commercial corridors.

Continue the Earn & Learn Summer Youth Employment program.

Develop the Life Ventures Partnership program to connect youth with information about jobs and careers.

Incorporate bioswales and other passive stormwater retention in to the urban landscape.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
FTEs - Operations and Maintenance	45.55	40.30	42.70	39.70	-0.60	-3.00
FTEs - Other	102.12	103.30	108.30	108.30	5.00	0.00
Total Positions Authorized	218	201	207	204	3	-3
EXPENDITURES						
Salaries and Wages	$2,991,115	$2,521,580	$2,802,100	$2,593,792	$72,212	$-208,308
Fringe Benefits	1,777,521	1,033,848	1,345,008	1,245,020	211,172	-99,988
Operating Expenditures	182,777	266,000	266,000	266,000	0	0
Equipment	0	0	0	0	0	0
Special Funds	368,816	125,000	225,000	236,144	111,144	11,144
TOTAL	$5,320,229	$3,946,428	$4,638,108	$4,340,956	$394,528	$-297,152
REVENUES						
Charges for Services	$283,758	$341,000	$308,200	$308,200	$-32,800	$0
Licenses and Permits	558,360	460,000	454,000	454,000	-6,000	0
Miscellaneous	104,541	200,000	150,000	150,000	-50,000	0
TOTAL	$946,659	$1,001,000	$912,200	$912,200	$-88,800	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of City Development (DCD) supports the city's goals to increase investment and economic vitality throughout the city and to build safe and healthy neighborhoods. DCD has a wide range of responsibilities in housing, planning, development, business assistance, real estate, and marketing. These responsibilities and the department's corresponding goals are designed to meet the specific needs of various segments of the population, including entrepreneurs, job seekers, and city residents.

Strategies and Milestones for 2011

Objective: Increase the amount of net new construction in the community by 1% or more annually (as measured by the Wisconsin Department of Revenue).	
Strategies	**2011 Milestones**
Increase ease and efficiency of permit process by promoting use of the E-permit system.	Achieve 48% E-permit utilization rate.
Stimulate development by effectively marketing city and Redevelopment Authority owned property for development and redevelopment.	Use new real estate database, to improve quality and currency of data regarding city and RACM property, and streamline creation of documents required for transactions.
Stimulate development through employment retention and attraction efforts.	Partner with Milwaukee 7 to respond vigorously to opportunities for business attraction and retention.
Undertake site assembly and/or brownfield redevelopment to create sites for appropriate tax generating or neighborhood serving redevelopment.	Continue redevelopment of Century City and Reed Street Yards business parks.
Objective: Become ranked in top 30 of 50 largest cities for job growth by showing an upward trend in employment by 2012.	
Strategies	**2011 Milestones**
Use tools in the department's "toolbox" to provide customized assistance to employers resulting in job attraction and retention.	Use tools like the Development Fund, low interest loans, tax credits, and Tax Incremental Financing to create or retain at least 1,200 jobs.
Objective: Improve neighborhood appearance as measured by Neighborhood Quality Index.	
Strategies	**2011 Milestones**
Develop neighborhood appearance index as part of interdepartmental team to improve coordination of services across departments and target resources.	Develop key DCD measures for index and cooperate on interdepartmental data sharing.
Improve neighborhood appearance and vitality by continuing the Healthy Neighborhoods and Targeted Investment Neighborhood (TIN) programs.	Assist property owners and neighborhood improvement efforts in 7 "Healthy Neighborhoods" and 12 "Targeted Investment Neighborhoods".

Strategies and Milestones for 2011

Develop effective strategies to mitigate negative impacts of high rates of home mortgage foreclosures.	Continue efforts through the Neighborhood Stabilization program.
Continue façade grants, retail investment funds, and the Main Street program to catalyze small businesses and improve neighborhoods commercial corridors.	Provide direct assistance to six main street districts, 35 Business Improvement Districts and at least 80 small businesses.
Objective: Expose 1,000 inner city youth to career environments.	
Strategies	**2011 Milestones**
Provide employment opportunities for teens through the Earn & Learn program.	Partner with Milwaukee Area Workforce Investment to seek resources and develop partnerships to support jobs for 150 youth in City of Milwaukee internships and 1,500 youth in community internships.
Develop the Life Ventures Partnership to connect youth with information about jobs and careers and encourage partnerships among local youth serving agencies receiving Community Development Block Grant funding.	Publish regular LVP e-mail newsletters for youth, youth-serving agencies and employers and sponsor ongoing training opportunities.
Objective: Improve surface water quality and polluted stormwater runoff by 2018.	
Strategies	**2011 Milestones**
Incorporate bioswales and other passive stormwater retention into the urban landscape.	Incorporate green infrastructure into Neighborhood Commercial District Street Improvement projects.

STRATEGY IMPLEMENTATION

DCD provides incentives for the growth of employment opportunities and supports private investment that grows the city's tax base. The department utilizes four key approaches to accomplish its mission:

- Direct financial assistance to small businesses,
- Use of Tax Incremental Financing,
- Partnerships with organizations that represent businesses and employers, and
- Redevelopment project management.

There were three Tax Incremental Districts created in 2009. These districts are City Lights (TID 73), North 35th and West Capital (TID 74), and Reed Street Yards (TID 75).

City Lights (TID 73): The project plan involves redevelopment and renovation of five buildings on the western portion of the site in the Menomonee Valley. The buildings total 70,600 square feet and will be converted to 98,000 square feet of office and "flex" space for small businesses. The first phase of the project will convert the former "Retort Building" to approximately 43,000 square feet of office area for Zimmerman Architectural Studios, Inc. The project will restore the façade to the original condition and create a mezzanine level within the high bay industrial building to increase the interior square footage from 26,400 to 43,000 square feet. Presently, there is no public

access to the city street system from the north or east. The TID will assist in the extension of a public road, as well as upgrades to the sanitary sewer and storm sewer service.

North 35th and West Capitol (TID 74): The ownership transition of the former A.O Smith/Tower Automotive site to the Redevelopment Authority of the City of Milwaukee (RACM) is now complete and work is underway to prepare the site for redevelopment as the Century City Business Park.

Upon obtaining ownership, RACM prioritized safety and basic functionality by securing the perimeter, boarding up buildings, posting hazardous conditions signage and establishing new electrical connections. In the first quarter of 2010, contracts awarded for site security, snow removal, electrical work and contract monitoring.

The environmental assessment is completed for the entire site to prepare for demolition, building improvements and other site activities anticipated in the third quarter of 2010. In order to comply with Department of Natural Resources oversight, the site has been broken up into six environmental investigation and remediation zones.

In April 2010, work began at the southern end of the property to make infrastructure, rail and interior upgrades as part of a lease agreement and letter of intent with train manufacturer, Talgo, Inc. RACM's agreement with Talgo calls for a completion date of July 2010 with occupancy by September 2010. Talgo will create up to 125 new jobs.

The City of Milwaukee anticipates a multi-year redevelopment process incorporating a variety of funding sources to cover the anticipated costs of acquisition, demolition, site preparation, new infrastructure and other related activities. These sources include $10 million in capital budget funding, $15.6 million in TID revenues, with the balance of funding derived from federal and state grants, New Markets Tax Credits equity and land sale proceeds. The overall $35.4 million project budget supports the following activities:

- Acquisition of the 84 acre portion of the site;
- Renovation or demolition of approximately 1.8 million square feet of presently vacant or underutilized industrial buildings, including asbestos abatement;
- Environmental remediation and abatement of contaminants in building components and soil;
- Clearing and grading of the site;
- Stabilization of existing buildings and ongoing holdings costs for the site during the three year development period;
- Public improvements, including streets and utilities to serve the business park;
- Matching funds to assist with qualified private improvements to existing residential properties in the TID;
- Development fund to provide funding for job training within the district;
- Planning and community outreach; and
- Administrative costs associated with the TID.

The city will complete significant demolition, environmental remediation, and site preparation activities before construction can commence on the site. The first land sale is expected to occur in 2013 and the first business park building is expected to be completed in 2014.

Reed Street Yards (TID 75): In 2009, the project plan and boundary for this district were approved to capture expected increment from 2010 assessments. However, the adopted resolution did not authorize funding.

The Common Council is expected to vote to authorize funding for all, or a portion, of the project costs budgeted in the project plan in 2010. If approved, construction of the public infrastructure would begin in 2010 or 2011.

Development in the Menomonee Valley: Ingeteam, a Spanish company with worldwide operations, will produce electric generators for wind turbines and converters for green energy at its Milwaukee plant which began construction in the Menomonie Valley Industrial Center in 2010. Ingeteam anticipates employing 275 people at the

new 114,000 square foot building. The company's new facility will occupy an 8.1 acre parcel that Ingeteam purchased from the city at market rates. A package of loans and tax credits, including Wisconsin's new JOBS tax credit and New Markets tax credits to be used in construction financing, helped Ingeteam to select Milwaukee.

Small Businesses: The main employers in any community are existing small businesses. In 2009, DCD continued its commitment to the growth of jobs and local industry in Milwaukee through financial and technical assistance provided to small and mid-sized businesses. This assistance comes from the various funds and programs under DCD's control, including the Main Street Milwaukee program, facade grants, various grant and loan programs, and a retail investment fund.

Through TIDs and these small business programs, DCD reported the following accomplishments in 2009:

- Jobs created: 366
- Jobs retained: 888
- New housing constructed: 527 units
- Commercial/industrial space created: 440,458 square feet
- Investment leveraged: $128 million
- Development Center walk-in customers: 13,225
- 96 vacant lots sold that generated $776,566 in sales revenue and $8.3 million in expected investment.

In 2011, DCD will use its economic development "toolbox" to encourage private investment throughout Milwaukee, with an emphasis on the Park East Corridor, Reed Street Yards, the 30th Street Industrial Corridor, central city residential neighborhoods and commercial corridors, riverfront property, underused industrial properties, and the Memonomee Valley.

Development Center: The City of Milwaukee Development Center is responsible for the processing of all permits for the construction or remodeling of city buildings. In 2009, the number of permits issued through the Development Center decreased from 33,973 in 2008 to 33,186. The department issued more than 45% of the permits through the online E-permits system in 2009. In 2011, DCD projects it will issue 48% of permits online as contractors continue to become more familiar with the system.

Earn & Learn Program: DCD also administers the "Earn & Learn" program. Earn & Learn assists young people in making a successful transition to adulthood by providing opportunities to develop work readiness skills while they earn wages working in government, community and faith based organizations and private sector businesses. In 2009, DCD placed 175 youth in City of Milwaukee internships and partnered with MAWIB to place 2,825 youth in private and non-sector internships. Federal stimulus funds and a grant from the State of Wisconsin made it possible to significantly expand the program in 2009.

Foreclosures: The City of Milwaukee and a broad coalition of partners have been working to address the problem of foreclosures in the City of Milwaukee. These efforts are comprehensive, and address the foreclosure problem in a number of ways:

- Prevention efforts - to expand outreach efforts and increase education for homeowners and potential homebuyers
- Intervention efforts - to assist homebuyers facing foreclosure.
- Stabilization efforts - to address vacant and abandoned properties in city neighborhoods.

In 2008, Mayor Barrett launched the Milwaukee Foreclosure Partnership Initiative (MFPI) to combat the effects of the rise in foreclosures on city residents and neighborhoods. More than 100 volunteers came together to develop innovative solutions to address the foreclosure problem in Milwaukee. Milwaukee's Common Council also convened the Special Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes to guide the city's efforts for the use of federal funding to address foreclosed homes in city neighborhoods.

Neighborhood Stabilization Program: The plan for the federal Neighborhood Stabilization Program funding is to utilize a number of different strategies to address the issue of foreclosed homes in city neighborhoods. It includes a set of tools that build on existing programs, as well bring new ones to the effort. Proposed activities include those that promote homeownership, affordable rental housing, blight elimination and the improvement of city neighborhoods.

Milwaukee has received NSP funding for three phases of the program. Phase 1 provided $9.2 million, Phase 2 funding is $25 million and Phase 3 will provide $2.7 million. Funding is allocated to purchase and rehabilitate foreclosed properties, selective demolition, new construction and creation of a foreclosed property land bank.

All bank owned foreclosed properties are posted on the city's foreclosure website with information on financing opportunities and resources available for homeownership. DCD staff members will work with local lenders, realtors, home buying counseling agencies and community organizations to market opportunities under the program to prospective homeowners.

OTHER SERVICE AND BUDGET CHANGES

Staffing Changes: Three currently vacant positions are eliminated in 2011. One Senior Planner and one Associate Planner are eliminated in the Planning Section and one Graphics Designer II is eliminated in the Marketing Section.

Six new positions are created for the Neighborhood Stabilization Program. These positions are funded through the Neighborhood Stabilization Program federal grant.

CAPITAL PROJECTS

Advanced Planning Fund ($150,000): Funding will support land use, engineering, marketing and economic studies related to economic and real estate development activities.

Neighborhood Commercial District Street Improvement Fund ($250,000): This funding provides a match to Business Improvement District loans to improve the streetscapes and the required city match for approved CMAO projects.

Tax Increment Districts (TIDs): The 2011 proposed budget provides the following TID borrowing authority:

- **New Borrowing for Potential New TIDs ($20 million):** This portion provides funding authority for potential new TIDs created in 2011. These TIDs will still undergo the existing approval process through the Joint Review Board, Mayor, and Common Council.
- **Developer Revenues ($4.3 million):** Provides budget authority to pay the increment on current developer financed TIDs. There are offsetting revenues for these payments.
- **Capitalized Interest ($2 million):** Provides budget authority to pay for interest costs associated with TID borrowing for the first two years of debt service payments.

Healthy Neighborhoods Initiative ($200,000): This initiative provides funding for the city to cooperate with local neighborhood organizations and foundations to promote investment in some of Milwaukee's stronger neighborhoods. Funds are available for various projects including general home improvement and small scale neighborhood projects.

Development Fund ($1.5 million): This funding supports the retail investment fund, façade grants, brownfield cleanup and other business assistance programs.

ADA RiverWalk ($1.6 million): This funding allows DCD to improve the RiverWalk and make it easily accessible to all residents. The total cost of the project is $4.95 million including $2.22 million that had been budgeted in the

Development Fund in prior years. The 2011 allocation along with prior year funding will fund access improvements at all nine locations.

Housing Infrastructure Preservation Fund ($300,000): This program provides funding for property improvements to housing the city has obtained through foreclosure. The intent is to take housing that currently is not habitable but worthy of restoration or rehabilitation and make necessary improvements to that housing. Use of the fund will prevent further deterioration of properties with a high potential for resale and renovation, and will reduce negative impacts of such properties on their neighborhoods.

***In Rem* Property Program ($200,000):** The intent of this program is to provide minor capital repairs to properties obtained by the city through foreclosure. This will assist the department in marketing and selling these properties to get the properties back on the tax roll.

2011 Budget by Services (Funding in Millions)

Service	**Economic Development**	
Activities:	Administer Tax Incremental Financing program, support private development investment, small business loans through MEDC, façade grants, retail investment grants, support to BIDs, develop and market industrial corridors, home improvement and infill housing, development permitting and plan review, upgrade streets in neighborhood commercial districts, prepare and market sites for new development, support development of market rate housing, sell city owned real estate for development and brownfield redevelopment.	
		2011 Projection
Performance Measures:	Total number of permits issued.	33,000
	E-permit utilization rate.	48%
	Jobs **created** or **retained** by employers receiving city assistance and support.	700
	New housing units constructed with city assistance.	300
Funding by Source:	Operating Funds	$3.6
	Grants and Reimbursables	$13.2
	Capital Budget	$30.5
	Special Purpose Accounts	$0.6
	Totals	**$47.9**
Service	**Federally Assisted Housing**	
Activities:	Operate 5,200 units of public housing for low income residents, administer 5,800 section 8 vouchers for low income residents, implement HOPE VI grants to re-engineer public housing developments, and increase self-sufficiency of public housing residents through partnerships with service providers.	
		2011 Projection
Performance Measures:	U.S. Department of Housing and Urban Development Public Housing Assessment System rating.	Standard Performer
	U.S. Department of Housing and Urban Development Section 8 Voucher program rating.	High Performer
Funding by Source:	Grants and Reimbursables	$66.0
	Totals	**$66.0**

2011 Budget by Services (Funding in Millions)

Service	**Land Use and Policy Planning**	
Activities:	Prepare citywide Comprehensive Plan elements, prepare neighborhood land use and redevelopment plans to guide investment, administer Milwaukee's zoning ordinance, data analysis and policy development, design guidance for city assisted development and redevelopment, and staff support for the City Plan Commission and Historic Preservation Commission.	
		2011 Projection
Performance Measures:	Prepare neighborhood land use and redevelopment plans.	2
	Operating Funds	$0.7
Funding by Source:	Grants and Reimbursables	$0.1
	Capital Budget	$0.2
	Totals	**$1.0**

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	Position Title	Reason
-1	-1.00		Graphics Designer II	Eliminated due to budget constraints.
-1	-1.00		Senior Planner	
-1	-1.00		Associate Planner	
1		1.00	Community Outreach Liaison	Neighborhood Stabilization Program.
2		2.00	Housing Rehab Specialist	
1		1.00	Housing Program Specialist	
1		1.00	Office Assistant IV	
1		1.00	Accountant I	
	2.40	-1.00	Miscellaneous	Experience adjustment.
3	**-0.60**	**5.00**	**Totals**	

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

The Housing Authority of the City of Milwaukee is a body politic and corporate of the State of Wisconsin and is responsible for construction, management, provision of safe, affordable, and quality housing with services that enhance residents' self-sufficiency. 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.

HACM's principal funding source is the federal government through various programs administered by the U.S. Department of Housing and Urban Development (HUD). HUD provides an operating subsidy to help offset the difference between the expenses associated with managing public housing and the revenues received from 30% of resident's income (rental revenue). The Housing Authority anticipates additional reductions in future federal funding associated with the transition to asset based management. The Housing Authority continues to look for additional opportunities to maximize its resources.

HACM activities include:

- Low rent public housing management;
- Rent Assistance Program (Section 8);
- Development and rehabilitation;
- Affordable housing; and
- Homeownership and self-sufficiency services.

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE (RACM)

The Redevelopment Authority is an independent corporation created by state statute in 1958 and derives its powers solely from state law. The Redevelopment Authority's relationship with the City of Milwaukee is more particularly described in the audited financial statements of the Redevelopment Authority.

A board whose members are appointed by the Mayor and confirmed by the Common Council oversees the Redevelopment Authority. The Redevelopment Authority relies upon the Department of City Development for the professional, technical, and administrative support necessary to carry out its mission. This is accomplished through an annual cooperation agreement with the City of Milwaukee, with operating funds provided through the city's CDBG program for:

- Management of financial affairs;
- Land use planning and urban design guidance;
- Real estate acquisition and disposition;
- Relocation assistance for displaced families and businesses;
- Property management and environmental investigation; and
- Housing and economic development project management.

The mission of the Redevelopment Authority is to eliminate blighting conditions that inhibit neighborhood reinvestment; foster and promote business expansion and job creation; and facilitate new business and housing development. Toward that end, the Redevelopment Authority:

- Prepares and implements comprehensive redevelopment plans;
- Assembles real estate for redevelopment;
- Is empowered to borrow money, issue bonds, and make loans; and
- Can condemn property (eminent domain) in furtherance of redevelopment objectives.

MILWAUKEE ECONOMIC DEVELOPMENT CORPORATION (MEDC)

The Milwaukee Economic Development Corporation is a non-stock, non-profit organization formed in 1971 to promote economic development for the benefit of 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 27 member Board of Directors including the Mayor, the Comptroller, the President of the Common Council, 2 council members, and 13 representatives of the business community oversee 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.

Some services are provided to MEDC by the city through an agreement that is reviewed periodically. The city is reimbursed for any personnel and resources provided to the corporation under this agreement. 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 include:

- SBA 504 Debenture Program
- Second Mortgage Program
- Land Development Program
- Target Loan Program
- Partnership Loan Program
- Capital Access Program

NEIGHBORHOOD IMPROVEMENT DEVELOPMENT CORPORATION (NIDC)

The Neighborhood Improvement Development Corporation is a non-profit corporation established by the city in 1973 for the purpose of performing activities that assist and encourage reinvestment in residential property as part of an overall neighborhood economic stabilization strategy. NIDC programs encourage investments by private lending institutions and property owners by providing financial assistance in the form of grants, rehabilitation loans, and other financial incentives. NIDC also acts as a developer to stabilize and encourage neighborhood housing markets, it provides technical assistance, and it serves as a liaison between community based organizations, city departments, and residents.

NIDC is headed by a nine member Board of Directors, which includes at least four city residents. Federal funding supports many NIDC programs (received through the Community Development Block Grant program) and NIDC has also obtained financial support for its programs through local foundations and corporations.

NIDC's key neighborhood redevelopment strategy is its Targeted Investment Neighborhood (TIN) program. The TIN program is a neighborhood revitalization strategy in which NIDC, working with neighborhood partners, focuses resources in a defined geographic area in an effort to stabilize and increase owner occupancy, strengthen property values, and assist property owners in improving the physical appearance and quality of life in their neighborhood.

COMMON COUNCIL CITY CLERK

EXECUTIVE SUMMARY

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

OBJECTIVES: Produce efficient operations that deliver city government information in a user friendly, understandable manner.

Produce an equitable licensing system that provides efficient services and supports business operations while providing adequate protections for the public.

STRATEGIES: Use technology to reduce costs while increasing the productivity and efficiency of legislative constituent services and improving public access to government actions and meetings.

Streamline licensing operations as part of a new license information system and improve customer service with the use of Internet transactions.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	90.50	90.30	89.30	88.67	-1.63	-0.63
FTEs - Other	0.00	2.00	2.00	2.13	0.13	0.13
Total Positions Authorized	111	113	112	113	0	1
EXPENDITURES						
Salaries and Wages	$5,129,422	$5,010,948	$5,183,058	$4,982,071	$-28,877	$-200,987
Fringe Benefits	2,350,716	2,054,489	2,487,868	2,391,394	336,905	-96,474
Operating Expenditures	551,453	746,235	785,625	785,625	39,390	0
Equipment	58,095	15,000	39,800	26,000	11,000	-13,800
Special Funds	75,948	32,035	57,035	42,035	10,000	-15,000
TOTAL	$8,165,634	$7,858,707	$8,553,386	$8,227,125	$368,418	$-326,261
REVENUES						
Charges for Services	$4,589,926	$4,336,200	$4,650,000	$4,950,100	$613,900	$300,100
Licenses and Permits	2,173,364	2,207,230	2,160,000	2,160,000	-47,230	0
Miscellaneous	6,125	14,000	0	0	-14,000	0
TOTAL	$6,769,415	$6,557,430	$6,810,000	$7,110,100	$552,670	$300,100

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The mission of city government is to enhance the safety, prosperity, and quality of life of Milwaukee's citizens. Departments support this mission through the legislation and regulations enacted by the Common Council and using the resources the Council adopts through the annual budget.

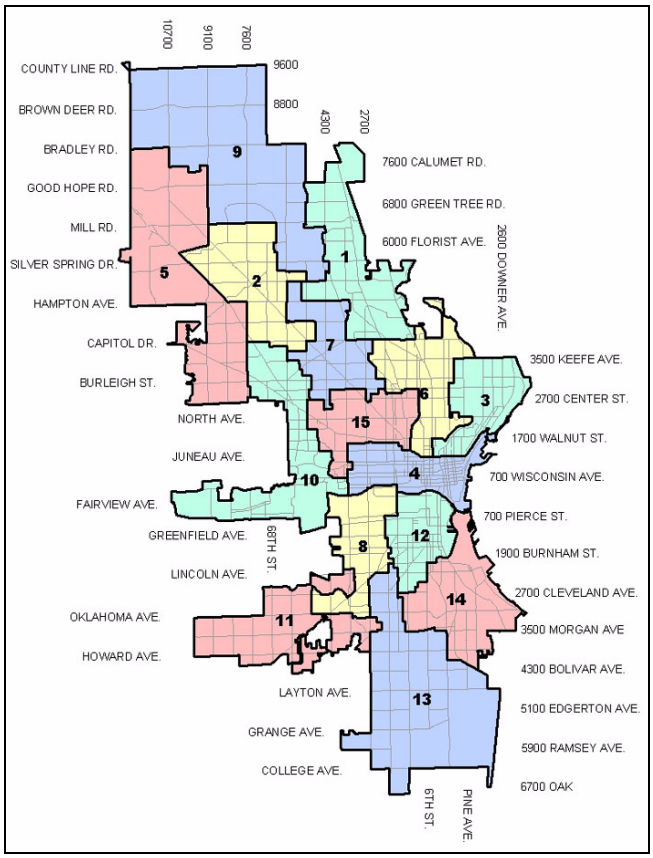
The Common Council City Clerk's Office performs the functions of city government and licensing in an efficient, fair manner. In addition, the department maintains accurate and up-to-date records of city government actions and ordinances, and keeps constituents informed of the actions of their Council representatives. The City Clerk's

Office also administers and assists in investigating many of the city's various license applications, and collects license revenues.

The Common Council constitutes the legislative branch of city government. The 15 members represent geographically distinct districts (see Map 1) and are currently in the third year of their four year terms. The City Clerk's Office supports the Council and other general operations of city government through four areas: the Central Administration Division, the Public Information Division, the Legislative Reference Bureau, and the License Division.

Central Administration staff provides general administrative support functions for the department, staffs Council and committee meetings, and assists Council members in their work with constituents. The Public Information Division produces public relations material and operates 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 registers lobbyists and administers various licenses, including liquor, bartender, home improvement and other occupational licenses.

Map 1



Legislative Information: The city's Legislative Research Center website has been updated over the last three years, making for a more user friendly system that increases the ease in which constituents and city officials can find city ordinances, legislative acts, and Council actions. The site includes video records of Council and committee meetings, and text records of files.

CHANGES IN SERVICES

The Common Council City Clerk's 2011 proposed operating budget totals $8.2 million, a 4.9% increase from the 2010 adopted budget. The City Clerk's budget has been reduced from its request to stay within these budgetary constraints. Funding for computer upgrades has been reduced by $15,000, and approximately $14,000 in requested equipment for committee rooms and Channel 25 has been postponed. One Production Technician position has been eliminated, as requested, to streamline operations and meet budgetary goals.

STRATEGY IMPLEMENTATION

License Information System: A comprehensive study of city license business requirements and workflow processes was completed in early 2007. This study recommended changes to streamline the city's licensing structure as well as the process used to apply for, process, and administer licenses. The Common Council City Clerk's Office is working with contractors to use the State of Wisconsin Department of Licensing and Regulation's system to integrate information for the public, allowing for better tracking of license requests for city departments and the Common Council.

The new web based Licensing Information Reporting and Administration System will be completed and functional for city employees in September. In 2011, the City Clerk's Office will work with ITMD to develop public interfaces. The licensing operations will be able to maintain an efficient database, allowing operations to be run in a cost effective manner while making it easier for constituents and city government officials to acquire information. The City Clerk's Office entered into a Memorandum of Understanding to receive the State Department of Licensing and Regulation Code at no charge, and will utilize an ITMD server as part of this new Licensing Information System. ITMD has held weekly meetings with the installing contractor of the new Licensing Information System regarding installation and changes made to the system to accommodate the License Division licensing process. ITMD staff members are working closely with the contractor to make the necessary adaptations to the system. This will allow ITMD to handle operations of the system internally, with an in-house knowledge base about the system, which will speed the resolution of any problems with the new licensing system.

OTHER SERVICE AND BUDGET CHANGES

Position Changes: The 2011 proposed budget contains an elimination of one O&M position, a Production Technician (0.5 FTE) in the Television Services Section. There was also a position change related to the Capital Improvements Committee, in which a Capital Program Specialist was reclassified to a Fiscal Planning Specialist based on a study by the Department of Employee Relations.

Liquor License Notifications: In December 2009, the Common Council passed an ordinance implementing the recommendations of the Alcohol Beverage Licensing Task Force for providing neighborhood notice of new and renewal applications for Class A, Class B, and Class C liquor licenses. The ordinance provides that the City Clerk will send a notice to all addresses within 250 feet of an establishment applying for a new or renewal liquor license. There is currently a pilot project in District 3 in which the notifications provide additional information to affected individuals who can then submit their opinions through an online survey. The City Clerk hopes to expand this pilot program within the next year or two. The $16,000 cost of printing and distributing these surveys is included in the City Clerk's 2011 proposed budget.

2011 Budget by Services (Funding in Millions)

Service	**City Government Administration**	
Activities:	Supports the operations of the Common Council and City Clerk's Office, and performs governmental administration functions assigned to the City Clerk. Provides information to the general public regarding the operations of city government.	
		2011 Projection
Funding by Source:	Operating Funds	$1.9
	Special Purpose Accounts	$0.6
	Totals	**$2.5**
Service	**License Administration**	
Activities:	Issuance and administration of licenses.	
		2011 Projection
Performance Measures:	Number of applications processed.	18,000
	Number of licenses issued.	11,500
	Number of other permits and registrations issued.	1,400
Funding by Source:	Operating Funds	$0.8
	Totals	**$0.8**

2011 Budget by Services (Funding in Millions)

Service	**Public Information**	
Activities:	Provides information to the general public regarding the operations and services of city government.	
		2011 Projection
Funding by Source:	Operating Funds	$0.7
	Totals	**$0.7**

Service	**Legislative Operations**	
Activities:	Establish city ordinances, policies, and budgets for the operation of city government. Provide record keeping, research, and drafting services in support of Council operations.	
		2011 Projection
Funding by Source:	Operating Funds	$4.8
	Totals	**$4.8**

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	Position Title	Reason
	-0.50		Production Technician	Position no longer needed.
1		1.00	Fiscal Planning Specialist	Position reclassified based on Department of Employee Relations study.
-1		-1.00	Capital Program Specialist	
-1	-1.00		Administrative Specialist Senior	Reorganization of office functions.
1	1.00		Administrative Services Coordinator	
	-0.13	0.13	Public Information Manager	Position funded 13% by grant.
	-1.00		Various Positions	Miscellaneous adjustment.
0	**-1.63**	**0.13**	**Totals**	

COMPTROLLER

EXECUTIVE SUMMARY

MISSION: To fulfill the responsibilities of the independently elected Comptroller of the City of Milwaukee.

OBJECTIVES: Provide independent fiscal, financial and program analysis, revenue estimation and auditing.

Process, maintain, and report on financial position, operating results, and cash flow projections to ensure accurate, efficient, and reliable financial operations.

STRATEGIES: Create efficiencies to improve the city's financial system and processes.

Maintain the city's high quality credit and manage debt in a manner that supports improvements to the overall fiscal environment.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	51.95	51.95	51.16	51.16	-0.79	0.00
FTEs - Other	7.55	8.55	9.34	9.34	0.79	0.00
Total Positions Authorized	66	67	67	67	0	0
EXPENDITURES						
Salaries and Wages	$3,368,705	$3,283,734	$3,354,466	$3,302,188	$18,454	$-52,278
Fringe Benefits	1,466,270	1,346,331	1,610,144	1,585,050	238,719	-25,094
Operating Expenditures	717,745	413,000	410,000	410,000	-3,000	0
Equipment	536	15,000	15,000	15,000	0	0
Special Funds	7,000	8,000	8,000	8,000	0	0
TOTAL	$5,560,256	$5,066,065	$5,397,610	$5,320,238	$254,173	$-77,372
REVENUES						
Charges for Services	$396,838	$250,000	$275,000	$275,000	$25,000	$0
TOTAL	$396,838	$250,000	$275,000	$275,000	$25,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to deliver services at a competitive cost and improve it's fiscal capacity. This requires that the city's financial operations are accurate, efficient, and reliable.

The City of Milwaukee Comptroller is an elected official, responsible for managing the city's financial operations. The Comptroller's duties include general and grant accounting, payroll, debt issuance and management, and auditing. The Comptroller also provides general oversight of city activities to ensure compliance with Generally Accepted Accounting Principles (GAAP) and various other regulations imposed by city ordinance, state law, or grant contract.

The Comptroller advises city policymakers on financial matters and provides leadership and advice to city sponsored committees including the Common Council's Finance and Personnel Committee. The Comptroller also holds positions on the Wisconsin Center District Board, Charter School Review Committee, Pension Board, Pabst

Theater Board, City Information Management Committee, Milwaukee Economic Development Corporation, Neighborhood Improvement Development Corporation, Summerfest, Purchasing Appeals Board, and the Deferred Compensation Board.

The Public Debt Commission is the superintendent of the issuance of city debt. Responsibility includes determining the timing, structuring, call provisions, and similar aspects of both city general obligation and revenue anticipation borrowings. The Commission also oversees the Public Debt Amortization Fund, which includes investment and the annual withdrawal. The Commission is comprised of three city residents appointed by the Mayor and confirmed by the Common Council. The Comptroller serves as the ex-officio secretary and staff to the Commission.

Strategies and Milestones for 2011

Objective: Provide independent fiscal, financial and program analysis, revenue estimation and auditing.	
Strategies	**2011 Milestones**
Create efficiencies to improve the city's financial system.	Accuracy of revenue estimation within 2%. Ten completed audits.
Objective: Process, maintain and report on financial position, operating results and cash flow projections to ensure accurate, efficient and reliable financial operations.	
Strategies	**2011 Milestones**
Maintain the city's high quality credit and manage debt in a manner that supports improvements to the overall fiscal environment.	AA+ bond rating. Unqualified audit opinion by the city's outside auditor.

STRATEGY IMPLEMENTATION

A key function of the Comptroller's Office is to provide accurate budgeted revenue estimates. With a few exceptions, the Comptroller has estimated revenues within 2% of actual revenues received in each of the last ten years.

However, if the Comptroller's revenue estimates are too conservative, the Mayor and Common Council must make other fiscal changes to ensure a balanced budget. This may include reducing budget appropriations further than necessary, increasing the property tax levy higher than necessary, or making a larger withdrawal from the Tax Stabilization Fund (TSF). If actual revenues are higher than the Comptroller's revenue estimates, the surplus revenue is deposited in the TSF. The TSF withdrawal, in effect, recoups the unrecognized revenue from the prior budget. Use of the TSF is a prudent and responsible fiscal measure that minimizes property tax levy increases.

Variances in TSF withdrawals are strongly affected by revenues that exceed estimates. The higher actual revenue amounts exceed the Comptroller's estimates, the larger the TSF balance that is available to minimize the increase in the property tax levy. In 2009, General Fund revenues exceeded the Comptroller's estimate by $2.4 million or 0.4%. This additional revenue will contribute to the TSF balance for 2011 budget purposes.

Another key function of the Comptroller is to conduct audits. Copies of major audit reports are provided on the Comptroller's web page.

The Comptroller's Office performs four major types of audits. The audits include:

- Financial audits to determine if financial records are accurate and proper controls are in place.
- Compliance audits to determine if departments comply with funding or regulatory guidelines.
- Program audits to determine if a program is operated in the most efficient and effective manner.
- Information technology audits to ensure that controls and security measures are in place to protect the city's networks and IT systems.

The official accounting records of the city are critical to its operations. 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 paychecks, 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. Timely, reliable, and accurate accounting records are essential to the delivery of important public services such as garbage collection and public health services. Systematic audits of the accounting system warrants against failures in important information by ensuring that accurate accounting records are being kept.

The Comptroller is also responsible for managing the city's debt. The Comptroller's goal is to retain the city's high "investment grade" bond ratings and maintain low borrowing costs. Low borrowing costs produce direct benefits to the taxpayer. The city continues to maintain high investment grade ratings of AA+ from Fitch, Aa2 from Moody's, and AA from Standard & Poor's.

These ratings have been maintained during the recent slow economic growth and continued frozen state aids. As the ratings indicate, the city's capacity to meet its financial commitments on outstanding obligations is strong. The ratings reflect a combination of moderate overall debt burden, rapid debt repayment, manageable capital needs, strong growth in assessed value, and a diverse tax base. The city also assists in keeping the overall debt burden affordable by controlling the level of annual debt issued.

OTHER SERVICE AND BUDGET CHANGES

The department has no service changes for 2011 but will continue to improve its revenue estimates and the city's financials systems, and to respond to outside auditor's recommendations for improving accounting processes and procedures. Outside auditing firms that review the year end city accounting books have increased their scrutiny to assure greater accuracy of the numbers and processes that are followed. The department will respond to changes as they occur.

2011 Budget by Services (Funding in Millions)

Service	**Administration**	
Activities:	Ensure duties of the Comptroller's Office are performed in a timely, accurate and efficient manner.	
		2011 Projection
Performance Measures:		
Funding by Source:	Operating Funds	$1.0
	Totals	**$1.0**
Service	**Financial Services**	
Activities:	Financial analysis, revenue estimation, auditing, and accounting.	
		2011 Projection
Performance Measures:	Accuracy of revenue estimates within 2.0% of actual revenues.	100.0%
	Completed audit reports.	10
Funding by Source:	Operating Funds	$1.1
	Totals	**$1.1**
Service	**General Accounting**	
Activities:	General accounting, payroll administration, oversight of financial assistance, coordination of financial operations systems, and reporting.	
		2011 Projection
Performance Measures:	Unqualified audit opinion by the city's outside auditor.	Yes
Funding by Source:	Operating Funds	$3.0
	Grants and Reimbursables	$0.8
	Totals	**$3.8**
Service	**Debt Management**	
Activities:	Public debt management, preparation and sale of city debt, and financial services.	
		2011 Projection
Performance Services:	Bond Rating (Fitch).	AA+
Funding by Source:	Operating Funds	$0.2
	Totals	**$0.2**

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&MFTEs	Position Title	Reason
0	-0.79	0.79	Miscellaneous Positions	Funding adjustments.
0	**-0.79**	**0.79**	**Totals**	

ELECTION COMMISSION

EXECUTIVE SUMMARY

MISSION: Conduct elections that build public trust in the democratic process and encourage registration and voting.

OBJECTIVES: Conduct fair and efficient elections.

STRATEGIES: Conduct required Spring and possible special elections in 2011.

Process and accurately record voter registration cards from previous elections.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	11.80	21.56	9.80	9.80	-11.76	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	20	107	18	19	-88	1
EXPENDITURES						
Salaries and Wages	$473,993	$718,308	$523,146	$523,146	$-195,162	$0
Fringe Benefits	199,648	298,196	251,110	251,110	-47,086	0
Operating Expenditures	601,011	1,048,275	560,535	560,535	-487,740	0
Equipment	0	0	0	0	0	0
TOTAL	$1,274,652	$2,064,779	$1,334,791	$1,334,791	$-729,988	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Election Commission manages all aspects of public elections in the City of Milwaukee. In addition to registering potential voters in Milwaukee, the department also establishes approximately 200 polling locations with appropriate workers, supplies, and ballots on election days. The Commission administers the statutory obligations for elected officials and potential candidates for citywide offices including the nomination process and campaign finance reporting. The Election Commission website includes voter eligibility requirements, registration instructions, and an interactive polling location feature.

Two elections generally occur in odd numbered years such as 2011. These include the municipal primary elections in February, the municipal general elections in April. The outcomes of several races in 2010 may drive the need for special elections in 2011.

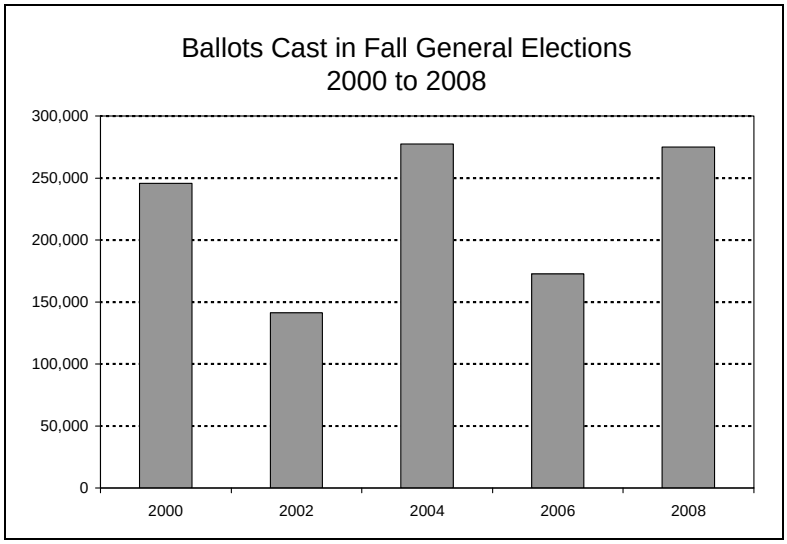
Strategies and Milestones for 2011

Objective: Conduct fair and efficient elections.	
Strategies	**2011 Milestones**
Conduct two municipal elections in Spring and two municipal, statewide and Congressional elections in Fall.	Elections conducted with fewer than 2% of polling locations reporting voting machine problems.
Process and accurately record voter registration cards from previous elections.	Voter registration rolls updated in time for all 2011 elections.

STRATEGY IMPLEMENTATION

In 2008, the Election Commission recruited a pool of new poll workers to assist with elections going forward. Milwaukee's 189 polling locations require sufficient staffing on Election Day in order to check-in registered voters, conduct Election Day registration, monitor activity at the voting machines and fulfill other Election Day duties. Chief Inspectors manage polling site activities and ensure compliance with election law.

Figure 1



OTHER SERVICE AND BUDGET CHANGES

Since the Election Commission will have lower turnout elections in 2011 as opposed to 2010, positions and funding for temporary staff, Election Day poll workers (funded in "Other Operating Services"), and ballots will be decreased in 2011.

One Elections Recruiter/Trainer position had been eliminated in the 2010 budget in order to stay within the city's budgetary constraints. The Management Services Specialist position's funding was eliminated for 2009, but position authority has been maintained in case the position is needed to support the additional needs resulting from staffing changes in 2011.

2011 Budget by Services (Funding in Millions)

Service	**Elections**	
Activities:	Conduct elections and encourage registration and voting by eligible residents through media advertising, canvassing, and other special events.	
		2011 Projection
Performance Measures:	Expected voter turnout.	< 60%
	Percentage of polling places with Election Day voting machine problems.	2.0%
Funding by Source:	Operating Funds	$1.3
	Totals	**$1.3**

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	Position Title	Reason
-88	-11.76		Miscellaneous	Changes due to election year cycles.
-88	**-11.76**	**0.00**	**Totals**	

DEPARTMENT OF EMPLOYEE RELATIONS

EXECUTIVE SUMMARY

MISSION: To attract, retain, and motivate a productive and diverse workforce that is committed to creating a safer, stronger, and healthier Milwaukee while complying with applicable federal and state employment regulations, civil service rules, and labor agreements.

OBJECTIVES: Streamline and/or automate processes and operations, create administrative efficiencies, and enhance departmental knowledge and ability to address complex HR issues.

Improve recruitment efforts and streamline testing and certification processes to better support needs of operating departments.

Identify opportunities to significantly impact health care costs, improve quality of care, and employee accountability and responsibility for care.

Improve safety accountability structures to enhance safety in the workplace at the operating department level and control associated expenditures.

STRATEGIES: Design and implement process for the automation of the requisition and certification functions for filling vacant positions.

Finalize the implementation of position control application.

Transfer recruitment and testing functions for Police and Fire departments to the Fire and Police Commission.

Complete a comprehensive review of civil service rules.

Review practices associated with the testing, hiring, placement, recall, and assignments of City Laborer Seasonals in the Department of Public Works.

Complete a comprehensive review of staffing models and impact on unemployment claims and expenditures.

Review and study national data of public sector liability and worker compensation claims and identify best practices from entities with a track record of minimizing injuries and controlling costs.

Work with Labor Management Committee to implement first stages of Citywide Wellness, Health Advocacy, and Disease Management Program.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	52.50	44.81	48.00	45.00	0.19	-3.00
FTEs - Other	1.40	8.20	8.60	8.60	0.40	0.00
Total Positions Authorized	80	75	76	73	-2	-3
EXPENDITURES						
Salaries and Wages	$3,122,407	$2,830,094	$2,878,475	$2,685,500	$-144,594	$-192,975
Fringe Benefits	1,389,167	1,160,338	1,381,669	1,289,040	128,702	-92,629
Operating Expenditures	480,306	553,839	553,839	464,592	-89,247	-89,247
Equipment	8,818	3,000	43,505	23,904	20,904	-19,601
Special Funds	121,159	100,619	100,619	33,000	-67,619	-67,619
TOTAL	$5,121,857	$4,647,890	$4,958,107	$4,496,036	$-151,854	$-462,071
REVENUES						
Charges for Services	$172,016	$194,000	$180,000	$180,000	$-14,000	$0
Miscellaneous	560,313	239,000	302,000	302,000	63,000	0
TOTAL	$732,329	$433,000	$482,000	$482,000	$49,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Employee Relations (DER) provides human resources support to city agencies and the Milwaukee Public Schools with the goal of attracting, retaining, and motivating a competent and diverse workforce. DER meets this goal while complying with state and federal employment laws, civil service rules, and applicable collective bargaining agreements. It does this through four primary service areas:

- Employee Relations;
- Compensation and Employee Benefits;
- Staffing; and
- Worker's Compensation and Safety.

DER also staffs the City Service Commission, a civilian body that ensures that all human resource activities are done in compliance with civil service rules and applicable state statutes. The department is also responsible for recruitment and selection functions for the Fire and Police Commission and for providing support to the city's Equal Rights Commission.

Strategies and Milestones for 2011

Objective:	**Identify opportunities to streamline and/or automate processes and operations, create administrative efficiencies, and enhance departmental knowledge and ability to address complex HR issues.**
Strategies	**2011 Milestones**
Design and implement processes for automation of the requisition and certification functions for filling vacant positions.	Work with ITMD to implement a pilot by the end of the first quarter in 2011.
Develop and implement a leadership development program that provides managers with knowledge and skill sets for operations and workforce management	Provide classes on employee relations, performance management, and the legal framework of employment.
Complete a comprehensive review of staffing models and impact on unemployment claims and expenditures.	Ensure that departments' staffing, termination, and layoff actions follow city procedures and minimize avoidable unemployment costs. Facilitate training of key personnel by December 2010. Prepare and disseminate department specific unemployment compensation reports on a quarterly basis.
Finalize the implementation of position control application.	All departments have completed employee and position data entry by January 2011.
Objective:	**Improve recruitment efforts and streamline testing and certification processes to better support needs of operating departments.**
Strategies	**2011 Milestones**
Transfer recruitment and testing functions for Police and Fire departments to the Fire and Police Commission.	Assist with staff transition and training to allow for a seamless transfer with minimal interruptions to Police and Fire recruitment and testing functions.
Complete a comprehensive review of civil service rules.	Recommend rule changes to the City Service Commission by May 2011.
Review practices associated with the testing, hiring, placement, recall, and assignments of City Labor Seasonals in the Department of Public Works (DPW). Work with the department to streamline hiring/recall operations for seasonal employees and facilitate more informed decision making.	Complete job analysis by December 2010. Review and revise test as necessary for administration in spring 2011. Work with DPW to complete hiring and recall for 2011 season. Initiate and implement changes to rules and procedures as necessary.

Strategies and Milestones for 2011

Objective:	**Identify opportunities to significantly impact health care costs, improve quality of care, and employee accountability and responsibility for care.**
Strategies	**2011 Milestones**
Work with Labor Management Committee to implement first stages of Citywide Wellness, Health Advocacy, and Disease Management Program.	Launch marketing and promotion efforts by end of September 2010. Eligible participants complete Step 1 (Online Health Questionnaire), Step 2 (Lab Work), and Step 3 (Meet with Health Professional) by March 2011. Achieve 70% to 90% participation during the first year. Aggregate data and reports submitted to the city by May 2011. Ensure that disease management and prevention programs are available to employees by July 2011.
Objective:	**Improve safety accountability structures to enhance safety in the workplace at the operating department level and control associated expenditures.**
Strategies	**2011 Milestones**
Monitor effectiveness of programs and initiatives identified and implemented by departments in accordance to safety plans developed in 2010.	Continue to work with departments to review and analyze injury and claim data to enhance safety plans and implement associated interventions. Develop better metrics for gauging progress or lack thereof with worker's compensation/departmental safety initiatives.
Review and study national data of public sector liability and worker compensation claims.	Identify best practices from entities with a track record of minimizing injuries and controlling costs. Pilot a model of medical referral procedures to better target medical care for potentially catastrophic injuries/claims and establish comprehensive treatment plans.

STRATEGY IMPLEMENTATION

Recruitment, Staffing, and Selection: The Staffing Services Section recruits and tests candidates for employment based on the rules of the City Service Commission and the Fire and Police Commission. In 2009, DER processed 9,875 applications (excluding protective services), conducted 96 exam sessions, and referred over 1,200 candidates for interviews. To address the recruitment workload with reduced staff and improve efficiencies with filling vacant positions, DER upgraded its recruitment and testing software in 2008 allowing candidates to submit applications online. DER will continue to assess the requisition and certification modules that will allow departments to review applicants' backgrounds and experience, facilitate screening and referral processes, and enhance the ability of operational departments to review eligible lists and review candidate's backgrounds online.

Automate Functions for Filling Vacant Positions: In 2010, DER started working with ITMD to explore the possibility of designing and implementing an automated process for filling positions and certifying candidates using existing functionality with the Oracle HRMS system. This initiative was pursued so the following actions could be completed through HRMS; allow city departments to "Request to Fill" a vacant position, allow the Budget Office to approve or deny a "Request to Fill" for vacant positions, allow city departments to request a personnel transaction, allow DER to approve a request for a personnel transaction, as well as create and send certification of appointment. The current process does not have an effective way to track a "Request to Fill" from creation to hire. The new process will provide greater transparency, enable departments to electronically create and submit a "Request to Fill" to the Budget Office, and give DER the ability to authorize an employment action by certifying the individual hired electronically.

Position Control: Position management is a tool that exists in the PeopleSoft HRMS system to better monitor the filling of budgeted positions. This initiative is a joint effort between DOA, the City Clerk's Office, and DER. The application allows the Budget and Management Division, DER, and departments to quickly identify which positions are filled, vacant, or under filled. The architecture for position management was created by ITMD and plans are in place to have DPW, MPD, and MFD complete their entries to launch this initiative in January 2011.

City Service Rule Review: DER has not completed a comprehensive review of civil service rules since 1991. Over the years, changes to the rules have been adopted in response to specific issues or situations brought to the Commission's attention by a city agency or city employees. DER recognizes that changes in technology, staff reductions, and streamlined procedures have impacted the work of the department and how that work is done. A comprehensive review of the rules will address further opportunities for improvement, the creation of administrative efficiencies, and expedite personnel transactions to shorten the amount of time a vacancy goes unfilled.

Employee Benefits: In 2010, 10,564 employees and retirees are participating in the city's health care plans. Since 2000, health care expenditures have increased $64.2 million, or 113%, from $56.7 million to $120.9 million projected expenditures for 2010. These increases result from growth in medical costs and the comprehensive nature of the city's current health benefit designs for the HMO and Basic Plans. For 2011, the employee health care budget is increased 21% over the 2010 budgeted amount.

In 2011, the city will continue to carve out the prescription benefit services for both the Basic Plan and the HMO plan. These ongoing efforts have reduced the drug costs to 17% of total health care costs, down from 20% of the total costs four years ago.

City of Milwaukee "Wellness, Your Choice Milwaukee": In 2010, the city initiated a 12 person "Wellness and Prevention" Labor Management Committee to assist the city in identifying key issues in the development, implementation and promotion of a comprehensive wellness and prevention program aimed at improving the overall well being of the population and assisting individuals in addressing chronic diseases. The committee developed an RFP for a Wellness and Prevention Program and received ten proposals. Upon completion of a selection and screening process, the committee chose Froedtert Health Workforce Health to administer the "Wellness, Your Choice Milwaukee" program.

The first phase of the program is on track to be implemented in the fall of 2010. Once the initial phase is completed, aggregate data and reports for the program will be submitted to the city in May 2011. The city and committee will utilize the data to identify disease management and prevention programs that will be available to employees through the remainder of 2011.

City Labor Seasonal Review: In 2010, DER will complete a review of the current staffing model for Department of Public Works (DPW) seasonal employees. In 2011, steps will be taken to make the process more efficient and better align the labor pool with the city's business and labor needs. These includes performing a comprehensive job analysis of the City Laborer classification, reviewing and revising the testing components, determining changes

necessary to the hiring and recall process, assessing the appropriateness of the probationary period for the classification, and studying the feasibility of transferring the recall function to DPW.

Staffing Model Review: In 2011, DER will review the various staffing models that are utilized by departments and the extent of associated unemployment compensation liability. DER will work with departments to identify staffing practices that accommodate departments' needs and minimize unemployment compensation expenditures. In addition, DER will provide training to ensure that departmental staffing, termination, and layoff actions follow city procedures and minimize avoidable unemployment costs. Departments will also be provided unemployment compensation data and reports on a quarterly basis to better understand and manage the liability created by decisions made at the operating level.

Workplace Safety and Risk Management: In 2009, the Budget and Management Division and DER directed DPW and the Fire and Police departments to develop department specific safety plans in conjunction with the implementation of a Risk Management Model for injury prevention. A number of programs were implemented as a result of the safety plans including a Return to Work Program in the Fire Department, a Transitional Duty Program in the Department of Public works and improved injury classification in the Police Department. Supervisory personnel in the Fire Department and DPW have completed accident investigation training to further pinpoint the causes of workplace injuries and ensure that proactive and preventive measures are in place for injury avoidance.

In 2010 and 2011, departments will continue to work on implementing and monitoring the goals and initiatives outlined in their safety plans. DER will work with the Budget and Management Division to ensure departmental systems are implemented to track progress and gauge effectiveness of safety initiatives. In addition, DER and the Budget and Management Division will work to identify and track performance measures to better analyze injury rate prevention, avoidance of lost time, duration of lost time, and recurrence.

In 2011, DER will pilot a medical consultant referral program for workers compensation claims with complicated medical issues. The program will also help with the development of strategies to effectively manage and analyze those issues and injuries which occur in the work place. By implementing these procedures the city will be able to identify opportunities to control costs by the identification of early and appropriate care for potentially catastrophic injuries/claims through working with the treating doctors to establish treatment plans, work restrictions, the need for certain surgeries, the use of certain prescription drugs and the detection of possible fraudulent claims. This program will assist the city in keeping the claims process moving forward while controlling medical costs.

OTHER SERVICE AND BUDGET CHANGES

Transfer of Fire and Police Recruitment and Testing Functions: When DER and the Fire and Police Commission formally separated in 2007 it was determined that DER would continue to carry out the recruitment and testing functions of the Commission with the exception of Fire and Police Chief positions. A resolution was adopted between the Commission and DER delegating responsibilities and outlining the working relationship. The delegation of these functions created some challenges with the process since the administration of these functions is significantly different from recruitment and testing functions for general city employees. The new structure also blurred lines of communication and direction as changes or improvements were sought and implemented.

Now that the revamped Commission has been fully staffed and functional for several years, it is poised to carry out the recruiting and testing functions for the Police and Fire departments. In 2011, the final step of the Commission's reorganization will be completed when it reassumes these functions from DER. The Commission will perform recruitment and testing for sworn personnel, dispatchers, and telecommunicators while recruitment and testing for other civilian positions may, at the discretion of the Commission, continue to be handled by DER.

Two positions, a Human Resources Representative and Program Assistant I (in the process of being reclassified to a Human Resources Representative) will be transferred to the Commission to carry out the recruitment and testing functions.

2011 Budget by Services (Funding in Millions)

Service	**Employee Relations**	
Activities:	Labor relations, grievance administration, labor contract negotiation, diversity outreach and claims investigation, and employee training and development.	
		2011 Projection
Performance Measures:	Percentage of grievances closed and settled prior to arbitration.	93.0%
	Number of general city grievances received.	232
Funding by Source:	Operating Funds	$0.7
	Grants and Reimbursables	$0.2
	Special Purpose Accounts	$0.8
	Totals	**$1.7**
Service	**Compensation and Employee Benefits**	
Activities:	Health and dental benefits, flexible spending accounts, job classification, pay administration, unemployment compensation, long term disability insurance, and Commuter Value Pass program.	
		2011 Projection
Performance Measures:	Increase in active employee health costs.	12.0%
	Percentage of total health care costs paid by active employees.	3.0%
	Number of employees and retirees participating in health care plans.	10,564
Funding by Source:	Operating Funds	$1.0
	Special Purpose Accounts	$146.8
	Totals	**$147.8**
Service	**Staffing**	
Activities:	Recruitment, examinations, certification of eligible applicants, and outplacement services.	
		2011 Projection
Performance Measures:	Number of applications processed.	9,030
	Number of positions filled from eligible lists.	360
	Percentage of candidates referred who were minorities.	50.0%
	Percentage of candidates referred who were women.	67.0%
	Number of terminations during probationary period.	15
Funding by Source:	Operating Funds	$1.5
	Totals	**$1.5**

2011 Budget by Services (Funding in Millions)

Service	**Worker's Compensation**	
Activities:	Administration, data analysis, and departmental safety monitoring.	
		2011 Projection
Performance Measures:	Number of worker's compensation claims (receipts).	2,700
	Average cost per claim.	$5,300
	Number of recordable cases.	1,050
Funding by Source:	Operating Funds	$1.3
	Special Purpose Accounts	$12.6
	Totals	**$13.9**

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	Position Title	Reason
-1	-1.00		Human Resource Analyst	Positions retitled to better reflect duties of position.
1	1.00		Test Administration Coordinator	
-1	-1.00		Pay Services Specialist	
1	1.00		Certification Services Specialist	
-1	-1.00		Human Resources Representative	Transferred to the Fire and Police Commission.
-1	-1.00		Program Assistant I	
	2.19	0.40	Various Positions	Miscellaneous adjustment.
-2	**0.19**	**0.40**	**Totals**	

FIRE AND POLICE COMMISSION

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.

OBJECTIVES: Monitor the quality and effectiveness of Fire and Police department policies, practices, and outcomes.

Ensure that complainants are heard and satisfied with the citizen complaint program.

Improve community relations and enhance public confidence.

Identify and reduce racial, social, and economic disparities in the community.

Plan and prepare appropriately to prevent, respond to and recover from major disaster events.

STRATEGIES: Perform policy review and analysis concerning police and fire services including crime reduction strategies, fire prevention and suppression, and citizen complaints.

Refine the citizen complaint program to address allegations of employee misconduct.

Monitor and audit complaints and investigations conducted by the Fire and Police departments.

Improve communications with the public and continue to promote opportunities for citizen interaction with the Fire and Police Commission.

Promote diverse public service departments.

Increase community awareness of Homeland Security/Emergency Government Mission.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	9.50	8.70	9.60	11.60	2.90	2.00
FTEs - Other	0.00	1.80	1.80	1.80	0.00	0.00
Total Positions Authorized	17	18	19	21	3	2
EXPENDITURES						
Salaries and Wages	$629,753	$592,514	$621,333	$723,922	$131,408	$102,589
Fringe Benefits	289,370	242,931	298,240	347,483	104,552	49,243
Operating Expenditures	65,657	134,028	75,400	127,167	-6,861	51,767
Equipment	6,548	1,000	4,300	4,300	3,300	0
Special Funds	3,300	0	0	77,600	77,600	77,600
TOTAL	$994,628	$970,473	$999,273	$1,280,472	$309,999	$281,199

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to build safe and healthy neighborhoods. The Police and Fire departments are key to supporting this goal. The Fire and Police Commission provides oversight to these departments and supports their operations. This helps ensure that these departments are effective in protecting the lives and property of Milwaukee's residents and businesses.

The Fire and Police Commission is comprised of a Board of seven part time citizen Commissioners and a full time professional staff led by an Executive Director. The Commissioners and the Executive Director are appointed by the Mayor and approved by the Common Council. The Commission's authority and responsibility, including policy oversight, citizen complaints, disciplinary appeals, and recruitment and testing, are specified in Wisconsin Statute 62.50 and in the Milwaukee City Charter.

The Commission conducts policy reviews of Fire and Police department operations, appoints and promotes department personnel and prescribes general policies and standards. The Commission's judicial function includes hearing appeals from departmental disciplines, investigating citizen complaints filed against department members, and conducting citizen complaint hearings.

Strategies and Milestones for 2011

Objective:	**Monitor the quality and effectiveness of Fire and Police department policies, practices, and outcomes through appropriate utilization of the Commission's oversight authority.**
Strategies	**2011 Milestones**
Perform policy review and analysis concerning police and fire services including crime reduction strategies, fire prevention and suppression, and citizen complaints.	Expand the policy and standards committee role of the Fire and Police Commission citizen board members. Utilize staff, interns, and university partnerships to conduct in depth analysis of selected policy issues.
Objective:	**Provide a viable citizen complaint program to ensure that complainants are heard and satisfied with the overall process.**
Strategies	**2011 Milestones**
Continue refining the citizen complaint program to address allegations of employee misconduct.	Increase the number of mediations and policy retraining sessions by expanding the program to include MPD generated complaints.
Improve Commission efficiency and effectiveness while increasing transparency to the public.	Increase response rate to citizen complaint exit surveys.
Monitor and audit complaints and investigations conducted by the Fire and Police departments.	Utilize IT capacity to analyze complaint patterns and trends of random audits and specific issues of public concern.
Fully integrate independent investigation and monitoring functions with the policy and oversight functions.	Link results of Fire and Police Commission investigations and audits of Police Department investigations with research analysis functions to identify policy revisions.

Strategies and Milestones for 2011

Objective:	**Improve community relations and enhance public confidence through transparent operations and improved accessibility to information.**
Strategies	**2011 Milestones**
Increase citizen opportunities for interaction with the FPC through regular community meetings to share information and gather citizen feedback.	Hold bi-monthly Commission meetings at a variety of locations throughout the community.
Improve communications with the public.	Enhance annual, semi-annual and periodic public policy reports. Assume and integrate the public safety reporting functions formerly performed by the Milwaukee Safety Commission. Continue to increase utilization of the Commission website and provide information such as trial outcomes, policy reviews, and recommendations for improvements.
Expand the network of community advocates to assist individuals with the complaint process.	Improve outreach to other community agencies involved in public safety issues.
Objective:	**Identify and reduce racial, social, and economic disparities in the community.**
Strategies	**2011 Milestones**
Promote diverse public safety departments.	Finalize FPC reorganization by fully reintegrating all functions related to testing, hiring, promoting, and recruiting public safety personnel. Successfully transition initial hiring and promotional examinations formerly conducted by the Department of Employee Relations. Continue to refine recruiting, hiring and promotion procedures to attract a diverse applicant pool.
Objective:	**Plan and prepare appropriately to prevent, respond to and recover from major disaster events.**
Strategies	**2011 Milestones**
Increase community awareness of Homeland Security/Emergency Government mission.	Improve website and access to other public information and resources for individuals to prepare for disaster or other emergencies. Refine procedures for activation and operation of the City of Milwaukee Emergency Operations Center. Develop a program to more effectively utilize and disseminate UASI homeland security grants among the five county southeast Wisconsin public safety agencies.

STRATEGY IMPLEMENTATION

Policy Oversight: The Fire and Police Commission's primary responsibility is policy oversight. The Commission has a statutory responsibility to oversee and prescribe the policies and standards of both the Fire and Police departments. This oversight authority is ultimately exercised by Board action but is also exercised by Commission staff through regular monitoring and research of Fire and Police department operational initiatives and disciplinary actions.

In 2009 the Commission drafted three informational memorandums on the open carry of firearms, requesting citizen social security numbers, and the 60 college credit requirement for Police Officers. In 2010, the Commission issued a memorandum on its findings regarding traffic stops by MPD and officers' referral of drivers to the Department of Motor Vehicles for re-examination. In 2011, the Commission anticipates completing memorandums on additional topics as they become identified through statutory changes, modifications of procedures, and as a result of performing its monitoring function.

In 2010, the Commission partnered with the University of Wisconsin Milwaukee to conduct an analysis of MPD's use of force incidents in 2009. The data and report conclusions will serve as a foundation for future analysis and reporting. The Commission also conducted an eight year review of vehicle pursuits to establish baseline data for determining the frequency and circumstances surrounding vehicle pursuits. The data from this report will also be used for future analysis of MPD policies, procedures and training.

Figure 1

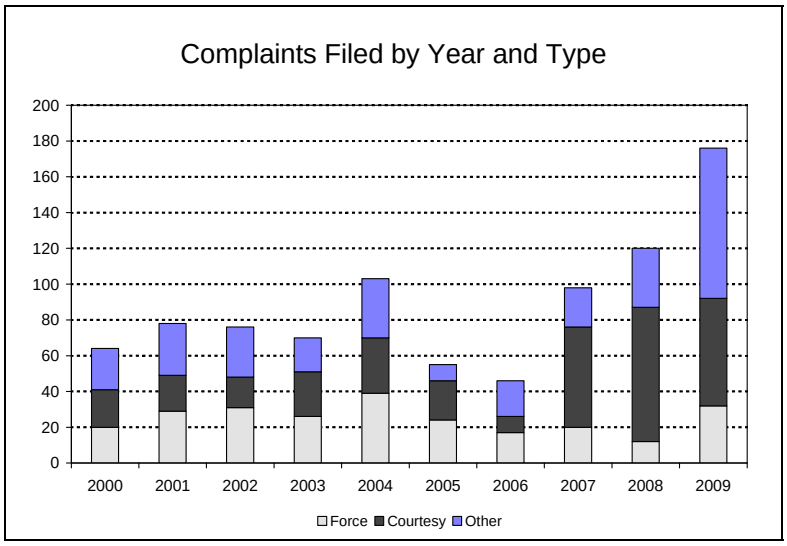
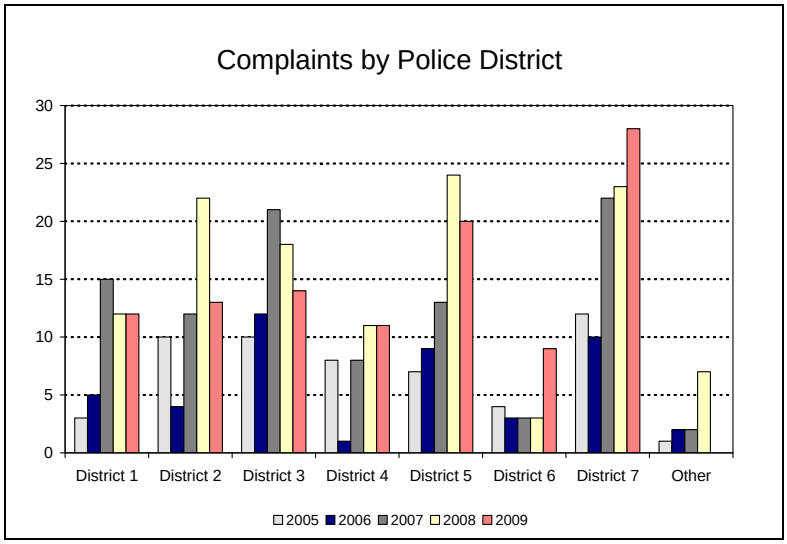


Figure 2



Citizen Complaints: The Commission is required to provide a viable citizen complaint process. The Commission has authority to independently investigate and discipline department employees up to and including termination from employment for acts of misconduct. A person may file a complaint directly with the Commission against a department employee for specific acts of inappropriate conduct. Complaints can be initiated in writing, in person, by telephone, by fax, by e-mail, through the Commission's website, and through recognized community referral organizations. This increase in accessibility has resulted in a higher volume of complaints and improved community confidence in the complaint process (see Figure 1). The Commission independently investigates complaints and refers them to the citizen board for disciplinary action when rule violations are identified.

The citizen complaint process has four goals:

- Increase transparency and community confidence in the complaint process.
- Provide an independent system to receive, investigate, and discipline members for misconduct.

- Analyze complaints to identify both individual and systemic trends and patterns within the Police and Fire departments.
- Monitor and audit complaints and discipline investigations conducted by the Fire and Police departments to ensure a fair and thorough process.

A new citizen complaint program was adopted in 2009 to expedite the overall process for complaint resolution. In 2010, procedures were added for minor cases that normally go through the full complaint process. Under the new procedures, the outcome of a complaint is determined at an earlier stage and resolution is reached without an administrative board hearing. The new procedures save approximately 8 to 10 steps in the current process along with staff time and resources. The revamped process has also significantly shortened the time needed to resolve a complaint from an average of 270 days in 2008 to 31 days in 2009. The Commission strives to resolve all citizen complaints in 90 days or less.

Part of the revamped complaint process includes a mediation program. Mediation facilitates a non-adversarial approach for complaint resolution and offers complainants the chance to better understand and be directly involved with the resolution. The Commission utilizes trained mediators to assist with the process and more efficiently handle the anticipated mediation caseload. In 2010 the Commission began providing mediation for complaints filed directly with the Police Department in addition to complaints filed with the Commission.

Figure 3

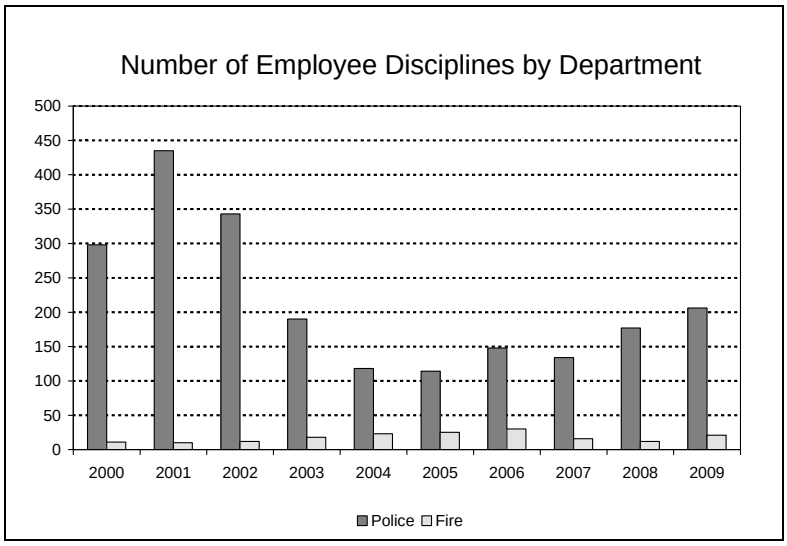
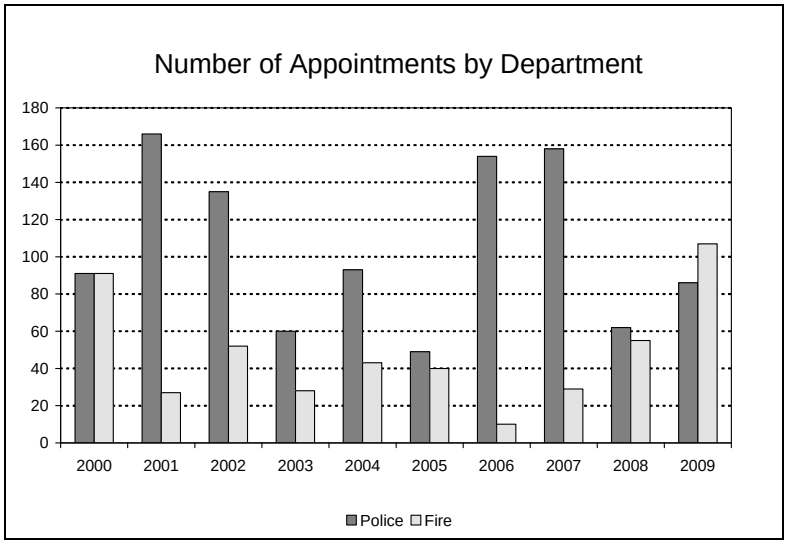


Figure 4



The Commission periodically monitors and audits complaint investigations regardless of whether the complaint is filed with the Commission or with the Fire and Police departments. The ability to capture trends and patterns and identify critical elements of a particular investigation is an important function of the Commission in providing proper oversight. Trends are examined from investigations that result in discipline as provided in Figure 3 or are ultimately dismissed. The monitoring function uses data collected from the intake investigation screening process to evaluate the quality of investigations and recommend improvements to existing procedures. The Commission will use its monitoring authority in addition to its authority to discipline employees as tools to accomplish the mission of providing a transparent and effective citizen complaint investigation process.

Disciplinary Appeals: Members of the Fire and Police departments may appeal to the Commission if they believe they have been unfairly dismissed, demoted, or suspended for more than five days by their department chief. Disciplinary appeals are decided by the Board, who may elect to sustain, modify, or deny the chiefs' action. The Commission tracks and monitors disciplinary actions that have been filed and resolved, and has eliminated the

backlog of pending appeals. This enabled the Commission to eliminate a Hearing Examiner position, and periodically outsource the function as needed at a significant cost savings. With statutory changes and new internal procedures in place to make the appeals process more efficient, the time needed to resolve an appeal is approximately 90 to 120 days.

Community Relations: A critical strategy of the Commission is to expand community outreach and education efforts. The Commission's outreach plan focuses on regular interaction with the public through enhanced communication methods such as periodic meetings held in various community locations. The Commission strives to improve the amount of information that is available to the public by providing additional reports and issue papers.

In 2010 the Commission partnered with the State Bar of Wisconsin to establish the Wills for Heroes program, a nationally sanctioned pro bono activity headquartered at the Milwaukee Safety Academy that provides free estate planning services for all fire, police, and emergency medical first responders. The Commission, cognizant of the numerous Fire and Police employees that are also current and former military members, was instrumental in opening a free legal clinic for veterans and their families through a joint effort with Marquette Law School, the Veteran's Administration, and Milwaukee area private law firms in 2010.

In 2011, the Commission will build upon website enhancements to provide timely and pertinent information such as Board meeting materials, trial outcomes, and policy reviews. The Commission will continue to leverage a network of advocates and community partners to augment the citizen complaint process by offering additional help and advice to individuals who file complaints. The Commission is also working to improve response rates on a citizen survey that was implemented in 2009.

Recruitment and Testing: The Commission has a longstanding commitment to ensure the public safety workforce is representative of the Milwaukee community. Aside from chief selection, the recruiting, testing and hiring functions were delegated to the Department of Employee Relations after the Commission was restructured in 2007. In 2011, the final step of the Commission reorganization will be completed when it assumes these functions for sworn personnel, dispatchers, and telecommunicators from the Department of Employee Relations. Recruitment and testing for other civilian positions will continue to be delegated to the Department of Employee Relations, as they were prior to 2007.

The Commission will be responsible for developing and administering a variety of examinations, including written, physical ability and oral tests, background investigations, medical and psychological examinations, and drug screening. Applicants who pass all components are placed on an eligible list and hired according to their total score. Fire Fighters and Police Officers are hired at intervals for training classes while other entry level positions are filled as vacancies occur (see Figure 4). When the position of chief becomes vacant in either department, the Commission determines qualifications, solicits applications, and appoints a new chief. Department chiefs are hired for four year terms, renewable at the Commission's discretion.

Emergency Management and Homeland Security: In 2010, the Office of Emergency Management and Homeland Security was transferred to the Fire and Police Commission to optimize staff and services for public safety functions. The mission of the Office of Emergency Management and Homeland Security is to create a multi-jurisdictional, multi-disciplinary network of government agencies and community stakeholders to prevent, prepare for, respond to and recover from major disruptive events. The agency also administers the Urban Areas Security Initiative (UASI) Homeland Security grant program for the five county Southeastern Wisconsin area.

Several new initiatives are underway in 2010 including the implementation of a new website, a public relations campaign to better communicate office efforts, improvements to the five county interagency communications for disaster preparedness, and refining the city's disaster preparedness plan.

In 2011, lessons learned from the 2010 flood disaster declaration will be applied to refine procedures for activation and operation of the Emergency Operations Center (EOC), increase training and interaction with state and federal agencies, and expand information dissemination to the public on disaster preparedness.

2011 Budget by Services (Funding in Millions)

Service	**Judicial Function**	
Activities:	Conduct investigations of complaints filed with the FPC and review complaints filed with the MPD and MFD. Conduct mediations and complaint hearings, review appeals from Fire and Police departments personnel, and conduct trials.	
		2011 Projection
Performance Measures:	Number of complaints filed.	350
	Number of complaints resolved informally.	220
	Timeliness of complaint resolution.	90 Day Avg
	Timeliness of appeal resolution.	120 Day Avg
	Number of investigations performed by the FPC.	110
Funding by Source:	Operating Funds	$0.3
	Totals	**$0.3**

Service	**Monitoring and Oversight**	
Activities:	Review departmental policies, practices, procedures and rules and make recommendations for change.	
		2011 Projection
Performance Measures:	Number of policy or procedures reviewed.	20
	Number of recommendations for revisions made.	10
	Number of department operating rules reviewed or revised.	10
	Number of MPD and MFD department investigations audited.	50
Funding by Source:	Operating Funds	$0.3
	Totals	**$0.3**

Service	**Community Relations**	
Activities:	Perform regular outreach and education with the community to build citizen confidence and satisfaction with the Fire and Police departments.	
		2011 Projection
Performance Measures:	Number of FPC meetings held in the community.	4
	Number of community meetings attended by FPC staff.	120
	Number of public surveys conducted.	100
	Number of partnerships formed with community organizations.	10
Funding by Source:	Operating Funds	$0.2
	Totals	**$0.2**

Service	**Recruitment and Selection**	
Activities:	Develop and execute recruiting strategies and carryout selection processes for entry level and promotional positions including job analysis, application screening, examinations, certification of eligible applicants and pre-placement processes.	
		2011 Projection
Performance Measures:	Number of recruitment events held.	116
	Number of entry level examinations held.	8
	Number of promotional examinations held.	4
Funding by Source:	Operating Funds	$0.4
	Totals	**$0.4**

2011 Budget by Services (Funding in Millions)

Service	**Emergency Management and Homeland Security**	
Activities:	Coordinate emergency planning, disaster preparedness, and response training for the city and its partners.	
		2011 Projection
Performance Measures:	Number of joint multi-discipline/multi-jurisdiction exercises.	1
	Number of joint planning and/or training sessions.	4
	Number of outreach and educational sessions.	3
Funding by Source:	Operating Funds	$0.0
	Grants and Reimbursables	$0.1
	Totals	**$0.1**

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	Position Title	Reason
1	0.50		Personnel/Graduate Intern (Aux)	Position created to assist with various Commission functions.
2	2.00		Human Resources Representative	Transfer Fire and Police recruiting, testing and hiring functions from the Department of Employee Relations.
	0.40		Various Positions	Miscellaneous adjustment.
3	**2.90**	**0.00**	**Totals**	

FIRE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Build safe and healthy neighborhoods.

OBJECTIVES: Limit fire related deaths to less than ten per year.

Maintain a 95% recovery rate from penetrating trauma.

Decrease vacant structure fires by 10% in 2011.

STRATEGIES: Implement a Fire Cause Investigation Unit to increase the proportion of fires whose cause can be determined.

Maintain initiatives to increase the percentage of residential properties with working smoke detectors.

Maintain the average response time to fire suppression and Advanced Life Support calls.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	1,090.05	1,026.05	1,026.05	1,025.05	-1.00	-1.00
FTEs - Other	7.11	7.50	7.50	7.50	0.00	0.00
Total Positions Authorized	1,133	1,027	1,027	1,026	-1	-1
EXPENDITURES						
Salaries and Wages	$75,654,327	$69,950,099	$72,818,458	$69,465,872	$-484,227	$-3,352,586
Fringe Benefits	28,554,878	23,784,784	29,127,383	27,786,348	4,001,564	-1,341,035
Operating Expenditures	4,612,788	5,720,406	5,613,130	5,398,852	-321,554	-214,278
Equipment	907,643	252,613	182,179	182,179	-70,434	0
Special Funds	179,777	113,000	457,941	214,041	101,041	-243,900
TOTAL	$109,909,413	$99,820,902	$108,199,091	$103,047,292	$3,226,390	$-5,151,799
REVENUES						
Charges for Services	$7,020,506	$7,023,322	$6,400,200	$6,400,200	$-623,122	$0
TOTAL	$7,020,506	$7,023,322	$6,400,200	$6,400,200	$-623,122	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Fire Department contributes to safe and healthy neighborhoods through fire prevention programs, fire safety programs, and timely and effective response to calls for service. These three dimensions reduce the number of fires, remove people safely from fires and other hazards, protect property, and provide for appropriate medical care.

The Fire Department serves the residents of Milwaukee and West Milwaukee through 36 firehouses that are structured into four organizational bureaus. In addition to fire suppression and emergency medical services, some bureaus contain the Dive Rescue, Hazardous Materials (HazMat), and the Heavy Urban Rescue Team (HURT) special teams.

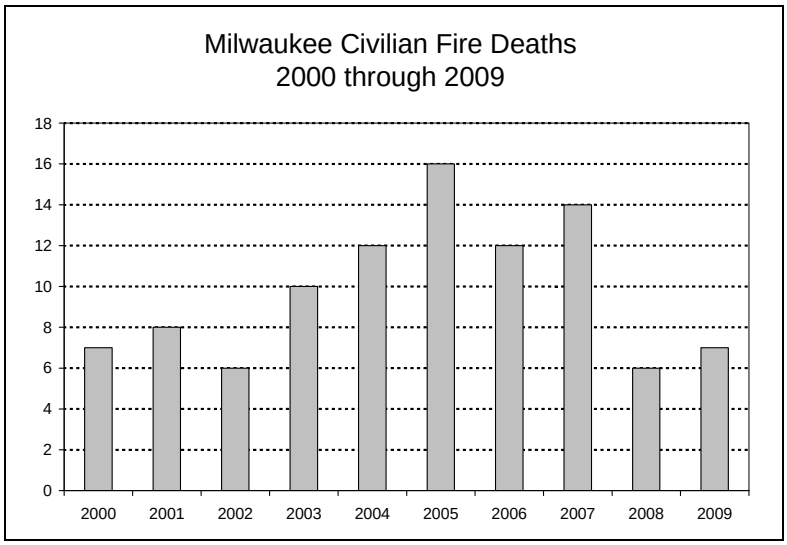
Strategies and Milestones for 2011

Objective:	**Limit fire fatalities to less than ten per year, maintain a 95% recovery rate from penetrating trauma and decrease vacant structure fires by 10%.**
Strategies	**2011 Milestones**
Implement a Fire Cause Investigation Unit to increase the proportion of fires whose cause can be determined.	Establish necessary protocols for investigation and for coordination with the Milwaukee Police Department.
Maintain initiatives to increase the percentage of residential properties with working smoke detectors.	Decrease the percentage of civilian fire fatalities occurring in residential properties with non-functioning smoke detectors to < 30%.
Maintain the average response time.	Respond to 95% of critical types of calls within five minutes.

STRATEGY IMPLEMENTATION

The Fire Department contributes to the Mayor's goal of providing safe and healthy neighborhoods through the provision of effective fire prevention and suppression, emergency medical services, and specialized rescue programs.

Figure 1



Response Time: Timely response to events has a direct impact on the outcome of any emergency. The success of this strategy is measured by average response times to emergency calls. The Fire Department's performance is far superior to national benchmarks in this area. As Figure 2 indicates, the department is meeting its own goal for the most critical types of fire and EMS calls. These are the calls where quick response is most critical to saving lives. The MFD responded to 88% of its total calls for service within five minutes or less during 2009. Average response time to fires remained well below five minutes during 2009, as it has through the first half of 2010.

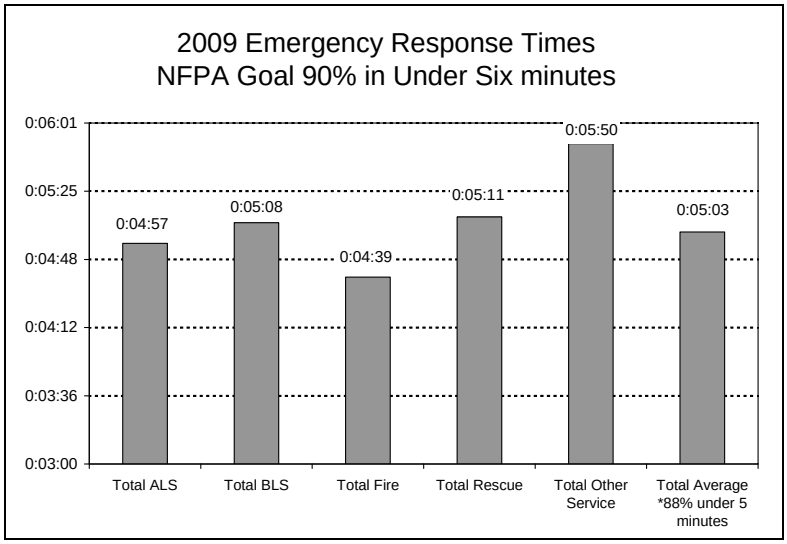
Structure alarm fires totaled 500 in 2009, a 6% decrease from 2008. Eighteen of the structure fires in 2009 went above a single alarm. GIS analysis also demonstrates more than 88% of calls could receive 24 or more Fire Fighters on scene for a full structure fire response within the nationally recommended eight minutes or less, meeting the national standard for cities of our size.

Indicators tracked through the AIM program show that the Advanced Life Support responses provided by the Milwaukee Fire Department have a positive impact on survival rates for penetrating trauma incidents. Through June of 2010, of the 107 stabbings incidents responders treated, 105 patients or 98.13% survived. Of the 119 gun shot wound EMS responses, 108 or 90.8% of the victims survived.

Fire Prevention and Safety: The department's community programs emphasize fire prevention because fewer fires create fewer situations where a fire death could occur. Fire Fighters Out Creating Urban Safety (FOCUS) involves

Fire Fighters going door-to-door to install smoke detectors, replace batteries, and distribute fire prevention and medical services information in the areas of the city with the greatest incidence of fire. The department's FOCUS program contributed to a 22% increase in operational smoke detectors in one and two family dwellings between 2006 and 2008. Data indicated a relationship between operational smoke detectors and lower fire death trends.

Figure 2



In 2009, the department made 11,882 fire prevention contacts to residents in one and two family dwellings. Education programs include Sesame Street, Elder Safe, the Survive Alive House, and the Mobile Survive Alive Houses and reached over 300,000 residents in 2009. These programs teach children and adults how to react when there is a fire in the home, including proper escape procedures and calling 9-1-1.

OTHER SERVICE AND BUDGET CHANGES

Service Capacity Maintained: The 2011 proposed budget continues service levels and staffing strength funded in 2010. On average, approximately two rigs a day may be removed from service. The department will work with the DOA Budget and Management Division to minimize the number of apparatus out of service per day while remaining within their budget allocation. This can be achieved through various special duty management controls including improved vacation scheduling, return to work and safety programs, and changes to training practices.

Administrative Reorganization: The Fire Chief is finalizing a plan that will make the administrative structure of the department more accountable and efficient. Proposed changes will be outlined during the budget process but will not be reflected in budget documents until the Fire and Police Commission and Department of Employee Relations have completed their review of the changes.

CAPITAL PROJECTS

The 2010 capital budget supports the critical needs of the Fire Department in terms of major equipment and facilities maintenance. The proposed budget includes $3,064,000, including $2,854,000 for replacement of major fire suppression and EMS apparatus and $110,000 for generators to provide an auxiliary power supply. Funding for the department's facilities maintenance programs has been reduced due to large prior year carryover balances.

2011 Budget by Services (Funding in Millions)

Service	**Emergency Operations**	
Activities:	Fire suppression, Emergency Medical Services, other emergency services (HURT, HAZMAT, Dive Rescue) and disaster preparedness.	
		2011 Projection
Performance Measures:	Percentage of responses within five minutes of call.	95.0%
	Percentage of fires held to room of origin.	40.0%
Funding by Source:	Operating Funds	$93.9
	Grants and Reimbursables	$0.4
	Capital Budget	$3.1
	Totals	**$97.4**

Service	**Fire Education, Training, and Support Services**	
Activities:	Fire education, inspections, pre-incident planning, infrastructure support (shop, IT services, dispatch) training and administrative support.	
		2011 Projection
Performance Measures:	Number of residential fire prevention contacts.	14,000
	Smoke detectors found operational in one and two family residential units.	15,000
Funding by Source:	Operating Funds	$9.1
	Totals	**$9.1**

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	Position Title	Reason
-1	-1.00		Fire Public Relations Manager	Eliminated due to organizational change.
-1	**-1.00**	**0.00**	**Totals**	

HEALTH DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Ensure that services are available to enhance the health of individuals and families, promote healthy neighborhoods, and safeguard the health of the Milwaukee community.

OBJECTIVES: Reduce injuries, disabilities, and deaths due to violence.

Abate lead based paint hazards in 5% (1,600) of contaminated houses in the target area by 2012.

Improve child health by promoting healthy birth outcomes and early child development for infants.

Improve child health and school readiness by increasing immunization compliance to 90% by 2012.

Maintain or reduce childhood obesity rates.

Improve child health by reducing the teen birth rate 46% by 2015.

Improve client reach through the Health Department STD/HIV clinic by increasing the number of clients seen, counseled, and treated at the clinic and in the community.

Increase food safety for consumers by increasing the number of annual inspections at high risk facilities and reducing the number of critical risk violations.

STRATEGIES: Develop a plan to prevent sexual violence and ensure that victims receive a seamless compassionate system's response.

Explore corporate and philanthropic resources to expand lead abatement funding and support innovation in other public health program areas.

Continue to offer high quality home visitation services and appropriate early childhood interventions to at-risk families.

Focus the School Readiness Initiative on clinic sites and locations with the greatest potential to increase immunization rates.

Improve nutritional status and increase physical activity of Milwaukee's children.

Promote access to information and services to young adults to encourage responsible sexual health.

Enhance service delivery at the STD/HIV clinic to maximize the number of clients that can be seen, counseled and treated.

Continue implementation of a revised system for food inspections based on the complexity of food establishments and the prevalence of critical risk violations.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	147.40	146.70	147.21	143.00	-3.70	-4.21
FTEs - Other	96.90	111.75	115.10	115.80	4.05	0.70
Total Positions Authorized	306	274	276	273	-1	-3
EXPENDITURES						
Salaries and Wages	$8,545,105	$7,290,703	$7,638,845	$7,474,783	$184,080	$-164,062
Fringe Benefits	3,743,771	2,989,188	3,666,646	3,587,896	598,708	-78,750
Operating Expenditures	1,775,768	1,762,448	1,762,448	1,714,783	-47,665	-47,665
Equipment	16,419	5,000	5,000	5,000	0	0
Special Funds	108,702	181,000	181,000	181,000	0	0
TOTAL	$14,189,765	$12,228,339	$13,253,939	$12,963,462	$735,123	$-290,477
REVENUES						
Charges for Services	$1,078,345	$872,600	$984,600	$984,600	$112,000	$0
Licenses and Permits	2,253,191	2,505,900	2,486,300	2,486,300	-19,600	0
TOTAL	$3,331,536	$3,378,500	$3,470,900	$3,470,900	$92,400	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Health Department supports the city's goals of building safe and healthy neighborhoods and helping children succeed, prepare for post secondary education and meet their full potential.

The department focuses on public health assessment, policy development, service availability and accessibility to health related services. The department operates from three health centers. The 2011 proposed budget maintains services to mothers, infants, young children, and women and provides funding to ensure that city residents have access to health care coverage. The budget also provides surveillance, monitoring and response capabilities for a wide range of communicable diseases, tuberculosis, sexually transmitted diseases, and bioterrorism. Lead abatement efforts continue to remain a priority as well as food inspections of restaurants and other necessary inspection practices. The department will continue recent initiatives to focus nursing resources on high risk cases, early childhood development, and to accelerate progress toward benchmarking children's immunization rates. The department will continue to develop additional partnerships with the state and federal government as well as regional and local organizations to increase reimbursements for certain services, thereby helping to improve the city's fiscal capacity.

Strategies and Milestones for 2011

Objective: Reduce injuries, disabilities, and deaths due to violence.	
Strategies	**2011 Milestones**
Continue efforts to collaboratively develop, implement, and evaluate effective and sustainable approaches to preventing interpersonal and community violence.	Increase opportunities to engage multiple sectors in policy and programming activities through the development of a Center for Public Safety. Develop and implement National Institute of Corrections Technical Assistance initiative through the Milwaukee Community Justice Council.
Develop a plan to prevent sexual violence and ensure that victims receive a seamless compassionate system's response.	Prepare initial draft of sexual assault response plan. Establish uniform standards for multi-disciplinary training in all agencies that provide direct services to victims and survivors of sexual assault/abuse.
Increase safety for victims/children of domestic violence and sexual assault. Hold abusers accountable and work to prevent domestic and sexual violence.	Strengthen outreach to professionals and neighborhood residents to increase awareness and response to community and interpersonal violence.
Promote firearm safety and reduction in the use of illegal guns.	Establish community educational campaign targeting straw purchasing and gun trafficking of firearms**.**
Objective: Leverage existing resources and continually seek new funds to create safe and healthy homes for Milwaukee's children through abatement of lead based paint hazards in contaminated houses.	
Strategies	**2011 Milestones**
Continue to seek private and philanthropic funding resources to address and expand the Home Environmental Health program with the goal to increase lead safe homes in the city.	Using existing funding, abate 800 contaminated units in the target area. Incorporate HUD's "Healthy Home" program into the current Home Environmental Heal program addressing an additional 100 homes in the target area.
Explore incentives and regulatory compensation changes to promote screening among physicians.	Review best practices and identify stakeholder groups to define incentives. Work closely with the state to engage health systems to implement self-reporting. Coordinate communitywide inventory and strategic planning of parent groups to advocate doctors to increase screening rates. Support the addition of a lead module to the Wisconsin Immunization Registry.

Strategies and Milestones for 2011

Update the Health Department's Lead Elimination Strategic Plan.	Complete by December 2011.
Objective **Improve child health by promoting healthy birth outcomes for infants and ensuring that all Milwaukee children have adequate health coverage by 2012.**	
Strategies	**2011 Milestones**
Increase enrollment in state funded health insurance plans.	Establish five new partnerships with community based organizations to increase access for eligible children. Establish three new locations through partnerships with community based organizations where staff can enroll clients and increase access for eligible populations.
Continue to offer high quality home visitation services and appropriate early childhood interventions to at-risk families.	Secure annual funding for intensive, long term home visiting programs. Collaborate with local and statewide home visitation efforts to encourage widespread implementation and access of evidence based home visiting strategies. Continue to build the Project LAUNCH Milwaukee Well Child Connections initiative.
Objective: **Improve child health and school readiness by increasing immunization compliance to 90% by 2012.**	
Strategies	**2011 Milestones**
Continue to improve the School Readiness Initiative with MPS in order to identify underutilized off-site clinic locations and partnerships to improve student immunization rates.	Identify personnel, community based organizations, and financial resources to enhance programming for MPS Immunization Task Force. Implement system for the electronic exchange of data between the MPS and Wisconsin Immunization Registry. Expand the MPS Immunization Task Force to target a wider childhood and student population and incorporate additional funding sources and community partners. Implement quality improvement measures that are identified through the Increasing Adolescent Immunization Rates through School Based Clinics Grant.

Strategies and Milestones for 2011

Objective:	**Improve child health by maintaining or reducing childhood obesity rates.**
Strategies	**2011 Milestones**
Improve nutritional status and increase physical activity of Milwaukee's children.	Ensure access to fruits and vegetables through WIC by educating clients and increasing their capacity to purchase these items. Promote farmer's market vouchers and collaborate with other programs to increase availability of these items to WIC clients. Promote breastfeeding by working with all pregnant women through the Breastfeeding Peer Counseling program, continue participation on the Milwaukee County Breastfeeding Coalition, and help businesses become breastfeeding friendly. Educate families and encourage the importance of decreasing sugar sweetened beverages for children. Through the Milwaukee Childhood Obesity program, Partner with eight United Neighborhood Centers of Milwaukee (UNCOM) to develop and implement healthy vending policies and healthy eating/active living curriculum for youth and parents.
Objective:	**Improve child health by reducing the teen birth rate 46% by 2015.**
Strategies	**2011 Milestones**
Promote access to information and services to young adults to encourage responsible sexual health.	Increase the number of women and men enrolled in the Family Planning Waiver by an additional 15%. Continue involvement and leadership in essential community initiatives such as the Teen Pregnancy Prevention Initiative through the United Way.
Objective:	**Improve client reach through the Health Department STD/HIV clinic by increasing the number of clients seen, counseled, and treated at the clinic and in the community.**
Strategies	**2011 Milestones**
Enhance service delivery at the STD/HIV clinic to maximize the number of clients that can be seen, counseled and treated.	Continue to implement a flexible service delivery model for the clinic that efficiently utilizes staff resources and responds to client fluctuations. Implement expedited partner therapy within the MHD STD/HIV program. Maintain a turn away rate of 20% or less at the STD clinic.

Strategies and Milestones for 2011

Build program and community capacity, along with improved education and outreach efforts to reach a broader base of clients.	Evaluate current field delivered therapy protocol and implementation as related to community STD case identification and treatment. Collaborate with community organizations to enhance screening, testing and treatment of STDs within vulnerable populations who consistently perform high risk behaviors. Provide standardized protocols to community organizations for MHD laboratory specimen collection and diagnosis of clients for STDs.
Maximize billing reimbursement efforts through the Health Department STD/HIV clinic.	Implement necessary infrastructure (staff, equipment, protocols, training, etc.) to ensure all potential billing reimbursements are realized.
Objective: Increase food safety for consumers by increasing the number of annual inspections at high risk facilities and reducing the number of critical risk violations.	
Strategies	**2011 Milestones**
Continue implementation of a revised system for food inspections based on the complexity of food establishments and prevalence of critical risk violations.	Annually conduct three routine inspections for complex establishments, two inspections for moderate establishments and one inspection for simple establishments.
Implement system for consistent communication of problematic license holders for key stakeholders.	Mobilize internal task force to develop new protocols and intelligence sharing (DA's office, MPD, DNS) on establishments with problematic history. Expand pilot program to citywide initiative. Execute internal culture shift and staff training of food inspectors and support staff. Reprioritize/reallocate internal resources for position in Consumer Environmental Health to assist with new model.

STRATEGY IMPLEMENTATION

Lead Poisoning Prevention: The department continues to focus on health issues related to the home environment including lead poisoning prevention. Recognized as one of the most successful lead poisoning control programs in the country, the Health Department's lead program has significantly reduced the rate of lead poisoning among Milwaukee's children. The program's success is due to aggressive treatment practices, which target city areas containing homes with the highest concentration of lead. The program also strives to abate hazardous conditions in homes before children are poisoned.

As Figure 1 indicates, the percentage of children aged 0 to 5 with high blood lead levels has declined from about 40% in 1995 to 4.4% in 2009. Approximately 841 units were made lead safe in 2008 and 766 units were made lead safe in 2009 (see Figure 2). The decrease in the number of units abated is due to various economic circumstances

such as older housing stock needing more maintenance, a decrease in owners' ability to meet the matching fund requirement, and increasing building and material costs.

Research shows a direct link between lead poisoning and IQ levels, performance in school, and an individual's propensity for violent crime. The city continues to identify ways to maximize the success of the lead abatement program, which is largely dependent on fluctuating levels of grant funding. In 2011, the city plans to fund additional lead abatement efforts in approximately 725 properties.

Health Coverage: The city continues to identify and fund critical services to address health disparity issues that exist in the community. Ensuring access to health care coverage for Milwaukee residents to obtain needed medical care and treatment will help improve overall health outcomes. Milwaukee continues to rank low in Wisconsin for health insurance coverage and has the State's largest population of uninsured individuals. The Health Department's Community Healthcare Outreach Program (formerly Medical Assistance Outreach), which identifies and assists eligible city residents enroll in health insurance, helps to bridge this gap.

Since 2003, the Community Health Care Outreach Program has helped 16,355 clients sign up for insurance and has referred over 13,800 individuals to other support programs. In 2009, the program saw over 5,300 individuals and assisted approximately 2,000 clients in gaining access to insurance (see Figure 3). In 2010 and 2011, the department will work to forge new partnerships and establish three additional locations with community based organizations to increase client enrollment in state funded insurance programs.

Intensive Home Visits: The infant mortality rate (the number of children who die before their first birthday out of every 1,000 live births) is an important indicator of a community's overall social and economic well being. Between 2006 and 2008, non-Hispanic African Americans in Milwaukee experienced

Figure 1

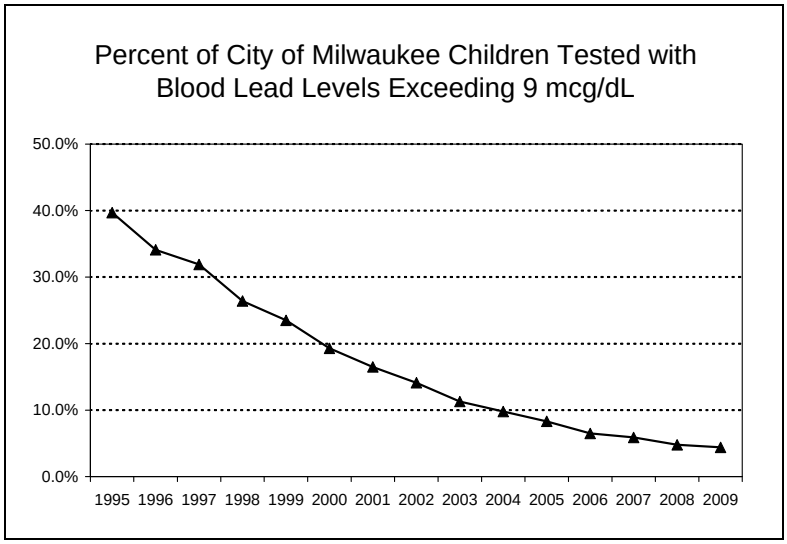


Figure 2

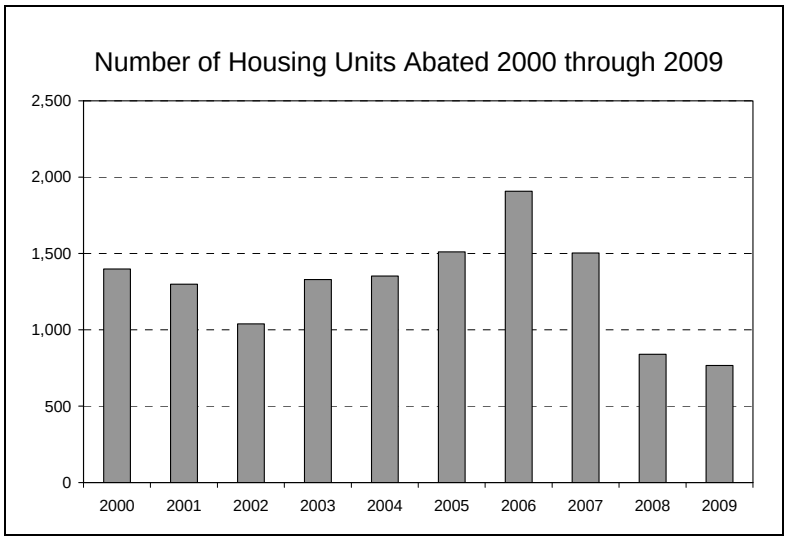
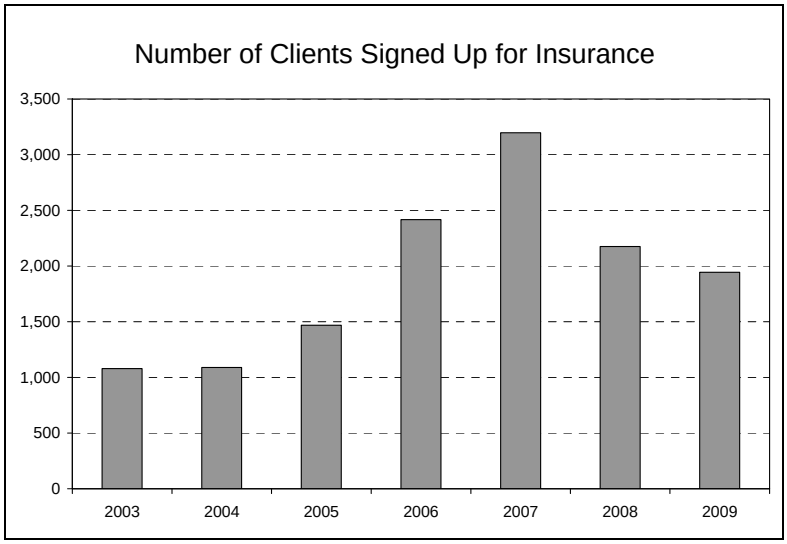
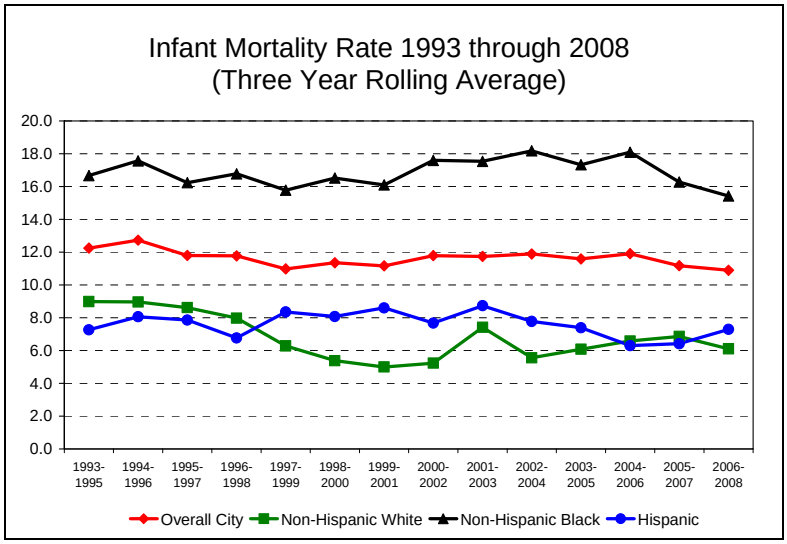


Figure 3



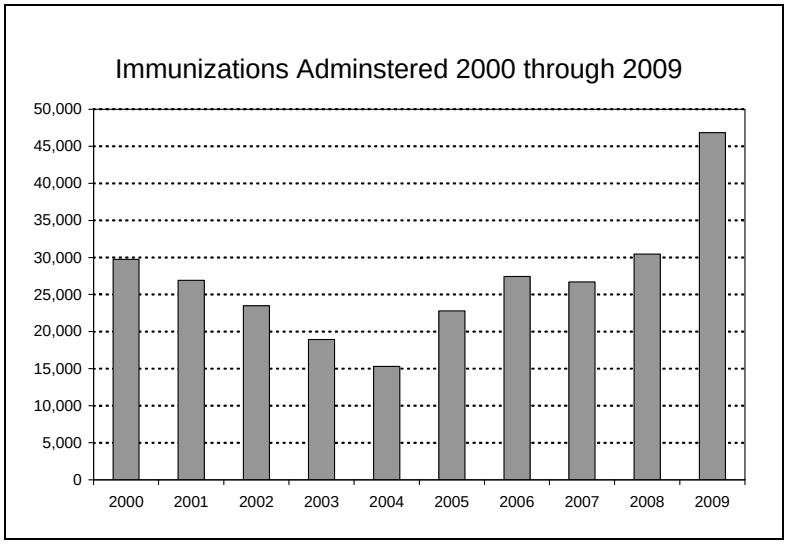
a 15.43 per 1,000 infant mortality rate compared to a 7.29 rate for Hispanic residents and a 6.11 rate for non-Hispanic White residents. The rate for African Americans is 2.5 times higher than for Whites. This disparity has remained over time as shown in Figure 4.

Figure 4



To help address this gap, the department manages two intensive home visiting programs that emphasize healthy birth outcomes. The first program, Empowering Families of Milwaukee, targets high risk pregnant women in zip codes 53204, 53205, 53206, 53208, 53210, 53212, 53218 and 53233. The program follows a multi-disciplinary approach with a team of practitioners including nurses, social workers, and community health workers that provide long-term, intensive home visitation services utilizing the evidence-based curriculum, Parents as Teachers. Visits begin in early pregnancy and continue through the child's fifth birthday. The program's goals are to improve birth outcomes, support child health, safety and development, decrease child abuse and neglect, improve school readiness, and enhance family functioning. Since inception, the program has enrolled 531 new clients and serviced 467 infants. In 2010, 99% of the women involved in the program were receiving pre-natal care and 75% of mothers initiated breastfeeding at birth. More than 82% of the infants born to program participants scored at or above benchmark developmental levels, indicating the program's potential to overcome high risk environmental circumstances.

Figure 5



A second program, the Nurse Family Partnership, aims to improve birth outcomes, improve the child's health and development and improve the families' self-sufficiency. The program provides intensive nurse home visitation services to low income, first time pregnant women in zip codes 53204, 53205, 53206, 53208, 53210, 53212, 53218, and 53233. This evidence based program follows strict adherence to the national model where case management is carried out through a team of nurses. Visits begin in early pregnancy and continue until the child's second birthday. Based on nationally conducted research at other NFP sites, the program can expect these outcomes: improved prenatal health, fewer childhood injuries, fewer subsequent pregnancies, increased intervals between births, increased maternal employment, and improved school readiness. By the end of the second quarter of 2010, the Nurse Family Partnership program had enrolled 67 active families, and 87% of these families had achieved the recommended level of prenatal visits, 71% of new mothers had initiated breastfeeding, and 81% of the infants were current with recommended immunization schedules.

The department is committed to working with the community to reduce infant mortality and hosted a Safe Sleep Summit in 2010 along with key community partners to strategize ways to promote safe sleep practices. The department also launched a safe sleep campaign in December of 2009 and is planning to launch a prematurity awareness campaign as well. In 2009, the department became an official "Cribs for Kids" site and through August 2010, has distributed nearly 600 cribs to families who need a safe sleep environment for their children.

Immunizations: The city has adopted the Department of Health and Human Services (DHHS) goal to have 90% of children complete the primary immunization series. The goal is considered an appropriate level of protection to prevent or minimize outbreaks of vaccine preventable diseases which have become more prevalent in the United States. Improving immunization rates remains a high priority for the Health Department and significant gains have been made over the last four years to improve immunization compliance rates. The department's School Readiness Immunization program, along with several key grants and a Immunization Task Force have increased compliance rates 27% since the 2005 - 2006 school year. Compliance rates have remained consistently at 81% despite new immunization requirements being phased in during the 2008 - 2009 school year.

In order to increase and sustain progress regarding immunization, the department continues to play a key role in the Immunization Task Force. The task force is comprised of members from the Health Department, Milwaukee Public Schools, the Wisconsin State Division of Public Health, and the Milwaukee County District Attorney's Office. In 2011, the task force will expand its mission to focus on improving citywide immunization rates instead of concentrating solely on Milwaukee Public Schools. The task force will also concentrate on improving the efficiency and effectiveness of school based immunization clinics and implement a new data exchange program to better facilitate the transfer of immunization data from schools to the state.

H1N1 Update: During the outbreak, the department coordinated resources for a mass vaccination campaign at several sites and vaccination efforts prioritized those groups most at risk. In 2009, the department administered 46,838 vaccinations to over 28,000 clients (see Figure 5). Approximately 25,000 of those vaccinations were for H1N1 and another 2,000 doses were distributed to client partners in the community. The Health Department laboratory tested more than 6,000 specimens and was one of only three labs in the state that could replicate the confirmatory testing done by the Centers for Disease Control and Prevention.

In 2010, H1N1 will be incorporated into the seasonal trivalent flu vaccine and made available through traditional distribution routes. The department is following the American Council for Immunization Practices (ACIP) recommendation that everyone get vaccinated for the flu this season, and the fall immunization marketing campaign will included a component highlighting the importance of flu vaccination.

Sexually Transmitted Disease: Milwaukee currently has one of the highest rates of infection for gonorrhea and chlamydia in the country. Current data indicate the potential for a significant increase to Sexually Transmitted Disease (STD) in Milwaukee. The Health Department's STD and HIV programs offers services that include screening, treatment, counseling, and referral for Sexually Transmitted Diseases and HIV counseling as well as community outreach and education. The department's STD clinic sees approximately 7,000 clients each year and continues to maximize client outreach and service through newer programs and initiatives.

For example, the Dual Protection Partnership Initiative provides education to clients along with actively managed referrals of clients to medical providers. Field delivered testing and treatment shortens the amount of time between diagnosis and treatment to decrease the spread of disease. Initiatives like these allow the department to treat a larger number of cases in a timely manner in order to decrease both occurrence and reoccurrence of cases.

The department also focuses on process improvements that positively impact service outcomes at the Keenan STD clinic. The department has set a goal to provide service to at least 80% of the clinic's visitors on a regular basis. In 2009, the department exceeded this goal and was able to see over 82% of the clients that came to the STD clinic.

In 2010, the department partnered with Diverse and Resilient, Inc. to help reach young African American men who have sex with men. The partnership will target the root causes associated with the rise of HIV disease in Milwaukee and collaborate with additional community agencies to maximize client reach and reduce disease transmission.

The 2011 proposed budget includes $75,000 in a departmental special fund to enable targeted HIV prevention initiatives. The department will use its surveillance and community outreach expertise to tailor these initiatives to the most critical emerging patterns of HIV risk.

Figure 6

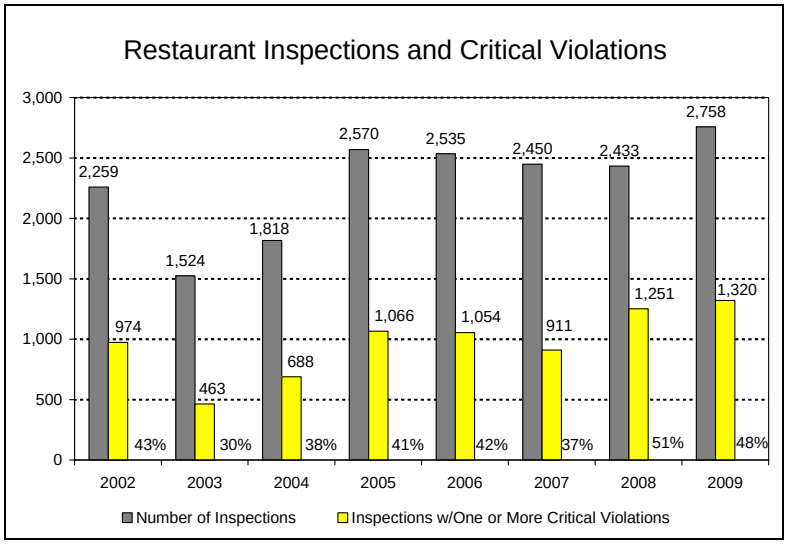
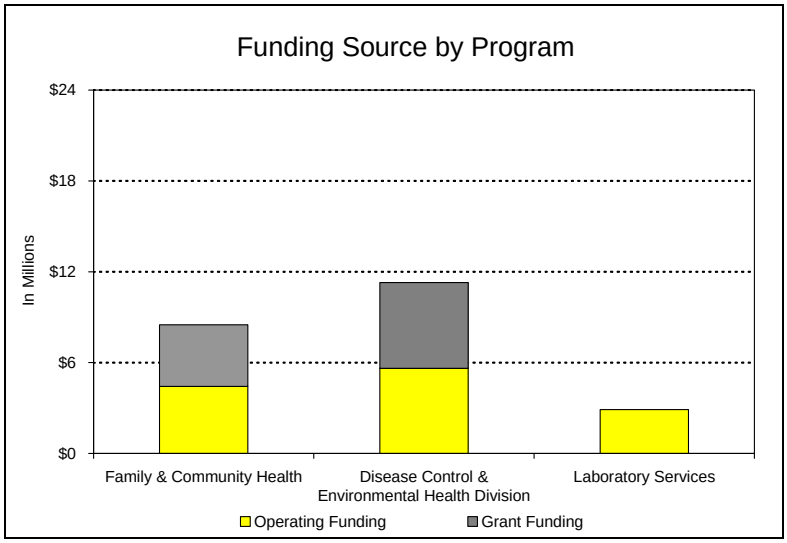


Figure 7



Child Obesity: Promoting healthy behaviors and access to health services in Milwaukee improves the health of residents. Poor health habits started in youth contribute to disease, disability, early death, and high health care costs. Rising rates of obesity and diabetes are becoming important public health concerns, underscoring the importance of exercise and nutrition. The department's Women, Infants, and Children (WIC) program is the largest in the state and currently serves around 8,000 clients each month. The program implemented the "New WIC Way" in 2009 which promotes the purchase of fresh, frozen and canned fruits and vegetables in stores and at farmer's markets. The department will continue its efforts to educate clients and increase their capacity to buy these items.

Consumer Environmental Health: The department's success in protecting consumer environmental health is measured in part by the percent of inspections with critical risk violations. The department has a goal to reduce critical risk violations for all inspections, including initial site visits and follow-up inspections. In 2009, 48% of all inspections resulted in the identification of one or more critical risk violations (see Figure 6). The most prevalent risks include improper holding, cross contamination, and personal hygiene. The Health Department continues to use the Hazard Analysis and Critical Control Point (HACCP) techniques in its inspections. These techniques allow Food Inspectors to identify hazards to food safety or products in relation to food preparation or processing and determine the critical control points required to prevent or control these hazards.

In 2009, the department revised the manner in which food inspections are carried out in order to increase the amount of routine inspections that are completed annually. Restaurants are inspected at an increased frequency based on the complexity of food service. The tiered model of delivery helps inspectors better target more complex establishments and concentrate on violations that pose the greatest health risk for consumers. In addition, beginning in January 2009, the department began issuing placards to licensed food establishments after inspections were completed. These placards were revised and enlarged in 2010 and are to be posted by licensed operators in a

visible area. The placards provide details on the last date of inspection and provide information on how to access the department's inspection reporting system via the web or telephone.

The department is in the process of implementing a system for timely and consistent communication of problematic license holders. The new system includes revised protocols to improve intelligence sharing on problematic establishments with the District Attorney's Office, the Police Department, and the Department of Neighborhood Services. The department has launched a pilot program in 2010 and will expand the pilot to a citywide initiative in 2011. Through the reallocation of existing staff and salary resources, the department is adding an Environmental Health Training and Policy Coordinator to help with this task and other managerial duties.

Violence Prevention: The reduction of violence is a top priority for the city. The Office of Violence Prevention works to promote healthy residents in the city by reducing and preventing the leading causes of intentional injury and death. This includes collaborating with and supporting professional and neighborhood based efforts to develop more effective approaches and policies for violence reduction; working to build capacity within Milwaukee for prevention activities; disseminating information that will help to promote understanding of violence and its causes; studying violence reduction best practice models through research, training and program evaluation; and designing effective violence reduction initiatives.

Homeland Security and Public Health Emergency Preparedness: The department is active in several interagency planning initiatives directed toward improving public health response to natural disasters and bioterrorism. The department actively participates on a number of regional hospital and local public health boards, work groups and committees directed toward improving communitywide readiness. In 2010, the department was the first in the state to convene a multi-disciplinary and intergovernmental stakeholder workgroup focusing on developing a response plan to the introduction of a communicable disease through the Port of Milwaukee. The Urban Areas Security Initiative (UASI), Biowatch, and the Cities Readiness Initiative (CRI) are all examples of collaborative regional approaches to emergency preparedness and response within the Milwaukee metropolitan area that focus on public health coordination of medical surge capacity and distribution of medical countermeasures in response to a bioterrorism event. The department recently developed a Memorandum of Understanding with the Federal Bureau of Investigation (FBI) that strengthens the partnership between local public health and federal law enforcement entities. The health department laboratory was recently certified to perform analysis of select bioagents to enhance overall regional preparedness capabilities.

OTHER SERVICE AND BUDGET CHANGES

Budget Funding: The 2011 proposed budget provides $12.9 million of local tax levy funding. Grant funding from state and federal governments and foundations is expected to total $9.7 million which is a 27% decrease from 2010 expected grants. Overall, 2011 grant and operating funding of $22.7 million (see Figure 7) represents a $1.9 million decrease from the $24.6 million in 2010.

Capital Funding: Capital funding for the Health Department totals $110,000. This includes $85,000 for general maintenance and repairs at the various health centers and $25,000 for security cameras.

School Readiness Immunization Initiative: The 2011 proposed budget continues funding for the School Readiness Immunization Initiative to help the community achieve benchmark immunization rates. The program supports the establishment of more reliable baseline immunization data for the city and provides guidance to childcare and health care providers to bridge any gaps in immunization data with those organizations. The initiative also helps with special immunization clinics and enhanced immunization outreach and educational efforts.

Community Healthcare Outreach Program: Funding in 2011 will continue to help the department identify eligible populations, inform clients of the programs available, help with the application process and participate in outreach activities. This emphasizes the city's commitment to decrease existing health disparities and ensures that all Milwaukeeans have access to health insurance.

Staff Changes: The 2011 proposed budget maintains all existing clinic services, with modest reductions to personnel involved in direct service delivery See the *Detailed Listing of Position Changes* for more information.

2011 Budget by Services (Funding in Millions)

Service	**Disease Control and Environmental Health**	
Activities:	Communicable disease surveillance and control, immunizations, STD/HIV Aids prevention, tuberculosis prevention, emergency preparedness and response, environmental assessments, lead poisoning prevention and treatment, food safety regulation and education, weights and measures inspections, and sales ordinance investigations.	
		2011 Projection
Performance Measures:	Number of immunizations administered for the city and MPS.	30,000
	Number of clients seen at the STD clinic.	8,000
	Number of units made lead safe.	725
	Number of food inspections.	4,500
	Percent of all food inspections with one or more critical risk	35.0%
Funding by Source:	Operating Funds	$5.7
	Grants and Reimbursables	$5.7
	Capital Budget	$0.1
	Totals	**$11.5**
Service	**Family and Community Health**	
Activities:	Prenatal and reproductive health, newborn screening, immunizations, health education, preschool health, infant mortality reduction, health care access, cancer screening and prevention, women's wellness, domestic violence and sexual assault, vitals statistics/epidemiology, men's health.	
		2011 Projection
Performance Measures:	Number of intensive nurse home visits.	4,800
	Number of clients signed up for insurance.	2,500
	Number of cribs distributed through Cribs for Kids.	1,000
Funding by Source:	Operating Funds	$4.3
	Grants and Reimbursables	$4.1
	Capital Budget	$0.0
	Totals	**$8.4**
Service	**Laboratory Services**	
Activities:	Disease surveillance, environmental health protection, food and water safety, specialized testing, emergency response, data interpretation and integration, and research.	
		2011 Projection
Performance Measures:	Number of tests for communicable disease.	7,500
	Number of tests for blood lead poisoning.	5,000
	Number of tests for lead in the environment.	18,000
	Number of tests for water quality including beach monitoring.	1,600
Funding by Source:	Operating Funds	$2.9
	Grants and Reimbursables	$0.0
	Capital Budget	$0.0
	Totals	**$2.9**

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	Position Title	Reason
1		1.00	Health Project Coordinator Violence Prevention	Position added through the Sexual Assault Planning Grant.
-1	-0.60		Human Resources Analyst Senior	Reduction due to fiscal constraints.
-1	-1.00		Custodial Worker II/City Laborer	Eliminate vacant position authority.
1		1.00	Health Project Assistant	Position added through Public Health Impact Initiative Grant.
		1.00	Public Health Nurse	Positions increased to full time through Maternal and Child Health Grant.
-1	-1.00		Public Health Nurse	Reduction due to fiscal constraints.
	-0.50		Clinic Assistant	Position reduced to part time.
1		1.00	Public Health Nurse Supervisor	Positions added through Project LAUNCH Grant.
3		3.00	Public Health Nurse	
1		1.00	Health Project Coordinator Childhood Wellness	
		0.30	Nutritionist	Position changes through WIC grant.
1		1.00	Health Project Coordinator	
2		2.00	Clinic Assistant Bilingual	
-3		-3.00	Clinic Assistant	
-1		-1.00	Dietetic Technician	
1		1.00	Dietetic Technician Bilingual	
1		1.00	Office Assistant III	
-1		-1.00	Tobacco Control Program Coordinator	Position reduced through Tobacco Control Community Coalition II Grant.
-4		-4.00	Public Health Nurse	Positions reduced through Adolescent Community Health Grant.
-2		-2.00	Health Project Coordinator	
-1		-1.00	Public Health Educator	
-1		-1.00	Office Assistant II	
-1		-1.00	Health Project Assistant	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
2		2.00	Public Health Nurse	Positions added through Maternal and Child Health grant.
1		1.00	Public Health Educator II	
1		1.00	Health Project Coordinator	
1		1.00	Health Project Coordinator	Position added through Plain Talk Initiative Grant.
	-0.50	0.50	Environmental and Disease Control Specialist	FTE correction.
-1		-1.00	Lead Grant Project Manager	Position changes in Lead-Based Paint Hazard Control Grant.
1		1.00	Lead Grant Monitor	
1	1.00		Environmental Health Training and Policy Coordinator	Position added in Consumer Environmental Health.
-1		-1.00	Health Project Coordinator Emergency Prep	Position changes in Bioterrorism Grant CRI/Pandemic Flu.
1		1.00	Health Project Coordinator Immunizations	
1		1.00	Public Health Pandemic Planning Coordinator	
-1	-1.00		Office Assistant III	Position changes due to reorganization of departmental positions.
	0.40		Office Assistant II	
-1		-1.00	Health Project Coordinator Immunizations	Position changes in Immunization Action Plan Grant.
1		1.00	Public Health Nurse	
1		1.00	Public Health Nurse	Positions added through Immunization Action Grant.
1		0.50	Office Assistant II	
-1		-1.00	Health Information Specialist	Positions reduced through Childhood Immunization Disparities Grant.
-2		-2.00	Public Health Nurse	
-1		-0.50	Office Assistant II	
1		1.00	Health Project Coordinator	Position added in Public Health Emergency Response Grant.
-1	-0.50	-0.75	Various Positions	Miscellaneous adjustments.
-1	**-3.70**	**4.05**	**Totals**	

LIBRARY

EXECUTIVE SUMMARY

MISSION: Provide a gateway to an expanding world of information and to library services, guide citizens in their pursuit of knowledge and lifelong learning, and increase the literacy rate, knowledge and work skills of Milwaukee residents.

OBJECTIVES: Reduce the number of families living in poverty and improve job growth.

Expose inner city youth to career environments.

Increase literacy rate.

Deliver services at a relatively low cost to taxpayers.

STRATEGIES: Offer job and résumé labs and computer training classes.

Increase access to library cards for city students.

Expand early literacy initiative and enhance literacy services to adults.

Use RFID and facilities planning to improve efficiency in library operations.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	272.10	287.89	288.18	291.18	3.29	3.00
FTEs - Other	22.20	25.37	25.37	25.37	0.00	0.00
Total Positions Authorized	377	368	368	372	4	4
EXPENDITURES						
Salaries and Wages	$13,153,256	$11,584,227	$12,025,960	$12,094,690	$510,463	$68,730
Fringe Benefits	5,702,602	4,749,532	5,772,461	6,168,292	1,418,760	395,831
Operating Expenditures	2,399,391	2,237,000	2,371,071	2,415,482	178,482	44,411
Equipment	1,776,891	1,562,743	1,587,279	1,587,279	24,536	0
Special Funds	0	0	0	0	0	0
TOTAL	$23,032,140	$20,133,502	$21,756,771	$22,265,743	$2,132,241	$508,972
REVENUES						
Charges for Services	$1,481,556	$1,507,000	$1,384,800	$1,384,800	$-122,200	$0
TOTAL	$1,481,556	$1,507,000	$1,384,800	$1,384,800	$-122,200	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Public Library (MPL) enhances the quality of life in Milwaukee's neighborhoods and contributes to social awareness, school readiness, academic success, literacy, economic development and job skills development. Library collections also serve informational and recreational needs of the community. MPL provides materials, services, and facilities for residents of Milwaukee and throughout Milwaukee County. Nearly three million physical items and various online resources are available at the Central Library and 12 neighborhood libraries located throughout the city.

Library services include access to materials and programs related to developing a skilled workforce. Information needed for self-improvement in the area of job skills is available at Central Library as well as all neighborhood libraries. MPL has received assistance from several private and non-profit organizations to offer programs such as walk-in assistance for help in completing résumés, online job applications, and developing skills to perform improved online job searches. The Library's commitment to workforce and economic development also includes its partnerships with the University of Wisconsin Milwaukee's Small Business Development Center, MATC, SCORE, and other community organizations. These partnerships have increased the Library's capacity to offer various programs, including business planning assistance and GED studies, aimed at developing entrepreneurship and economic self-sufficiency for Milwaukee residents.

The Library also focuses on developing adult literacy to address skills that can improve employability, job retention, and basic literacy. Four libraries are designated as literacy centers that provide tutoring programs and special materials to develop basic reading skills. One-on-one tutoring is also available at five libraries, with walk-in tutoring offered at Washington Park Library. The Library also offers technology as part of its focus on 21st century literacy. Public computer classes are offered in partnership with private donors, and there is access to public computer workstations and the Internet at each library. Computer classes are offered throughout the year, and workstations are available during all library hours.

Children's librarians are assigned to all libraries. These librarians select and recommend appropriate materials for young children, provide guidance to parents and caregivers, and offer in-house, distance, and online reading programs. As children grow into young adults, the Library has various programs and services to support their educational needs including age appropriate summer reading programs and homework assistance during the school year. These services to children, childcare providers, and young adults have been merged under one coordinator. With an emphasis on early literacy and lifelong learning, the coordinator provides a system wide standard for services and programs offered to youth and underserved populations.

Strategies and Milestones for 2011

Objective: Reduce families living in poverty and improve job growth.	
Strategies	**2011 Milestones**
Offer job and résumé labs.	Funding secured; demonstrated increase in use.
Offer computer training classes.	Funding secured; demonstrated continued use.
Expand access to computer resources and wireless Internet.	Public laptop pilot expanded at Villard Avenue Branch and replicated at five other branches.
Support installation of kiosks from the Milwaukee Area Workforce Investment Board.	Kiosks installed at branch libraries
Objective: Expose more inner city youth to career environments.	
Strategies	**2011 Milestones**
Ensure every city student has a library card.	80% of first grade students enrolled in MPS will have valid cards.

Strategies and Milestones for 2011

Objective: Increase literacy rate.	
Strategies	**2011 Milestones**
Increase access to library services.	Hours increased from 35 to 45 per week at four branches.
Continuation of Library's Books2Go Early Literacy Initiative.	Private support secured. 40 outreach sites served. 1,100 children served; 110 childcare providers trained.
Increase services through Youth and Community Outreach Services Unit.	"Teacher in the Library" initiative operating at five branch libraries. Maintain the Summer Reading Outreach program at five new summer school sites and 808 additional childcare centers.
Enhance literacy services to adults with school age children.	Computer and financial literacy classes and resources offered.
Objective: Deliver services at a competitive cost.	
Strategies	**2011 Milestones**
Use RFID and self-check technologies to improve and streamline circulation functions.	Self-check stations fully operational at all libraries; 80% of all circulation completed at self-checkout.
Enhance libraries and library services through capital planning and development.	New branch library opens in Villard Square development. East Library Development underway.

STRATEGY IMPLEMENTATION

Programming and Technological Resources: The Library is working to meet changing patron needs by offering innovative programming and expanded technological resources and services.

To expand its capacity, the Library has secured alternative sources of funding and partnered with other leading organizations in the community to reach a broader audience and present additional programming for all ages. In 2010, these strategies enabled the Library to deliver programming and develop new online resources to heighten people's awareness and improve efficacy in the areas of health, personal finance, environmental sustainability, job searching, computers and technology, and early literacy. This is in addition to the traditional and ongoing programs that support early childhood development and education, cultural enrichment, civic engagement and lifelong learning.

Job Drop-In Labs and Computer Training: The Library's information resources have expanded beyond traditional collections and reference to include increasing numbers of computer based information and technical skills development. In 2009, MPL offered 472 privately supported computer classes focusing on providing

residents with basic computer skills. Nearly 4,000 students attended these classes in 2009, and 286 more classes were held with over 2,300 attending in the first six months of 2010.

In addition to computer classes, customers continue to use library technology on library computers when buildings are open and remotely from their own computers. As shown in Figure 1, overall usage of public computers dropped in 2010, due to decreased library hours. Through July 2010, total computer use in library facilities dropped by 24% compared to 2009. However, library patrons continue to increase their use of remote resources. Through July 2010, patrons connected to library purchased databases remotely 24% more often than in 2009. At the end of July 2010, Milwaukee cardholders had placed more than 270,000 holds and 80% of those were placed from a home or business outside the library. The Library's focus on technology, including Internet based databases, virtual reference and other services offered via the Library's web page, has increased its ability to serve patrons.

Laptop Pilot: The Library piloted a public laptop program at the Villard Avenue branch in 2010, with plans to expand and replicate the program in 2011 at five additional branches in anticipation of stimulus funding. The other branches would include Forest Home, Center Street, Martin Luther King Jr., Atkinson, and Washington Park. With approved funding, 40 laptop computers would be placed at each of the libraries for in-library use by the public. Six computer trainers would be hired to work at these libraries, managing the program and providing classroom style and one-on-one training. The wireless system throughout the entire public library system would also be upgraded.

Community Resource Kiosks: The Milwaukee Area Workforce Investment Board installed a Community Resource Kiosk at the Center Street Branch Library in 2009. With anticipated stimulus funds, additional kiosks will be added to five additional library sites. These kiosks provide direct links to information about jobs, training, benefits, and other resources.

Library Card Campaign: The Library's goal is to have every Milwaukee student using the public library with a valid library card. A first step toward reaching this goal is to concentrate on getting cards into the hands of first graders. These students can print their names and are learning to read, a perfect time to receive their first library card. The Library will continue to work with the Library Board of Trustees and the Milwaukee Public Schools to reach this goal.

Ready to Read with Books2Go: The "Ready to Read with Books2Go/*Libros Para Llevar*" program improves the reading readiness skills of Milwaukee children ages 0 through 5. The program focuses on childcare providers and families located in neighborhoods with the highest concentration of poverty and has been in operation for ten years.

Outreach teachers visit childcare centers and enroll them with a Books2Go library card, discuss early literacy development, promote programs offered at the Milwaukee Public Library, and invite teachers to attend free continuing education workshops. Ready to Read works with childcare centers to provide intensive services, including story times twice a month and book delivery. Teachers model methods for childcare providers to use that develop early literacy skills during story classes and during their day-to-day interactions with children. Strong emphasis is placed on brain development and incorporating fun, easy, and educational activities that will make a considerable difference in the lives of children. Ready to Read also includes outreach to families and teaches parents about early literacy skills. This initiative is funded primarily through private foundations.

Teacher in the Library: This new initiative was inspired by the Chicago Public Library's successful program that brings certified teachers to the public library during after school hours. The teachers working with the Chicago project have helped children complete homework assignments and assisted students in becoming more focused on their studies, resulting in improved classroom performance. In addition to these goals, Milwaukee Public Library's teachers, in collaboration with MPL's children's librarians, will focus on the promotion and development of reading as a lifelong habit. Teachers also provide support, counseling, and advocacy for the parents and

caregivers of participating children. Parents may be unable to assist their children in completing homework because of limited English language and academic proficiencies. In order to ensure there is full community engagement, Milwaukee's program will provide bi-lingual (Spanish/English) teachers as the neighborhood's demographics and the needs of the student participants and their parents demand. This initiative is currently funded with CDBG funds.

Expanded Outreach of the Summer Reading Program: Promoting reading and developing reading skills is a year round endeavor for the library. While the 'Teacher in the Library' initiative promotes academic development during the school year, the Super Reader summer reading program promotes reading over the summer to maintain or increase reading skills while children are out of school and to develop a lifelong habit of reading for pleasure. In 2010, the program served 60 youth serving agencies and 30 preschool childcare centers.

In addition, the Library hopes to continue an expanded early literacy outreach effort to 80 childcare classrooms that reached over 1,000 children age five and younger. Library educators visited each classroom three times over the months of July and August and provided literature based classes to develop the literacy skills. This effort encourages parents in their roles as their child's first teacher, helping to develop reading skills in their children. Outreach educators visited each center three times over the summer and actively engaged the children in the Super Reader program and literacy activities.

Figure 1

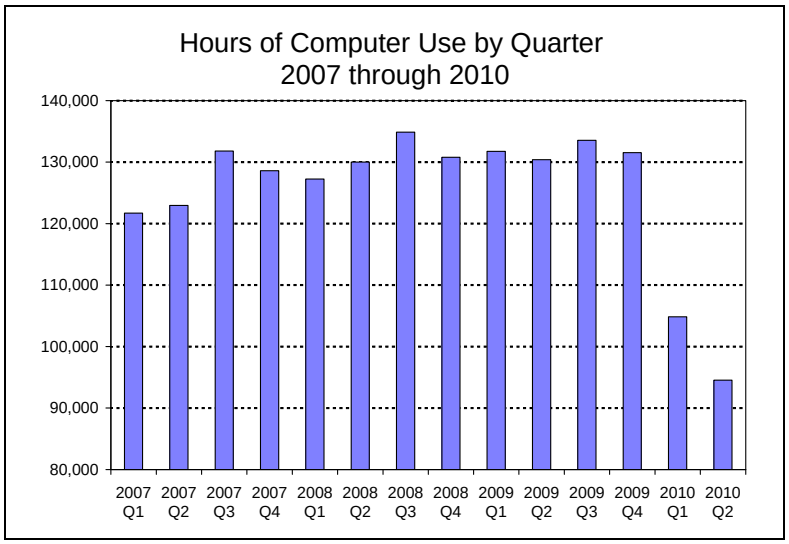
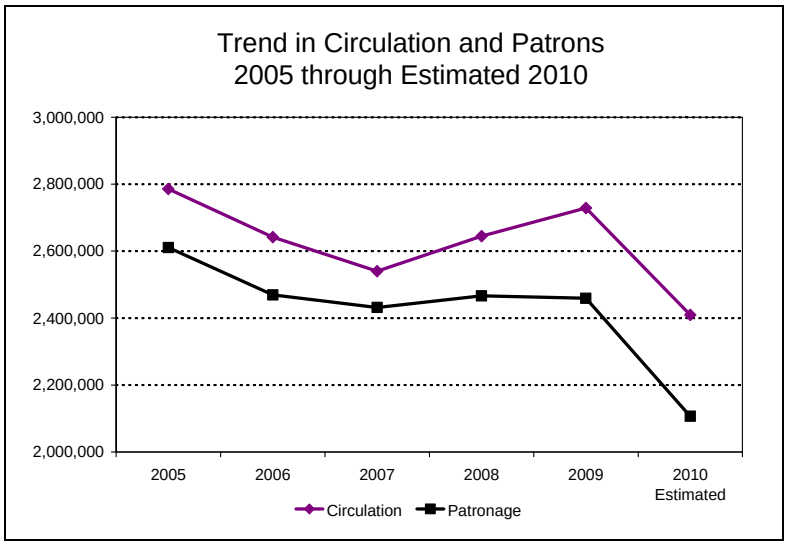


Figure 2



The Library expects to continue a new partnership with community leaders who piloted an intensive summer school aimed at improving reading skills in 150 second and third graders identified as having minimal reading skills. These children attended one of five different sites where a library teacher worked with them for 30 minutes each day as part of their summer school program. The teachers engaged them in the reading process by finding reading material they enjoyed and providing fun literacy activities that build upon the skill training they receive during summer school. This partnership was funded with CDBG funds.

Expanding Neighborhood Library Hours: As shown in Figures 1 and 2, the hours of computer use and the number of patrons and items circulated all have significantly decreased in 2010 compared to 2009. These reductions appear to be the result of the reduction in hours at neighborhood libraries that was implemented in 2010. Eight branch libraries had their hours reduced by 22%. Three other branch libraries had their hours reduced by 37.5%. Central Library's Humanities and Art Room offered 22% fewer hours of access. In order to moderate

these decreases, the 2011 proposed budget increases weekly hours at some libraries. Hours at Bay View, East, Washington Park and Zablocki libraries will increase from 35 hours to 45 hours per week. This increase will include a full additional day of service and three additional hours on another day, keeping these libraries open four evenings rather than three.

RFID/Self-Check Project: This project began in 2009 with vendor selection completed by the end of the year. Tagging of materials at branches began in February 2010 and was completed in July. Central's tagging project began in March 2010 and was completed in August. Installation of self-checkout stations and new security gates began in April 2010 and was completed at 11 branches in August. Self-check circulation, through mid-August, was 143,828 or 54.9% of all circulation at those locations. The Library's goal is to have 80% of all circulation transacted through the self-service stations. One two bin sorter for automated check-in has been installed at East Library. Bay View and Central Libraries require some architectural changes to accommodate the new technology. Construction and subsequent installation is expected to be completed early in 2011.

The Green Roof: The Green Roof project at the Central Library began in summer of 2009 and was completed in summer of 2010. The project replaced a deteriorated roofing system with a green roof system that will double the life of the roof, improve energy efficiency and reduce the amount and speed of stormwater runoff. This project also included the installation of a 30 kilowatt solar electric system. The solar panels produce electricity that goes back to the grid as an offset to the amount of electricity used in the Central Library. From November 2009 through August 2010 the solar panels have generated 31,957 kilowatt hours. Annually, the panels are expected to generate enough electricity to meet approximately 11% of the Central Library's needs.

Central Library Drive-Up: Renovation of the drive-up at Central Library began in August of 2010 and is expected to be completed in the fall. The project will improve access to the drive-up service point and create a safer separation between pedestrians using the accessible entrance to Centennial Hall and vehicles. New energy efficient storefront windows will replace the existing leaking single glazed windows. The interior changes include installation of an RFID sorting system that will improve customer service and workflow efficiency. The new design also improves staff safety, ergonomics, and general working conditions.

Villard Library: Construction of the new Villard Square Development is underway and will include a new branch library, replacing the current library. Ground breaking took place on September 17th and the library is expected to open to the public in the fall of 2011. The 12,300 square foot library is designed to be flexible, customer friendly, and efficient. A moveable glass wall will separate a meeting room from the reading room and can be opened to expand the reading and study area when not in use. The Library will continue to offer wireless Internet access and up to 40 laptop computers for public use in the building. Comfortable areas will be available for adults; teens will have their own room to study, read, and work in groups; children will have their own computers and collection arranged around a unique window seat. Two additional study rooms will accommodate individual and small group use. The library will also take advantage of self-service technology and will implement a new roving service model with staff available at they rotate through the library

OTHER SERVICE AND BUDGET CHANGES

Books and Materials: A total of $1.43 million is set aside to fund materials purchased for Central Library and all 12 neighborhood libraries. This represents an increase of $57,857 or 4.2% from the 2010 materials budget.

Security Improvements: The 2011 proposed budget includes increased security at library facilities, with more budgeted hours for security guards and upgrades to security cameras.

CAPITAL PROJECTS

The 2011 proposed budget provides $2.5 million for library capital improvements, including $2 million for changes to library facilities.

East Library Development: The Library held numerous public meetings in 2009 regarding the future renovation or replacement of several neighborhood libraries. Seven of these 12 libraries are due for renovation or major mechanical work in the next few years, and the need for this maintenance combined with increasing budget constraints drove the need to determine a future strategy on library facilities. The 2011 proposed budget includes $2 million in borrowing authority for facility changes, with the intent of using this funding to develop a mixed use facility for the East Library similar to the Villard Square project that is providing a new Villard Library. The Library is working with the Department of City Development to invite proposals to develop the East Library property as a mixed-use development. This will allow the city to develop this valuable property and replace an aging library at the same time. A Request for Proposal is being developed.

Central Library Improvements: The capital budget also includes $526,000 in improvements to Central Library. This includes ongoing projects to repair the building's historic mosaic tile and scagliola, masonry work on the building's exterior, and replacement of one air handling unit.

2011 Budget by Services (Funding in Millions)

Service	**Public Service Central Library**	
Activities:	Reference, research and circulation services, collection development; duties related to designation as the Milwaukee County Federated Library System's Resource Library, Interlibrary Loan Services, Ready Reference, Virtual Reference, City Archives, computer and technology services, adult literacy, providing for a healthy environment, and providing opportunities of lifelong learning.	
		2011 Projection
Performance Measures:	Circulation	699,320
	Visits	557,655
	Patron Contacts	273,050
	Paging Slips	103,800
Funding by Source:	Operating Funds	$5.2
	Grants and Reimbursables	$1.1
	Totals	**$6.3**

Service	**Public Service Neighborhood Libraries**	
Activities:	Circulation services, Reference, collection development, children's and teen librarians, computer and technology services, adult literacy, providing for a healthy environment, and providing opportunities for lifelong learning.	
		2011 Projection
Performance Measures:	Circulation	2,040,435
	Visits	1,676,630
	Patron Contacts	643,375
	Paging Slips	205,000
Funding by Source:	Operating Funds	$5.5
	Grants and Reimbursables	$0.5
	Totals	**$6.0**

Service	**Programming and Outreach Services**	
Activities:	Targeting materials and programs to specific populations. This includes Central Library's children's room programming and materials, outreach to childcare centers and related facilities through Books2Go, and adult programming, including job and computer skill classes. Preparing, presenting and staffing visits from authors, and other cultural events at library facilities.	
		2011 Projection
Performance Measures:	Total number of outreach sites served by Books2Go.	40
	Computer program attendance.	4,435
	Number of participants reached in Early Literacy programs.	37,000
	Number of participants reached in School Age programs.	34,000
	Number of children registered in Summer Reading programs.	27,000
	Number of adults participating in Adult Library programs.	7,500
Funding by Source:	Operating Funds	$0.8
	Totals	**$0.8**

2011 Budget by Services (Funding in Millions)

Service	**Administrative Services**	
Activities:	Leadership, Board of Trustee Activities, planning, implementation of Library Strategic Plan, development of community partnerships and marketing plan, budgeting, organizational development and human resource management.	
		2011 Projection
Performance Measures:	Average hours a week each library facility is open.	41.2
	Number of security incidents	1,000
	Number of registered MPL cardholders.	338,150
	Number of valid MPL cardholders.	154,235
Funding by Source:	Operating Funds	$2.4
	Totals	**$2.4**
Service	**Technical Services and Collections**	
Activities:	Provides technology infrastructure, support, and materials for Central and neighborhood libraries. Selects, acquires, and processes library materials. Provides network administration, purchase, installation and maintenance of all library computers and software.	
		2011 Projection
Performance Measures:	Collection size	2,811,539
	Items added to collection.	115,000
	Materials expenditure per capita.	$2.36
	Number of computers in library facilities.	897
	Hours of computer usage.	475,100
	Unique web visits.	2,723,900
Funding by Source:	Operating Funds	$4.6
	Grants and Reimbursables	$0.2
	Totals	**$4.8**
Service	**Facilities and Fleet Services**	
Activities:	Mainenance of structures, operating systems, equipment and grounds for Central Library and all neighborhood libraries, totaling 642,000 square feet. Delivery of equipment and supplies between buildings and maintenance of all MPL vehicles.	
		2011 Projection
Performance Measures:	Facilities cost per square foot.	$5.77
Funding by Source:	Operating Funds	$3.7
	Capital Budget	$2.5
	Totals	**$6.2**

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	Position Title	Reason
-1			Building Maintenance Manager	Position reclassified in CCFN 091647.
1			Library Facilities Manager	
-1	-1.00		Printer	Eliminate vacant position.
4	4.00		Librarian II	Increase hours at branch libraries.
-6	-3.00		Librarian II	Position change in CCFN 091143.
6	3.00		Library Youth Educator (0.5 FTE)	
1			Library Education Outreach Specialist	Position added in CCFN 100351.
	0.29		Various	Miscellaneous adjustments.
4	**3.29**	**0.00**	**Totals**	

MAYOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Enhance the safety, prosperity, and quality of life for all of our citizens working directly and through partnerships with our community stakeholders.

GOALS: Ensure city services are delivered efficiently, effectively, and equitably.

Build safe and healthy neighborhoods.

Increase investment and economic development throughout the city.

Enhance workforce development and connect more citizens to family supporting jobs.

Improve replacement cycles for city's core infrastructure.

Sustain, enhance and promote Milwaukee's natural environmental assets.

STRATEGIES: Continue and improve the Accountability In Management program to deliver high quality services to the taxpayers.

Work with local and regional partners in creating and retaining jobs.

Aggressively address the foreclosure crisis in Milwaukee.

Continue increased investment in local streets and sewers.

Continue to secure federal and state funds to improve Milwaukee.

Promote energy efficiency and renewable energy on a regional basis.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	12.50	11.00	11.50	11.50	0.50	0.00
FTEs - Other	0.00	0.50	0.00	0.00	-0.50	0.00
Total Positions Authorized	14	14	14	14	0	0
EXPENDITURES						
Salaries and Wages	$800,995	$745,578	$792,141	$783,852	$38,274	$-8,289
Fringe Benefits	328,408	305,687	380,228	376,249	70,562	-3,979
Operating Expenditures	38,420	44,000	42,600	42,600	-1,400	0
Equipment	0	4,000	0	0	-4,000	0
TOTAL	$1,167,823	$1,099,265	$1,214,969	$1,202,701	$103,436	$-12,268

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Mayor of Milwaukee is elected to a four year term as the Chief Executive Officer of the city and the primary representative of the people of Milwaukee. The Mayor's Office provides leadership in establishing priorities and in the coordination and implementation of services and policies. The managers of all 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.

STRATEGY IMPLEMENTATION

Strategic Planning through the Accountability In Management (AIM) Program: Mayor Barrett continues to ensure that departments are effectively implementing strategies that deliver high quality services and value to taxpayers. The management expectations that guide city departments in the AIM program include delivering services at a competitive cost and improving our fiscal capacity, achieving customer satisfaction and fostering effective communication and outreach.

Creating Job Opportunities for Milwaukee Workers: Nothing is more important to the economic vitality of Milwaukee than the availability of good jobs. Mayor Barrett has made a priority of working with the private sector to retain existing jobs and create new employment opportunities. Over the past year, coordinated city efforts have helped attract new employers such as Ingeteam, the Spanish wind energy company, which will employ hundreds of people in a Menomonee Valley factory slated to open in 2011. Talgo, the high-speed train manufacturer, will begin production at Century City; a prime example of the city's efforts to remediate and redevelop old industrial sites.

Connecting People with Employment: Mayor Barrett has directed the Milwaukee Area Workforce Investment Board to continue its work to connect job seekers with employment. In combination with employers, schools, social service agencies and other partners, MAWIB assists thousands of people by connecting them with work.

A new Job Corps site will soon start operation in Milwaukee. This U.S. Department of Labor program will provide education and career training to hundreds of young people between the ages of 16 and 25 who face challenges in finding employment opportunities. Mayor Barrett has been a strong advocate of creating the Job Corps site in Milwaukee and has pledged to work to make sure the program is as effective as possible.

Mayor Barrett also continued the Summer Youth Employment program which provided opportunities for students to gain important skills and work experience over the summer months.

Commitment to Public Education: Mayor Barrett has been involved in several initiatives to support the Milwaukee Public Schools. The Mayor worked with the state legislature to secure additional funding to offset the property tax impact of the Milwaukee Parental Choice Program (MPCP) lowering the total tax impact by an estimated $18 million annually. The Mayor plans to continue to work to decrease the impact of the MPCP for taxpayers in future budget sessions.

Mayor Barrett also worked with Governor Doyle to commission a study of MPS finances as it relates to non-instructional spending, which highlighted several opportunities to realize savings. In response to the findings of that report and the continued concerns for MPS academic outcomes, the Mayor, Governor and State Superintendent convened the MPS Innovation and Improvement Council chaired by the Mayor. The council analyzed how MPS implemented those recommendations and provided several additional fiscal and academic reform recommendations for MPS.

Commitment to Core Infrastructure and Implementation of the American Recovery and Reinvestment Act (ARRA): During Mayor Barrett's tenure, the local street and sewerage systems have seen increases in funding to

address the aging infrastructure, and to target infiltration and inflow in order to reduce the risk of overflows and basement backups.

Under the direction of Mayor Tom Barrett, the City of Milwaukee was both strategic and aggressive in the pursuit of American Recovery and Reinvestment Act funding opportunities. ARRA dollars procured will have a significant impact on the city's efforts to aggressively address the foreclosure crisis in Milwaukee and increase investment in local streets and sewers. The city garnered $52,578,034 in Formula Awards and an impressive $150,345,782 in the Competitive Awards area for a grand total of $202,923,816. Noteworthy wins include:

- $31,000,000 for transportation enhancements including local streets.
- More than $21,000,000 to repair and/or replace bridges in Milwaukee's downtown and Park East areas.
- $25,000,000 to establish financing mechanisms that provide support for the city to purchase, rehabilitate and market foreclosed properties, including Homebuyer Assistance, a Buy in Your Neighborhood Program and Land Bank Development.
- $10,000,000 to hire and train police officers over a three year period of time. Milwaukee's application was one of the two highest funded projects nationwide.
- $33,600,000 for a Clean Water Revolving Loan Fund that will be used to replace and rehabilitate deteriorating sanitary and combined sewer facilities.

Environmental Sustainability: The Mayor has charged the Office of Environmental Sustainability to actively engage city businesses, community and advocacy groups, academic institutions and the philanthropic community in strategic citywide discussions and visioning in order to enhance long term economic development in Milwaukee through the use of smart environmental sustainability policy implementation.

Under Mayor Barrett's guidance, the Office of Environmental Sustainability is implementing a plan to spend $5.8 million in stimulus funding focusing on improving the operational efficiency of city government through energy efficiency upgrades to city facilities. A portion of this funding is also helping local manufacturers cut costs and improve competitiveness by defraying the upfront costs for industrial energy efficiency upgrades. The remainder of this stimulus funding will be leveraged with just over $12 million in new federal stimulus funding the city was awarded to roll out a comprehensive citywide energy efficiency upgrade program for residential and non-residential property owners later this year.

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	Position Title	Reason
	0.50	-0.50	Staff Assistant Manager	Shift from reimbursable to revenue offset per memorandum of understanding.
0	**0.50**	**-0.50**	**Totals**	

MUNICIPAL COURT

EXECUTIVE SUMMARY

MISSION: Adjudicate ordinance violation cases impartially to safeguard the legal rights of individuals and protect the public interest, enhance public safety, make court services accessible to the public, and enforce court judgments.

OBJECTIVES: Build safe and healthy neighborhoods.

Improve workforce development and connect more citizens to family supporting jobs.

STRATEGIES: Implement technology in order to streamline operations and reduce operating costs, particularly in the area of case management.

Continue effective enforcement of court judgments through various collection methods.

Use alternative sentencing to increase respect for the law.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	39.50	39.38	40.38	40.38	1.00	0.00
FTEs - Other	1.00	1.00	0.00	0.00	-1.00	0
Total Positions Authorized	45	45	45	45	0	0
EXPENDITURES						
Salaries and Wages	$2,161,429	$2,006,358	$2,090,841	$2,069,375	$63,017	$-21,466
Fringe Benefits	922,893	822,607	1,003,604	993,300	170,693	-10,304
Operating Expenditures	463,224	512,471	468,500	468,500	-43,971	0
Equipment	20,714	3,000	3,000	3,000	0	0
Special Funds	30,359	35,000	35,000	35,000	0	0
TOTAL	$3,598,619	$3,379,436	$3,600,945	$3,569,175	$189,739	$-31,770
REVENUES						
Charges for Services	$1,696,106	$1,613,600	$1,843,000	$1,843,000	$229,400	$0
Forfeitures	4,802,074	5,255,000	5,255,000	5,255,000	0	0
Miscellaneous	0	0	0	0	0	0
TOTAL	$6,498,180	$6,868,600	$7,098,000	$7,098,000	$229,400	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Two of the city's goals are to build safe neighborhoods and to connect citizens to family supporting jobs. The Court contributes to these goals by adjudicating ordinance violations, effectively enforcing judgments and assisting residents to restore suspended or revoked drivers licenses.

The Municipal Court, part of the statewide court system, adjudicates city ordinance violations including traffic and building code cases. The Court has three 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.

Because of the volatility in the number of case filings, the Court uses Municipal Court Commissioners to augment its judicial resources. There are five authorized part time Municipal Court Commissioners available to hear traffic pre-trials and cases of defendants in the custody of the Milwaukee County Sheriff. The Commissioners hear cases in the Municipal Intake Courtroom at Milwaukee County's Criminal Justice Facility.

The Court is staffed by 41 employees who prepare case files for hearings, provide clerk services to the Judges and Commissioners, receive and account for defendant payments, and perform other administrative functions. The staff is responsible for processing between 150,000 and 190,000 cases per year and accounting for $7.1 million in net revenues, largely from fines and forfeitures.

The Court provides its services through regular daily court sessions, evening court sessions, and a variety of community based options. Evening court meets the needs of a large number of people busy during the day. Judges also meet with defendants in a variety of locations including at community organizations, which have programs specifically aimed at children and young adults. These sessions have experienced a good turnout and provide more time for the Judges to communicate with and counsel defendants.

The Court refers certain first time juvenile and adult offenders who appear for arraignment in retail theft cases to classes conducted by the Institute for Criminal Justice at the University of Wisconsin Milwaukee. When appropriate, traffic offenders who appear at pre-trial are referred to the Driver Safety program conducted by the City Safety Division. The Court also makes community service referrals to many non-profit community organizations, including Youth Services at the Social Development Commission, Career Youth Development, and the New Concept Self Development.

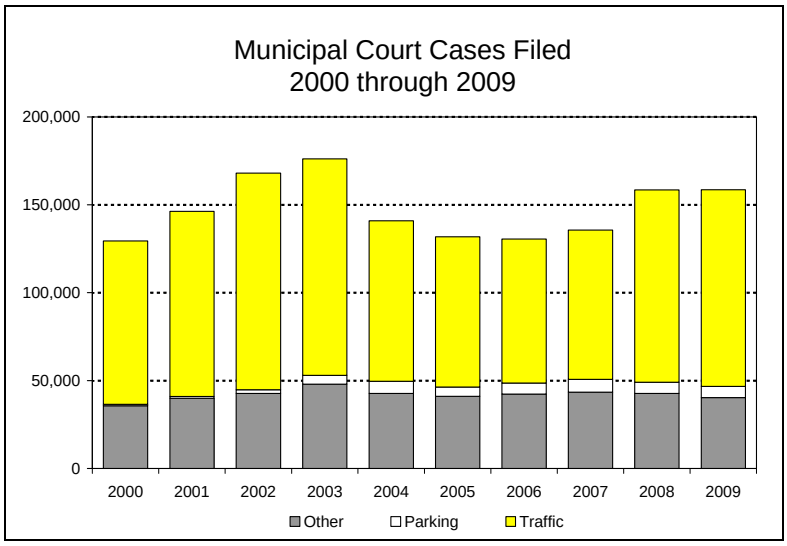
Strategies and Milestones for 2011

Objective: Build safe and healthy neighborhoods.	
Strategies	**2011 Milestones**
Promote justice through impartial adjudication of city ordinance violations submitted by departments.	Percentage of citations heard by intake within 45 days of offense. Court accessibility (community and evening session appearance rates).
Objective: Improve workforce development and connect more citizens to family supporting jobs.	
Strategies	**2011 Milestones**
Provide alternative sentences to increase respect for the law and compliance with sentences imposed.	Number of community service participants and hours.
Restore driver's license privileges to promote employability of offenders with suspended licenses.	Number of program clients who successfully obtain/regain driving privileges. Number of program clients who obtain employment after restoration of driving privileges.

STRATEGY IMPLEMENTATION

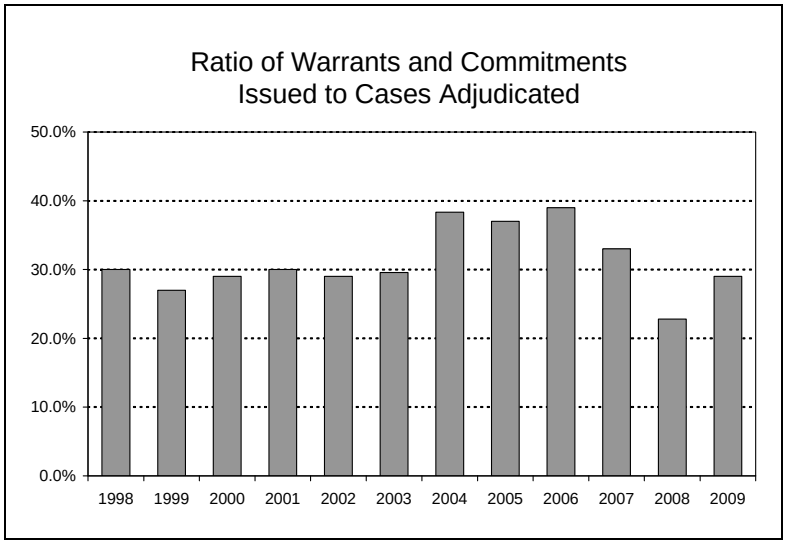
The Municipal Court's 2011 proposed budget is based on an estimated 160,000 cases. Case volume increased slightly to 160,462 in 2009 from 158,473 in 2008 and 135,611 in 2007. Traffic cases are now 70% of total caseload, a 5% decrease below 2009 (Figure 1). The ratio of warrants and commitments to cases adjudicated in 2009 was 29.8%, an increase from 23% in 2008 (Figure 2). This measurement is dependent upon current judicial policies and varies with different strategies pursued for adjudicating cases.

Figure 1



Evening court sessions, begun in 2003, were offered on ten dates in 2009. A total of 28 sessions were scheduled for 670 defendants on 894 cases in 2009, with 502 defendants or 75% appearing in court. Since evening court is more convenient, a high percentage of scheduled defendants actually appear for their hearings, improving court efficiency.

Figure 2



Drivers License Recovery and Employability Project: The 2011 proposed budget includes $200,000 for the Drivers License Recovery and Employability Project, with $150,000 allocated in the CDBG funding allocation plan and $50,000 provided in CDBG reprogramming funds.

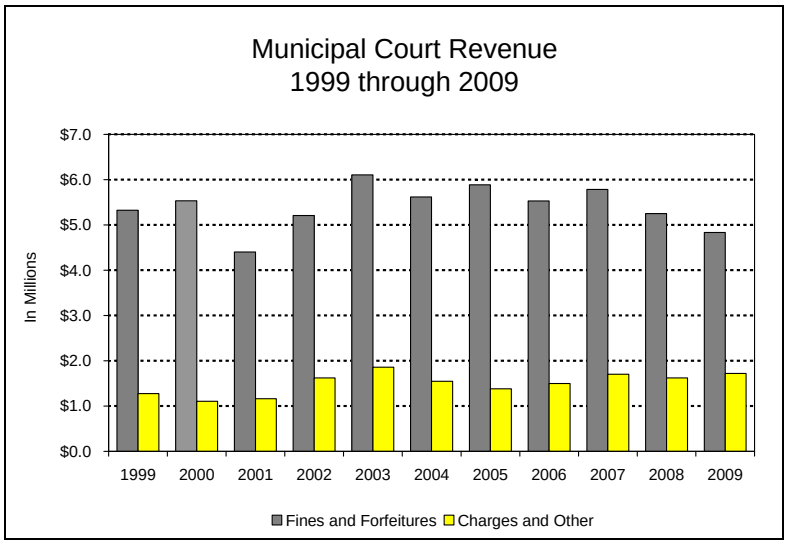
The project is managed by the Center for Driver's License Recovery and Employability, a non-profit organization created specifically for this purpose. This project assists residents in restoring suspended or revoked licenses. Many residents under license suspension or revocation can restore their licenses by taking a few steps within the court system. However, these individuals, many of whom are young and poor, require assistance in taking these steps. This project provides assistance through orientation, guidance, and legal support for persons willing to work for license restoration.

The goal is to reduce a significant barrier to employment for many residents. The lack of a valid driver's license creates a significant barrier to employment, particularly since there are many jobs located in the suburban and exurban areas outside of the City of Milwaukee and there is a lack of public transit to allow individuals without driver's licenses to access these jobs.

City funding was a catalyst to start this initiative. Foundations, corporations, and other entities have responded to the program's success with funding increases over time. Other entities provided 77% of the $852,000 expended by the project in 2008, contributed 83% of the $1,093,852 budget in 2009, and are expected to contribute 79% of the $950,000 projected 2010 budget. For their 2011 budget, the Center for Driver's License Recovery and Employability projects 78% of funding to come from sources other than the City of Milwaukee.

In 2009, the project served 2,520 clients, and actively managed 1,484 cases. Of 1,040 closed cases, 582 obtained licenses, for a license recovery rate of 56%. This is a high success rate compared to usual client success rates of 4% to 9% for employment and training programs serving similar client bases. Through June of 2010, the project is achieving an improved success rate for restoring driver's licenses, with 282 of the 383 (74%) clients whose cases were closed successfully obtaining driving privileges.

Figure 3



While there are limited data available at this time for the impact on employment outcomes, the initial outcomes are positive. The initial wage gains for women successfully obtaining their driving privileges was $759 more per quarter. While the initial wage gains for men were lower, $106 per quarter, improvements were seen in a decreased unemployment rate among males (58% to 54%) and in an increased percentage of men earning at least full time wages at double the minimum wage (3% to 6%).

OTHER SERVICE AND BUDGET CHANGES

Improving Case Management: The 2010 capital budget included $334,000 in funding for the third and final year of the Electronic Case Files and Document Records Management Project. The Document Records Management Project included funding for programming services, website redesign, e-Filing integration, and self-service kiosks. The Electronic Case File Project replaces paper case files and once fully implemented will allow for all documents associated with each case to be stored electronically in one location. For the 2011 proposed budget, savings of $44,150 will be realized due to the elimination of paper case file jackets. Once fully implemented, this project will reduce the number of staff needed to manually scan documents. Savings in personnel costs are expected to be realized in 2012 or 2013.

2011 Budget by Services (Funding in Millions)

Service	**Municipal Court Adjudication**	
Activities:	Impartially adjudicate ordinance violation cases and effectively enforce judgments.	
		2011 Projection
Performance Measures:	Percentage of non-priority cases that are tried within 90 days of intake date.	95.5%
	Ratio of warrants and commitments to cases adjudicated.	29.8%
Funding by Source:	Operating Funds	$3.6
	Special Purpose Accounts	0.5
	Totals	**$4.1**

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	Position Title	Reason
1	1.00	-1.00	Programmer I	Position moved from Capital to O&M.
-2	-2.00		Administrative Specialist	Reorganization of staff functions and duties.
1	1.00		Administrative Assistant III	
1	1.00		Administrative Services Supervisor	
1	**1.00**	**-1.00**	**Totals**	

NEIGHBORHOOD SERVICES

EXECUTIVE SUMMARY

MISSION: By protecting the value of investments in neighborhoods and properties, DNS supports the community goals of building safe and healthy neighborhoods and increasing investment and economic vitality throughout the city.

OBJECTIVES: Improve neighborhood appearance.

Reduce fire deaths and property loss.

STRATEGIES: Move to a more proactive code enforcement strategy.

Reduce the impact of vacant buildings on the community.

Improve community cleanliness.

Assure construction of safe buildings through effective enforcement of the building code.

Abate nuisance properties.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	157.05	162.50	168.00	169.00	6.50	1.00
FTEs - Other	27.54	34.50	43.50	44.50	10.00	1.00
Total Positions Authorized	229	240	245	247	7	2
EXPENDITURES						
Salaries and Wages	$8,697,060	$8,003,307	$8,613,033	$8,608,633	$605,326	$-4,400
Fringe Benefits	4,087,530	3,281,357	4,134,256	4,132,144	850,787	-2,112
Operating Expenditures	821,058	927,660	1,011,000	965,685	38,025	-45,315
Equipment	62,760	15,400	60,000	50,000	34,600	-10,000
Special Funds	1,855,975	1,890,000	1,955,000	1,929,000	39,000	-26,000
TOTAL	$15,524,383	$14,117,724	$15,773,289	$15,685,462	$1,567,738	$-87,827
REVENUES						
Charges for Services	$10,089,460	$9,854,525	$10,543,100	$10,967,100	$1,112,575	$424,000
Licenses and Permits	5,037,035	5,197,790	5,043,800	5,043,800	-153,990	0
Intergovernmental Aids	1,009,822	1,005,000	1,006,000	1,006,000	1,000	0
TOTAL	$16,136,317	$16,057,315	$16,592,900	$17,016,900	$959,585	$424,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Neighborhood Services (DNS) improves the appearance of city neighborhoods by improving city cleanliness, abating nuisance properties, and leveraging private investment in neighborhoods. DNS supports neighborhood improvements by enforcing standards for buildings, property, and land use. The department uses its enforcement, financial, and educational resources to encourage investment in housing and other buildings in Milwaukee's neighborhoods. Various inspection and enforcement activities ensure compliance with building and

property codes, which helps maintain an attractive investment environment and foster reinvestment into neighborhoods.

The department also supports a reduction in property loss and fire deaths by conducting fire prevention inspections of residential and commercial properties and enforcing related building codes.

DNS has been participating in the Mayor's Accountability in Management (AIM) initiative. The two major service goals that are tracked through AIM are response time to complaints and closing of violations in a timely manner. The complaint response goal is to respond to all complaints within 14 days. Through July 2010, the average complaint response is 7.7 days. The violation goal is to close all violations within 45 days of the compliance date established by Inspectors. Through July 2010, an average of 80.4% of violations met this goal. The goals are to respond to complaints and resolve violations as quickly as possible.

Strategies and Milestones for 2011

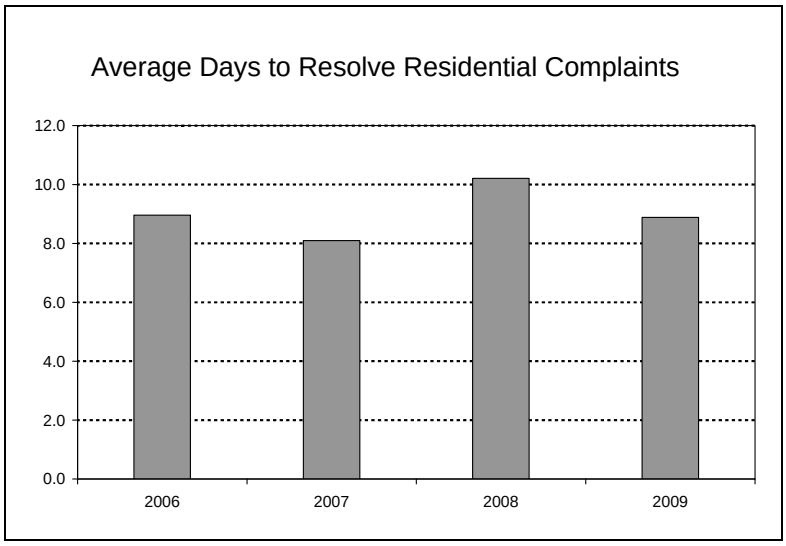
Objective: Improve neighborhood appearance.	
Strategies	**2011 Milestones**
Establish a more proactive code enforcement strategy.	Continue the residential rental unit inspection pilot program in Lindsey Heights and neighborhoods surrounding the UWM area. Aggressively monitor foreclosed properties so as to eliminate their blighting influences.
Improve community cleanliness.	Work with other departments to improve community cleanliness.
Nuisance property abatement.	Work with other departments to abate nuisance properties in a timely manner.
Reduce the impact of vacant buildings on the community.	Continue a vacant building registration and inspection program. Aggressively monitor vacant properties so as to eliminate their blighting influences.
Objective: Reduce fire deaths and property loss from fires.	
Strategies	**2011 Milestones**
Complete fire prevention inspections for properties.	Decrease in the fire incident rate for public structures.

STRATEGY IMPLEMENTATION

DNS has several code enforcement services that improve the appearance of neighborhoods, by abating problems such as building code violations, graffiti, peeling paint, and structural building problems as quickly as possible. Timely abatement minimizes further deterioration while supporting reinvestment into properties. One measure of this service is the timeliness of resolving complaints, as measured by the average time to close out complaints. In 2009, complaints were closed out on average in 8.9 days. Verified complaints result in orders to correct conditions that violate city ordinances. Once orders are issued, the key measure is the timeliness of abating violations. In 2009, an average of 82.4% violations were abated within 45 days of the initial compliance date. In 2009, 27,406

violation orders were closed and 6,032 graffiti complaints were closed. The trend in average time to close out residential complaints is shown in Figure 1.

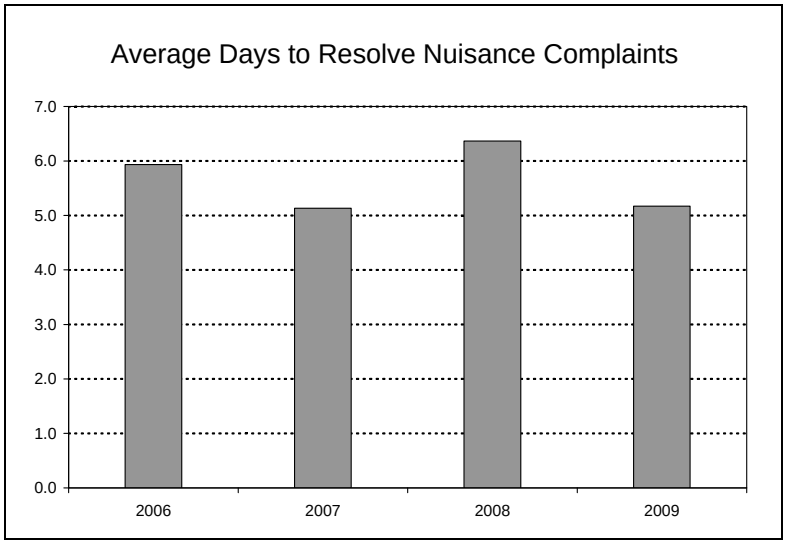
Figure 1



The department's nuisance control services support neighborhood cleanliness by enforcing codes relating to rats, litter and garbage nuisances, and various animal control regulations. By abating these nuisances in a timely manner, the department improves neighborhood cleanliness and appearance.

Responding to complaints quickly is essential to identifying code violations in a timely manner. In 2009, the Nuisance Section responded to complaints in approximately 5.2 days and through July 2010, the department is averaging a 6.0 day complaint response. The trend in average time to close out nuisance complaints is shown in Figure 2. Once violations are identified, the goal is to abate these as quickly as possible. In 2009, 92% of violation orders were completed on time and in 2010, the department is averaging 96.2%. In 2009, the Nuisance Control Service closed out 10,675 complaints and closed out 17,068 violation orders.

Figure 2



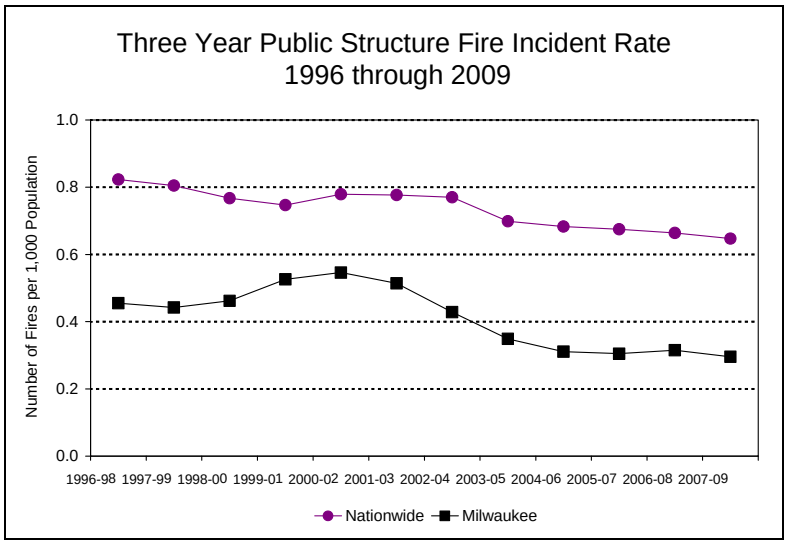
Improving Cleanliness and Nuisance Property Abatement: Increased CDBG funding of $49,920 will allow DNS to add two additional seasonal Nuisance Control Officers. This staffing increase will improve the timeliness of removing garbage nuisances. These seasonal staff will be used to improve the response to the peak spring demand for clean-up order issuance and will be retained through early fall. These Nuisance Control Officers are available when demand for services is at the highest.

Vacant Building Registration Program: The 2010 budget created a Vacant Building Registration program that requires specific buildings that are vacant for more than 30 days to be registered with DNS. DNS conducts an interior and exterior inspection of the property to ensure that no critical code violations exist. If violations exist, DNS issues orders to correct the violations. Registration is valid for six months and must be renewed as long as the building remains vacant. The first registration period is exempt from fees. A $250 base renewal fee is charged and the fee increases if uncorrected code violations exist.

This program has provided a more proactive and comprehensive inspection and monitoring of vacant properties in the City of Milwaukee. The downturn in the housing market increased the number of vacant properties, creating a greater risk to neighborhood conditions if these properties are not adequately maintained. Currently there are 1,842 vacant properties in the registration program and an estimated additional 1,500 will be added in 2011. If vacant properties are abandoned or not maintained they create blight in neighborhoods, require additional city

resources to be expended, and threaten public health, safety, and welfare. The program's goal is to provide a deterrent to property owners not adequately maintaining vacant buildings. This should stabilize and improve neighborhood conditions while allowing for improved code enforcement, policing, and development strategies involving vacant properties. In 2011, six positions will support this program, including an Office Assistant III that is added in 2011 and will be funded through the NSP 3 grant.

Figure 3



Residential Rental Inspection Pilot Program: A Residential Rental Inspection pilot program was created in 2010. The initial pilot areas for this program are the Lindsey Heights neighborhood and the residential neighborhood surrounding the University of Wisconsin Milwaukee.

The program's goal is to provide more proactive and comprehensive inspection and monitoring of rental properties in order to deter landlords from illegally and improperly maintaining rental units. This improves the safety of housing and minimizes the adverse impact of rental housing on the overall community. The program has been implemented on a pilot basis so that its effectiveness can be determined before it is extended to other areas. Other communities have found that a rental inspection program that provides systematic inspection of dwelling units helps ensure safe housing by reducing illegal occupancies and fire deaths.

The program requires each rental unit to obtain a residential rental certificate. After application for a certificate, DNS conducts an interior and exterior inspection to ensure compliance with the building maintenance code and zoning ordinances. Units with no critical violations are issued a four year certificate. Units with violations and that abate the violations are issued a one year certificate. The certificate fee is $85. If a unit with a certificate is identified to have critical violations, the certificate can be revoked, preventing the unit from being rented until the violations are corrected.

In the pilot areas, 1,690 units were inspected as of August 2010. These inspections resulted in 1,375 orders and 8,550 violations. Approximately 50% of all units will be receiving a four year certificate in 2010. In 2011, two Code Enforcement Inspector II positions will support the program.

Fire Prevention: One of the objectives that DNS supports is reducing fire deaths and property loss. DNS contributes to this objective by conducting fire inspections of commercial and residential properties, excluding one and two family properties, and ensuring compliance with building codes, including appropriate fire prevention and safety requirements. Inspections of certain other properties, including restaurants and government buildings, are conducted by the Health Department and Fire Department, respectively. By completing 100% of the required inspections and ensuring timely correction of code violations, DNS can contribute to the reduced incidence of fires. Reduced incidence of fires should decrease the amount of deaths and property loss resulting from fires. The public fire incident rate, which measures the incidence of fires in buildings inspected by DNS, has declined significantly since 2000 (see Figure 3). The three year rate of 0.30 is significantly lower than the national rate of 0.65. Historically, Milwaukee's fire incident rate has been maintained well below the national average. Milwaukee has maintained a low per capita fire incidence rate by reducing the number of fires. Between 2000 and 2009, the number of fires, on a three year rolling average basis, has decreased by 109 or 38.4%.

OTHER SERVICE AND BUDGET CHANGES

Neighborhood Stabilization Program: In 2009, DNS received $1,312,500 in the NSP 1 grant for demolishing abandoned and blighted properties. As of August 2010, 61 parcels have been set up and $1,173,128 has been obligated. The department is on track to obligate 100% of these funds prior to the deadline in September 2010. Two parcels funded with NSP 1 funds are part of the city's deconstruction initiative. These properties will be disassembled piece by piece so the salvageable materials can be diverted from the waste stream and be reused. The deconstructive initiative incorporates a job training opportunity for area residents. DNS also received $377,000 in State of Wisconsin NSP 1 funds and has obligated 100% of the State funds for demolition of 18 abandoned and blighted properties. In 2010, DNS received $2,020,000 in NSP 2 funds. These funds will be used to fund an additional 125 demolitions. An additional Program Assistant II position with be funded with NSP 2 funds to help manage the added workload. The city is also receiving $2.7 million in NSP 3 funds, with some of those funds supporting demolition.

Foreclosure: The department continues to address foreclosed properties throughout the city. As of July 30, 2010 there are 6,075 open foreclosures in the city. When abandoned, these properties often create a blighting effect in a neighborhood. DNS has been using the new foreclosure ordinance, Milwaukee Code of Ordinances section 200-22.5, to issue orders to banks and lenders who file foreclosure actions. These orders require the bank or lender upon initiation of a foreclosure action to inspect the property every 30 days and, if found vacant, to secure and maintain the property.

Once a property has gone through foreclosure and the property ownership has passed to the bank or lender, the concern is that not all property owners will be responsible. If properties are not adequately maintained, they continue to be blighting influences on the neighborhoods. The city has been working with banks and lenders to ensure that they properly monitor and maintain properties they are foreclosing upon and those that they acquire through foreclosure.

One of the larger challenges facing DNS is the monitoring of properties that are subject to a foreclosure action. Owners can abandon these properties during the foreclosure process, which results in deteriorating properties that are a blighting influence on the surrounding neighborhood. While the lending institutions are required to monitor the properties, some properties still become a problem for the community. Increased CDBG funding, including reprogramming funding, will increase the number of Code Enforcement Interns from three to nine staff. These staff will monitor foreclosed properties and initiate enforcement action when properties are not maintained. They will also coordinate with other departments when other services are required. The location and conditions of the properties will be provided to public safety agencies for awareness purposes.

Changes in Graffiti Management and Operations: In early 2009, the graffiti program was experiencing increased complaints and a backlog in complaint response. Complaints and follow-up notices and orders were handled by one Special Enforcement Inspector in the Residential Inspection Division. In order to address the backlog, Nuisance Control Officers from the Nuisance Control Section of the Nuisance and Environmental Health Division were assigned the tasks of verifying the complaints, issuing orders and conducting re-inspections. This allowed graffiti to be addressed by a larger number of inspectors. Since graffiti is a nuisance to the community similar to that of nuisance garbage, in late 2009 responsibility for the entire program transferred to the Nuisance and Environmental Health Division. This programmatic change has improved the response to graffiti complaints. The number of days to respond to graffiti complaints decreased from several weeks to an average of seven days. Rapid complaint response is critical because graffiti can multiply if not addressed quickly.

Additional Elevator Inspector: The 2011 proposed budget adds a fourth Elevator Inspector II position. State code requires all existing elevators to be inspected on a 12 month cycle. An increasing workload requires an additional inspector in order to meet the required inspection cycle. Periodic elevator inspections ensure the equipment is operating within the manufacturers' tolerances and does not put the safety of the riders at risk. The 2011 proposed budget also includes an increase in elevator inspection fees to offset the cost of the additional position.

Converting an Electrical Inspector Position to a Fire Protection Engineer: DNS will pursue reclassification of a current vacant Electrical Inspector position into what is anticipated to be a Fire Protection Engineer. This position will add expertise in the area of fire protection systems. The position will review shop drawing submittals for fire alarm systems and provide a technical resource for inspectors to ensure these systems conform to code requirements at the time of installation. The position will also provide technical expertise on hazardous materials use and storage for both the construction and commercial code enforcement inspectors. This will help ensure that these materials and processes are managed in a manner that controls risks to the surrounding community. This position will also help develop innovative solutions to the adaptive reuse of existing buildings. Since Milwaukee is built out, successful reuse of existing building is essential to economic development. This position can help analyze options for reuse that can avoid the need to demolish and completely rebuild. The estimated salary increase resulting from this change is $8,400.

Improving Reinspection Procedures: The 2011 proposed budget reduces two residential Code Enforcement Inspector II positions and replaces these with two additional Special Enforcement Inspector positions. This change will assist DNS to improve the enforcement process for properties that require monthly reinspection for non-compliance with orders to correct violations. This approach involves duties and responsibilities consistent with the Special Enforcement Inspector position. This change will also increase the department's ability to work with the City Attorney and Police Department on nuisance properties. This change requires increased salaries of $7,900.

Enhanced Training: The 2011 proposed budget includes $15,000 for enhanced training for DNS staff. This training will help the department become more proactive in its enforcement efforts and will also help DNS staff address new and increased challenges, including in the areas of hazardous materials and vacant, abandoned and foreclosed properties.

2011 Budget by Services (Funding in Millions)

Service	**Residential Code Enforcement Services**	
Activities:	Residential code enforcement, Code Compliance program, court enforcement, and graffiti abatement.	
		2011 Projection
Performance Measures:	Average days to respond to complaints.	10.0
	Percent of orders abated at first inspection.	52.0%
	Number of violation orders closed out.	23,000
	Graffiti complaints closed out.	4,900
Funding by Source:	Operating Funds	$4.4
	Grants and Reimbursables	$4.6
	Special Purpose Accounts	$1.2
	Totals	**$10.2**
Service	**Commercial Code Enforcement Services**	
Activities:	Commercial code enforcement and fire prevention inspections.	
		2011 Projection
Performance Measures:	Three year average public fire incident rate per 1,000 residents.	0.30
	Percent of orders abated at first inspection.	55.0%
	Number of violation orders closed out.	7,150
	Fire inspections completed.	9,446
Funding by Source:	Operating Funds	$2.0
	Grants and Reimbursables	$0.1
	Totals	**$2.1**

2011 Budget by Services (Funding in Millions)

Service	**Trades Permits and Inspection Services**	
Activities:	Construction, electrical, boiler, elevator, and plumbing permits and inspections.	
		2011 Projection
Performance Measures:	Permits processed (closed).	31,480
	Value of work (in millions) for processed (closed) permits.	$578
	Number of complaints closed out.	1,707
	Number of violation orders closed out.	3,750
Funding by Source:	Operating Funds	$5.1
	Grants and Reimbursables	$0.8
	Totals	**$5.9**

Service	**Nuisance Control Services**	
Activities:	Animal control, pest control, rodent control, chronic nuisance property, community prosecution, nuisance vehicles, environmental health, and payment to the Milwaukee Area Domestic Animal Control Commission.	
		2011 Projection
Performance Measures:	Voluntary compliance with nuisance litter orders.	65.0%
	Average days to confirm nuisance litter abatement.	25.0
	Average days to respond to complaints.	7.5
	Percent of orders abated at first inspection.	50.0%
	Number of violation orders closed out.	16,940
	Number of complaints closed out.	10,950
	Properties and sewers baited for rats.	2,600
Funding by Source:	Operating Funds	$4.2
	Grants and Reimbursables	$0.1
	Totals	**$4.3**

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	Position Title	Reason
-1			Public Information Coordinator	Position reclassified by CCFN 090861.
1			Certification and Communication Coordinator	
1	1.00		Elevator Inspector II	Position created to improve inspections.
	2.00		Code Enforcement Inspector II	Improve inspection cycle.
	0.50	-0.50	Building Construction Inspector II	NSP 1 grant ending.
-2			Code Enforcement Inspector II	Improve inspection process.
2			Special Enforcement Inspector	
	0.75		Customer Service Representative II	Unified Call Center adjustments.
	0.25		Customer Service Representative I	
1		1.00	Office Assistant III	Grant funded position for housing issues.
-2	2.00		Code Enforcement Inspector II	Positions funded for RRI program.
-2			Building Code Enforcement Inspector	Positions reclassified by CCFN 090961.
2			Special Enforcement Inspector	
1		1.00	Program Assistant II	NSP 2 grant funded position added CCFN 091381.
-7			Code Enforcement Intern (0.5 FTE)	Increased CDBG funding for Targeted Code Enforcement program.
9		5.50	Code Enforcement Inspector II	
2		2.00	Neighborhood Improvement Project Inspector	Increased CDBG funding for NIP program position added by CCFN 100351.
-2			Nuisance Control Officer II	Increased CDBG funding for clean-up program.
-1			Nuisance Control Officer I (0.5 FTE)	
5		1.00	Nuisance Control Officer II (0.5 FTE)	
7	**6.50**	**10.00**	**Totals**	

POLICE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: To reduce crime, fear and disorder and enhance the quality of life in Milwaukee.

OBJECTIVES: Decrease crime by 10% annually to improve standing among cities of comparable size and poverty rate.

Maintain high clearance rates.

STRATEGIES: Follow the core values that support the department's mission.

Increase neighborhood police presence and deployment effectiveness.

Increase confidence in neighborhood safety and police.

Optimize patrol capacity through innovative programs and technologies.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	2,721.84	2,687.45	2,687.45	2,675.79	-11.66	-11.66
FTEs - Other	22.75	65.06	65.06	82.78	17.72	17.72
Total Positions Authorized	3,001	2,907	2,902	2,902	-5	0
EXPENDITURES						
Salaries and Wages	$167,613,486	$153,327,337	$153,703,170	$154,972,705	$1,645,368	$1,269,535
Fringe Benefits	55,462,831	49,064,748	58,407,204	58,889,628	9,824,880	482,424
Operating Expenditures	11,879,461	12,744,347	13,717,213	13,330,225	585,878	-386,988
Equipment	2,391,096	1,737,654	1,737,000	1,737,000	-654	0
Special Funds	0	0	0	0	0	0
TOTAL	$237,346,874	$216,874,086	$227,564,587	$228,929,558	$12,055,472	$1,364,971
REVENUES						
Intergovernmental	$747,994	$981,600	$824,500	$824,500	$-157,100	$0
Charges for Services	396,675	112,100	104,700	104,700	-7,400	0
TOTAL	$1,144,669	$1,093,700	$929,200	$929,200	$-164,500	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Police Department's (MPD) mission is that in partnership with the community, to create and maintain neighborhoods capable of sustaining civil life. The MPD commits its available resources to reducing the levels of crime, fear, and disorder through community based, problem oriented, and data driven policing.

To support the MPD's mission, a set of core values have been developed:

Competence: The members of the MPD are prudent stewards of the public's grant of authority and resources. The department holds itself accountable for the quality of its performance and the standards of its conduct and strives to be exemplary leaders and exemplary followers.

Courage: The MPD will place the safety of others before its own and accept the moral responsibility to take action against injustice and wrongdoing. MPD members are expected to take prudent risks on behalf of the public.

Integrity: The MPD recognizes the complexity of police work and exercises discretion in ways that are beyond reproach to be worthy of public trust. Honesty and truthfulness are fundamental elements of integrity. It is the MPD's duty to earn public trust through consistent words and actions, to be honest in word and deed.

Leadership: MPD seeks to influence human behavior to achieve organizational goals that serve the public by developing individuals, teams, and the organization for future service. The department accepts the responsibility to be leaders, both within the community and among its peers, and for the actions of colleagues and itself. All MPD members are responsible for the performance, reputation, and morale of the department.

Respect: All MPD members hold life in the highest regard. They must treat all citizens and colleagues with dignity and respect, and be fair and impartial as they perform their duties.

Restraint: The MPD will use minimum force and authority necessary to accomplish a proper police purpose. Members must demonstrate self-discipline, even when no one is listening or watching.

Strategies and Milestones for 2011

Objective: Decrease crime by 10% annually to improve standing among cities of comparable size.	
Strategies	**2011 Milestones**
Increase neighborhood police presence and deployment effectiveness through the Neighborhood Task Force.	Reduction in index crimes, recognize impacts of Neighborhood Task Force statistics.
Continue to develop innovative strategies to prioritize calls for service and increase police presence where most needed.	Implement initiatives that are measurable and implement best practices across all districts.
Continue to increase confidence in police through community meetings and high profile activities in neighborhoods.	Continue with increased foot patrols, bicycle patrols, and park-and-walks. Reduce crime in targeted geographic areas and replicate successful initiatives throughout the city.
Objective: Help children succeed in school by reducing truancy.	
Strategies	**2011 Milestones**
Reduce school violence through a stronger partnership with MPS and a continuation of the School Resource Officer program.	Work with MPS to establish crime reduction goals and programs in target schools.

STRATEGY IMPLEMENTATION

Measuring the change in violent and property crime from year-to-year clarifies the city's public safety trend. Table 1 depicts the City of Milwaukee's Uniform Crime Statistics for the first seven months of 2007 through 2010, the most up-to-date data available. The Federal Bureau of Investigation (FBI) Uniform Crime Reporting program is comprised of two different data collection systems, Summary Based Reporting (SBR) and Incident Based Reporting (IBR). The Milwaukee Police Department records and reports all data to the Office of Justice Assistance/FBI, and in City of Milwaukee's COMPASS Map, in the IBR format. OJA converts this IBR data to SBR values, as seen in Table 1. IBR and SBR cannot be directly compared because IBR counts all the offenses that occurred in an incident and SBR counts the offense that is highest on the hierarchy list while the other offenses are ignored.

The City of Milwaukee has experienced substantial decreases in most crime categories when comparing the first seven months of 2010 to the same time period of the previous three years. Since 2007, violent crime has decreased over 28% and property crime has decreased almost 16%. Overall crime has decreased almost 18% when compared to 2007.

The MPD's ability to reduce crime has been through its use of crime analysis, data driven deployments, and community engagement. By employing these available tools, the data has shown positive results in all crime categories.

Table 1

City of Milwaukee Uniform Crime Statistics

Summary Crime Counts 2007-2010 Comparison of January through July

	2007 Total	2008 Total	2009 Total	2010 Total	'07-'10 Change	'08-'10 Change	'09-'10 Change
Homicide	57	45	51	46	-19.3%	2.2%	-9.8%
Rape	137	111	125	111	-19.0%	0.0%	-11.2%
Robbery	1,902	1,698	1,662	1,417	-25.5%	-16.5%	-14.7%
Aggravated Assault	2,625	2,332	1,911	1,806	-31.2%	-22.6%	-5.5%
Total Violent Crime	**4,721**	**4,186**	**3,749**	**3,380**	**-28.4%**	**-19.3%**	**-9.8%**
Burglary	3,273	3,425	3,346	3,326	1.6%	-2.9%	-0.6%
Theft	13,703	13,885	13,179	12,590	-8.1%	-9.3%	-4.5%
Auto Theft	4,402	3,942	2,768	2,176	-50.6%	-44.8%	-21.4%
Arson	186	171	213	125	-32.8%	-26.9%	-41.3%
Total Property Crime	**21,564**	**21,423**	**19,506**	**18,217**	**-15.5%**	**-15.0%**	**-6.6%**
Grand Totals	**26,285**	**25,609**	**23,255**	**21,597**	**-17.8%**	**-15.7%**	**-7.1%**

OTHER SERVICE AND BUDGET CHANGES

Optimizing Patrol Capacity: The 2011 proposed budgeted salary levels will require the continued optimization of patrol resources through a variety of means, including:

- Continuing the use of civilians and non-sworn personnel in administrative positions.
- Continuing to improve upon innovative programs like the Differential Police Response, which allows officers to provide high levels of customer service to residents with lower priority calls.
- Continuing to work with the District Attorney and courts in the Court Overtime Reduction Project to minimize the amount of officer time spent waiting in court for a case that is not going to proceed.
- Continuing to deploy the Neighborhood Task Force in "hotspot" areas to supplement patrol efforts to curb crime and raise the police profile in our targeted neighborhoods.

- Continue to enhance the department's use of vehicle based technology, including Mobile Data Computers (MDC), Mobile Fingerprint Units (RapID) and Automated Citation Generators (TraCS) to allow officers to spend more time outside the district stations patrolling our neighborhoods and engaging the community.

Intelligence Led Policing: The Intelligence Fusion Center (IFC) is the basis for the department's Intelligence Led Policing efforts. In 2009, MPD created the IFC. Intelligence regarding crime, criminals and emerging trends is shared on a daily basis throughout the department through a fully integrated briefing for each shift. This allows the MPD to utilize its resources in a more effective, efficient and preventive fashion. In the past, roll call information was passed on to all officers, but today, with the continuity provided by the IFC, officers on all shifts receive real time crime information that has led to positive outcomes, including the capture of fugitives, recovery of stolen vehicles and arrest of criminals.

COPS Funded Police Officer Recruit Class: In 2009, the department was awarded a competitive Community Oriented Policing Services (COPS) grant from the United States Department of Justice. This grant provides three years of salary and benefits for 50 Police Officers. The COPS funded recruit class began its training in summer 2010 and will be available for service in spring 2011.

OpenSky Radio System: The department continues its efforts to successfully install a digital, narrow banded radio system. Operational problems are identified quickly and solutions to these problems are aggressively pursued and implemented. The department has hired independent external experts to augment its staff in addressing interference, frequency planning, system verification and project management. Many improvements have been implemented over the past two years, including new dispatch consoles, new transmitter sites, installation of Bi-Directional Amplifiers (BDAs) and Vehicular Tactical Repeaters (VTACs) to improve signal strength throughout the city. In September 2010, new smaller portable radios will be deployed as replacements for the majority of the department's current radios with the ultimate goal of assigning a radio to each individual officer.

Overtime Management: Over the past several years, the department has had tremendous success in managing its overtime funds. The department expects these results to continue with close operational oversight and administrative scrutiny.

Furlough Days: The Mayor's proposed budget eliminates furloughs for all sworn-represented employees, versus two furlough days for 2010. All sworn management and civilian employees of the department will take four furlough days in 2011. In order to minimize operational impacts and ensure adequate staffing, these furlough days will be spread throughout the year.

Reorganization: The department has undergone a significant strategic reorganization over the past several years, most recently including a restructuring of the Criminal Investigations Bureau in summer 2010. The Criminal Investigation Bureau transitions from a functional based organizational structure to a functional and geographic based structure. The geographical structure will allow detective resources and investigations to be focused on the main goals of criminal investigations, as well as being data driven, intelligence led, problem solving, and being focused on community based and neighborhood policing strategies.

CAPITAL PROJECTS

Remodeling Police Administration Building (PAB): In April 2010, the Police Department presented a Police Administration Building Master Plan created by Eppstein Uhen Architects. The Master Plan provided an evaluation of the existing building (including but not limited to mechanical, plumbing, fire protection, and electrical systems) and design recommendations that would address building deficiencies. The plan also included recommendations for life safety systems to meet current building codes (the PAB was built in 1970 and until 2001 had not undergone any major remodeling), space program identifying MPD space requirements for the next five years, space plan diagrams to address flexibility, efficiency, and safety requirements, and a cost estimate for included recommendations.

In addition to the Master Plan, additional evaluation, design, recommendations, and costing was completed to include the Municipal Court and City Attorney spaces that are within the building along with alternative project timelines. It has been determined that whether or not the additional space is renovated, the first phase must complete two external HVAC shafts to replace the internal shafts that have partially collapsed and are contaminated by asbestos. With the replacement of the external shafts, work could then continue by completing asbestos abatement and remodeling work on a floor-by-floor basis, which will require future capital funding.

The 2011 proposed capital budget includes $3.8 million to begin this first phase, the exterior HVAC shafts. The funding will provide for the necessary engineering, construction, administration, and contingency. Before the project moves forward, a formal Memorandum of Understanding (MOU) will be created between the MPD, Department of Public Works, and Department of Administration to ensure that issues such as project scope, change orders, and budget are properly considered. There will also be agreed upon day-to-day project management and oversight along with project progress reporting to the Administration and Common Council to adhere to the Comptroller's MPD Third District Audit recommendations.

Evidence Storage Warehouse: Funding is provided to provide movable shelving to address homicide evidence capacity issues, extend fire suppression throughout the facility, and finish building security upgrades with new proximity readers and security cameras.

Tiburon RMS VMP Upgrade: The MPD's current Records Management System (RMS) and Version Management Program (VMP), along with its other modules are in outdated and unsupported versions. In addition, these modules operate on an unsupported Oracle 8.2c database. The upgrade will provide enhancements in system performance, allow for newer hardware, and provide greater flexibility in reporting and analysis.

District Station Renovation Program: Funding is provided in the 2011 proposed budget to replace the 37 year old generator at District 2 and the Radio Shop's roof top HVAC units.

2011 Budget by Services (Funding in Millions)

Service	**Investigations**	
Activities:	Homicide investigations, crimes against persons and property, sensitive crimes, child abuse neglect and custody, missing person investigations, non-criminal investigations, ATF investigations, and internal investigations.	
		2011 Projection
Performance Measures:	Percent of index crimes cleared by arrest.	17.5%
Funding by Source:	Operating Funds	$55.3
	Grants and Reimbursables	$1.0
	Totals	**$56.3**
Service	**Patrol Operations**	
Activities:	Neighborhood Task Force, Weed and Seed Operations, Area Specific Patrol, Bicycle Patrol, Neighborhood Foot Patrol, Mounted Patrol, Harbor Patrol, Special Operations Patrol Support, and Tactical Enforcement.	
		2011 Projection
Performance Measures:	Percent change in reported crimes.	-10.0%
Funding by Source:	Operating Funds	$106.2
	Grants and Reimbursables	$5.9
	Totals	**$112.1**
Service	**Administration and Operations Services**	
Activities:	General administration, budget and finance, personnel, payroll, building and vehicle services, records management, communications, data services, printing and stores.	
		2011 Projection
Funding by Source:	Operating Funds	$67.1
	Capital Budget	$5.0
	Totals	**$72.1**

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	Position Title	Reason
-8	-8.00		Lieutenant of Police	Positions reclassified approved in CCFN 090961.
9	9.00		Police Lieutenant	
-1	-1.00		Lieutenant of Detectives	
-2	-2.00		Office Assistant II	Office Assistant II positions eliminated to fund one Human Resources Analyst Senior approved in CCFN 100254.
1	1.00		Human Resources Analyst Senior	
-1	-1.00		Police Alarm Operator (G)	Police Alarm Operators replaced by Police Dispatchers upon vacancy per settlement to Case No. 98-CV-009353.
1	1.00		Police Dispatcher (G)	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-4	-4.00		Data Entry Operator II	Vacant positions eliminated to assist in funding Crime and Intelligence Specialist position.
-2	-2.00		Safety Specialist Senior	Positions eliminated as planned in the adoption of the 2010 budget.
-25	-25.00		Lieutenant of Police	Positions reclassified approved in CCFN 090961.
57	57.00		Police Lieutenant	
-32	-32.00		Lieutenant of Detectives	
-50			Police Officer	COPS grant funded Police Officers, full year funding in 2011.
50		25.00	Police Officer (P)	
-2	-2.00		Crime and Intelligence Specialist	Corrects error in 2010 budget.
2	2.00		Crime Analyst	
-1		-1.00	Crime and Intelligence Specialist (J)	Grant funding expired, new position is funded through elimination of Data Entry Operator II positions.
1	1.00		Crime and Intelligence Specialist	
1		1.00	Data Base Specialist/Analyst (W)	COPS Sexual Predator Grant.
-1		-1.00	Lieutenant of Police (N)	Positions reclassified approved in CCFN 090961.
1		1.00	Police Lieutenant (N)	
-1		-1.00	Detective (G)	Human Trafficking Grant expired.
-1		-1.00	Administrative Services Specialist (A)	Grant eliminated in 2010. Two Office Assisstant II positions eliminated to provide funding approved in CCFN 100254.
1	1.00		Administrative Services Specialist	
1		1.00	Police Lieutenant (C)	Positions reclassified approved in CCFN 090961.
-1		-1.00	Lieutenant of Detectives (C)	
2		2.00	Police Services Specialist Investigator (CC)	Positions to be funded through UASI Grant.
-1		-1.00	Lieutenant of Detectives (K)	Positions reclassified approved in CCFN 090961.
1		1.00	Police Lieutenant (K)	
	-6.66		Overtime	Reduction to meet budget constraints.
		-7.28	Grant Overtime	Reduction expected in 2011 grant awards.
-5	**-11.66**	**17.72**	**Totals**	

PORT OF MILWAUKEE

EXECUTIVE SUMMARY

MISSION: To enhance the overall economic environment of the Milwaukee region by stimulating trade, business, and employment.

OBJECTIVES: Increase private investment.

Enhance intermodal options.

Foster development of agricultural and alternative markets.

STRATEGIES: Administer 467 acres of land at or near the lakefront.

Identify possible tenants not currently at the Port but with great growth potential.

Increase marketing for the ferry to Michigan.

Export alternative energy products to U.S. and overseas markets.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	22.00	21.00	21.00	21.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	35	37	36	36	-1	0
EXPENDITURES						
Salaries and Wages	$1,211,486	$1,238,459	$1,295,591	$1,282,314	$43,855	$-13,277
Fringe Benefits	590,062	507,768	621,884	615,511	107,743	-6,373
Operating Expenditures	702,344	1,210,000	1,226,000	1,226,000	16,000	0
Special Funds	1,527,258	1,934,000	1,992,300	1,882,300	-51,700	-110,000
TOTAL	$4,031,150	$4,890,227	$5,135,775	$5,006,125	$115,898	$-129,650
REVENUES						
Charges for Services	$5,217,241	$4,890,227	$4,890,227	$5,006,125	$115,898	$115,898
TOTAL	$5,217,241	$4,890,227	$4,890,227	$5,006,125	$115,898	$115,898

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Port of Milwaukee contributes to the goal of increasing investment and economic vitality throughout the city. The Port has a major role in the local economy by providing land for businesses that need to be near the water. These businesses generate approximately $80 million in annual revenue and employ nearly 400 people. The Port's operations are directly responsible for the creation of many jobs related to the Port's operations. As one of the city's economic entities, the Port will create at least 20 family supporting jobs because of its operations and many more indirectly.

The Port plays a role in nurturing investment in Milwaukee by stimulating trade and business and by serving as a regional transportation and distribution hub for Southeastern Wisconsin. The Port links waterborne, rail, and ground transportation in an accessible location close to downtown. As a result, the Port's tenants and customers are able to ship and receive products to and from all parts of the world.

The changes in Milwaukee's economy have resulted in a cargo mix that is quite different from 30 years ago. The major commodities are cement, coal, steel, and salt and are primarily used regionally. The Port seeks to diversify its activities through the promotion of recreational businesses and passenger related travel services.

The Port administers 467 dry acres of city owned property at or near the lakefront. Milwaukee World Festivals, Inc. currently leases approximately 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 seven member Board of Harbor Commissioners governs the Port of Milwaukee. The Board is responsible for developing the Port's strategic plan and governing its operations.

Strategies and Milestones for 2011

Objective: Increase investment.	
Strategies	**2011 Milestones**
Create a balanced use of Port lands between the north and south harbor tracts.	Resolve all outstanding leasing issues on the north harbor tract. • Define easements of the Milwaukee Art Museum. • Finalize the legal description for Discovery World. • Create an easement for the Discovery World sculpture garden. • Prepare an agreement with Milwaukee County that clarifies government and public rights at areas near North Urban Park. • Widen North Harbor Drive through an agreement with Summerfest, the county, and Discovery World. Maximize public access for recreation and commerce to Port waterfront lands within confined security and safety requirements: • Complete a public access easement with the Milwaukee Art Museum at Art Museum Drive. • Create a new public access agreement with Discovery World at Urban Park. • Update Harbor Drive extended easement right of way to memorialize public access rights and responsibilities. Reduce remaining unleased properties or find suitable uses.

Strategies and Milestones for 2011

Diversify the Port's revenue sources.	Enter into long term lease agreements with businesses that are not tied to the Port's business cycle and with great growth potential that are not currently operating at the Port. Lead efforts to activate and promote use of the Foreign Trade Zone.
Identify and capture industries that might benefit from the Port's cargo handling facility.	Actively engage target companies to increase Port tonnage by 5% and increase the use of intermodal transportation. Increase participation in regional great lakes marketing initiatives.
Objective: Enhance transit options.	
Strategies	**2011 Milestones**
Promote the use of the intermodal yard by strengthening the operational and marketing links between the railroads and the Port for both Far East and European services.	Increase intermodal traffic at the Port by 5%.
Develop a domestic rail container service.	Get a commitment from Class I railroads to set up a domestic intermodal service.
Identify tenants that are not currently at the Port but have great growth potential.	Increase tonnage imports and exports by 5%.
Market Port as a gateway for wind energy components.	Reestablish revenues from these businesses. Set aside and prepare ten acres of land for storage of wind energy units.
Market for the ferry to Michigan.	Increase ferry ridership by 7%.
Objective: Foster the development of agricultural markets.	
Export Dry Distillery Grains (DDG). Work with tenants to begin ethanol exports.	Identify regional areas where farmers use DDG's as cattle food. Rebuild Port's liquid cargo pier and pipe connections.

Strategies and Milestones for 2011

Objective: Improve surface water quality by 2018.	
Ensure that Port investments address the risk of regulatory changes affecting the Great Lakes.	Track state and federal regulatory changes that affect the Port and Great Lakes water quality. Educate policymakers and regulators on these issues. Evaluate the associated risk before making investments. Under the "Green Marine" program, begin measuring the Port's impact on dust, air emissions, and water runoff.
Maintain and expand dredging and other environmental cleanup activities.	Complete all scheduled dredging activities.

STRATEGY IMPLEMENTATION

Approximately 69% of the Port's 2009 revenues are derived from a combination of facility rentals and the lease of Maier Festival Park to Milwaukee World Festivals, Inc. Milwaukee World Festivals, Inc. annually holds Summerfest and a host of ethnic festivals on the 75 acre Maier Festival Grounds. This lease generated almost $1.3 million in 2011. The Port transfers any excess revenue to the city's General Fund to ease the property tax burden.

In 2009, the Port generated operating revenue of approximately $3.9 million. Revenues for 2008 also totaled $3.8 million. While Port revenues were flat from 2008 to 2009, 2009 was the ninth consecutive year that Port revenues exceeded expenses.

The Port's grain tonnage increased by nearly 75% in 2009. Unfortunately, grain only accounted for 4.4% of the Port's overall tonnage. The Port's overall tonnage decreased by .7% in 2009. Relative to other U.S. ports, the Port of Milwaukee had a fantastic year. Most other U.S. ports saw a downturn in tonnage by as much as 15% to 20% in 2009.

The Port's land use strategy is to ensure productive use of land parcels and to replace less productive activities with higher productivity activities to take full advantage of Port properties and services.

OTHER SERVICE AND BUDGET CHANGES

The 2011 proposed budget also includes $50,000 for consulting services related capital facilities upgrade and maintenance. It is anticipated that the organization engaged to perform this function will assist the Port in developing a long range facility maintenance program. Combined with funding in the 2010 adopted budget, the Port will complete both long term revenue projection/capital needs and facility maintenance instruments to use as guides over the next five to seven years.

The Port is constantly exploring new business and revenue opportunities. In 2011, the Port will continue efforts to generate new revenues and increased tonnage from the following sources:

- Innovative fuels and alternative fuels exports;
- WE Energies;
- Wind cargo industry; and
- Foreign trade zone activation.

The Port expects that these new revenue sources will increase annual tonnage by up to 50 tons over the next few years.

2011 Budget by Services (Funding in Millions)

Service	**Port Economic Development**	
Activities:	Market and promote Port facilities, seek changes in federal laws to promote regional trade and provide harbor equipment, vessel, and crane services.	
		2011 Projection
Performance Measures:	Tonnage growth.	5.0%
	Percent of total expenses covered by revenues.	100.0%
	Port related job growth.	20
Funding by Source:	Operating Funds	$5.0
	Totals	**$5.0**

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	Position Title	Reason
-1	0.00		Graduate Assistant	Position not utilized.
-1	**0.00**	**0.00**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
ADMINISTRATIVE SERVICES DIVISION

EXECUTIVE SUMMARY

MISSION: Provide administrative support, guidance, and direction for DPW.

OBJECTIVES: Provide guidance and support services for DPW in the areas of finance and planning, payroll, employee safety, and contract management.

Administer and support technology related services for DPW and the city including server/desktop computing, application development, and telecommunications infrastructure.

Administer the Emerging Business Enterprise and Residential Preference programs to ensure opportunities for underutilized businesses and residents.

STRATEGIES: Move to a risk management model to reduce workplace injuries and control worker's compensation costs.

Consolidate DPW IT positions under DPW Administration to improve staffing flexibility, IT contract management, and project reporting.

Ensure the continuing support and maintenance of telecommunications services that allow for daily citywide communications that impact the health and safety of the public.

Transition Call Center activities and work order applications to the Unified Call Center

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	50.54	51.69	53.94	51.94	0.25	-2.00
FTEs - Other	7.46	9.06	9.06	9.06	0.00	0.00
Total Positions Authorized	63	66	66	64	-2	-2
EXPENDITURES						
Salaries and Wages	$2,809,654	$2,874,975	$3,022,516	$2,862,861	$-12,114	$-159,655
Fringe Benefits	1,221,722	1,178,594	1,450,807	1,374,173	195,579	-76,634
Operating Expenditures	636,295	551,000	560,510	580,510	29,510	20,000
Equipment	39,000	30,000	30,000	30,000	0	0
TOTAL	$4,706,671	$4,634,569	$5,063,833	$4,847,544	$212,975	$-216,289
REVENUES						
Charges for Services	$1,578,332	$1,345,400	$1,520,500	$1,520,500	$175,100	$0
Licenses and Permits	1,701,830	1,952,800	1,447,900	1,447,900	-504,900	0
TOTAL	$3,280,162	$3,298,200	$2,968,400	$2,968,400	$-329,800	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Administrative Services Division provides planning and support to the Department of Public Works (DPW) in a variety of areas. Administrative functions include budget preparation and control, accounting, payroll, human resources, employee safety, contract administration, purchasing and inventory, communications, special event permitting, technology support, and the Call Center operation. The division also supports administration and management of the Parking Fund.

The Administrative Services Division's 2011 proposed budget includes $4.8 million in operating funds and $500,000 in capital funds.

Strategies and Milestones for 2011

Objective:	**Provide guidance and support services for DPW in the areas of finance and planning, payroll, employee safety, Call Center and contract management.**
Strategies	**2011 Milestones**
Move to a Risk Management Model to reduce workplace injuries and control worker's compensation costs.	Track and analyze injury data to better determine how and why injuries occur and pursue intervention strategies to increase safety. Evaluate departmental safety practices to determine effectiveness and revise and implement workplace practices that identify and minimize hazards before injuries occur. Reinstate the Injury Review Committee and create documentation regarding improvements or changes made as a result of this initiative. Execute regular reporting and follow-up through individual department AIM meetings. Work in conjunction with DER to expedite return to work options for injured workers. Analyze the effectiveness of the light duty program and revise accordingly.
Objective:	**Administer and support technology related services for DPW and the city including server/desktop computing, application development, and telecommunications infrastructure.**
Strategies	**2011 Milestones**
Consolidate DPW IT positions under DPW Administration to improve staffing flexibility, IT contract management, and project reporting.	Provide regular status reports of major IT projects. Ensure DPW IT contracts have clear deliverables and milestones, including the Infrastructure Services Division ODB project.
Ensure the continuing support and maintenance of telecommunications services that allow for daily citywide communications that impact the health and safety of the public.	Complete network connections to northwest side facilities.

Strategies and Milestones for 2011

Objective:	**Administer the Emerging Business Enterprise and Residential Preference programs to ensure opportunities for underutilized businesses and residents.**
Strategies	**2011 Milestones**
Work with community partners to identify qualified businesses and residents for city contracts.	Meet EBE and RPP participant goals.

STRATEGY IMPLEMENTATION

Safety: DPW's Safety Section works to minimize workplace injuries and allow for a safe and productive work environment. The section implements programs and procedures and acquires new safety devices that contribute to safer work practices. High rates of injuries still occur which contribute to lost work days and escalating worker's compensation costs. In 2010, the DPW Safety Section continued to work closely with the Department of Employee Relations to improve injury data collection and analysis. Through this effort, DPW is able to identify high risk activities and more effectively target safety efforts.

Call Center: The 2010 budget included funding for the design and development of a new Unified Call Center, which will consolidate the DPW Administration Call Center, the Parking Enforcement Call Center, Water Works Control Center, City Hall Operator, and DNS Code Enforcement Call Center after full implementation in 2011. For more information, please see the section titled *Unified Call Center* in the *2011 Proposed Plan and Executive Budget Summary.*

Technological Support: DPW's Technology Support Services has three primary areas of focus:

- Server/desktop computing,
- Network support, and
- Citywide telecommunications infrastructure.

DPW Administration is responsible for implementation and reporting of the multi-year database consolidation project.

OTHER SERVICE AND BUDGET CHANGES

Capital Projects: The 2011 proposed capital budget provides $500,000 for public safety communication needs. This funding will be utilized primarily to install new fiber routes as well as redundant connections for various city agencies, specifically for public safety purposes.

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	Position Title	Reason
-1	-1.00		Business Operations Manager	Moved to DPW Infrastructure Division.
-1	-1.00		Accounting Assistant II	Moved to DPW Parking.
	2.00		Driver Training Instructor	Reflects actual usage.
	0.25		Miscellaneous	Experience adjustment.
-2	**0.25**	**0.00**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
INFRASTRUCTURE SERVICES DIVISION

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.

OBJECTIVES: Enhance transportation options and existing infrastructure.

Reduce energy use in city operations by 15% by 2012.

STRATEGIES: Reduce local street replacement cycle to 65 years.

Increase capital maintenance of local streets.

Improve bicycle and pedestrian access citywide

Complete installation of the LED traffic control signals and follow the development of LED street lights.

Retrofit buildings to increase energy efficiency.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	252.90	300.34	315.62	296.60	-3.74	-19.02
FTEs - Other	236.75	296.20	287.97	301.99	5.79	14.02
Total Positions Authorized	707	807	809	804	-3	-5
EXPENDITURES						
Salaries and Wages	$15,117,223	$15,274,815	$17,395,049	$16,089,222	$814,407	$-1,305,827
Fringe Benefits	6,109,823	6,262,673	8,349,624	7,722,826	1,460,153	-626,798
Operating Expenditures	8,349,961	11,940,000	13,158,200	12,946,029	1,006,029	-212,171
Equipment	101,148	167,000	254,500	167,000	0	-87,500
Special Funds	0	12,000	12,000	12,000	0	0
TOTAL	$29,678,155	$33,656,488	$39,169,373	$36,937,077	$3,280,589	$-2,232,296
REVENUES						
Charges for Services	$4,192,031	$3,651,000	$3,980,400	$3,980,400	$329,400	$0
TOTAL	$4,192,031	$3,651,000	$3,980,400	$3,980,400	$329,400	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Infrastructures Service's primary mission is to provide safe attractive and efficient public ways and infrastructure systems. These systems contribute to the city's goal of strengthening the local economy by increasing investment and economic vitality throughout the city.

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 conduits. In addition, the division performs transportation planning, coordinates transportation improvements with other governmental agencies and railroad companies, undertakes engineering studies, and investigates various permits, plans, and easements. The division also manages the city's building facility assets. This entails improving the functionality of existing facilities while identifying opportunities to divest from facilities that do not add adequate value to city services. The division provides building services, such as design, construction, and maintenance for city facilities, excluding the Port of Milwaukee, Milwaukee Public Library, and Health Department clinics.

In 2011, the Infrastructure Services Division will use approximately $161.4 million to support its objectives, including $36.9 million in operating funds, $50 million in capital funds and $74.7 million in state and federal aid.

Grant and aid funds are used primarily for two capital programs: the Major Bridge program and the Major Street Improvements program. In the 2011 proposed budget, grant funds constitute 78.4% of the Major Bridge program and 86.1% of the Major Street Improvements program. Grant funds help the city preserve and maintain its street and bridge systems, which are critical components of the overall transportation system.

Strategies and Milestones for 2011

Objective: Enhance transportation options and existing infrastructure.	
Strategies	**2011 Milestones**
Reduce the local street replacement cycle to 65 years.	Adopt 2011 capital budget and 2011-2016 capital plan.
Improve bicycle and pedestrian access citywide.	Paint planned 86 miles of CMAQ funded bicycle pavement markings and the Kinnickinnic River Bicycle Trail. Complete pedestrian streetscaping projects.
Advance development of a downtown streetcar system.	Complete preliminary engineering and the environmental assessment and begin final design.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2011 Milestones**
Installation of LED traffic control signals.	Complete installations.
Follow development of LED street lights.	If technologically and financially feasible, test pilot a small area of the city.
Retrofit city owned buildings with energy efficient systems and fixtures.	Retrofit city owned buildings based on energy audit recommendations.

Table 1

Major Streets

Source of Funds	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2011-2016 Average
City Funding (1)	$8,314,100	$7,487,630	$5,197,100	$5,557,685	$5,060,200	$4,460,000	$6,012,786
Assessable (2)	$100	$884,000	$730,900	$1,380,200	$1,589,200	$1,265,000	$974,900
Grant and Aid	$51,505,230	$32,558,940	$20,539,700	$19,161,590	$22,024,600	$17,740,000	$27,255,010
Annual Totals	**$59,819,430**	**$40,930,570**	**$26,467,700**	**$26,099,475**	**$28,674,000**	**$23,465,000**	**$34,242,696**

(1) Street portions of projects are no longer assessable.

(2) Assessable items include sidewalks, alleys, sewers.

(3) LRIP is included in the Major Streets Program but is used for the local streets program.

STRATEGY IMPLEMENTATION

Many of the Infrastructure Services Division's activities improve the condition of the city's surface public ways, primarily streets, sidewalks, and alleys. Activities include resurfacing or reconstructing existing pavement, curb and gutter, and constructing new streets as part of residential, commercial, and industrial development. Maintaining the city's streets, alleys, and sidewalks assists in promoting economic development in Milwaukee by providing the infrastructure necessary to move people, goods, and services efficiently throughout the city. Currently over 5.4 million trips are made each day on Milwaukee's streets. This includes rides to work, school, church and hundreds of other activities. Without a well maintained infrastructure system this would not be possible.

Milwaukee's street network includes approximately 1,336 miles of highways, arterials, collectors and local roads. Government agencies and the City of Milwaukee are responsible for repaving approximately 325 of these miles as a part of the Federal Aid Transportation system and are eligible for federal, state and county funding that varies from a 50% to a 100% match. Approximately 995 miles of streets are repaved under the Residential Street program that includes collectors. In addition to the Local Street program, state funds are allocated on a 50% match every even numbered year within the Major Street program to be used for residential streets.

Major Streets: The city's 325 miles of major and minor arterials are resurfaced and maintained as part of the city's Major Streets program. Arterials and collectors are a part of the Federal Aid Transportation System and are eligible for county, state, and federal funding. Over the past five years, an average of $32.2 million per year has been dedicated to the preservation and reconstruction of these streets. This funding allows the city to reconstruct nearly seven miles of pavement each year, which provides a 46 year replacement cycle. The 2011 proposed budget includes $59.8 million for the Major Streets program (see Table 1). There are 21 major street reconstruction projects scheduled for 2011 in addition to various bike trail projects, street lighting and traffic improvement in the central business district and various signal and safety improvement projects. The 2011 city match is $3.6 million higher than the 2010 adopted budget amount.

Local Streets: Approximately 995 miles of city streets are not eligible for state and federal funding based upon current Southeastern Wisconsin Regional Planning Commission practices of not allowing collectors to be funded under the State Transportation program. These streets are maintained, repaired, reconstructed and resurfaced with capital funds budgeted for the Resurfacing Reconstruction program.

The 2011 proposed budget provides $14.3 million for the Resurfacing Reconstruction program, which will resurface or reconstruct approximately 14.8 miles of local streets. Approximately $1.5 million of these funds will be used for capital maintenance. This continues the increase in funding to address street pavement condition, representing an increase of $2.3 million or 19.1% over the 2010 budget. The city is committed to investing and improving its transportation infrastructure.

Table 2

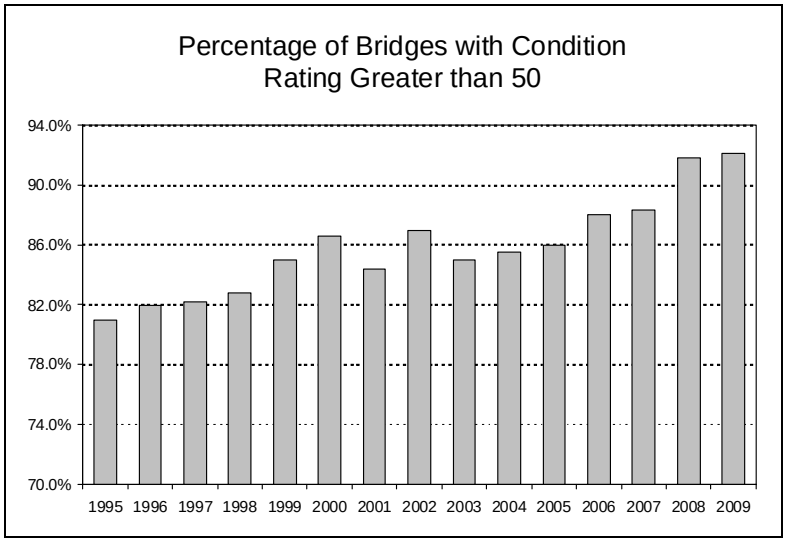
Local Street Resurfacing/Reconstruction Funding 2011 - 2016 Plan

Source of Funds	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2011-2016 Average
City Funding (1)	$12,041,600	$11,500,000	$13,500,000	$11,500,000	$13,500,000	$11,500,000	$12,256,933
Assessable (2)	$100	$100	$100	$700,000	$700,000	$700,000	$350,050
LRIP (3) State Funding	$0	$1,067,500	$0	$1,067,500	$0	$1,067,500	$533,750
City Match	$0	$1,067,500	$0	$1,067,500	$0	$1,067,500	$533,750
Assessable Match/Carryover	$500,000	$500,000	$0	$0	$0	$0	$166,667
Annual Totals	**$12,541,700**	**$14,135,100**	**$13,500,100**	**$14,335,000**	**$14,200,000**	**$14,335,000**	**$13,841,150**
Cost Per Mile	$850,000	$850,000	$850,000	$850,000	$850,000	$850,000	$850,000
Expected Miles Completed	14.75	16.63	15.88	16.86	16.71	16.86	16.28
Replacement Cycle (Years)	**67**	**60**	**63**	**59**	**60**	**59**	**61**

(1) City funds do not include funds for capital street maintenance.
(2) Enough carryover assessable authority.
(3) LRIP is included in the Major Streets Program.

The six year capital plan for local streets will enable the city to maintain its streets at a safe and drivable level (see Table 2). The plan allows the city to complete an average of 16.3 miles of resurfacing or reconstruction per year. In addition, Infrastructure Services will complete approximately 37 miles of street maintenance annually. The 2011 to 2016 funding plan will produce a 61 year replacement cycle.

Figure 1



Major Bridges: The Major Bridge program preserves and maintains a bridge system that ensures the safe and efficient movement of vehicles, people, and commodities. The 2011 proposed budget provides total funding of $29.5 million, including $6.4 million in operating and $23.1 million in capital funds. Operating funds to provide normal bridge maintenance while the grant and capital funds provide major repairs, reconstruction or rehabilitation.

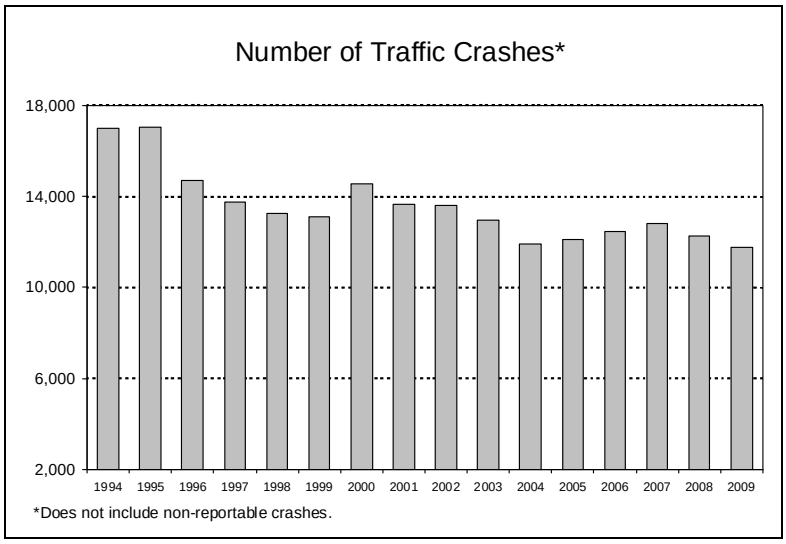
Bridge conditions are measured using a sufficiency rating ranging from 0 to 100. Ratings are conducted every two years through physical bridge safety inspections. Bridges with a rating below 50 are inspected annually. In 2009, 92.1% of the rated bridges had a sufficiency rating above 50 (see Figure 1).

Street Lighting: The 2011 Street Lighting program includes $16.8 million in capital and operating funding. Approximately $4.2 million will be expended on paving related improvements. Infrastructure Services routinely performs electrical upgrades in conjunction with the paving program because it is the most cost effective manner to perform upgrades.

Approximately $1.9 million will be used for the Neighborhood Lighting program, which funds upgrades to street and alley lighting, miscellaneous upgrades, pole knockdown repairs, and excavation repairs. Infrastructure Services will expend $900,000 on removing and upgrading series circuits. The goal of the Series Circuitry Upgrade program is to reduce electrical maintenance costs and electrical outages. The ongoing upgrades make the city's electrical system more reliable and allow maintenance crews to be more responsive.

The 2011 proposed budget includes $509,500 for upgrades to street lighting substations and street lighting control circuits. These projects will allow for more efficient management of the street lighting system. Upon completion of the street lighting substations, potential problems will be diagnosed before they occur and crews will be more responsive to citizens. The control circuit project will improve the reliability of lighting cycles, will improve control of street lights, and will reduce response times to circuit outages.

Figure 2



Traffic Controls: The Traffic Control program designs and operates transportation systems that support the safe and efficient movement of people and goods. The program helps to reduce the number of traffic crashes, improve traffic flow and reduce pollution. The 2011 proposed budget provides $5.4 million for this service including $3.3 million in operating funds and $2.1 million in capital funds. Of this capital funding, $1.1 million or 54% supports the regular ongoing program of sign and signal maintenance, improvements and replacement. The remaining $938,950 or 46% of the capital funding supports mandatory sign and signal improvements required as part of required national standards promulgated in the updated Manual of Uniform Traffic Control Devices (MUTCD). The increase in capital funding for 2011 is entirely the result of the MUTCD updates. Increased funding for MUTCD updates will be required through 2018, with an additional $4.3 million needed after 2011. The Traffic Control program has resulted in a reduction in the number of reported traffic crashes by 30.9% since 1994 (see Figure 2).

Bicycle and Pedestrian Facilities: According to the U.S. Census, bicycle use in Milwaukee is up more than 300% in the last five years. This is in large part due to the improved bicycle facilities in the city. Milwaukee now has 52 miles of on-street bike lanes, 65 miles of streets signed as bike routes and a burgeoning multi-use trail program. The Riverwest Linear Park and the soon to be completed Kinnickinnic River Trail are the first city owned trails. The City Bicycle Master Plan proposes expanding both the on-street bikeways and off-street trails to meet the rapidly growing number of people in the city using bicycles for transportation and recreation. Furthermore, as people reinvest in downtown and neighborhoods, pedestrian improvements need to be made.

Transportation Planning: The transportation planning function includes administration of the Milwaukee Streetcar project and participation in other transit initiatives including Milwaukee Madison High Speed Rail service, Milwaukee Intermodal Station improvements and the Kenosha Racine Milwaukee Commuter Rail Project. An alternatives analysis has been performed and Locally Preferred Alternative has been selected for the Milwaukee Streetcar project. Preliminary engineering and preparation of the environmental assessment has commenced and will be completed in 2011. In 2011, final design, vehicle procurement, and utility relocation will begin.

OTHER SERVICE AND BUDGET CHANGES

Underground Conduit and Electrical Manholes: The Underground Conduit and Manhole program provides internal communication services. The system provides a secure and weatherproof means of connecting communication cables among various city departments, including the Fire Department, Police Department, Health Department, Milwaukee Public Library, Milwaukee Water Works, and the Department of Public Works. The conduit system also provides a secure and reliable route for traffic signals and street lighting cable circuits and systems. The 2011 proposed budget provides approximately $1.1 million in funding for this program, including

$131,000 in operating funds and $1 million in capital funds. The capital funding includes $800,000 million for conduit and underground manhole work related to paving projects and $200,000 for replacement and repair of underground manholes.

Consolidation of Carpentry Functions: The 2011 proposed budget consolidates carpenter positions in the Streets and Bridges Decision Unit. Seven Carpenter positions transfer from the Facilities Development and Management Section to the Bridges Operations and Maintenance Section. In addition, one Carpenter Supervisor is eliminated and one Carpenter Supervisor is replaced by a Carpentry Manager for oversight of the combined carpentry unit.

Position Eliminations: In order to meet budget constraints, five vacant positions in the Facilities Development and Management section are eliminated, including an Architect Designer II, Maintenance Technician II, Bridge Laborer II, Electrical Mechanic and Custodial Worker II.

Transfer of Positions: As part of ongoing organizational improvements, three positions transfer into the Infrastructure Services Division from other DPW divisions. One Business Operations Manager position transfers from the Administrative Services Division and two Program Assistant positions transfer from the Operations Division.

Automatic Meter Reading Position Transfers: The 2011 proposed budget includes a proposed transfer of various DPW positions from the Infrastructure Services and Operations divisions to the Water Works to assist in the implementation of the Automatic Meter Reading program. More information on this program is included in the *Water Works* section of the *2011 Proposed Plan and Executive Budget Summary*.

FACILITIES CAPITAL PROJECTS

City Hall Foundation and Hollow Walk Repairs: The 2011 proposed budget includes $3.2 million for the City Hall Foundation and Hollow Walk Repair project. There is significant foundation settling under City Hall, particularly on the three sides of the northern half of the building. City Hall was built on a foundation of wood pilings as was common in the late 1890s. As pilings have deteriorated, settling has occurred. Work to repair and underpin the existing pile caps and install monitoring wells is necessary to correct this condition. In conjunction with the foundation work, the sidewalks, hollow sidewalk areas, and the associated interior walls will be repaired and restored. The 2008 capital budget included $1.2 million to conduct a detailed evaluation to determine condition changes since the last analysis in mid-2004. The 2009 capital budget included $1.8 million and the 2010 budget included $2.7 million for initial construction. Considerable project risk exists due to the large portion of the foundation that is buried and not directly observable. After work is complete, the building's foundation is expected to perform its support function into the long term future.

City Hall Complex Remodeling: The 2011 proposed budget includes $50,000 for remodeling in the City Hall Complex.

Environmental Remediation Program: The 2011 proposed budget includes $150,000 for the city's Environmental Remediation program. This program funds lead and asbestos abatement in city facilities, and soil and groundwater remediation.

ADA Compliance Program: The 2011 proposed budget includes $95,000 to continue its ADA compliance program. This program funds various accessibility improvements including building entrances, office modifications, and rest rooms.

Facilities Exterior Program: The 2011 proposed budget includes $923,400 for projects to maintain watertight integrity, improve energy efficiency, and provide for safe conditions. Projects include re-roofing the Central Repair Garage and emergency repairs at various sites.

Municipal Garage/Outlying Facility Remodeling: The 2011 proposed budget includes $400,000 for fire protection and make-up air handling unit upgrades at the Northwest Municipal Garage.

Facilities Systems Program: The 2011 proposed budget includes $615,000 for facility systems improvements. This includes funding for emergency mechanical, electrical and security repairs, electrical distribution and code compliance work, and upgrades of closed circuit TV systems.

Recreational Facilities Program: The 2011 proposed budget includes $151,000 for recreational facilities improvements, including playfield reconstruction for the Columbia Playground.

Space Planning, Alterations, and Engineering: The 2011 proposed budget includes $166,000 to fund unprogrammed engineering, facilities inspections, and office reorganizations.

Zeidler Municipal Building Lower Parking Floor Restoration: The 2011 proposed budget includes $1.5 million for restoration of the floor in the lower parking section of the Zeidler Municipal Building.

MacArthur Square Plaza Remediation: The 2011 proposed budget includes $247,000 to fund remediation efforts at the MacArthur Square Plaza. Recent engineering condition reports have identified the need for various remediation efforts. Prior year capital funding has been and will be used to fund these projects, with the 2011 and future budgets providing additional funds as needed.

Energy Efficiency and Renewable Energy Initiative Program: The 2011 proposed budget includes $150,000 to fund a photovoltaic solar power system at the Central Repair Garage.

Building Exterior Façade Restoration: The 2011 proposed budget includes $385,400 to fund repair and restoration work needed on the exterior façade of the Zeidler Municipal Building. This work is needed to prevent further deterioration and future unsafe conditions. Future program funding will address work at the 809 Broadway Building and the Police Administration Building.

2011 Budget by Services (Funding in Millions)

Service	**Streets, Alleys, and Sidewalks**	
Activities:	Street paving, street maintenance, alley resurfacing, reconstruction and maintenance, and sidewalk replacement.	
		2011 Projection
Performance Measures:	Percentage of projects heard by May 1st.	90.0%
	Local street replacement cycle.	65.0
Funding by Source:	Operating Funds	$11.3
	Capital Budget	$25.0
	Grants and Reimbursables	$54.0
	Totals	**$90.3**

Service	**Bridges**	
Activities:	Bridge reconstruction, bridge repair and maintenance, operation of movable and automated bridges.	
		2011 Projection
Performance Measures:	Percentage of bridges with a condition rating above 50.	85.0%
Funding by Source:	Operating Funds	$4.2
	Capital Budget	$6.6
	Grants and Reimbursables	$23.1
	Totals	**$33.9**

Service	**Lighting**	
Activities:	Lighting systems operations, street light repair, circuitry replacement, and capital improvements.	
		2011 Projection
Performance Measures:	Complaints responded to within 30 days.	80.0%
	Streets meeting IES standards.	95.0%
Funding by Source:	Operating Funds	$9.3
	Capital Budget	$7.4
	Grants and Reimbursables	$0.1
	Totals	**$16.8**

Service	**Traffic Control**	
Activities:	Install and replace traffic control signs, pavement markings and traffic signals, provide review and design for special events and street paving traffic control plans, and provide for the safe and uniform flow of traffic.	
		2011 Projection
Performance Measures:	Complaints responded to in less than 60 days.	75.0%
	Reduce the number of traffic accidents by 5.0%.	12,350
Funding by Source:	Operating Funds	$3.3
	Capital Budget	$2.1
	Totals	**$5.4**

2011 Budget by Services (Funding in Millions)

Service	**Underground Conduit and Manholes**	
Activities:	Install and replace underground communication conduits, maintain and replace electric manholes.	
		2011 Projection
Performance Measures:	Percentage of customers satisfied with communication services.	90.0%
Funding by Source:	Operating Funds	$0.1
	Capital Budget	$1.0
	Totals	**$1.1**

Service	**City Facility Maintenance and Development**	
Activities:	Architectural and mechanical design, construction management, building maintenance services, energy management, and facility systems controls.	
		2011 Projection
Performance Measures:	Percentage of DPW buildings with condition assessments.	100.0%
Funding by Source:	Operating Funds	$8.6
	Capital Budget	$8.0
	Grants and Reimbursables	$3.1
	Totals	**$19.8**

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	Position Title	Reason
1		1.00	Business Operations Manager	Transfer from DPW Administrative Services Division.
-1			Plant Mechanic III	Title change to reflect duties.
1			Infrastructure Repair Crew Leader	
-1			Recreational Facilities Coordinator	
1			Facilities Project Coordinator	
-1			Carpenter Supervisor	Consolidation of carpentry function.
1			Carpentry Manager	
-1	-0.86	-0.14	Carpenter Supervisor	
-1	-1.00		Buildings and Fleet Superintendent	Retitle position and funding change.
1	0.50	0.50	Facilities Director	
1	1.00		Program Assistant II	Transfer from DPW Operations Division.
1	1.00		Program Assistant I	
-1	-1.00		Custodial Worker II/City Laborer	Eliminate vacant positions for budget reductions.
-1	-0.73	-0.27	Maintenance Technician II	
-1	-0.65	-0.35	Electrical Mechanic	
-1	-0.69	-0.31	Bridge Laborer II	
-1	-0.09	-0.91	Architectural Designer II	
	-1.22	6.27	Various Positions	Funding and experience adjustments.
-3	**-3.74**	**5.79**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
OPERATIONS DIVISION

EXECUTIVE SUMMARY

MISSION: Improve the safety, cleanliness, and sustainability of Milwaukee neighborhoods and the environment.

OBJECTIVES: Improve neighborhood appearance.

Enhance transit options.

Reduce energy use in city operations.

Facilitate service provision to city residents.

STRATEGIES: Timely collection of solid waste and vigorous abatement of nuisance garbage.

Effective recycling program to reduce solid waste.

Timely street sweeping and leaf collection.

Timely snow and ice control operations.

Enhance the urban forest and boulevard system.

Retrofit buildings and purchase vehicles to increase energy efficiency.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	742.08	624.14	621.47	597.87	-26.27	-23.60
FTEs - Other	131.44	99.46	100.12	91.23	-8.23	-8.89
Total Positions Authorized	1,623	1,464	1,465	1,447	-17	-18
EXPENDITURES						
Salaries and Wages	$40,382,679	$30,903,596	$32,845,352	$30,193,017	$-710,579	$-2,652,335
Fringe Benefits	18,083,280	12,670,474	15,765,768	14,492,648	1,822,174	-1,273,120
Operating Expenditures	27,006,486	24,542,540	27,243,000	24,735,315	192,775	-2,507,685
Equipment	1,864,530	1,542,000	2,400,650	1,546,150	4,150	-854,500
Special Funds	738,859	875,000	900,000	875,000	0	-25,000
TOTAL	$88,075,834	$70,533,610	$79,154,770	$71,842,130	$1,308,520	$-7,312,640
REVENUES						
Charges for Services	$56,782,226	$59,451,000	$59,566,800	$60,046,800	$595,800	$480,000
Miscellaneous	262,781	252,800	0	0	-252,800	0
TOTAL	$57,045,007	$59,703,800	$59,566,800	$60,046,800	$343,000	$480,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Public Works Operations Division is comprised of the Environmental Section and Fleet Services. This division supports the city's goals of building safe and healthy neighborhoods, increasing investment and economic vitality throughout the city, and sustaining, enhancing and promoting Milwaukee's natural environmental assets.

Environmental Services: The Environmental Services Division is comprised of the Sanitation and Forestry Sections. Sanitation is responsible for solid waste collection, street sweeping, brush collection, nuisance garbage, vacant lot maintenance and snow and ice control. These services play a vital role in sustaining neighborhoods, protecting the environment from harmful chemicals and city residents from infectious disease and injury.

Sanitation Services operates an effective recycling program. The recycling program reduces the amount of materials sent to landfills through public education, brush collection, and the city's recycling program. A high performance recycling program generates revenue for recyclables and reduces garbage tipping fees. This is especially important in 2011 because the State of Wisconsin is increasing tipping fees. The State increased tipping fees by 26% in 2010 and a 3.5% increase is budgeted for 2011. As a result, the city's tipping fee costs have increased by $2.4 million. Environmental Services is also responsible for nuisance garbage and maintaining city owned vacant lots.

The Forestry Section is primarily responsible for tree and landscape management. Forestry currently maintains 200,000 trees and 120 miles of boulevards that provide Milwaukee with a natural beauty both residents and visitors enjoy. The urban tree canopy and boulevard system contribute to the environmental sustainability of the city by helping to manage stormwater runoff. The Forestry Section was honored several times in 2009 for the innovative management and maintenance of the city's boulevards.

Fleet Services and Fleet Operations: Fleet Operations works cooperatively with the Environmental Services Section to clear city streets of snow and ice, a critical component to the city's objective of nurturing investment in the city. The Fleet Services and Fleet Operations Sections also operate and maintain DPW's centralized fleet of over 4,000 motor vehicles and related equipment. The Fleet Services Section provides equipment and vehicles for other city departments, DPW divisions and provides repair services for vehicles owned by the Library, Health Department, Police Department, Water Works, Sewer Maintenance Fund, and Parking Fund.

Strategies and Milestones for 2011

Objective: Improve neighborhood appearance.	
Strategies	**2011 Milestones**
Maintain timely, regular collection of solid waste.	Missed collection rate of 1% or less.
Vigorously abate nuisance garbage and litter.	Remediate most nuisance garbage referrals within four days and all referrals within seven days.
Solid waste reduction through an effective recycling program that increases resident participation and tonnage collected.	Increase resident participation through education and outreach. Monitor results of recycling setout initiative. Increase tonnage of recyclables collected by 5%.

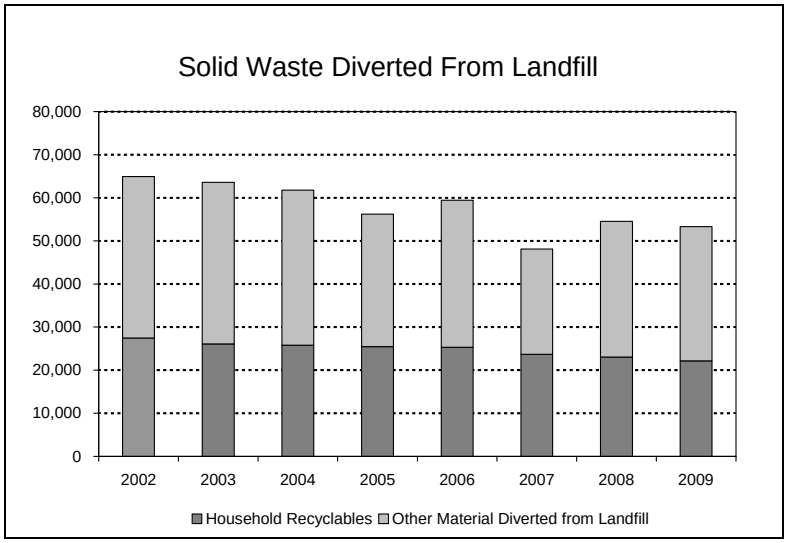
Strategies and Milestones for 2011

Continue periodic street sweeping based on neighborhood need.	Maintain street sweeping schedule over 90% of the time.
Provide timely fall leaf collection.	Complete leaf collection prior to first snow plowing.
Maintain urban forest and boulevard system.	Prune 20% of city owned street trees. Survey the city's ash tree population. Inoculate one-third to one-half of city owned ash trees. Continue construction of sustainable boulevards.
Objective: Enhance transportation options and existing infrastructure.	
Strategies	**2011 Milestones**
Conduct timely snow and ice control operations.	Mass transit routes, main streets, and arterials salted within 4 hours and plowed open within 6 to 12 hours from end of snowfall or before next rush hour. Residential streets open to through traffic with salting within 6 to 8 hours from start of operation and plowing by 18 to 24 hours from end of snowfall. Clearing of curb ramps and designated bus stops so that 75% of designated bus stops are clear within 72 to 96 hours after end of snowfall.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2011 Milestones**
Purchase more energy efficient vehicles.	Purchase cost effective hybrid or flexible fuel vehicles.
Objective: Facilitate service provision to city residents.	
Strategies	**2011 Milestones**
Provide needed vehicles and equipment to support city services to residents.	Maintain police and light vehicle availability rate of 95% or more. Maintain truck and heavy vehicle availability rate of 90% or more.

STRATEGY IMPLEMENTATION

The 2011 proposed budget provides $71.8 million in operating funds, utilizes $4.5 million of grant and reimbursable funding and an additional $8.6 million of capital funds to continue DPW Operations Division's provision of services to Milwaukee's residents and businesses.

Figure 1



Solid waste collection and other city cleanliness activities are supported through the Solid Waste Fee. The 2011 proposed budget sets the fee at $32.3 million or approximately $160 per household. DPW collects waste weekly from about 213,000 households. In 2009, DPW collected over 299,000 tons of garbage from carts, dumpsters, self-help centers and other services. Overall tonnage decreased 3.8% from the 2008 totals. During the same period tonnage diverted from landfills increased to 20.1% of the overall total.

Recycling and other solid waste reduction efforts benefit the city through avoiding tipping fee expenditures for solid waste deposited into landfills and providing revenue through sale of recycled material. In 2009, DPW collected 22,174 tons of recyclables and 31,149 tons of compost material, for a total of 53,323 tons or 2% less diverted than the 2008 and approximately 10% more than the 2007 total (as shown in Figure 1). The 2011 proposed budget provides nearly $3.5 million in operating funds and $3.5 million in grant funds for recycling efforts.

The $3.5 million in recycling grant funds constitute a 3.4% increase from the 2010 amount. This level of funding will allow the recycling program to continue focusing on its central mission. The recycling program's central mission is to recover an increasing amount of recyclables from the waste stream. DPW will explore a variety of methods to divert more from landfills. One of the primary options under review is the "Pay as You Throw" collection system. In this system, residents' Solid Waste Fee is partly based on the amount of garbage thrown away. This type of system encourages residents to recycle and has been successfully implemented in other large cities.

The Snow and Ice Control program is an important DPW activity. The goal is to remove snow and ice as quickly and economically as possible to restore safe motorist and pedestrian travel and minimize economic losses. A well run snow and ice removal operation adds value to the economy by allowing year round operation of the regional economy.

The extent to which snow and ice control operations are performed is largely dependent upon weather conditions. Snowfall, which has fluctuated tremendously over the past decade, is the primary driver of expenditures. Over the last five years, DPW has improved the efficiency of its snow and ice control operations by utilizing more salt trucks with underbelly plows. Underbelly plows allow DPW staff to respond more quickly to rapid accumulations of snow on the roadway. Additionally, expansion of snow driver pool and overtime has allowed for more sustained snow removal operations using only city forces.

Snowfall over the past five years has averaged 61 inches per year, resulting in an average of five plowing operations and 37 ice control operations. The 2011 proposed budget includes $6.5 million for snow and ice control operations. The budgeted amount represents 75% of the five year average and 91% of the ten year

average cost for snow and ice control. The five year average is distorted by 2008 snow and ice expenditures of $15.8 million.

The Emerald Ash Borer emerged as a threat to the State's ash tree population in 2008 with its discovery in Ozaukee and Washington Counties. The insect has now been discovered in Milwaukee County. DPW has been working with the State of Wisconsin on pest control strategy. This strategy involves an intense educational campaign to discourage transport of firewood from other regions, which could spread the pest. Recently developed pesticides offer hope of avoiding an infestation of Milwaukee's urban forest. Milwaukee has approximately 33,000 ash trees at risk of infestation.

The Fleet Services program provides repair and maintenance services to over 4,000 vehicles and pieces of equipment. It also provides equipment operators for a variety of DPW functions. In 2009, Fleet Services exceeded its goal of preventative maintenance checks and ensured the following in service rates:

- Polices vehicles - 96%
- Light weight vehicles - 93%
- Heavy equipment - 92%.

SERVICE AND BUDGET CHANGES

The 2011 proposed budget implements several major operational changes to the city's solid waste collection and recycling programs. These changes should reduce the amount of landfill waste produced by residents while increasing the overall level of recycling. The primary benefit of these changes is to reduce landfill waste, increase recycling, and become a more environmentally friendly city. Operational changes include:

Outside of Cart: The amount of materials residents will be able to place outside of their carts on a weekly basis will be reduced from two cubic yards to nothing outside of the cart. An ordinance change will be necessary to implement this change as part of the 2011 proposed budget. Sanitation Services will no longer collect items placed outside of the cart without an additional charge being assessed. In cases where items are placed outside of carts, those items will be tagged and residents will be required to remove these items or face a municipal citation. This service change will allow Sanitation to move through routes more efficiently and generate savings of $378,000. Residents will have the option of taking larger items to the self-help center or disposing of these items during the clean and green cycle.

Cart Fee: Currently 20% of city residents have a two or more garbage carts. As part of the 2011 proposed budget, city residents with two or more garbage carts will be assessed $5 quarterly for each garbage cart after the first cart. This policy change is part of the city's effort to encourage residents to throw away less and recycle more. This applies to garbage carts only. Residents can request additional recycling carts at no charge.

These program changes lay the groundwork for future changes in the manner in which the city manages waste disposal. The primary focus of future changes will be to increase operational efficiency and recycling, while reducing landfill waste and operational costs.

Solid Waste Fee: The 2011 Solid Waste Fee will recover approximately 98% of the costs associated with garbage collection and recycling. The fee will generate approximately $32.2 million. For those property owners who are provided with only one cart, their annual Solid Waste Fee should decrease by approximately $3.50 to $166.64 for 2011.

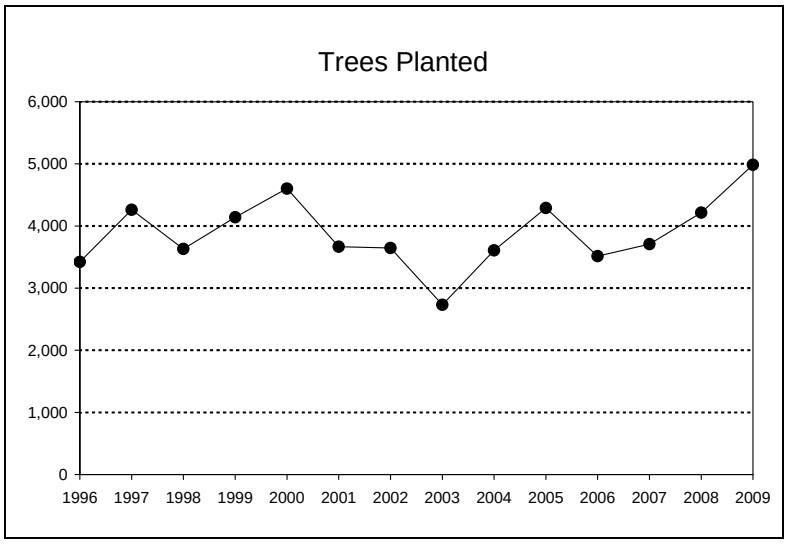
Snow and Ice Control Fee: The Snow and Ice Control Fee recovers a portion of the city's cost for snow and ice operations. The 2011 proposed budget includes a Snow and Ice Fee of $6.5 million or an average of $27.33 per typical property with 40 feet of street frontage. This represents 74% of actual average costs over the past five

years. The fee is charged based on the estimated street frontage for all properties. The 2011 fee will recover 100% of the estimated costs related to snow and ice control costs.

Energy Efficiency Improvements: The Fleet Section has purchased several hybrid automobiles for use by city departments. These vehicles will reduce fuel consumption.

DPW continues to explore the practicality of other alternative energy options to propel the city's fleet. For example, DPW has applied for a Wisconsin Clean Transportation grant to purchase 22 electric vehicles, 20 heavy duty Compressed Natural Gas (CNG) vehicles and build two CNG refueling stations. This grant requires a 20% match in city funds. The successful completion of this project will play a role in reducing energy and pollution costs to the city.

Figure 2



OTHER PROGRAM CHANGES

Cart Survey: Sanitation completed a citywide cart survey in 2010. This survey provided an accurate count of the number of carts being serviced weekly and indicated which residents have more than one cart. The survey provided the following data:

- Over 257,000 households are serviced weekly;
- Each household has an average of 1.6 carts; and
- Approximately 24% of carts are either damaged or have rodent holes.

The survey data will be used in making decisions regarding changes in Sanitation's weekly collection program. Changes under consideration include:

- Additional cart fee;
- Cart collection;
- Cart (Size) Pilot Program; and
- Outside of carts tags.

These changes, if implemented, will assist in reducing tipping fees and overall operating cost, divert more waste into recycling, and increase overall program efficiency.

CAPITAL PROJECTS

Sustainable Boulevard System: No capital funds are budgeted for the Sustainable Boulevard program in 2011. 2010 marked the successful completion of this program. As a result of this program's completion, the Forestry Division will be able to reduce its annual budget for seasonal staffing by $180,000.

Tree Planting and Production: The 2011 proposed budget provides $1.3 million for the Tree Planting and Production program. The program will fund nursery staff time devoted to tree production and the replacement

of 3,555 street trees, as part of the Mayor's commitment to improve Milwaukee's environment. Figure 2 demonstrates the city's commitment to improve the urban tree canopy.

Concealed Irrigation and Landscaping: The 2011 proposed budget provides $460,000 in capital funding for irrigation replacements and landscaping that coordinates with street reconstruction projects. The replacement irrigation systems support planting beds. These funds support the replacement of 105 bed only taps in conjunction with seven street reconstruction projects. The sustainable boulevard plan will reduce the need for irrigation on connecting boulevards.

Emerald Ash Borer: The 2011 capital budget includes $830,000 for an Emerald Ash Borer Readiness and Response program. Treatable ash trees are injected with a pesticide to protect against the Ash Borer.

Major Capital Equipment: The 2011 proposed budget includes $5.5 million for major capital equipment that costs more than $50,000 per unit and a life cycle of at least ten years. Equipment items costing less than $50,000 are included in the Operations Division's operating budget. The 2011 major capital equipment replacement program includes replacing street sweepers, aerial trucks, heavy dump trucks, and garbage and recycling packers.

Two-Way Radio Replacement and AVL/GPS Initiative: The 2011 proposed budget includes $238,000 in capital funding for this program. DPW is also exploring the use of the Global Positioning System (GPS) capabilities of these radios to improve staff and fleet management.

2011 Budget by Services (Funding in Millions)

Service	**City Cleanliness and Solid Waste Collection**	
Activities:	Weekly residential garbage collection, bulky garbage collection, operation of two self-help centers, neighborhood "Clean and Green" programs, street and alley sweeping, and weed enforcement.	
		2011 Projection
Performance Measures:	Percent of nuisance litter removals completed in four days or less.	90.0%
	Special collection of bulky garbage.	7,000
	Calls for missed garbage collection as percent of total collections.	0.10%
Funding by Source:	Operating Funds	$26.0
	Capital Budget	$0.5
	Totals	**$26.5**

Service	**Recycling and Solid Waste Reduction**	
Activities:	Curbside recycling collection, fall leaf, brush, and yard waste collection and composting, recycling and waste reduction education, and Self-Help Center Recycling programs.	
		2011 Projection
Performance Measures:	Tons diverted from landfill.	60,000
	Tons of recyclables from curbside collections.	25,500
Funding by Source:	Operating Funds	$3.5
	Grants and Reimbursables	$3.5
	Totals	**$7.0**

2011 Budget by Services (Funding in Millions)

Service	**Snow and Ice Control**	
Activities:	Snow plowing operations, salting operations, and special snow cleanup.	
		2011 Projection
Performance Measures:	Inches of snow.	39.0
	Number of snow and ice operations.	27
Funding by Source:	Operating Funds	$6.5
	Totals	**$6.5**

Service	**Urban Forest Maintenance and Boulevard Beautification**	
Activities:	Tree planting, tree production at the city nursery, pruning and maintenance of trees, removal of hazardous and damaged trees and stumps, developing strategies to control emerging pests, turf maintenance, irrigation systems repair, and flowerbed maintenance.	
		2011 Projection
Performance Measures:	Calls for service for broken branches on street trees.	1,200
	Trees planted.	4,300
	Trees removed.	3,600
	Number of citizen complaints regarding the condition of boulevards.	50
Funding by Source:	Operating Funds	$11.5
	Capital Budget	$2.6
	Totals	**$14.1**

Service	**Fleet Services and Fleet Support to Other Divisions**	
Activities:	Preventive maintenance and repair of vehicles and equipment, provide vehicles, and equipment operators.	
		2011 Projection
Performance Measures:	Total unscheduled work orders completed on DPW equipment.	29,000
	Preventative maintenance conducted.	7,000
	Fleet availability percentage.	95.0%
Funding by Source:	Operating Funds	$24.3
	Capital Budget	$5.5
	Grants and Reimbursables	$0.7
	Totals	**$30.5**

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	Position Title	Reason
			Administration	
	1.00		Environmental Policy Analyst	Moved from Forestry.
	-1.00		Program Assistant II	Positions moved to Infrastructure Services Division.
	-1.00		Program Assistant I	
	-0.66	0.66		Funding change.
	-0.01		Various Positions	Miscellaneous adjustments.
			Fleet Services	
	-5.00		Various Positions	AMR reduction.
	0.00	-3.50	Various Positions	Reduced reimbursable deduction.
			Fleet Operations/Dispatch	
	0.00	-1.75	Operations Driver Worker	Reduced reimbursable and grant and aid deduction.
			Sanitation	
	-1.00	1.00	Recycling Specialist	Funding source change.
	-1.00	1.00	Recycling Program Assistant	
			Forestry	
	-1.00	0.00	Environmental Policy Analyst	Position moved.
	-10.00	0.00	Various Positions	AMR reduction.
-17	-6.60	-6.50	Various Positions	Sustainable Boulevard Program ends.
		0.86	Various Positions	Miscellaneous adjustments.
-17	**-26.27**	**-8.23**	**Totals**	

SPECIAL PURPOSE ACCOUNTS

EXECUTIVE SUMMARY

OBJECTIVES: Special Purpose Accounts appropriate funds for purposes not included in departmental budgets. These accounts may include funding for short term programs, programs that affect numerous departments, or programs that warrant distinction from departmental budgets. Every year, the Common Council adopts a resolution that authorizes expenditure of funds from the various Special Purpose Accounts by specific departments or by Common Council resolution.

The 2011 proposed budget provides funding of $16.8 million for Miscellaneous Special Purpose Accounts and total funding of $175.2 million for all Special Purpose Accounts. Highlights of the 2011 Miscellaneous Special Purpose Accounts (SPAs) include:

New Accounts

The 2011 proposed budget does not include any new Special Purpose Accounts.

Discontinued Accounts

Board of Ethics: This account funded a contract for an outside vendor. In 2011, the City Clerk's Office is assuming these duties and absorbing the related costs.

Complete Count for 2010 Census: The 2010 budget included $50,000 in a special purpose account to support Milwaukee's Complete Count Census initiative. This funding supported efforts to count every Milwaukee resident for the 2010 census so that our community receives a fair allocation of government resources and accurate legislative representation.

Low Interest Mortgage Program: This program ended in 1996. This account provided necessary expenditure authority for remaining mortgage servicing fees, mortgage guarantee insurance and foreclosure expenditures. The special purpose account is no longer necessary. If there are any costs in 2011, these costs will be charged to the Comptroller's Office budget. Expenditures in 2009 were $39.

Milwaukee Energy Efficiency Program (Me2): This special purpose account was initially established in 2009 to implement a pilot program to improve energy efficiency in residential and commercial properties. This program will be funded through the American Recovery and Reinvestment Act, making continuation of the special purpose account unnecessary.

Other Significant Changes

Alternative Transportation for City Employees: The 2011 proposed budget decreases this account by $10,000, an 8% decrease. Funding of $115,000 will encourage the use of public transportation by city employees. The account funds costs related to the Commuter Value Pass Program that allows city employees to use the Milwaukee County Transit System. The decrease is the result of decreasing enrollment. The cost per employee is expected to remain the same as in 2010.

Audit Fund: The 2011 proposed budget increases the Audit Fund by $88,900, a 25% increase. Total funding of $442,900 will pay for the cost of contracting for a private audit of the city's Comprehensive Annual Financial Report, among other audit activities.

City Memberships: The 2011 proposed budget decreases the City Memberships account by $25,715, a 20% decrease. Total funding of $100,500 will pay for the cost of various memberships in professional organizations, such as the Government Finance Officers Association, Public Policy Forum, National League of Cities, and the League of Wisconsin Municipalities. The decrease is a result of changes in the Wisconsin Alliance of Cities, which is being replaced by a new Urban Alliance Organization. Membership in the Alliance is purchased through a surcharge added to the membership cost for the League of Wisconsin Municipalities. Changes in membership dues will result in a savings that is reflected in the 2011 proposed budget.

Economic Development Committee Fund: This account supports costs related to advertising and marketing the City of Milwaukee for industrial and commercial development, business attraction and retention, and tourism. This fund increases by $5,000 in 2011 for total funding of $25,000.

Firemen's Relief Fund: This account helps to defray the costs of the Fire Department Relief Association, established under Section 20-18 of the City Charter. The association provides assistance to injured or fatally injured Fire Fighters and their families. The account is decreased by $10,000 to $130,000 in 2011, consistent with recent expenditure trends.

Flexible Spending Account: This account funds a program that allows employees to set aside pre-tax dollars for certain medical care and dependent care expenses. The account is increased by $5,000 to $50,000 in 2011 reflecting changes in management of the program. In 2011, the city will enter into a two year contract with a new Flexible Spending Plan Administrator (*eflexgroup*). Costs with *eflexgroup* will be lower than the current vendor because *eflexgroup* does not charge an annual fee, a debit card fee, or additional fees for more than one flexible spending plan. Based on the new monthly administration fees for *eflexgroup* and expected enrollment numbers, the 2011 cost should be $50,000, which is less than would have occurred under the current plan administrator.

Group Life Insurance Premium: This account funds the city's obligations with respect to life insurance benefits for city employees. The account is increased by $269,000 to $2.78 million in 2011, reflecting anticipated salary levels.

Insurance Fund: This account provides funding for insurance premiums for city policies. This account is increased by $220,496 in 2011 for total funding of $450,000, reflecting anticipated premium payments for 2011.

Land Management: This account supports the maintenance and marketing of RACM and city owned improved property, with the goal of expanding low and moderate income housing. The properties are obtained through tax foreclosure and the city provides essential maintenance and repairs during the period of city ownership and marketing. Maintenance includes carpentry, plumbing, heating, surveys, recording fees, grass cutting, and snow removal. The account is increased by $100,000 to $300,000 in 2011, reflecting an increased inventory of properties the city is responsible to maintain

Maintenance of Essential Utility Services: This account funds activities that 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. The account is decreased by $10,000 to $65,000 in 2011, reflecting expenditure trends.

Reserve for 27th Payroll: This account amortizes the costs of the 27th payroll, which occurs every 11 years in contrast to the normal 26 pay periods each year. The account is increased by $60,000 to $1.5 million in 2011, reflecting salary settlements and previous expenditures.

Retirees Benefit Adjustment: This account makes supplemental pension benefits for certain non-employee retirement services retirees. The account is decreased by $20,000 in 2011 for total funding of $166,000, reflecting the trend in anticipated expenditures.

Tuition Reimbursement Fund: The city provides a tuition benefit program to eligible employees to help them further develop skills related to their current job or a reasonable promotional opportunity within city government. The amount of tuition benefits available to each employee depends upon the particular employee group to which they belong, with specific maximum reimbursement levels determined by collective bargaining agreements. The account is decreased by $30,000 in 2011 for total funding of $750,000. Tuition reimbursement expenditures have fluctuated over the years and a series of steps were taken in 2008 and 2009 to control rising expenditures. These measures have helped curb expenditures to some extent and the 2011 proposed budget reflects expenditure trends over the last few years.

Wages Supplement Fund: This account funds anticipated wage and fringe benefit increases resulting from collective bargaining agreements. Current agreements freeze wage and fringe benefits for 2011, eliminating the need to provide additional funding for this account.

Unemployment Compensation Fund: This accounts funds the city's portion of unemployment compensation benefit payments to city employees who are laid off or otherwise separated from service. Eligibility for this benefit is determined by the State of Wisconsin upon review of the employee's level of earnings and the circumstances surrounding the separation from employment. The account is increased by $50,000 to $1.06 million in 2011, reflecting the trend in expenditures.

SPECIAL PURPOSE ACCOUNTS SUMMARY

LINE DESCRIPTION	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Special Purpose Accounts Miscellaneous						
Alternative Transportation for City Employees	$121,269	$125,000	$120,000	$115,000	$-10,000	$-5,000
Annual Payment to Department of Natural Resources	7,034	7,100	7,100	7,100	0	0
Audit Fund	317,000	354,000	465,000	442,900	88,900	-22,100
Board of Ethics	29,850	32,000	32,000	0	-32,000	-32,000
Boards and Commissions Reimbursement Expense	17,777	20,000	20,000	20,000	0	0
Business Improvement District City Contribution	187,000	0	0	0	0	0
Cable TV Franchise Regulation	0	0	0	0	0	0
Care of Prisoners Fund	0	71,600	71,600	71,600	0	0
City Attorney Collection Contract	820,531	1,000,000	1,000,000	1,000,000	0	0
City Memberships	135,609	126,215	133,500	100,500	-25,715	-33,000
Clerk of Court Witness Fees Fund	8,910	9,000	9,000	9,000	0	0
Complete Count	0	50,000	0	0	-50,000	0
Contribution Fund General	0	2,400,000	2,400,000	2,400,000	0	0
Damages and Claims Fund	4,399,201	1,375,000	1,375,000	1,375,000	0	0
Drivers License Recovery and Employability Program	75,000	50,000	200,000	50,000	0	-150,000
eCivis Grants Locator	26,741	26,741	26,741	26,741	0	0
Economic Development Committee Fund	60,439	20,000	30,000	25,000	5,000	-5,000
E-Government Payment Systems	60,801	60,000	60,000	60,000	0	0
Employee Training Fund	23,556	20,000	20,000	20,000	0	0
Fire and Police Department Monitoring/Auditing	38,654	0	0	0	0	0
Firemen's Relief Fund	129,648	140,000	140,000	130,000	-10,000	-10,000
Flexible Spending Account	49,470	45,000	58,000	50,000	5,000	-8,000
Graffiti Abatement Fund	109,378	170,000	170,000	170,000	0	0
Group Life Insurance Premium	2,565,130	2,510,000	2,979,000	2,779,000	269,000	-200,000
Insurance Fund	441,461	229,504	450,000	450,000	220,496	0
Land Management	214,828	200,000	350,000	300,000	100,000	-50,000
Long Term Disability Insurance	786,392	800,000	800,000	800,000	0	0
Low Interest Mortgage Loan Program	39	1,000	0	0	-1,000	0
Maintenance of Essential Utility Services	62,593	75,000	75,000	65,000	-10,000	-10,000
Me2 Project Pass Through	0	1,000,000	0	0	-1,000,000	0
Less Recovery from Me2 Project	0	-999,999	0	0	999,999	0
Milwaukee Arts Board Projects	165,863	160,000	160,000	160,000	0	0
Milwaukee Fourth of July Commission	95,512	95,000	95,000	95,000	0	0
MMSD User Charge	0	51,793,850	53,868,718	53,868,718	2,074,868	0
Less Recover MMSD User Charge	0	-51,793,849	-53,868,717	-53,868,717	-2,074,868	0
Municipal Court Intervention Program	434,000	425,320	425,320	425,320	0	0
Nuisance Abatement Fund	6,723	25,000	25,000	25,000	0	0
Outside Council/Expert Witness Fund	578,330	430,000	430,000	430,000	0	0
Razing and Vacant Building Protection Fund	496,361	1,050,000	1,150,000	1,019,000	-31,000	-131,000
Receivership Fund	23,003	0	0	0	0	0
Reimbursable Services Advance Fund	0	50,000,001	50,000,001	50,000,001	0	0
Less Recover Reimbursable Services Advance Fund	0	-50,000,000	-50,000,000	-50,000,000	0	0
Remission of Taxes Fund	2,003,714	750,000	750,000	750,000	0	0
Reserve for 27th Payroll	0	1,440,000	1,500,000	1,500,000	60,000	0

LINE DESCRIPTION	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Retirees Benefit Adjustment Fund	189,540	186,000	186,000	166,000	-20,000	-20,000
Tuition Reimbursement Fund	736,861	780,000	780,000	750,000	-30,000	-30,000
Unemployment Compensation Fund	996,914	1,015,000	1,015,000	1,065,000	50,000	50,000
Vacant Lot Maintenance	10,747	0	0	0	0	0
Wages Supplement Fund	0	5,380,000	2,100,000	0	-5,380,000	-2,100,000
Total Miscellaneous SPAs	$16,425,879	$21,653,483	$19,608,263	$16,852,163	$-4,801,320	$-2,756,100
Board of Zoning Appeals	$245,282	$286,948	$299,991	$304,519	$17,571	$4,528
Workers' Compensation Fund	$11,575,195	$14,883,000	$12,584,000	$13,234,000	$-1,649,000	$650,000
Employee Health Care Benefits						
Administration Expenses	$3,683,956	$3,981,500	$4,000,000	$5,200,000	$1,218,500	$1,200,000
Claims	21,011,058	22,000,000	22,000,000	22,000,000	0	0
Dental Insurance	2,105,015	2,200,000	2,200,000	2,200,000	0	0
HMOs	86,539,588	91,461,000	121,800,000	115,400,000	23,939,000	-6,400,000
Total Employee Health Care Benefits	$113,339,617	$119,642,500	$150,000,000	$144,800,000	$25,157,500	$-5,200,000
Grand Total Special Purpose Accounts	$141,585,973	$156,465,931	$182,492,254	$175,190,682	$18,724,751	$-7,301,572

SPECIAL PURPOSE ACCOUNT
WORKER'S COMPENSATION

SUMMARY OF EXPENDITURES

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Worker's Compensation	$11,575,195	$14,883,000	$12,584,000	$13,234,000	$-1,649,000	$650,000
TOTAL	$11,575,195	$14,883,000	$12,584,000	$13,234,000	$-1,649,000	$650,000

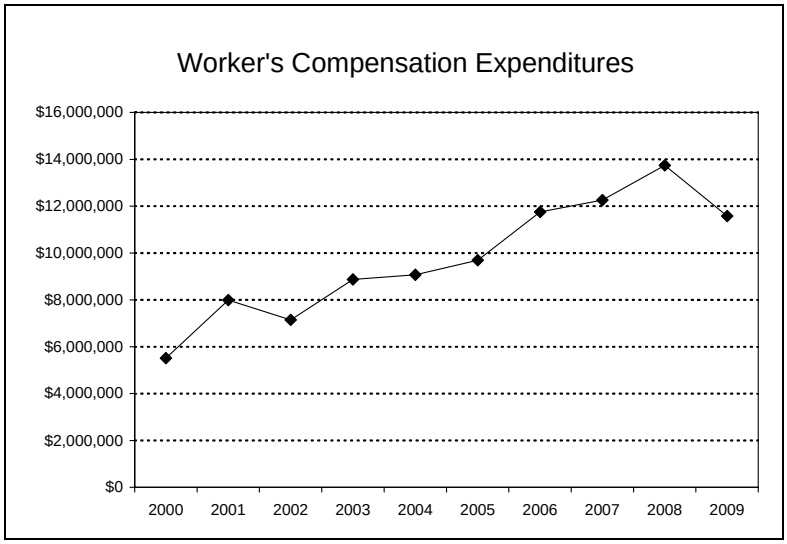
The Worker's Compensation Special Purpose Account, administered by the Employee Benefits Division of the Department of Employee Relations (DER), funds the city's financial obligations under the state's Worker's Compensation Act. The city's Worker's Compensation program is self-funded and self-administered. The number and severity of claims drives the cost. The account also covers expenses incurred because of exposure to bloodborne pathogens in the workplace as mandated by the bloodborne pathogen law.

The 2011 proposed budget for the Worker's Compensation account totals approximately $13.2 million, a decrease of 11.1% from the 2010 budget. Worker's Compensation expenditures for 2010 are projected to be lower than anticipated and remaining funds will be carried over into 2011 along with the $650,000 increase to cover estimated expenditures of $13.9 million.

Annual increases in worker's compensation expenditures are caused by rising medical costs, annual increases in wage rates, and sustained injury rates (see Figure 1). DER utilizes medical bill review and re-pricing options to adjust medical charges stemming from work related injuries. Bill review and re-pricing generate savings from state fee schedules and negotiated provider discounts. In 2009, medical and hospital discounts resulted in net savings of $3.8 million. Through July 2010, the city has achieved over $2 million in savings.

In an effort to stem increasing worker's compensation costs resulting from workplace injuries, DER and the Budget and Management Division (BMD) worked with city departments to design and implement a Risk Management Model (RMM) in 2009. The implementation of this model has helped mitigate a large disconnect between workplace safety at the department level and the impact of departmental injuries on worker's compensation costs. The RMM uses prevention strategies that require shared responsibility at every level of the organization including accountability for safety and injury reduction within each department. The RMM builds an accountability structure for safety and injury prevention, targets injuries before they occur, and minimizes work loss following an injury.

Figure 1



Through the RMM, supervisory and safety personnel receive data and corresponding reports documenting the nature, frequency, and severity of injury claims along with associated financial data. Departments then analyze how injuries are occurring, investigate workplace accidents, evaluate current safety practices, determine effectiveness, and establish benchmarks for improvements while working to minimize job hazards and prevent injuries from occurring. Safety Plans

document and highlight these efforts along with key safety rules and regulations and training initiatives. Since the inception of the RMM, the Department of Public Works, the Milwaukee Police Department, and the Milwaukee Fire Department have placed greater emphasis on the following:

- Establishing data analysis protocols that allow increased understanding of how injuries are occurring;
- Strengthening the role of managers and supervisors in investigating accidents, preventing reoccurrences, and identifying hazards in the workplace before accidents occur; and
- Implementing or expanding return to work options for injured workers.

DER and the BMD track a number of citywide indicators pertaining to worker's compensation claims and injuries including the number of claims filed each year, the number of recordable cases, the incidence rate, the number of lost workdays as well as injury hours and pay (see below table). From 2008 to 2009, the city experienced significant decreases in all of these indicators.

Worker's Compensation Indicators

	2005	2006	2007	2008	2009
City Wide Data					
Claims	3,043	3,097	2,806	2,689	2,345
Recordable Cases	1,171	1,140	1,221	1,073	927
Incidence Rate	16.87	17.75	18.31	16.01	14.22
Lost Workdays	24,456	21,279	19,488	24,817	15,441
Injury Hours	230,442	196,332	202,824	216,295	152,471
Injury Pay	$4,045,601	$3,544,786	$3,680,257	$4,029,686	$3,014,263
MFD					
Claims	856	973	725	627	566
Recordable Cases	360	346	364	294	270
Incidence Rate	28.36	29.36	29.83	24.55	22.49
Lost Workdays	9,178	8,821	4,684	10,136	3,625
Injury Hours	97,308	98,590	92,937	107,094	72,401
Injury Pay	$1,628,876	$1,703,703	$1,646,649	$1,923,497	$1,417,731
MPD					
Claims	877	920	891	865	775
Recordable Cases	316	300	280	251	244
Incidence Rate	13.51	13.55	12	10.69	10.78
Lost Workdays	5,106	4,017	2,316	3,441	3,885
Injury Hours	50,190	34,252	26,073	35,116	32,240
Injury Pay	$1,064,451	$754,151	$586,322	$822,229	$768,734
DPW All Divisions					
Claims	1163	1069	1043	1075	887
Recordable Cases	444	443	509	474	374
Incidence Rate	23.84	25.74	28.74	26.01	21.25
Lost Workdays	9,393	8,032	11,852	10,341	7,567
Injury Hours	78,056	61,191	76,407	65,903	45,725
Injury Pay	$1,273,565	$1,054,770	$1,325,868	$1,158,695	$810,380

SPECIAL PURPOSE ACCOUNT
EMPLOYEE HEALTH CARE BENEFITS

SUMMARY OF EXPENDITURES

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Claims	$21,011,058	$22,000,000	$22,000,000	$22,000,000	$0	$0
Health Maintenance Organizations	86,539,588	91,461,000	121,800,000	115,400,000	23,939,000	-6,400,000
Dental Insurance	2,105,015	2,200,000	2,200,000	2,200,000	0	0
Administrative Expense	3,683,956	3,981,500	4,000,000	5,200,000	1,218,500	1,200,000
TOTAL	$113,339,617	$119,642,500	$150,000,000	$144,800,000	$25,157,500	$-5,200,000

This Special Purpose Account covers employee health care costs for the self-insured health care program (the "Basic" Plan), Health Maintenance Organizations (HMOs), dental insurance, administrative expenses, and cost containment measures. The Department of Employee Relations manages the account.

The 2011 employee health care budget is $144.8 million, an increase of 21% from the 2010 budgeted amount.

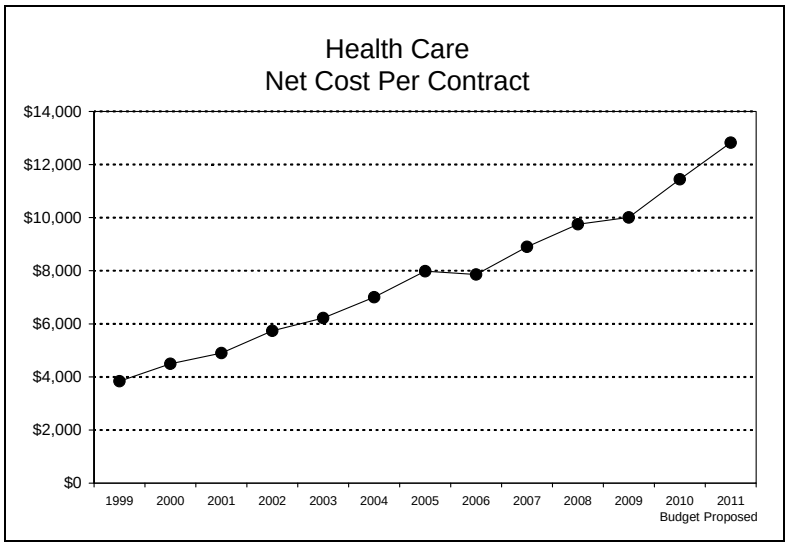
The Basic Plan is administrated by Anthem and prescription drugs are carved out of this plan and are administered by Navitus. Basic Plan cost per contract is expected to grow 14.9% from the estimated 2010 cost. This growth will increase Basic Plan costs by $2.9 million in 2011. However anticipated enrollment changes allow Basic Plan costs to decrease by approximately the same amount and permit the 2011 budgeted figure to remain at $22.0 million.

For 2011, the HMO contract was awarded to United Health Care. HMO rates will increase on average by approximately 17.05% from 2010 to 2011. This rate increase translates to a $15.0 million increase in the HMO budget based on anticipated 2010 expenditures. In prior years, the healthcare budget has been able to buffer annual increases with the carryover of remaining funds from year to year. However, 2010 expenditures are expected to meet or exceed budgeted funds leaving little or no carryover amount for 2011. This combined with the rate increase and plan enrollment changes will cause HMO costs to increase by $28.9 million from 2009.

Due to personal decisions and declining city employee numbers, enrollment has declined by approximately 155 from 2009 levels. The impact of this change has resulted in avoided costs of approximately $1.7 million.

When comparing the cost per contract for active and retirees, the city will experience consistent growth in health care costs between the 1999 actual experience and 2011 budgets. Figure 1 shows that the cost per contract has historically increased by approximately $2,000 every three years. However in recent years that increase has become more dramatic. On a percentage basis, costs from 2006 to 2008 increased 24.0% while costs from 2009 to 2011 are expected to grow 28.1%.

Figure 1



2011 Rates: Most employees including management will have a monthly premium payment of $30 for single coverage and $60 for family coverage. All active employees have one Basic Plan option with a fixed monthly payment amount based on contract negotiations, $85 for single coverage and $170 for family coverage. All employees will have the opportunity to participate in the city's new wellness initiative "Wellness, Your Choice Milwaukee" and qualify for a lower healthcare premium.

City of Milwaukee "Wellness, Your Choice Milwaukee": In 2010 the city initiated a 12 person "Wellness and Prevention" Labor Management Committee to assist the city in identifying key issues in the development, implementation and promotion of a comprehensive wellness and prevention program aimed at improving the overall well being of the population and assisting individuals in addressing chronic diseases. The committee developed an RFP for a Wellness and Prevention Program and received ten proposals. Upon completion of a selection and screening process, the committee chose Froedtert Health Workforce Health to administer the "Wellness, Your Choice Milwaukee" program. The cost of implementing the program is included in the Administrative Expense account in 2011.

The program is on track to be implemented in the fall of 2010. Through the spring of 2011 employees who choose to participate will go through a three step process which includes an online health questionnaire, lab work, and meeting with a health professional. Employees who do not participate in the new initiative and employees who use tobacco will pay a higher portion of the premium cost.

Once the health assessment portion of the initiative is completed, Froedtert Health Workforce Health will provide aggregate data and reports to the city in May 2011. The city along with the Wellness and Prevention Labor Management Committee will utilize the data to identify disease management and prevention programs that will be available to city employees through the remainder of 2011.

SPECIAL PURPOSE ACCOUNT
BOARD OF ZONING APPEALS

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	3.00	4.00	4.00	4.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	11	11	11	11	0	0
EXPENDITURES						
Salaries and Wages	$185,594	$190,319	$196,830	$196,830	$6,511	$0
Fringe Benefits	22,742	48,973	60,033	60,033	11,060	0
Operating Expenditures	36,946	47,656	47,656	47,656	0	0
Equipment	0	0	0	0	0	0
TOTAL	$245,282	$286,948	$304,519	$304,519	$17,571	$0
REVENUES						
Licenses and Permits	$337,677	$308,000	$346,500	$346,500	$38,500	$0
TOTAL	$337,677	$308,000	$346,500	$346,500	$38,500	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Board of Zoning Appeals (BOZA) supports the city's goal of increasing investment and economic vitality in the city. The Board is composed of seven members appointed by the Mayor and confirmed by the Common Council. BOZA hears and decides on appeals of rulings on city zoning ordinances.

STRATEGY IMPLEMENTATION

The Board of Zoning Appeals plays an important role in the city's economic development. The city encourages developers to invest in Milwaukee by making the zoning appeals process simple and consistent. The Board ensures that development proposals do not harm the urban setting. Information on hearings is sent to community groups and leaders from the city via E-Notify, and the Department of City Development has worked to increase interest in BOZA hearings. The city continues to improve citizen involvement and access to hearings at the Board of Zoning Appeals.

In 2011, BOZA will continue to improve communication with customers and citizens to reduce waiting times for hearings. BOZA hears approximately 700 cases per year, and met its goal to hear and decide routine appeals within 4 to 6 weeks and complex appeals within 12 to 24 weeks for 2010. BOZA plans to continue to hear cases within this timeframe for 2011.

2011 Budget by Services (Funding in Millions)

Service	**Zoning Appeals**	
Activities:	Board action on appeals, BOZA hearings, appeals processing and inquiries on appeals.	
		2011 Projection
Performance Measures:	Routine appeals (weeks to complete).	4 - 6 weeks
	Complex appeals (weeks to complete).	12 - 24 weeks
Funding by Source:	Operating Funds	$0.3
	Totals	**$0.3**

CITY TREASURER

EXECUTIVE SUMMARY

MISSION: To fulfill the duties and responsibilities of the independently 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.

OBJECTIVES: Effective investment of city monies.

Collect taxes and delinquent taxes in a timely and cost effective manner.

STRATEGIES: Invest city monies in a manner that maximizes investment earning revenues while ensuring the safety and liquidity of invested funds.

Aggressive efforts to collect delinquent property taxes.

Maintain high quality standards in providing tax collection services to city residents and in the accounting and investment of city funds.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	30.25	28.25	31.16	30.80	2.55	-0.36
FTEs - Other	0.00	0.00	0.00	0.60	0.60	0.60
Total Positions Authorized	58	59	60	60	1	0
EXPENDITURES						
Salaries and Wages	$1,522,851	$1,563,000	$1,699,180	$1,675,652	$112,652	$-23,528
Fringe Benefits	708,344	640,830	815,605	804,312	163,482	-11,293
Operating Expenditures	695,231	713,000	769,675	720,650	7,650	-49,025
Equipment	2,842	0	38,050	4,050	4,050	-34,000
Special Funds	38,372	35,000	36,750	36,750	1,750	0
TOTAL	$2,967,640	$2,951,830	$3,359,260	$3,241,414	$289,584	$-117,846
REVENUES						
Charges for Services	$176,712	$116,400	$114,500	$114,500	$-1,900	$0
Licenses and Permits	118,468	108,700	118,700	118,700	10,000	0
Taxes and Payment in Lieu of Taxes	0	6,000	0	0	-6,000	0
Miscellaneous	500,487	1,250,000	800,000	800,000	-450,000	0
TOTAL	$795,667	$1,481,100	$1,033,200	$1,033,200	$-447,900	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City Treasurer, under authority provided by Wisconsin State Statutes and the Milwaukee City Charter, 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 prorated basis, and remits to each taxing jurisdiction their share of the monies collected.

The Treasurer's Office supports the city's efforts to improve fiscal capacity through its 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. The Treasurer's Office also supports the city's efforts to deliver services at a competitive cost by controlling the costs of tax collection. The Treasurer's 2011 proposed operating budget totals $3.2 million.

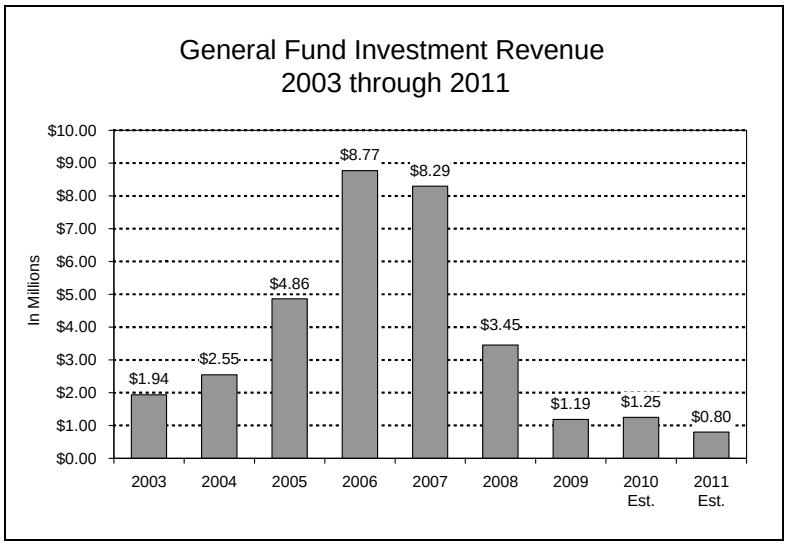
Strategies and Milestones for 2011

Objective: Effective investment of city monies.	
Strategies	**2011 Milestones**
Invest city monies in a manner that maximizes investment earning revenues while ensuring the safety and liquidity of invested funds.	Rate of return on city investments. City rate of return compared to benchmark.
Objective: Collect taxes and delinquent taxes in a timely and cost effective manner.	
Strategies	**2011 Milestones**
Aggressive efforts to collect delinquent property taxes.	Cost of property tax collection. Percentage of delinquent city property taxes collected.

STRATEGY IMPLEMENTATION

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 aid payments, as well as various fines and fees. Since the city's cash flow requirements do not always equal the current fund balance, the city invests any funds that are not needed immediately into low risk investments. In turn, earnings from these investments are used to reduce the tax levy. One-third of earnings are allocated to the Public Debt Amortization Fund.

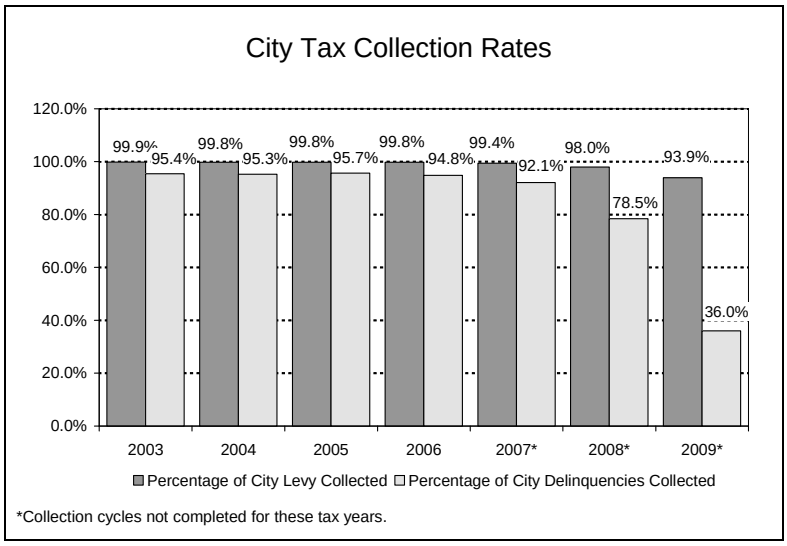
Figure 1



The primary goal of the Treasurer is to maximize the city's rate of return, while ensuring the safety and liquidity of invested funds. The rate of return is a critical component in determining the amount of investment earnings. Due to market conditions, the Treasurer has obtained rates of return ranging between .75% and 5.10% during the period of 2003 to 2009. As shown in Figure 1, this has translated into city General Fund investment revenue of $1.19 million in 2009, a decrease of $2.26 million from the previous year and a decrease of $7.1 million from 2007. This decrease was primarily the result of decreased interest rates, with these decreases determined by the actions of the Federal Reserve System. In 2011, the total city investment revenue is projected to be $1.2 million with $800,000 being credited to the General Fund and approximately $400,000 to the Public Debt Amortization Fund. The prorated distribution of investment revenue between the General Fund and Public Debt Amortization Fund is required by Wisconsin State Statutes.

The City Treasurer is responsible for the collection of property taxes, including delinquent taxes for all six levies within the city. As seen in Figure 2, the Treasurer has been successful at collecting almost 100% of the total city levy and an average of over 95% of the resulting delinquent accounts. The Treasurer's Office strives to collect all delinquent property tax accounts. One of the ways that the department has succeeded in its collection efforts is by having the city's collection agent, the Kohn Law Firm, attempt to collect delinquent real estate property taxes for the period of six months prior to the city pursuing a foreclosure action. An additional benefit of this approach has been the reduction in the number of tax delinquent parcels acquired through foreclosure, reducing the city's property management costs.

Figure 2



While this policy has been successful, the downturn in the housing market and the overall economy has contributed to increased foreclosure filings and tax delinquent parcels acquired. Between 2007 and 2010, foreclosure filings increased by 594 or 154% and parcels acquired increased by 325 or 210%. Filings and acquisitions are expected to further increase in 2011. The city has received funding through the Neighborhood Stabilization Program grant to help address the increasing number of foreclosures. Refer to the *Department of City Development* section of the *2011 Proposed Plan and Executive Budget Summary* for more information.

OTHER SERVICE AND BUDGET CHANGES

Expedited *In Rem* Foreclosure: The economic downturn has resulted in an increased number of vacant or abandoned residential properties, including those in mortgage foreclosure. There are an estimated 6,075 open foreclosure filings as of July, 2010, an increase of 1,585 or 35.3% from April, 2009. Vacant and abandoned properties are likely to generate blight and crime in neighborhoods.

In 2009, the Mayor and Common Council adopted Common Council File Number 091517. This resolution modified the internal protocol for initiating *In Rem* foreclosure actions. The resolution provides for expedited *In rem* foreclosure action against tax delinquent vacant or abandoned residential properties. Expedited foreclosure is intended to prevent the deterioration of the properties, minimize the blight on the neighborhood, and redevelop and return the properties to occupancy at the earliest possible time.

The resolution directs that DNS, DCD and the local Council member identify tax delinquent properties that are vacant or abandoned, and refer these properties to the Treasurer and City Attorney for *In Rem* foreclosure proceedings at the earliest lawful time following tax delinquency. The Treasurer and City Attorney are directed to commence foreclosure actions not less than 30 days after receiving the referral. This change has a fiscal impact by increasing the cost of foreclosure actions and the cost of monitoring city owned properties acquired through foreclosure.

The 2011 proposed budget includes funding for a modified *In Rem* foreclosure process that will allow for expedited city action. The budget funds four regular foreclosure filings and projects that 1,700 parcels will have the foreclosure process initiated by the Treasurer. This will include the capacity for 100 to 200 filings against properties that the Council and city departments identify as the most critical to blight prevention and

redevelopment objectives. A substitute resolution establishing this process has been submitted with the proposed budget.

The total cost for the Treasurer to expedite *In Rem* foreclosures is $229,000, with $114,000 funded in the operating budget and $115,000 funded through the NSP 3 grant. A total of 2.55 FTEs are added in 2011 to support this process, including a new Tax Enforcement Specialist position, two part time Customer Service Representative II positions, and an increase in temporary Customer Service Representative I staff.

Increasing and expedited foreclosures will result in a larger inventory of city owned properties, which will increase other foreclosure related costs. The 2011 proposed budget includes additional funding for these purposes. This includes a $150,000 increase for DCD Land Management, including $100,000 in the special purpose account and $50,000 from CDBG; an increase for DNS demolition funded through NSP 3, and a $50,000 increase for DPW vacant lot maintenance funded through NSP 3. In addition, the 2011 proposed capital budget includes $300,000 in the Housing Infrastructure Preservation Fund which can be used to stabilize the condition of neighborhood properties that are priority candidates for significant restoration or rehabilitation.

The modified *In Rem* foreclosure process will advance community preservation and improvement objectives in a manner that is administratively practical and cost effective. In addition, the proposed budget addresses the need for funding the increased cost of city ownership resulting from a larger number of foreclosures.

2011 Budget by Services (Funding in Millions)

Service	**City Financial Management**	
Activities:	Receive and account for all monies paid to the city, make disbursements that have been vouchered for payment by the Comptroller, invest city funds not needed immediately to meet current expenditures, and collect property taxes and delinquent taxes for all six levies within the city.	
		2011 Projection
Performance Measures:	Rate of return on investments.	0.75%
	State of Wisconsin Local Government Investment Pool (LGIP) rate of return (benchmark).	TBD
	Cost of tax collection as a percentage of total taxes collected.	0.28%
	Total percentage of delinquent city property taxes collected after two years at the close of the levy.	90.0%
Funding by Source:	Operating Funds	$3.2
	Grants and Reimbursables	$0.1
	Totals	**$3.3**

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	1.00		Tax Enforcement Specialist	Anticipated increase in *In Rem* foreclosures.
	0.95	0.21	Customer Service Representative	
		0.39	Temporary Customer Service Representative I	
	0.60		Various Positions	Increased overtime for holidays.
1	**2.55**	**0.60**	**Totals**	

UNIFIED CALL CENTER

EXECUTIVE SUMMARY

MISSION: Provide residents with 24/7 access to city information and non-emergency services through a single phone number, provide elected officials and the public with more transparency of city service delivery, and improve the productivity of the city workforce.

OBJECTIVES: After full implementation, accurately answer 70% of residents' calls for information without transferring the callers to other departments.

Provide policymakers, the public and departmental management with more transparency about the volume, type, and geographic distribution of customer calls for services, and departmental response to those calls.

Reduce city IT, call intake, and service delivery costs.

Provide improved quality assurance of the customer call intake and resolution.

STRATEGIES: Consolidate service delivery call centers in a single organization to reduce call transfers, create economies of scale among call takers, and improve supervision of call taker performance.

Implement a robust Citizen Relationship Management (CRM) IT solution.

Include the Call Center Director as a regular participant in AIM meetings to identify opportunities for improved customer services and provide the status of departmental migration to the new system.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	0.00	7.75	1.00	1.00	-6.75	0.00
FTEs - Other	0.00	0.50	0.00	0.00	-0.50	0.00
Total Positions Authorized	0	30	1	1	-29	0
EXPENDITURES						
Salaries and Wages	$0	$318,810	$77,000	$77,000	$-241,810	$0
Fringe Benefits	0	130,712	36,960	36,960	-93,752	0
Operating Expenditures	0	75,000	15,000	15,000	-60,000	0
Equipment	0	0	0	0	0	0
TOTAL	$0	$524,522	$128,960	$128,960	$-395,562	$0
REVENUES						
Miscellaneous	$0	$397,700	$0	$0	$-397,700	$0
TOTAL	$0	$397,700	$0	$0	$-397,700	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City of Milwaukee has a strong tradition of providing services to customers. The Unified Call Center is intended to improve citizen access to these services by:

- Giving citizens a single phone number to call to access non-emergency city services.
- Allowing citizens to connect to a live operator 24 hours a day, 7 days a week.
- Answering citizen questions and logging their service requests without having to transfer the customer to a different department. This "first call resolution" should approach 70% within three years of implementation.
- Reducing long wait times and abandonment rates in some city call centers.
- Providing the Mayor, Common Council, departmental managers, and the public with regular reporting on the volume, type, and geographic distribution of customer calls for services, and departmental response to those calls.
- Providing the Mayor and Common Council with data on the volumes and types of information questions.
- Improving customer satisfaction by centralizing call takers and the associated quality assurance program.
- Providing citizens with clear expectations on service delivery response times.
- Improving information transfer to citizens during health pandemics or crisis management scenarios.

The Unified Call Center will use the existing *286-CITY* phone number in 2010. The Administration and Common Council may revisit the possibility of using the *311* phone number in later years once the Unified Call Center itself is implemented.

The Unified Call Center will resolve the shortcomings of existing systems when implemented with the proper technology. The linchpin of the Unified Call Center organization is a robust Citizen Relationship Management (CRM) IT solution. The CRM will be integrated with the city's telephone system and have five key functions:

- **Electronic Knowledge Base:** The electronic knowledge base will be a searchable repository of information on city services and processes. City departments will be required to document their processes and frequently asked questions so that call takers can quickly find answers to citizen questions without having to transfer the citizen.
- **Call Scripting:** The system will provide call takers with a script to answer citizen questions and triage their requests for service so that they are consistently logged into the system. Department managers will work with the Unified Call Center management to tailor these scripts so that the call taker gets all the information a department needs to efficiently service the request.
- **Service Request Intake:** The CRM will allow call takers to take service requests for multiple departments, allowing them to route requests to the departments, rather than routing the customer. Modern CRM systems can relate duplicate service requests to a single work order which will reduce wasted time for field crews, improve communication to customers about the status of their calls, and more accurately define the volume of services provided by city crews.
- **Case Management:** The CRM will provide case management functionality to help departments manage the service requests. Case management functionality allows the department to create a process "map" that clearly shows how service requests go from initial intake to assignment to a manager to assignment to a work crew and work inspection.
- **Business Analytics:** The CRM will provide the Administration and the Common Council with a full suite of management reports, data dashboards, and report writing capability that will clearly show departmental service delivery and help identify opportunities for service improvements. Modern CRM systems can automatically notify managers and elected officials about service requests that have not been resolved within agreed upon time frames.

The Unified Call Center is intended to reduce city operating costs three different ways. First, the Unified Call Center will create economies of scale among the staff associated with various existing city call centers. Second, the Unified Call Center will reduce IT costs by providing a single IT platform from which to provide many departmental services. While there is a significant capital cost associated with this project, it must be viewed in the context of existing and future city IT costs that would have been required to maintain the current decentralized IT environment.

Perhaps the biggest opportunity for cost savings will come in the form of productivity improvements for departmental service delivery. This will come in the form of reduced data entry for service requests and reduced duplicative work orders. Managers will also spend less time developing reports and spend more time analyzing the data to improve operations. These opportunities may be identified when existing city processes are mapped for inclusion in the CRM.

Implementing a Unified Call Center will bring Milwaukee up to current best practices among large cities. Other cities with Unified Call Centers include Austin, Baltimore, Buffalo, Chicago, Columbus, Dallas, Denver, Detroit, Fort Wayne, Houston, Indianapolis, Kansas City, Las Vegas, Los Angeles, Louisville, Miami, Minneapolis, New York City, Philadelphia, Pittsburgh, Sacramento, San Antonio, San Jose, and Washington, DC.

Strategies and Milestones for 2011

Objective:	**After full implementation, accurately answer 70% of residents' calls for information without transferring the callers to other departments.** **Provide policymakers, the public and departmental management with more transparency about the volume, type, and geographic distribution of customer calls for services, and departmental response to those calls.** **Reduce city IT, call intake, and service delivery costs.** **Provide improved quality assurance of the customer call intake and resolution.**
Strategies	**2011 Milestones**
Implement Phase I of a new Customer Relationship Management (CRM) IT solution.	Complete RFP process and have vendor under contract by November 2010. Hire a qualified Call Center Director by November 2010. Incorporate City Hall Operator into automated call distribution group to take overflow *286-CITY* calls during business hours. Begin taking live customer calls in Unified Call Center by first quarter 2011.

STRATEGY IMPLEMENTATION

The city will hire a qualified Call Center Director to coordinate project management with the vendor, the Chief Information Officer, and Phase One service departments. The selection of the director with the correct skill set and experience is a critical factor in the success of the project.

In 2011, the Unified Call Center anticipates consolidating the following existing city call centers in phases:

- DPW Administration *286-CITY* Call Center
- Parking Enforcement Call Center (night parking permissions and enforcement, not citations)
- Water Works Control Center (field service problems, not customer billing)
- DNS Code Enforcement
- City Hall Operator

Communications Assistants will remain with the departments until the Call Center is operational. The 2010 capital budget included $950,000 for the licensing fees and implementation of the CRM technology for Phase I departments. This funding estimate is based on the responses the city received to a public Request for Information.

2011 Budget by Services (Funding in Millions)

Service	**Customer Service**	
Activities:	Call intake, answer citizen information questions, enter service requests, integrate departmental services onto enterprise work order system.	
		2011 Projection
Performance Measures:	Number of customer calls per month.	50,000
	Average abandonment rate.	5.0%
	First call resolution (year one).	50.0%
Funding by Source:	Operating Funds	$0.1
	Totals	**$0.1**

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	Position Title	Reason
-1			Customer Services Supervisor	Remains in original department for 2011 budgeting purposes.
-12			Communications Assistant IV	
-16			Communications Assistant III	
	-6.75	-0.50	Miscellaneous	Per current implementation plan.
-29	**-6.75**	**-0.50**	**Totals**	

FRINGE BENEFIT OFFSET

BUDGET SUMMARY

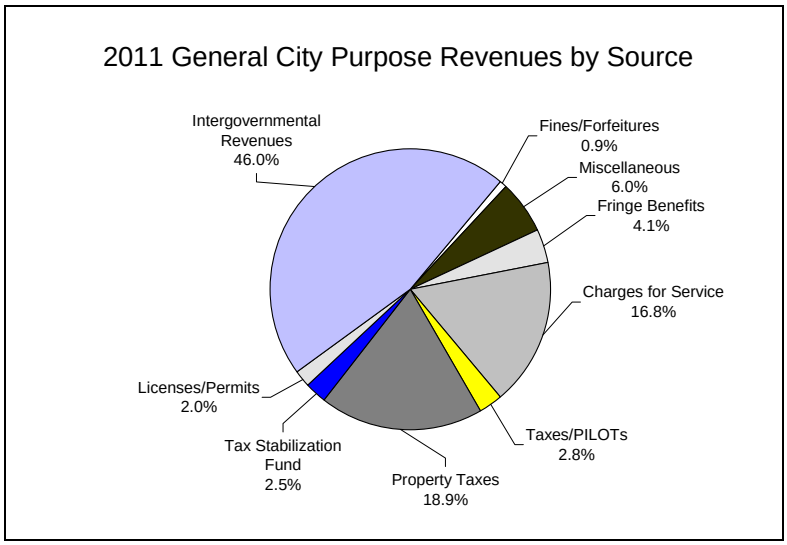
	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Fringe Benefit Offset	$-138,644,481	$-117,226,955	$-142,782,166	$-139,829,031	$-22,602,076	$2,953,135
TOTAL	$-138,644,481	$-117,226,955	$-142,782,166	$-139,829,031	$-22,602,076	$2,953,135

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 2011 proposed budget offsets this "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 2011 amounts to approximately $139.8 million.

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

State law requires the city to balance its annually budgeted expenditures with its anticipated revenues. Each year, the Comptroller's Office develops revenue estimates for the upcoming budget year. Once these estimates are finalized, the city determines the needed property tax levy and reserve fund withdrawals to offset budgeted expenditures. In 2011, the city anticipates it will generate approximately $590.5 million in revenue for general city purposes. Figure 1 provides a breakdown of these revenues by major category.

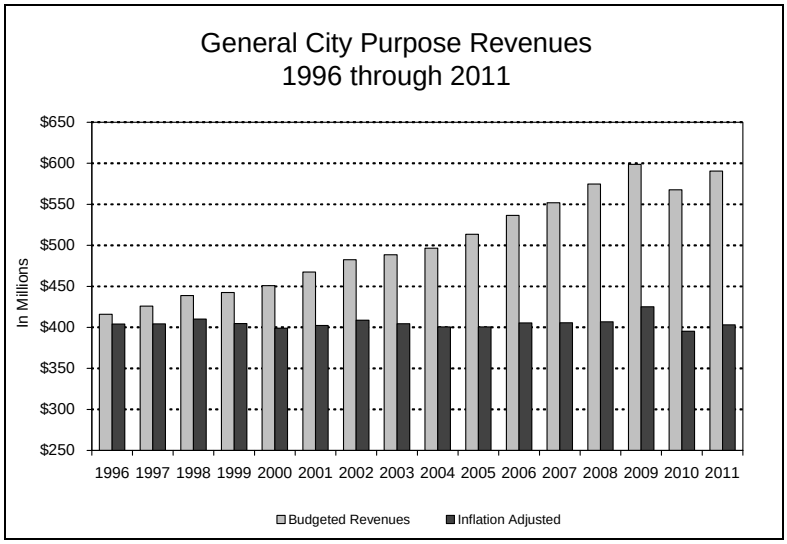
Figure 1



Revenue diversification and enhancement provides the city with the means to retain existing service levels. Property tax increases have been limited by state legislation and state aids have continued to decrease, placing pressure on other revenue sources or requiring service reductions. State restrictions on the type of charges for service that are available to municipalities further erode the city's ability to diversify its revenues.

The overall general city purpose revenues have grown at a rate less than inflation (see Figure 2) for the majority of the period. In fact, revenues in 1996 adjusted for inflation equaled $404 million and 2011 inflation adjusted revenues will be $403 million. This is a loss of 0.2% since 1996.

Figure 2



There are a variety of sources of funds for the general city purposes budget. Figure 3 illustrates the distribution of the different revenue categories in the 1995 budget and the 2011 budget. A noticeable shift in intergovernmental, property taxes, and charges for service is evident over the time period. As shown in Figure 3, the city received proportionately more intergovernmental aid in 1995 when it accounted for 63.7% of total revenues versus 46.0% in 2011.

Over the same time period, the city's reliance on property taxes increased from 10.6% to 18.9% although it only slightly increased in terms of real dollars. The city has increased its efforts to diversify revenues by increasing charges for service as a percentage of revenue from 4.3% to 16.8%.

Intergovernmental revenues have remained flat from 1997 to 2011. However, from 2003 to 2011, intergovernmental revenues decreased from $284.6 million to $271.6 million. This is shown in Figure 4 along with the inflation adjusted amounts.

The 2011 property tax levy of $111.5 million for general city purposes is part of the total property tax levy of $246.8 million.

Figure 5 illustrates the increased city reliance on user based fees. In the past several years, charges for service revenues increased from $19.4 million in 1995 to $99.1 million in 2011. This trend is also evident in Figure 3, where charges for service revenues increased from 4.3% of revenues to 16.8% in the same time period. Fees for Solid Waste, Snow and Ice, and Sewer Maintenance are now charged to city property owners according to usage, instead of through the tax levy.

The following discussion provides more specific detail on the different categories of general purpose revenues.

Intergovernmental Revenue: These revenues include funding received from other governmental jurisdictions, state and federal aid formulas, grants, and other program specific government aids.

In the 2011 budget, intergovernmental revenues total $271.6 million. The city anticipates an overall increase in state aids of $0.7 million from 2010 to 2011.

The largest amount of state aids received by the city comes in the form of State Shared Revenue. In 2011, the city expects to receive $228.4 million of shared revenue. This is the same as the amount expected to be received in 2010.

Figure 3

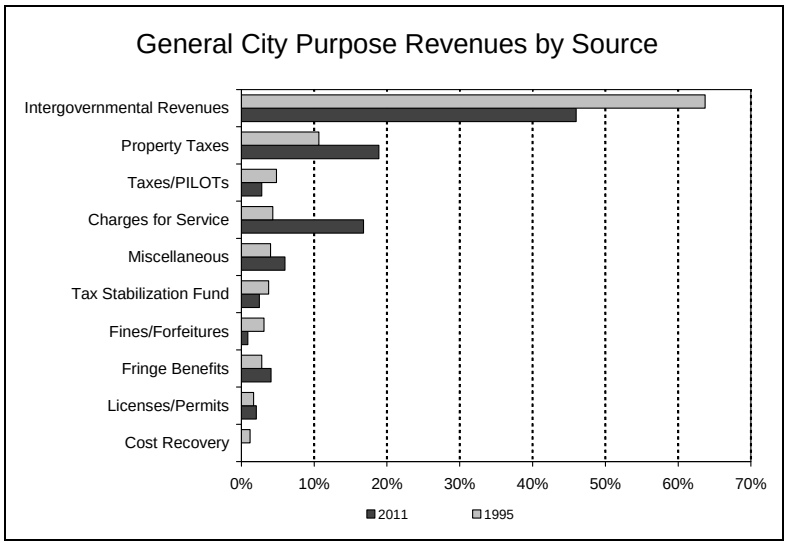
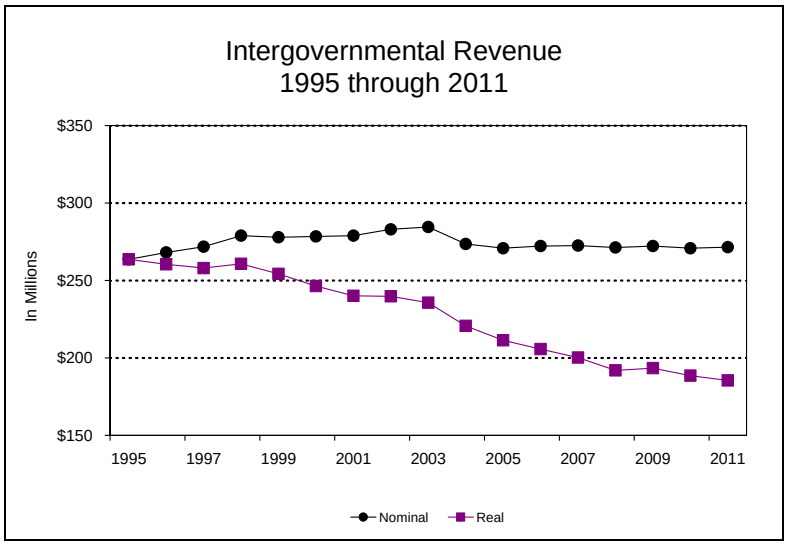


Figure 4



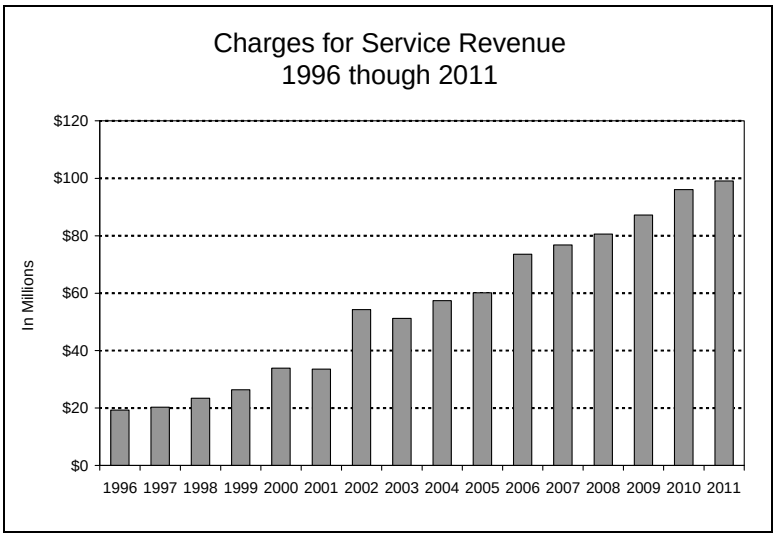
Since the state fixed the allocation for shared revenue in 1995 and later fixed the amount municipalities received, the city was unable to rely on shared revenue to assist in addressing its structural budget issues. Each increase of 1% in the payment would generate an additional $2.3 million in revenues to the city. The city has turned to other sources of funds or service cuts to offset the lack of growth in shared revenue. The city will experience a nearly $79.3 million decrease in "real" intergovernmental aids since 1995 as shown in Figure 4.

The state transportation aids are determined by the amount that is spent in specific transportation related accounts and the funds made available in the state budget for this purpose. This program is in direct opposition to expenditure control initiatives that are in other parts of the state budget because higher expenses result in more revenue received. These aids total $27.9 million in 2011 which is $0.6 million above the 2010 amount.

Another of the larger state aids is the Expenditure Restraint Payment. The intent of this program is to reward communities who control their General Fund expenditures. General Fund expenses are allowed to increase by the CPI and 60% of the net new construction. The other qualifying factor is an equalized property tax rate above $5

per $1,000 of equalized value. The problem is in the distribution of the program funds. They are distributed by the percentage of excess property tax level which means the higher you tax the more money you receive. Milwaukee has done an excellent job of controlling its property tax levy, causing the expenditure restraint aids to remain relatively flat. The estimate for 2011 is $8.6 million which is $0.6 million higher than 2010.

Figure 5



Property Taxes: The property tax levy will provide $111.5 million in revenue for the general city purposes budget in 2011. The total city tax levy will remain at $246.8 million in 2011 or no increase from 2010.

Taxes and Payments in Lieu of Taxes: The 2011 budget includes an estimated $16.5 million in revenue attributable to Taxes and Payments in Lieu of Taxes (PILOTs), an increase of $1.3 million from 2010. These funds include revenues raised by non-property tax levies; occupation taxes; trailer park taxes; principal, interest, and penalties on delinquent taxes; property tax adjustments; and payments from property tax exempt governmental entities for city services.

Charges for Services: The 2011 budget includes $99.1 million in revenue from charges for services, an increase of $3 million. This category of funding encompasses revenue received for services provided by city operating departments. Charges for services revenue has steadily increased since 1995 (see Figure 5).

The Solid Waste Fee is a charge that mainly recovers a portion of the cost of weekly garbage collection. Other service costs for related solid waste services like recycling, brush collection, and special collections are also recovered through the fee. The fee recovers nearly 100% of solid waste operating costs.

Charges reduce reliance on variable and uncertain revenues such as intergovernmental aids. They can also make a local government's cost structure more competitive. A modification is being proposed for the 2011 Solid Waste Fee. An additional charge will be made to residences that have more than one garbage cart per household. The fee will be $20 per garbage cart above one cart per household. There will be no charge for additional recycling carts. The Solid Waste Fee will fall to $166.64 per year for residential units from $170.17 per year that is charged in 2010 and will generate $32.3 million.

The Snow and Ice Fee will continue at its current annual rate of $0.6917 per foot of property frontage. The fee will generate a total of $6.5 million in 2010.

Leaf pickup and street sweeping costs will continue to be recovered through the Sewer Maintenance Fee. The budget reflects the addition of the tree pruning costs being charged to the Sewer Maintenance Fee. This is done in the form of a $12.4 million transfer from the Sewer Fund to the General Fund.

Miscellaneous Revenues: Miscellaneous revenues include the transfer from the Parking Fund, 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 2011, these revenues are expected to total $35.3 million.

The decrease of $6.3 million in miscellaneous revenues is primarily due to the elimination of a transfer of the Water Works surplus ($3 million), a $1.5 million decrease in the transfer from the Parking Fund, and the loss of interest earnings from a decrease in the interest rate ($-0.5 million).

Interest earnings will decrease by $0.5 million from a 2010 level of $1.3 million to the 2011 estimate of $0.8 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 2011, a 0.75% rate of return on unrestricted investments of approximately $160 million is assumed.

Fines and Forfeitures: Revenue of $5.3 million related to fines and forfeitures is included in the 2011 budget. Fines and forfeitures include payments received from individuals as penalties for violating municipal laws. The revenue in this account reflects collections made by the Municipal Court.

Licenses and Permits: Revenue from licenses and permits in 2011 is estimated at $12.1 million, a decrease of $0.7 million from 2010. These funds include charges administered by various departments for legal permission to engage in a business, occupation, or other regulated activity. An ordinance amending several license and permit fees will be introduced with the 2011 proposed budget which are estimated to provide $560,000 in additional revenue. Currently these fee changes are reflected in a larger Tax Stabilization Fund withdrawal.

Fringe Benefit Offset: The fringe benefit costs associated with reimbursables, grants, Enterprise Funds, and capital activity are gross budgeted in the General Fund. These other funds make a payroll payment to the General Fund to offset the cost of their General Fund budgeted fringe benefit, which is anticipated to be $24 million in 2011.

Tax Stabilization Fund (TSF): The Tax Stabilization Fund is used to accumulate unexpended appropriations and revenue surpluses. It assists in stabilizing the city's tax rate and protects citizens from tax rate fluctuations that can result from erratic variations in non-property tax revenues. Approximately $15.9 million lapsed into the Fund at the end of 2009 bringing the balance in the Fund (as of April 15, 2010) to $29.1 million.

The 2011 withdrawal will be $14.6 million with an additional $560,000 in anticipation of revenue which is based on the adoption of legislation that will be adopted to increase license and permit fees. Upon adoption of the fee legislation, the withdrawal will be reduced to $14.6 million and will be slightly above 50% of the fund balance. After the 2011 withdrawal and anticipated regeneration at the end of 2010, the Tax Stabilization Fund should have a fund balance of approximately $25.5 million.

2. SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2008 ACTUAL EXPENDITURES	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
Taxes and Payments in Lieu of Taxes					
Housing Authority	$760,509	$691,327	$725,000	$650,000	$-75,000
Parking	1,158,505	1,251,653	1,230,000	1,300,000	70,000
Water Services Division	8,696,137	9,439,899	9,250,000	10,600,000	1,350,000
Trailer Park Taxes	107,940	105,066	105,000	105,000	0
Occupational Taxes	5,974	0	6,000	0	-6,000
Payment in Lieu of Taxes Other	230,575	346,408	325,000	325,000	0
Interest/Penalties on Taxes	2,679,936	2,675,748	2,101,000	2,648,000	547,000
TID Excess Revenue	-21,529	0	600,000	400,000	-200,000
Other Taxes	1,075,814	-314,810	906,500	506,500	-400,000
Total Taxes	$14,693,861	$14,195,291	$15,248,500	$16,534,500	$1,286,000
Licenses and Permits					
Licenses					
Amusement Dance/Music	$593,553	$606,069	$565,000	$518,000	$-47,000
Dog and Cat	118,759	118,468	108,700	118,700	10,000
Food Health Department	1,649,143	1,793,534	2,018,600	2,000,000	-18,600
Health Department Non-Food	42,109	40,024	58,600	57,600	-1,000
Liquor and Malt	1,131,111	1,090,292	1,082,200	1,085,000	2,800
Scales	288,481	419,633	428,700	428,700	0
Miscellaneous City Clerk	453,430	443,663	446,400	521,000	74,600
Miscellaneous Neighborhood Services	373,623	390,813	372,500	379,700	7,200
Miscellaneous Department Public Works Administration	13,422	18,376	15,300	15,300	0
Permits					
Board of Zoning Appeals	$259,514	$282,415	$245,000	$281,500	$36,500
Zoning Change Fees	80,415	55,262	63,000	65,000	2,000
Building	2,472,591	1,989,949	2,181,000	1,845,900	-335,100
Building Code Compliance	200,050	356,900	227,400	320,000	92,600
Curb Space Special Privilege	96,705	33,340	117,630	36,000	-81,630
Electrical	768,799	723,313	692,000	740,000	48,000
Elevator	218,628	91,245	142,440	84,000	-58,440
Occupancy	264,315	308,762	270,000	328,000	58,000
Plumbing	695,388	546,845	665,250	700,000	34,750
Miscellaneous Neighborhood Services	103,956	69,623	92,200	76,200	-16,000
Sign and Billboard	103,755	99,642	105,000	100,000	-5,000
Special Events	211,844	208,895	230,000	200,000	-30,000
Miscellaneous Department of Public Works	456,934	313,747	517,500	328,600	-188,900
Special Privilege Miscellaneous City Clerk	19,250	6,125	10,000	0	-10,000
Special Privilege Miscellaneous Neighborhood Services	378,095	395,729	385,000	390,000	5,000
Sprinkler Inspection	68,175	64,214	65,000	80,000	15,000
Use of Streets Excavating	1,215,354	1,160,812	1,190,000	904,000	-286,000
Plan Exam Department of City Development	632,332	558,360	460,000	454,000	-6,000
Total Licenses and Permits	$12,909,731	$12,186,050	$12,754,420	$12,057,200	$-697,220
Intergovernmental Revenue					
Fire Insurance Premium	$1,007,509	$1,009,822	$1,005,000	$1,006,000	$1,000
Local Street Aids	26,367,013	27,167,329	27,290,000	27,850,000	560,000
Payment for Municipal Services	2,226,352	2,079,003	1,975,000	1,750,000	-225,000
State Payments Police	990,938	747,994	981,600	824,500	-157,100
State Shared Revenue (General)	230,605,773	230,302,105	228,250,000	228,345,000	95,000
Other State Payments	7,034	7,034	7,000	7,000	0

	2008 ACTUAL EXPENDITURES	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
Expenditure Restraint Aid	7,090,559	7,621,483	7,963,000	8,613,000	650,000
Computer Exemption Aid	2,802,599	3,402,087	3,400,000	3,200,000	-200,000
Total Intergovernmental Revenue	$271,097,777	$272,336,857	$270,871,600	$271,595,500	$723,900
Charges for Services - General Government					
City Attorney	$596,415	$709,826	$635,700	$888,000	$252,300
Department of Employee Relations	174,022	172,016	194,000	180,000	-14,000
City Treasurer	165,200	176,712	116,400	114,500	-1,900
Common Council City Clerk	174,759	150,880	136,200	150,100	13,900
Cable Franchise Fee	4,231,051	4,439,046	4,200,000	4,800,000	600,000
Comptroller	297,645	396,838	250,000	275,000	25,000
Election Commission	0	0	800	1,000	200
Municipal Court	1,614,344	1,696,106	1,613,600	1,843,000	229,400
Assessor	369,760	306,282	351,500	305,500	-46,000
Department of City Development	387,843	283,758	341,000	308,200	-32,800
Department of Administration	118,346	105,570	106,000	103,000	-3,000
Milwaukee Public School Service Charges	3,988,700	0	0	0	0
Fire Department	7,969,211	7,020,506	6,432,700	6,400,200	-32,500
Police Department	1,268,543	396,675	112,100	104,700	-7,400
Department of Neighborhood Services	6,889,533	7,782,062	7,116,325	8,319,100	1,202,775
Building Razing	1,270,825	806,245	1,108,200	900,000	-208,200
Fire Prevention Inspections	1,382,993	1,420,254	1,550,000	1,670,000	120,000
Essential Services	68,572	80,899	80,000	78,000	-2,000
Department of Public Works Operations Buildings & Fleet	5,644,834	4,790,687	3,750,000	3,964,000	214,000
Department of Public Works Infrastructure Division	4,044,381	4,192,031	3,651,000	3,727,700	76,700
Department of Public Works Operations Division Forestry	153,799	260,184	130,000	178,300	48,300
Harbor Commission	3,838,346	5,217,241	4,890,227	5,006,125	115,898
Department of Public Works Administrative Services	1,386,087	1,578,332	1,345,400	1,520,500	175,100
Department of Public Works Operations Division Sanitation	3,024,217	3,306,531	2,355,000	2,494,400	139,400
Solid Waste Fee	25,142,926	28,753,794	32,230,000	32,230,000	0
Snow and Ice Control Fee	6,234,321	7,640,592	6,500,000	6,500,000	0
Street Sweeping and Leaf Collection	5,000,000	10,097,930	12,190,000	12,390,000	200,000
Apartment Garbage Pickup	1,243,018	1,505,376	1,558,000	1,540,100	-17,900
Health Department	644,230	1,078,345	872,600	984,600	112,000
Public Library	530,577	535,647	537,000	584,700	47,700
County Federated System	912,487	945,909	970,000	800,100	-169,900
Recycling Contract	1,474,018	427,132	738,000	750,000	12,000
Total Charges for Services	$90,241,003	$96,273,406	$96,061,752	$99,110,825	$3,049,073
Fines and Forfeitures					
Municipal Court	$5,250,348	$4,802,074	$5,255,000	$5,255,000	$0
Total Fines and Forfeitures	$5,250,348	$4,802,074	$5,255,000	$5,255,000	$0
Miscellaneous Revenue					
Transfer from Other Funds	$17,000,000	$18,132,150	$22,287,000	$20,787,000	$-1,500,000
Interest on Investment	3,452,602	500,487	1,250,000	800,000	-450,000
Contributions	1,787,956	2,675,263	2,400,000	2,400,000	0
Department of Administration Property Sales	355,600	342,428	378,000	328,000	-50,000
Department of City Development Property Sales	389,318	102,591	200,000	150,000	-50,000
Department of Public Works Operations Division Rent	273,976	262,781	252,800	0	-252,800

	2008 ACTUAL EXPENDITURES	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 PROPOSED BUDGET	CHANGE 2011 PROPOSED VERSUS 2010 ADOPTED
Comptroller Rent	162,358	376,316	159,200	161,200	2,000
Department of City Development Rent	1	1,950	0		0
Other Miscellaneous	568,549	223,837	813,700	234,000	-579,700
Insurance Recovery	386,455	560,313	239,000	302,000	63,000
Potawatomi	5,065,195	5,547,541	5,550,000	5,240,000	-310,000
Midtown/LIMP Revenues	41,155	-18,861	30,000	0	-30,000
Harbor Commission Transfer	1,108,483	1,210,000	1,472,000	1,337,000	-135,000
New Berlin Contract	0	1,500,000	0	0	0
Vehicle Registration Fee	0	2,839,616	3,300,000	3,300,000	0
Water Works Surplus Transfer	0	$0	3,000,000	0	-3,000,000
Total Miscellaneous Revenue	$30,591,648	$34,256,412	$41,331,700	$35,291,900	$-6,039,800
Fringe Benefits					
Fringe Benefit Offset	$24,098,921	$23,534,619	$23,000,000	$24,000,000	$1,000,000
Total Fringe Benefits	$24,098,921	$23,534,619	$23,000,000	$24,000,000	$1,000,000
Cost Recovery					
Sewer Maintenance	$0	$0	$10,000	$0	$-10,000
Total Cost Recovery	$0	$0	$10,000	$0	$-10,000
Total General Fund Revenue	$448,883,289	$457,584,709	$464,532,972	$463,844,925	$-688,047
Amount to be Raised Pursuant to 18-02-6	$133,532,230	$146,119,257	$103,068,860	$126,663,395	$23,594,535
Less:					
Tax Stabilization Fund Withdrawal (Sustainable)	$29,457,500	$22,378,500	$13,070,000	$14,600,000	$1,530,000
Tax Stabilization Fund Withdrawal (Revenue Anticipation)	$0	$0	$0	$560,000	$560,000
Property Tax Levy	$104,074,730	$123,740,757	$89,998,860	$111,503,395	$21,504,535
Total Sources of Fund for General City Purposes	$582,415,519	$603,703,966	$567,601,832	$590,508,320	$22,906,488

B. PROVISION FOR EMPLOYES' RETIREMENT FUND

EXECUTIVE SUMMARY

OBJECTIVES: Provide the means by which the city can track and monitor retirement related expenditures and resources. Maintain the health of the retirement related funds in an era of increasing costs and variable earnings.

SERVICES: Retirement system.

SUMMARY OF EXPENDITURES

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Firemen's Pension Fund						
Employer's Pension Contribution	$70,711	$71,000	$71,000	$71,000	$0	$0
Lump Sum Supplement Contribution	194,267	150,000	125,000	125,000	-25,000	0
Subtotal	$264,978	$221,000	$196,000	$196,000	$-25,000	$0
Policemen's Pension Fund						
Employer's Pension Contribution	$41,423	$329,672	$330,000	$268,667	$-61,005	$-61,333
Subtotal	$41,423	$329,672	$330,000	$268,667	$-61,005	$-61,333
Employees' Retirement Fund						
Employer's Pension Contribution	$0	$49,100,000	$40,000,000	$0	$-49,100,000	$-40,000,000
Administration	17,950,233	24,191,584	28,666,000	28,755,539	4,563,955	89,539
Annuity Contribution Tax Levy	19,349,705	16,791,142	25,430,000	24,980,000	8,188,858	-450,000
Annuity Contribution - Employers' Reserve Fund*	5,581,000	7,000,000	0	17,350,000	10,350,000	17,350,000
Subtotal	$42,880,938	$97,082,726	$94,096,000	$71,085,539	$-25,997,187	$23,010,461
Social Security Tax	$18,594,501	$17,172,448	$18,781,000	$18,531,000	$1,358,552	$-250,000
Former Town of Lake Employees' Fund						
Employer's Pension Contribution	$6,667	$7,300	$7,300	$7,300	$0	$0
Subtotal	$6,667	$7,300	$7,300	$7,300	$0	$0
Deferred Compensation Plan	$1,114,302	$1,558,787	$1,481,961	$1,481,961	$-76,826	$0
Total	$62,902,809	$116,371,933	$114,892,261	$91,570,467	$-24,801,466	$-23,321,794
Revenues						
Fringe Benefits Pensions	$1,031,857	$1,041,500	$1,184,000	$1,187,000	$145,500	$3,000
Charges for Service Employees' Retirement System	17,510,713	23,883,904	28,372,000	28,461,539	4,577,635	89,539
Charges to Other Governmental Units	0	960,549	500,000	328,633	-631,916	-171,367
Charges for Service Deferred Compensation	1,114,302	1,558,787	1,481,961	1,481,961	-76,826	0
Property Tax Levy	35,888,093	81,844,193	83,273,300	60,030,334	-21,813,859	-23,242,966
Employers' Reserve Fund	5,581,000	7,000,000	0	0	-7,000,000	0
Miscellaneous Employees' Retirement System	71,500	83,000	81,000	81,000	-2,000	0
Total	$61,197,465	$116,371,933	$114,892,261	$91,570,467	$-24,801,466	$-23,321,794

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Employes' Retirement Fund includes provisions for employee pensions, the Policemen's Annuity and Benefit Fund, the Firemen's Pension Fund, Social Security contributions, and the city's Deferred Compensation Plan.

The Employes' 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 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 the Milwaukee Area Technical College are borne by those respective governmental units and are not included in these appropriations. There were 26,992 members in the system as of December 31, 2009.

The Policemen's Annuity and Benefit Fund (PABF) administers pensions for city Police Officers employed prior to 1947. There were 101 members as of January 2010.

Funds in the Firemen's Pension Fund are provided for retired Fire Fighters who were employed prior to 1947. This fund had 116 members as of August 2010, excluding four surviving spouses paid directly by ERS.

The Former Town of Lake Employes' Retirement Fund provides retirement benefits to former Town of Lake employees who became city employees when the Town of Lake was annexed. There are currently two members.

ERS also oversees the city's contribution for payment of the employer's share of Social Security tax. The Deferred Compensation Board is responsible for administration of the city's Deferred Compensation Plan.

SERVICES

Actuarial Methodology: On August 27, 2009, the Annuity and Pension Board voted to change the actuarial methodology used to determine the employer annuity contribution. The method was changed to reflect the existing volatility in the stock market. The old method was conservative while the new method approximates the standards used by most pension systems. The Pension Board adopted the following:

- Increase the asset smoothing from three to five years.
- Increase the asset corridor from 10% to 20%.
- Change the amortization payment type from level dollar to level percent of payroll.
- Increase the amortization period from the expected working lifetime of the active employees (approximately 12 years) to 25 years.
- Change the amortization method from open to closed. This will reduce the amortization period by one year in each subsequent year until the period equals the future working lifetime of employees covered by the fund.

Annuity Contribution/Employee's Share: The 2011 proposed budget provides $25 million for the city's share of employees' annuity contributions (5.5% of pay for general city employees and 7% for Police Officers, Fire Fighters, and elected officials). This is an increase of $8.2 million over 2010, largely due to no use of the Employer's Reserve for this purpose in 2011.

Social Security Payments: In the 2011 proposed budget, $18.5 million is provided for Social Security payments.

Administration: In the 2011 proposed budget, ERS administrative costs are $28.8 million.

Employer's Reserve Fund: An expected balance of approximately $9 million will remain in the Employers Reserve Fund at the end of 2010. The 2011 proposed budget includes a contribution of $17.4 million to the Reserve Fund which brings the estimated balance to approximately $29 million at year-end 2011. This, along with an expected contribution in 2012, will assist in smoothing the forecasted payment of $65 million in 2013.

Employer's Pension Contribution (ERS): Duty disability payments for non-consenters of the Global Pension Settlement are fully funded. No additional funding is included in the 2011 budget.

Employer's Pension Contribution (PABF): The 2011 proposed budget includes a $268,667 contribution for the former PABF.

Lump Sum Contribution for Firemen's Annuity and Benefit Fund (FABF): A total of $125,000 is provided in the 2011 proposed budget for a pension supplement to remaining members of this fund. This will provide a supplement fund payment per member that is roughly equivalent to the payment received in 2010.

EMPLOYES' RETIREMENT SYSTEM

EXECUTIVE SUMMARY

MISSION: Administer the payment of retirement and other benefits to eligible persons as provided under the City Charter and protect the funds of the Employes' Retirement System (ERS) by investing in a prudent and vigilant manner.

OBJECTIVES: Safeguard the funds of the Employes' Retirement System by investing them in a fiscally responsible and prudent manner.

STRATEGIES: Monitor and analyze all investment activities and provide oversight of the investment portfolio to maximize returns while minimizing the variability of the Fund's asset value.

Maintain and update the Milwaukee Employee Retirement Information Technology Solutions (MERITS) system to provide effective and efficient pension administrative services.

Improve member communication through the ERS website, pre-retirement counseling seminars, brochures, and newsletters.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	37.25	41.50	41.50	41.50	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	51	52	69	52	0	-17
EXPENDITURES						
Salaries and Wages	$2,203,056	$2,501,084	$2,467,000	$2,473,539	$-27,545	$6,539
Fringe Benefits	1,031,857	1,041,500	1,184,000	1,187,000	145,500	3,000
Operating Expenditures	14,537,239	20,543,000	24,880,000	24,960,000	4,417,000	80,000
Equipment	121,980	106,000	135,000	135,000	29,000	0
Special Funds	56,101	0	0	0	0	0
TOTAL	$17,950,233	$24,191,584	$28,666,000	$28,755,539	$4,563,955	$89,539
REVENUES						
Charges for Services	$17,510,713	$23,883,904	$28,372,000	$28,461,539	$4,577,635	$89,539
Miscellaneous	71,500	83,000	81,000	81,000	-2,000	0
TOTAL	$17,582,213	$23,966,904	$28,453,000	$28,542,539	$4,575,635	$89,539

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to improve its fiscal capacity. Employes' Retirement System (ERS) contributes to this goal by effectively managing the pension funds under its control. Effective management of these funds minimizes the amount of tax levy funding needed to support ERS and the pensions it manages. It also ensures that the city's long term financial obligations to retirees are adequately funded to provide retirement related benefits for members and their beneficiaries. ERS also administers the city's contribution of Social Security, the Group Life Insurance program, and health care for city retirees, including COBRA health and dental plans. As of December 2009, there were 26,992 members in the ERS system, with over 42% of that number being retirees (see Figure 1).

The Annuity and Pension Board is the trustee of the system's funds and is responsible for the system's general administration. The Secretary and Executive Director function under the direction of the board and are responsible for daily operation of the office.

Strategies and Milestones for 2011

Objective:	**Safeguard the funds of the Employes' Retirement System by investing them in a fiscally responsible and prudent manner.**
Strategies	**2011 Milestones**
Monitor and analyze all investment activities and provide oversight of the investment portfolio to maximize returns while minimizing the variability of the Fund's asset value.	Funded ratio of assets to pension liabilities increases, possibly reducing amount of needed pension contribution for 2012. Rate of return exceeding blended benchmark index.

STRATEGY IMPLEMENTATION

The city's actuarial accrued liabilities on behalf of ERS members are currently $4.3 billion, and these liabilities will exceed $5.9 billion by 2017. The city's ability to maintain a funded retirement system was complicated by the severe drop in the stock market in 2008 and the subsequent rebound in 2009. In 2008, the market value of assets in the ERS Pension Fund dropped by over 30% from $5.2 billion at the end of 2007 to $3.4 billion at the end of 2008. In 2009, the fund experienced a return of 23.5% (Figure 2). Despite the volatility, the fund has stayed in the top 10% of funded public plans. In order to maintain pension payments in future years, keep an adequate funded ratio of assets to liabilities, and comply with the requirements in the City Charter, a voluntary contribution of $17.4 million is included in the 2011 proposed budget to the Employee Pension Reserve Fund. This contribution will smooth forecasted pension payments that are expected to begin in 2013.

Figure 1

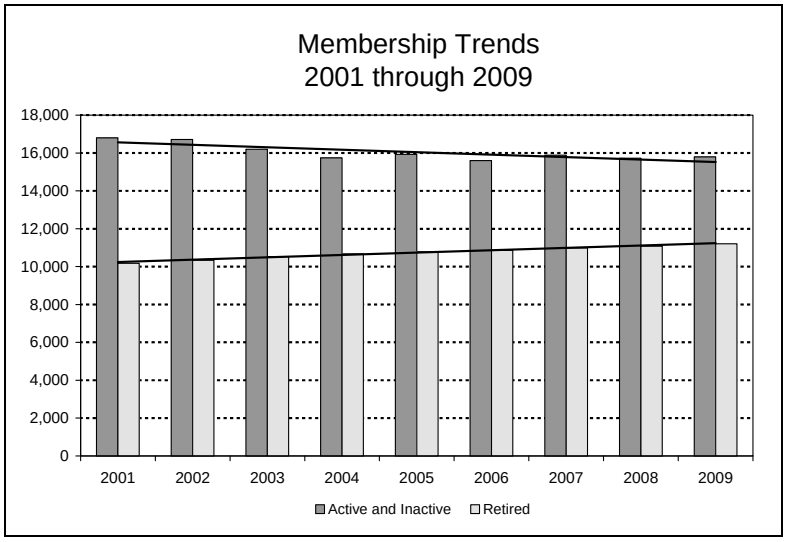
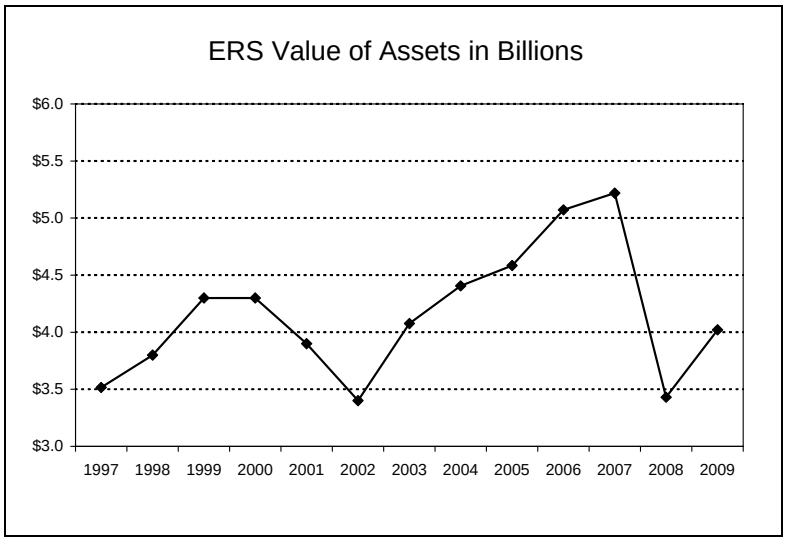


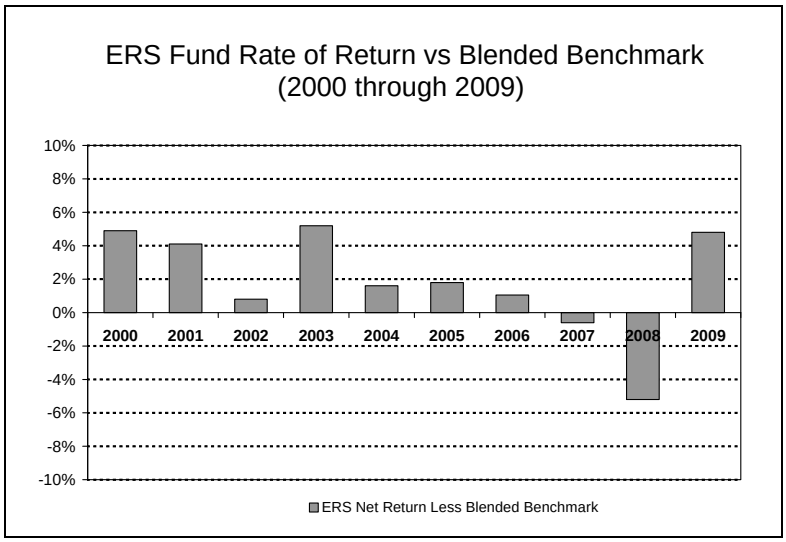
Figure 2



To measure the Fund's performance, ERS compares the investment return of the retirement fund against a blended benchmark index consisting of the following indices: Russell 3000 Stock Index, the Lehman Brothers Aggregate Bond Index, the Morgan Stanley Capital International EAFE (Europe, Australiasia, and Far East) Stock Index, and the NCREIF Property Index. The blended benchmark is weighted according to the asset allocation strategy adopted by the Annuity and Pension Board, and is designed to take advantage of long term investment and market trends that occur over the life of an investment cycle. Over the long term, ERS' objective is for the Fund to outperform this blended benchmark by 0.5%.

As seen in Figure 3, the Fund's rate of return after fees paid to investment managers has outperformed the benchmark in most years of the 2000's, and the Fund returned to this trend by outperforming by 4.8% in 2009. In 2008, the Fund's net rate of return was -30.8%, but it rebounded in 2009, increasing by 23.5%.

Figure 3



Customer Service: ERS provides enhanced customer service through a series of public awareness projects. A monthly retiree newsletter keeps members informed on a variety of issues, including the fund performance, tax issues, and health insurance issues. Letters inform individuals of their rights, options, and answers to their questions. ERS conducts community presentations and pre-retirement seminars for its members on a regular basis. ERS member handbooks, brochures, website, and its telephone system also work to improve customer service delivery.

Customer service is evaluated using reception cards relating to the timely servicing of walk-ins and appointments. ERS also uses exit surveys to measure the quality of its counseling services. The goal is to exceed a 95% satisfaction level in all areas, and ERS reached this goal in 2009, with customer satisfaction approaching 100% for retirement counseling and pre-retirement seminars.

2011 Budget by Services (Funding in Millions)

Service	**Investment Management**	
Activities:	Cash flow analysis, negotiate investment manager contracts, monitor investment performance, and compliance monitoring of investment managers.	
		2011 Projection
Performance Measures:	Exceed the gross rate of return of the blended benchmark index.	0.5%
Funding by Source:	Operating Funds	$17.3
	Totals	**$17.3**
Service	**Customer Service**	
Activities:	Prepare pension estimates, counsel members on benefits, calculate pension allowances and adjustments, process retirement applications, enroll new members, pay benefits, and review disability cases.	
		2011 Projection
Performance Measures:	Exceed 95.0% favorable rating on customer satisfaction surveys.	95.0%
Funding by Source:	Operating Funds	$5.7
	Totals	**$5.7**

2011 Budget by Services (Funding in Millions)

Service	**System Operations Support/Information Technology**	
Activities:	Maintain and enhance electronic information systems supporting the administration of the trust, assist and support existing operations by providing software and systems expertise, continue to perform critical operations, and establish and implement policies and procedures necessary to safeguard data.	
		2011 Projection
Funding by Source:	Operating Funds	$5.8
	Totals	**$5.8**

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	Position Title	Reason
-1			Pension Accounting Specialist	Unfunded Auxiliary position no longer needed.
1			Management Accountant Senior	Unfunded Auxiliary position to replace anticipated retirement.
0	**0.00**	**0.00**	**Totals**	

DEFERRED COMPENSATION PLAN

EXECUTIVE SUMMARY

MISSION: Provide a tax deferred retirement savings option for city employees that is cost effective, responsive to the needs of its participants, and complies with Section 457 of the Internal Revenue Code.

OBJECTIVES: Administer deferred compensation efficiently and effectively while achieving customer satisfaction.

STRATEGIES: Increase employee participation.

Provide educational materials on the Plan's investment options and model portfolios.

Increase participant understanding of post retirement distribution options.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	2.00	2.00	2.00	2.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	2	2	2	2	0	0
EXPENDITURES						
Salaries and Wages	$124,878	$126,072	$127,735	$127,735	$1,663	$0
Fringe Benefits	70,134	51,690	71,161	71,161	19,471	0
Operating Expenditures	919,290	1,306,025	1,208,065	1,208,065	-97,960	0
Equipment	0	0	0	0	0	0
Special Funds	0	75,000	75,000	75,000	0	0
TOTAL	$1,114,302	$1,558,787	$1,481,961	$1,481,961	$-76,826	$0
REVENUES						
Charges for Services	$1,114,302	$1,558,787	$1,481,961	$1,481,961	$-76,826	$0
TOTAL	$1,114,302	$1,558,787	$1,481,961	$1,481,961	$-76,826	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

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 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 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 hires contractors to perform daily activities in enrollment, recordkeeping, marketing and investment selection, and monitoring. The Plan has 7,757 active and retired participants including assets of $565.5 million as of June 30, 2010. The Deferred Compensation Plan is self-sustaining and does not impact the city's property tax levy.

Strategies and Milestones for 2011

Objective: Efficient and effective administration of the Deferred Compensation Plan.	
Strategies	**2011 Milestones**
Increase employee participation and plan assets.	Increase active employee participation to 73%.
Increase participant understanding of post retirement options.	Offer three post retirement sponsored educational sessions and provide additional customized plan investment advisory services.
Increase rollovers into the Plan.	Provide an easier process for global pension settlement rollovers into the Plan.
Increase use of model portfolios.	Automatically diversify participant's assets within the model portfolios beginning in 2011.

STRATEGY IMPLEMENTATION

The success of deferred compensation in maintaining a cost effective and responsive plan is measured by increased employee participation and average amount deferred. During the second quarter of 2009, 5,089 employees were deferring an average of $489 per month. The number of employees making deferrals fell to 4,973 during the second quarter of 2010. However, the average monthly deferral remained virtually unchanged at $486. The decrease in the number of employees making deferrals is the plan's participants' reaction to the challenging economic environment.

Plan participants can deposit their payroll contribution into seven different investment options: Stable Value Account, Income Account, Socially Conscious Balanced Account, Passively Managed U.S. Equity Account, Actively Managed Equity Account, Passively Managed International Equity Account, and Schwab Personal Choice Retirement Account. The Board is responsible for specifying the options from which participants make their choices and focuses on broad investment categories in making options available to participants.

By offering a variety of investment options and model portfolios, the Board provides plan participants with an opportunity to diversify their investments. The Board has improved investment returns to participants by actively seeking out manager fee reductions, institutional class fund shares, 12 B-1 fee credits, and low operating cost funds.

To assist members in developing an investment plan, the Deferred Compensation Board has provided every participant a new marketing brochure "Designing Your Personal Investment Plan" which includes educational materials to help in diversifying members assets in the Plan's model portfolios. The Plan provides ongoing investment and retirement workshops to assist plan participants in making informed investment decisions and in 2010 started offering financial advisory services. In addition, information on deferred compensation is provided at new employee orientations.

2011 Budget by Services (Funding in Millions)

Service	**Deferred Compensation**	
Activities:	Enrollment, agreement processing, payroll changes, future allocation changes, participant advising, investing, and depositing participant contributions.	
		2011 Projection
Performance Measures:	Increase active employee participation by 2.0%.	73.0%
	Increase average participant deferred by 2.0%.	$5,850
Funding by Source:	Operating Funds	$1.5
	Totals	**$1.5**

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

C. CAPITAL IMPROVEMENTS

EXECUTIVE SUMMARY

MISSION: To maintain and enhance the city's infrastructure in a cost efficient and effective way to ensure that the city remains economically competitive.

OBJECTIVES: Establish spending, debt, and tax levy goals for preparation of the six year capital improvements plan.

Identify long range capital needs and prioritize within available funding levels.

Develop investment strategies to ensure favorable rates of return on city capital investments.

STRATEGIES: Match capital borrowing to debt retirements in order to manage the debt levy and enhance the city's financial flexibility.

Furnish information and recommendations to the Capital Improvements Committee for the preparation of the 2011-2016 Capital Improvements Plan and the 2012 budget process.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The 2011 capital improvements budget represents the initial year of a six year capital improvements plan. The budget and plan identify the city's capital funding needs and provide funding sources to support these identified needs. In general, capital improvements 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

Past capital improvement borrowing levels have translated into a destabilizing debt service tax levy. Problems with cost overruns on several larger capital improvement projects have led to a need for improved monitoring. Although it is important to fix these problems, the side effect is a capital improvement budget that is difficult to compare to previous capital improvement budgets. To address the debt tax levy, the 2011-2016 Capital Improvements Plan will set borrowing levels to a point where the amount of borrowing will provide adequate funding of city needs while minimizing its impact on future tax levies.

The following discussion of funding and expenditures excludes Vehicle Registration Fee related transfer payments to debt service and the General Fund that show up in the capital budget. The 2011 general city capital improvements budget totals $111.0 million, a decrease of $3.8 million, or 3.5% from the 2010 budget of $114.8 million. 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 $74.1 million. Tax levy cash resources will increase $114,000 from $793,000 in 2010 to $907,000 in 2011; however this does not include a $2.2 million cash revenue from the Sewer Maintenance Fund for two Forestry programs supported by the Stormwater Management Fee. It is represented as cash revenue in the line-item budget and has no borrowing or debt service payments.

The city's long term goal is to provide tax levy supported borrowing authorizations that relate to tax levy debt retirements in order to control future increases in the debt service tax levy. Control of new levy supported debt

will be accomplished through a combination of prioritizing capital programs and projects through the annual budget process and converting some currently levy supported programs to other revenue sources. For example, the 2011 capital budget continues suspension of levy supported borrowing for Milwaukee Public Schools, which was $4 million in 2007. The city has also utilized lease payments from the Sewer Fund and Water Works for the jointly occupied Tower Facility to pay General Obligation (GO) debt service.

Figure 1 shows capital improvement budgets from 2002 to 2011. From 2002 to 2004, the capital improvements budget stabilized between $102.8 million and $109.6 million. In 2005, the capital improvements budget was reduced to $94.9 million, a level that was considered sustainable in the long term. The 2006 capital budget increased to $164.9 million; however this is the result of two large one time projects ($41.7 million) and a large increase in TID funding ($38.7 million). The 2011 capital budget is also impacted by the continuing policy of full, upfront TID funding that began in 2006. Levy supported GO borrowing is about $73.1 million for city purposes, slightly down from $74.1 million in 2010.

Figure 1

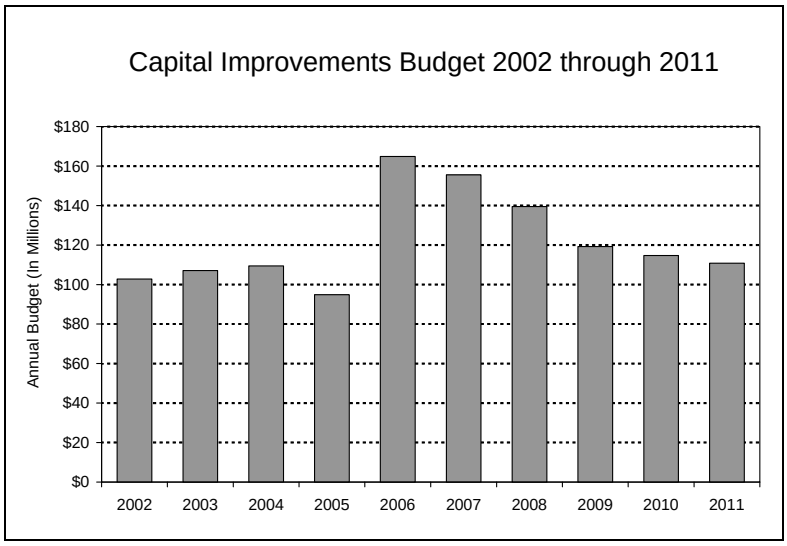
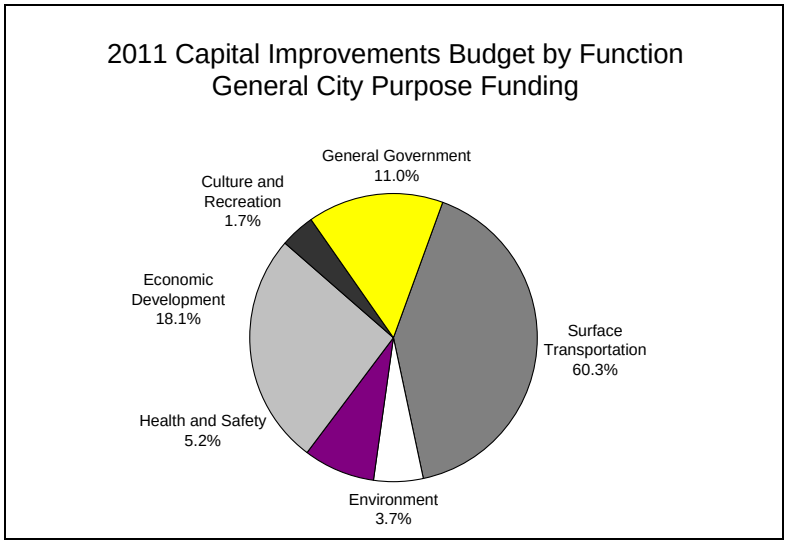


Figure 2



Functional Categories: Projects included in the 2011 general city funded capital improvements budget are categorized in six functional categories 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 (Water, Parking, Sewer Relief and Relay, and Grant and Aids are excluded).

Surface Transportation projects constitute the largest functional category, which is 60.3% of the general city funded capital budget or $94.6 million. This area experiences a continuing significant increase of city funding for streets, bridges, and street lighting projects.

Economic Development projects is the second largest capital functional area at 18.1% of the general city funded capital budget. Tax Incremental Districts (TIDs) amount to $26.3 million or 92.4% of funding for economic development projects.

The General Government project category constitutes the third largest functional area, with $17.2 million, or 11.0% provided for this purpose. This is an increase from 2009 and includes significant funding of $3.2 million for the City Hall Foundation and Hollow Walk Project.

The Health and Safety projects and Environment projects functional categories comprise a total of about 8.9% of the 2011 general city funded capital budget. Health and Safety has funding of $8.2 million and Environment has funding of $5.7 million, respectively. Environment programs include the expansion of sewer capacity and infiltration and inflow reduction programs, included in the Sewer Maintenance Fund since 2008. Culture and Recreation projects are the smallest functional category with $2.7 million, or 1.7% of the city funded capital budget. Within this category, central and neighborhood libraries capital projects funding totals $2.5 million.

Figure 3

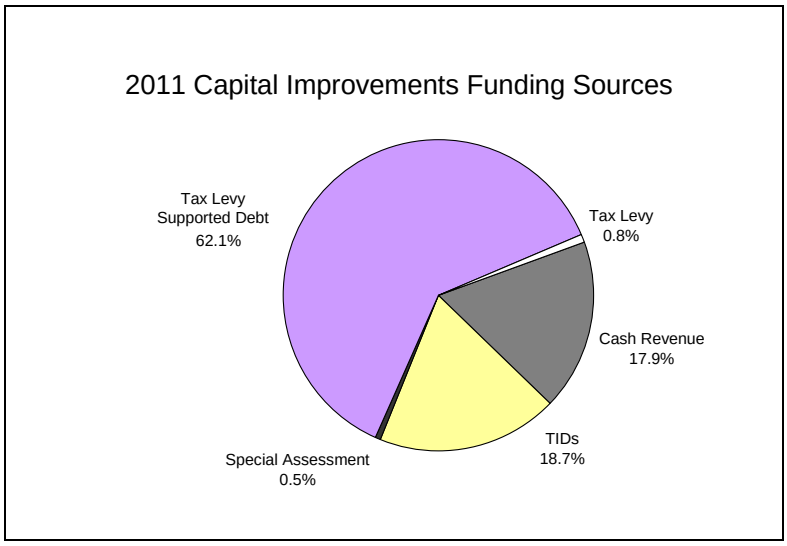
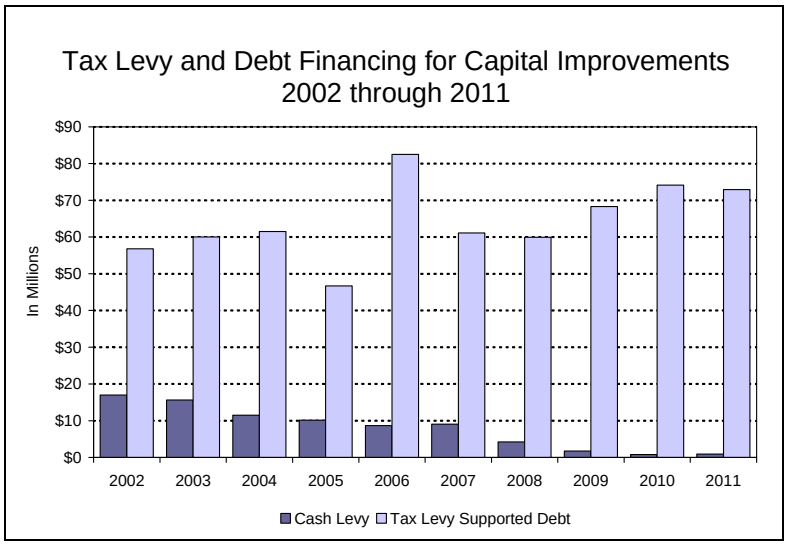


Figure 4



Funding Sources: The 2011 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. Figure 3 shows funding sources for the 2011 city funded capital budget (excluding grant and aids).

For 2011, the largest funding source is tax levy supported debt financing, which is approximately $73.1 million or 62.1 % of total funding. This is a decrease from 2010. Given the life expectancy of the facilities to be constructed or equipment to be purchased, borrowing is an appropriate funding mechanism.

The second largest source of funding for capital projects is Tax Incremental District borrowing, with $22.0 million, or 18.7%, of total funding sources. TID borrowing is considered self-supporting because the improvements made within these districts are financed through property tax revenue generated from the incremental values resulting from the improvements. The significantly larger TID funding amounts started in 2006 and will continue due to the policy change to fully fund all approved TIDs upfront rather than on an expenditure cash flow basis. While this policy has not changed how TIDs are analyzed, approved, or expended, it produces a major change to capital budget funding.

In addition to TID financing, other self-supporting funding sources include $21.0 million of cash revenues, which is 17.9% of the total, and $545,200 of special assessments, which represent 0.5% of the total. Not included in Figure 3 are capital grant and aids, which are anticipated to be $74.6 million in 2011.

In addition to tax levy supported debt, cash tax levy is the other non-self supporting funding source for capital. In 2011, cash supported capital totals $907,000 or 0.8% of all funding sources. Figure 4 shows cash and debt financing trends for capital improvements from 2002 to 2011. As shown, tax levy cash financing, while it has fluctuated

somewhat, has generally declined from the peak of $17 million in 2002 to $793,000 in 2010, with a slight increase for 2011.

Debt Levy Control: The 2006 capital budget suspended the Infrastructure Cash Conversion (ICC) policy goal to institute a change in overall philosophy to managing capital and debt levy impacts. The focus has changed from the basic ICC goal of funding an increasing amount of cash for a defined set of projects considered recurring infrastructure to the larger issue of controlling all capital debt. Through the years, even while the cash percentage for the defined ICC projects increased, overall capital borrowing also increased at an unsustainable rate. This created a situation of significant annual increases to the debt service levy, impacting the city's ability to fund other programs. The capital budget will continue to move in the direction of limiting debt issuance to debt retirements to better stabilize the debt service levy.

Note: For purposes of the 2003 and earlier budgets, the Public Debt Amortization Fund (PDAF) withdrawal was reflected in the capital improvements budget by shifting cash funded improvements to debt funded improvements. Fund assets were used to purchase the additional debt. The additional debt was then immediately canceled, thus avoiding future debt service costs. Beginning in 2004, the PDAF draw was applied to reduce the city debt tax levy rather than the capital improvements tax levy. For 2011 the draw is $5.9 million. At the end of 2010, fund assets will be used to prepay a portion of the principal and interest on city debt due in 2011, which will result in a reduction in the debt levy portion of the 2011 city debt budget.

2011 HIGHLIGHTS AND CHANGES

Major Capital Equipment: Instituted in 2002, Major Capital Equipment Accounts in the Fire Department and Department of Public Works' budgets will continue to fund the purchase of durable equipment with an original unit cost of $50,000 or more through the capital budget. In 2011, the Fire Department will use $2.9 million and the DPW Operations Division will use $5.5 million to replace major fleet equipment.

City Hall Foundation and Hollow Walk: Milwaukee's City Hall is an architecturally significant landmark building listed in the National Register of Historic Places. A significant capital project restoring the building's watertight integrity and addressing structural problems with the towers, exterior walls, interior walls, and supporting structure is complete. The total cost of this project was approximately $70 million. The 2011 capital budget includes $3.2 million of continuing funding for the next phase of foundation and hollow walk repairs. This project is expected to begin in 2010.

Sewer Maintenance Fund Transfer to Support the Emerald Ash Borer Readiness and Response and Tree Planting and Production Programs: Through a Common Council Amendment to the 2009 proposed budget, funding for maintaining the city's tree canopy and brush collection was moved from the tax levy to the Stormwater Management Fee. This was done as a transfer payment from the Sewer Maintenance Fund to the General Fund. This policy was expanded for 2010 and continues in 2011 by having a $2.2 million transfer payment made to capital improvements to support the Emerald Ash Borer Readiness and Response and Tree Planting and Production Programs. This transfer is represented as cash revenue in the line-item budget.

Tax Increment Financing Districts: The 2011 capital budget includes $26.3 million of funding ($22 million self-supported borrowing and $4.3 million cash revenues) to promote economic development and job growth through tax increment financing.

Large Scale Project Budget Reporting: In response to the Comptroller's audit of the Canal Street construction project, Common Council File 061597 defines a large scale project as a capital project whose components total at least $2 million in total funding, grantor and city share. The following table identifies these large scale projects to be funded in 2011 by all funding sources associated with the projects, including grant and enterprise funds.

Other capital projects included in the 2011 capital budget are described in more detail in the departmental operating budget sections of the *2011 Proposed Plan and Executive Budget Summary*. Please refer to these sections for more detail on these projects.

2011 LARGE SCALE PROJECTS FUNDING BY SOURCE

	CITY FUNDED CONSTRUCTION	CONSTRUCTION GRANT FUNDS	STREET LIGHTING	CONDUIT/ MANHOLES	TRAFFIC CONTROLS	PROJECT TOTAL
MAJOR BRIDGE PROGRAM						
W Granville Rd over Little Menomonee River	$85,000	$340,000	$10,000	$0	$0	$435,000
N 45th St Bridge over Menomonee River	$126,000	$504,000	$10,000	$0	$0	$640,000
W Villard Ave over Lincoln Creek	$330,000	$1,320,000	$10,000	$0	$0	$1,660,000
S Whitnall Ave over Union Pacific Railroad	$290,000	$1,160,000	$10,000	$0	$0	$1,460,000
Juneau Ave Bascule Bridge over Milwaukee River	$3,710,000	$13,290,000	$20,000	$500,000	$0	$17,520,000
MAJOR STREETS						
S 35th St W Burnham Ave to W Greenfield Ave	$214,000	$857,600	$50,000	$0	$120,000	$1,241,600
N 91st St (N Swan Blvd) W Hampton Ave to W Flagg	$290,000	$2,610,000	$60,000	$0	$130,000	$3,090,000
W Lloyd St N 47th St to N 60th St	$310,000	$1,245,000	$100,000	$0	$100,000	$1,755,000
N Port Washington Ave N Dr MLK Jr Dr to W Fiebrantz Ave	$385,100	$1,542,000	$30,000	$0	$90,000	$2,047,100
CONNECTING HIGHWAYS						
N 20th St W Hopkins to W Capitol Dr	$265,000	$1,760,000	$30,000	$0	$180,000	$2,235,000
W Capitol Dr N 84th St to N 60th St	$449,200	$5,370,800	$0	$0	$550,000	$6,370,000
STATE TRUNK HIGHWAYS						
Appleton Ave (Hwy 41) W Capitol Dr to USH 45	$675,000	$9,925,000	$0	$0	$0	$10,600,000
Mayfair Rd (STH 100) Burleigh to Silver Spring	$110,500	$6,761,500	$0	$0	$0	$6,872,000

SUMMARY OF DEPARTMENTAL APPROPRIATIONS
OVERVIEW OF 2011 PROPOSED CAPITAL BUDGET
GENERAL CITY PURPOSES

	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
City Funded					
Special Projects	$16,335,000	$15,435,000	$15,135,000	$-1,200,000	$-300,000
Administration, Department of	949,400	4,665,250	2,035,000	1,085,600	-2,630,250
Assessor	0	657,000	0	0	-657,000
City Attorney	0	4,804,000	0	0	-4,804,000
City Development, Department of	39,402,543	63,512,357	30,661,257	-8,741,286	-32,851,100
Common Council City Clerk	0	435,299	0	0	-435,299
Election Commission	0	0	0	0	0
Fire and Police Commission	0	0	0	0	0
Fire Department	4,056,000	9,670,300	3,064,000	-992,000	-6,606,300
Health Department	100,000	450,000	110,000	10,000	-340,000
Library	4,075,000	4,026,000	2,526,000	-1,549,000	-1,500,000
Neighborhood Services	76,141	0	0	-76,141	0
Municipal Court	334,000	0	0	-334,000	0
Police Department	4,188,000	7,337,931	4,987,931	799,931	-2,350,000
Port of Milwaukee	0	675,000	0	0	-675,000
Public Works, Department of	51,827,944	80,916,400	59,109,200	7,281,256	-21,807,200
Subtotal City Funded	$121,344,028	$192,584,537	$117,628,388	$-3,715,640	$-74,956,149
Grants and Aids Funding					
Library	$0	$0	$0	$0	$0
Port of Milwaukee	400,000	800,000	0	-400,000	-800,000
Public Works, Department of	10,936,200	74,621,230	74,621,230	63,685,030	0
Subtotal Grants and Aids Funding	$11,336,200	$75,421,230	$74,621,230	$63,285,030	$-800,000
Enterprise Funds					
Parking	$950,000	$1,175,000	$1,175,000	$225,000	$0
Sewer Maintenance	23,937,000	38,370,000	39,833,000	15,896,000	1,463,000
Water	20,030,000	24,365,000	20,645,000	615,000	-3,720,000
Subtotal Enterprise Funds	$44,917,000	$63,910,000	$61,653,000	$16,736,000	$-2,257,000
Total Capital Plan	$177,597,228	$331,915,767	$253,902,618	$76,305,390	$-78,013,149

2011 CAPITAL IMPROVEMENTS FINANCED BY CATEGORY

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
SPECIAL CAPITAL PROJECTS								
Grant and Aid								
Budget	$0	$0	$0	$0	$8,000,000	$8,000,000	$0	$8,000,000
Carryover	(0)	(900,000)	(0)	(0)	(0)	(900,000)	(0)	(900,000)
Municipal Art Fund								
Budget	50,000	0	0	0	0	50,000	0	50,000
Affordable Housing Initiative								
Carryover	(0)	(250,000)	(0)	(0)	(0)	(250,000)	(0)	(250,000)
Housing Trust Fund								
Budget	0	400,000	0	0	0	400,000	0	400,000
Carryover	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Energy Challenge Fund								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(679,420)	(0)	(0)	(0)	(679,420)	(0)	(679,420)
Unified Call Center CRM								
Carryover	(0)	(950,000)	(0)	(0)	(0)	(950,000)	(0)	(950,000)
Capital Improvements Committee								
Budget	85,000	0	0	0	0	85,000	0	85,000
Transfer Payments								
Payment to Debt Service	0	0	0	0	3,300,000	3,300,000	0	3,300,000
Payment to General Fund	0	0	0	0	3,300,000	3,300,000	0	3,300,000
TOTAL SPECIAL CAPITAL PROJECTS								
Budget	**$135,000**	**$400,000**	**$0**	**$0**	**$14,600,000**	**$15,135,000**	**$0**	**$15,135,000**
Carryover	**($0)**	**($2,779,420)**	**($0)**	**($0)**	**($0)**	**($2,779,420)**	**($0)**	**($2,779,420)**
DEPARTMENT OF ADMINISTRATION								
FMIS Upgrade								
Carryover	(0)	(1,473,976)	(0)	(0)	(0)	(1,473,976)	(0)	(1,473,976)
HRMS Upgrade								
Budget	0	1,470,000	0	0	0	1,470,000	0	1,470,000
Carryover	(0)	(7)	(0)	(0)	(0)	(7)	(0)	(7)
Web Application Server								
Carryover	(0)	(1)	(0)	(0)	(0)	(1)	(0)	(1)
Cluster Corporate Database Server								
Carryover	(0)	(9,435)	(0)	(0)	(0)	(9,435)	(0)	(9,435)
E-Benefits								
Carryover	(0)	(52,995)	(0)	(0)	(0)	(52,995)	(0)	(52,995)
E-Server Tape Subsystem								
Carryover	(0)	(1,627)	(0)	(0)	(0)	(1,627)	(0)	(1,627)
E-Server Replacement								
Budget	140,000	87,000	0	0	0	227,000	0	227,000
Backup System Replacement								
Carryover	(0)	(161,000)	(0)	(0)	(0)	(161,000)	(0)	(161,000)
Improve/Update City Website								
Budget	140,000	0	0	0	0	140,000	0	140,000
Records Center Work Environment Project								
Budget	0	198,000	0	0	0	198,000	0	198,000
TOTAL DEPARTMENT OF ADMINISTRATION								
Budget	**$280,000**	**$1,755,000**	**$0**	**$0**	**$0**	**$2,035,000**	**$0**	**$2,035,000**
Carryover	**($0)**	**($1,699,041)**	**($0)**	**($0)**	**($0)**	**($1,699,041)**	**($0)**	**($1,699,041)**
DEPARTMENT OF CITY DEVELOPMENT								
Advance Planning								
Budget	$150,000	$0	$0	$0	$0	$150,000	$0	$150,000
Neighborhood Commercial District Street Improvement Fund								
Budget	0	250,000	0	0	0	250,000	0	250,000
Carryover	(0)	(1,377,810)	(0)	(0)	(0)	(1,377,810)	(0)	(1,377,810)
Tax Increment Financed Urban Renewal Projects (Including Grant Funded Projects)								
Budget	0	0	22,000,000	0	4,251,000	26,251,000	0	26,251,000
Carryover	(0)	(0)	(167,831,245)	(0)	(0)	(167,831,245)	(0)	(167,831,245)
Development Fund								
Budget	300,000	1,200,000	0	0	0	1,500,000	0	1,500,000
Carryover	(0)	(5,388,193)	(0)	(0)	(0)	(5,388,193)	(0)	(5,388,193)
Business Improvement Districts								
Budget	0	250,000	0	0	0	250,000	0	250,000
Carryover	(0)	(2,736,250)	(0)	(0)	(0)	(2,736,250)	(0)	(2,736,250)
809 Building Remodeling								
Carryover	(0)	(21,638)	(0)	(0)	(0)	(21,638)	(0)	(21,638)
30th Street Industrial Corridor								
Carryover	(0)	(7,069,330)	(0)	(0)	(0)	(7,069,330)	(0)	(7,069,330)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Healthy Neighborhoods Initiative								
Budget	0	200,000	0	0	0	200,000	0	200,000
ADA Riverwalk Construction								
Budget	0	1,560,257	0	0	0	1,560,257	0	1,560,257
Carryover	(0)	(1,891,970)	(0)	(0)	(0)	(1,891,970)	(0)	(1,891,970)
Housing Infrastructure Preservation Fund								
Budget	0	300,000	0	0	0	300,000	0	300,000
Carryover	(0)	(600,000)	(0)	(0)	(0)	(600,000)	(0)	(600,000)
In Rem Property Program								
Budget	0	200,000	0	0	0	200,000	0	200,000
TOTAL DEPARTMENT OF CITY DEVELOPMENT								
Budget	**$450,000**	**$3,960,257**	**$22,000,000**	**$0**	**$4,251,000**	**$30,661,257**	**$0**	**$30,661,257**
Carryover	**($0)**	**($19,085,191)**	**($167,831,245)**	**($0)**	**($0)**	**($186,916,436)**	**($0)**	**($186,916,436)**
COMMON COUNCIL CITY CLERK								
License Management System Requirements Study								
Carryover	($0)	($525,000)	($0)	($0)	($0)	($525,000)	($0)	($525,000)
License Division Remodeling								
Carryover	(0)	(124,382)	(0)	(0)	(0)	(124,382)	(0)	(124,382)
TOTAL COMMON COUNCIL CITY CLERK								
Carryover	**($0)**	**($649,382)**	**($0)**	**($0)**	**($0)**	**($649,382)**	**($0)**	**($649,382)**
ELECTION COMMISSION								
Office Remodeling								
Carryover	($0)	($40,000)	($0)	($0)	($0)	($40,000)	($0)	($40,000)
TOTAL ELECTION COMMISSION								
Carryover	**($0)**	**($40,000)**	**($0)**	**($0)**	**($0)**	**($40,000)**	**($0)**	**($40,000)**
DEPARTMENT OF EMPLOYEE RELATIONS								
Worker's Compensation Computer System								
Carryover	($0)	($29,792)	($0)	($0)	($0)	($29,792)	($0)	($29,792)
TOTAL DEPARTMENT OF EMPLOYEE RELATIONS								
Carryover	**($0)**	**($29,792)**	**($0)**	**($0)**	**($0)**	**($29,792)**	**($0)**	**($29,792)**
FIRE AND POLICE COMMISSION								
FPC Office Remodeling								
Carryover	($0)	($149,248)	($0)	($0)	($0)	($149,248)	($0)	($149,248)
TOTAL FIRE AND POLICE COMMISSION								
Carryover	**($0)**	**($149,248)**	**($0)**	**($0)**	**($0)**	**($149,248)**	**($0)**	**($149,248)**
FIRE DEPARTMENT								
Fire Repair Shop Design and Construction								
Carryover	($0)	($250,000)	($0)	($0)	($0)	($250,000)	($0)	($250,000)
Mechanical Systems Maintenance								
Carryover	(0)	(484,872)	(0)	(0)	(0)	(484,872)	(0)	(484,872)
Fire Facilities Maintenance Program								
Budget	0	100,000	0	0	0	100,000	0	100,000
Carryover	(0)	(1,829,851)	(0)	(0)	(0)	(1,829,851)	(0)	(1,829,851)
Major Capital Equipment								
Budget	0	2,854,000	0	0	0	2,854,000	0	2,854,000
Carryover	(0)	(3,606,687)	(0)	(0)	(0)	(3,606,687)	(0)	(3,606,687)
Auxiliary Power Supply								
Budget	0	110,000	0	0	0	110,000	0	110,000
Carryover	(0)	(409,336)	(0)	(0)	(0)	(409,336)	(0)	(409,336)
Fire Digital Radio System								
Carryover	(0)	(144,913)	(0)	(0)	(0)	(144,913)	(0)	(144,913)
TOTAL FIRE DEPARTMENT								
Budget	**$0**	**$3,064,000**	**$0**	**$0**	**$0**	**$3,064,000**	**$0**	**$3,064,000**
Carryover	**($0)**	**($6,725,659)**	**($0)**	**($0)**	**($0)**	**($6,725,659)**	**($0)**	**($6,725,659)**
HEALTH DEPARTMENT								
Mechanical Systems Maintenance Program								
Carryover	($0)	($172,000)	($0)	($0)	($0)	($172,000)	($0)	($172,000)
Exterior Building Maintenance Program								
Carryover	(0)	(732,545)	(0)	(0)	(0)	(732,545)	(0)	(732,545)
Interior Building Maintenance Program								
Carryover	(0)	(427,000)	(0)	(0)	(0)	(427,000)	(0)	(427,000)
Health Facilities Capital Projects								
Budget	0	110,000	0	0	0	110,000	0	110,000
Carryover	(0)	(50,000)	(0)	(0)	(0)	(50,000)	(0)	(50,000)
TOTAL HEALTH DEPARTMENT								
Budget	**$0**	**$110,000**	**$0**	**$0**	**$0**	**$110,000**	**$0**	**$110,000**
Carryover	**($0)**	**($1,381,545)**	**($0)**	**($0)**	**($0)**	**($1,381,545)**	**($0)**	**($1,381,545)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
LIBRARY								
CENTRAL LIBRARY								
RFID System								
Carryover	(0)	(2,809,730)	(0)	(0)	(0)	(2,809,730)	(0)	(2,809,730)
Central Library Improvements Fund								
Budget	0	526,000	0	0	0	526,000	0	526,000
Carryover	(0)	(1,440,402)	(0)	(0)	(0)	(1,440,402)	(0)	(1,440,402)
Central Library Improvements Fund Mechanical Systems								
Carryover	(0)	(219,618)	(0)	(0)	(0)	(219,618)	(0)	(219,618)
Central Library Improvements Fund Exterior								
Carryover	(0)	(160,551)	(0)	(0)	(0)	(160,551)	(0)	(160,551)
NEIGHBORHOOD LIBRARIES								
Neighborhood Library Improvement Fund Interior								
Carryover	(0)	(334,214)	(0)	(0)	(0)	(334,214)	(0)	(334,214)
Villard Library Project								
Carryover	(0)	(2,750,000)	(0)	(0)	(0)	(2,750,000)	(0)	(2,750,000)
Library Facility Initiatives								
Budget	0	2,000,000	0	0	0	2,000,000	0	2,000,000
TOTAL LIBRARY								
Budget	**$0**	**$2,526,000**	**$0**	**$0**	**$0**	**$2,526,000**	**$0**	**$2,526,000**
Carryover	**($0)**	**($7,714,515)**	**($0)**	**($0)**	**($0)**	**($7,714,515)**	**($0)**	**($7,714,515)**
NEIGHBORHOOD SERVICES								
Security Upgrades - Anderson Building								
Carryover	(0)	(76,141)	(0)	(0)	(0)	(76,141)	(0)	(76,141)
TOTAL NEIGHBORHOOD SERVICES								
Carryover	**($0)**	**($76,141)**	**($0)**	**($0)**	**($0)**	**($76,141)**	**($0)**	**($76,141)**
MUNICIPAL COURT								
Court Case Management System								
Carryover	(0)	(606,291)	(0)	(0)	(0)	(606,291)	(0)	(606,291)
IT Disaster Recovery								
Carryover	(0)	(24,830)	(0)	(0)	(0)	(24,830)	(0)	(24,830)
TOTAL MUNICIPAL COURT								
Carryover	**($0)**	**($631,121)**	**($0)**	**($0)**	**($0)**	**($631,121)**	**($0)**	**($631,121)**
POLICE DEPARTMENT								
Evidence Storage Warehouse								
Budget	$0	$512,800	$0	$0	$0	$512,800	$0	$512,800
Carryover	(0)	(340,167)	(0)	(0)	(0)	(340,167)	(0)	(340,167)
Remodel Administration Building Offices								
Budget	0	3,779,131	0	0	0	3,779,131	0	3,779,131
Carryover	(0)	(2,975,042)	(0)	(0)	(0)	(2,975,042)	(0)	(2,975,042)
Trunked Radio Communications								
Carryover	(0)	(952,018)	(0)	(0)	(0)	(952,018)	(0)	(952,018)
Training Academy Parking Lot								
Carryover	(0)	(49,364)	(0)	(0)	(0)	(49,364)	(0)	(49,364)
Video Image Systems								
Carryover	(0)	(972,929)	(0)	(0)	(0)	(972,929)	(0)	(972,929)
District Station Six Repairs								
Carryover	(0)	(1,288)	(0)	(0)	(0)	(1,288)	(0)	(1,288)
District Five HVAC Replacement								
Carryover	(0)	(19,295)	(0)	(0)	(0)	(19,295)	(0)	(19,295)
4715 West Vliet Street Renovation								
Carryover	(0)	(340,510)	(0)	(0)	(0)	(340,510)	(0)	(340,510)
Surveillance Camera Program								
Carryover	(0)	(67,333)	(0)	(0)	(0)	(67,333)	(0)	(67,333)
District Renovation Program								
Budget	0	300,000	0	0	0	300,000	0	300,000
911 System Replacement								
Carryover	(0)	(4,807,412)	(0)	(0)	(0)	(4,807,412)	(0)	(4,807,412)
Radio and Communications Upgrades								
Budget	42,000	0	0	0	0	42,000	0	42,000
Automated Fingerprint Identification System								
Carryover	(0)	(2,300,000)	(0)	(0)	(0)	(2,300,000)	(0)	(2,300,000)
Tiburon RMS VMP Upgrade								
Budget	0	354,000	0	0	0	354,000	0	354,000
TOTAL POLICE DEPARTMENT								
Budget	**$42,000**	**$4,945,931**	**$0**	**$0**	**$0**	**$4,987,931**	**$0**	**$4,987,931**
Carryover	**($0)**	**($12,825,358)**	**($0)**	**($0)**	**($0)**	**($12,825,358)**	**($0)**	**($12,825,358)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
PORT OF MILWAUKEE								
Major Maintenance Terminals and Piers								
Carryover	($0)	($118,908)	($0)	($0)	($0)	($118,908)	($0)	($118,908)
Secured Ferry Terminal Parking Facilities								
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
Cargo Handling Equipment								
Carryover	(0)	(319,897)	(0)	(0)	(0)	(319,897)	(0)	(319,897)
Dockwall Rehabilitation								
Carryover	(0)	(146,721)	(0)	(0)	(0)	(146,721)	(0)	(146,721)
South Harbor Tract Electrical Service Rehabilitation								
Carryover	(0)	(97,542)	(0)	(0)	(0)	(97,542)	(0)	(97,542)
Pier Berth and Channel Improvements								
Budget	0	0	0	0	0	0	800,000	800,000
Carryover	(0)	(1,100,000)	(0)	(0)	(0)	(1,100,000)	(0)	(1,100,000)
Port Security								
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
Harbor Maintenance Dredging								
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
Terminal Resurfacing								
Carryover	(0)	(340,140)	(0)	(0)	(0)	(340,140)	(0)	(340,140)
Port Facility Systems								
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
TOTAL PORT OF MILWAUKEE								
Budget	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$800,000**	**$800,000**
Carryover	**($0)**	**($3,023,208)**	**($0)**	**($0)**	**($0)**	**($3,023,208)**	**($0)**	**($3,023,208)**
DPW ADMINISTRATION								
Public Safety Communications								
Budget	$0	$500,000	$0	$0	$0	$500,000	$0	$500,000
Carryover	(0)	(587,646)	(0)	(0)	(0)	(587,646)	(0)	(587,646)
CSWAN/COMMON Upgrade								
Carryover	(0)	(33,278)	(0)	(0)	(0)	(33,278)	(0)	(33,278)
Hartung Redevelopment Phase I								
Carryover	(0)	(5,000)	(0)	(0)	(0)	(5,000)	(0)	(5,000)
TOTAL DPW ADMINISTRATION								
Budget	**$0**	**$500,000**	**$0**	**$0**	**$0**	**$500,000**	**$0**	**$500,000**
Carryover	**($0)**	**($625,924)**	**($0)**	**($0)**	**($0)**	**($625,924)**	**($0)**	**($625,924)**
DPW INFRASTRUCTURE SERVICES								
SEWER CONSTRUCTION								
Expansion of Capacity Sewer Program								
Carryover	($0)	($2,960,000)	($0)	($20,829)	($0)	($2,980,829)	($0)	($2,980,829)
TOTAL SEWER CONSTRUCTION								
Carryover	**($0)**	**($2,960,000)**	**($0)**	**($20,829)**	**($0)**	**($2,980,829)**	**($0)**	**($2,980,829)**
BRIDGE CONSTRUCTION								
Bridge State and Federal Funded								
Budget	$0	$6,354,000	$0	$0	$0	$6,354,000	$23,116,000	$29,470,000
Carryover	(0)	(776,956)	(0)	(0)	(0)	(776,956)	(0)	(776,956)
Bridge Reconstruction Local								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(12,140,000)	(0)	(0)	(0)	(12,140,000)	(0)	(12,140,000)
TOTAL BRIDGE CONSTRUCTION								
Budget	**$0**	**$6,554,000**	**$0**	**$0**	**$0**	**$6,554,000**	**$23,116,000**	**$29,670,000**
Carryover	**($0)**	**($12,916,956)**	**($0)**	**($0)**	**($0)**	**($12,916,956)**	**($0)**	**($12,916,956)**
STREET/PAVING CONSTRUCTION								
Street Reconstruction City Contribution to State and Federally Aided Projects								
Budget	$0	$8,314,100	$0	$100	$0	$8,314,200	$51,505,230	$59,819,430
Carryover	(0)	(10,344,878)	(0)	(3,613,237)	(0)	(13,958,115)	(0)	(13,958,115)
Street Reconstruction or Resurfacing Regular City Program								
Budget	0	14,291,600	0	100	0	14,291,700	0	14,291,700
Carryover	(0)	(14,525,815)	(0)	(1,117,805)	(0)	(15,643,620)	(0)	(15,643,620)
Alley Reconstruction Program								
Budget	0	800,000	0	200,000	0	1,000,000	0	1,000,000
Carryover	(0)	(1,100,000)	(0)	(395,819)	(0)	(1,495,819)	(0)	(1,495,819)
New Street Construction Program								
Carryover	(0)	(800,000)	(0)	(14,718)	(0)	(814,718)	(0)	(814,718)
TOTAL STREET/PAVING CONSTRUCTION								
Budget	**$0**	**$23,405,700**	**$0**	**$200,200**	**$0**	**$23,605,900**	**$51,505,230**	**$75,111,130**
Carryover	**($0)**	**($26,770,693)**	**($0)**	**($5,141,579)**	**($0)**	**($31,912,272)**	**($0)**	**($31,912,272)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Street Improvements Sidewalk Driveway and Gutter Replacement								
Budget	$0	$1,000,000	$0	$345,000	$0	$1,345,000	$0	$1,345,000
Carryover	(0)	(1,300,000)	(0)	(1,385,185)	(0)	(2,685,185)	(0)	(2,685,185)
Street Improvements Street Lighting								
Budget	0	7,400,000	0	0	0	7,400,000	0	7,400,000
Carryover	(0)	(8,713,624)	(0)	(0)	(0)	(8,713,624)	(0)	(8,713,624)
Street Improvements Traffic Control Facilities								
Budget	0	2,056,000	0	0	0	2,056,000	0	2,056,000
Carryover	(0)	(1,367,574)	(0)	(0)	(0)	(1,367,574)	(0)	(1,367,574)
Street Improvements Underground Conduit and Manholes								
Budget	0	800,000	0	0	0	800,000	0	800,000
Carryover	(0)	(1,302,939)	(0)	(0)	(0)	(1,302,939)	(0)	(1,302,939)
Underground Electrical Manhole Reconstruction								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
TOTAL SEWER, BRIDGE, STREET/PAVING								
Budget	**$0**	**$11,456,000**	**$0**	**$345,000**	**$0**	**$11,801,000**	**$0**	**$11,801,000**
Carryover	**($0)**	**($12,884,137)**	**($0)**	**($1,385,185)**	**($0)**	**($14,269,322)**	**($0)**	**($14,269,322)**
BUILDINGS PROJECTS								
City Hall Complex Remodeling								
Budget	$0	$50,000	$0	$0	$0	$50,000	$0	$50,000
Carryover	(0)	(80,000)	(0)	(0)	(0)	(80,000)	(0)	(80,000)
Space Planning Facilities								
Budget	0	166,000	0	0	0	166,000	0	166,000
Carryover	(0)	(192,228)	(0)	(0)	(0)	(192,228)	(0)	(192,228)
Recreational Facilities Citywide								
Budget	0	151,000	0	0	0	151,000	0	151,000
Carryover	(0)	(432,240)	(0)	(0)	(0)	(432,240)	(0)	(432,240)
Facility Systems Program								
Budget	0	615,000	0	0	0	615,000	0	615,000
Carryover	(0)	(685,000)	(0)	(0)	(0)	(685,000)	(0)	(685,000)
Environmental Remediation Program								
Budget	0	150,000	0	0	0	150,000	0	150,000
Carryover	(0)	(191,441)	(0)	(0)	(0)	(191,441)	(0)	(191,441)
ADA Compliance Program								
Budget	0	95,000	0	0	0	95,000	0	95,000
Carryover	(0)	(255,800)	(0)	(0)	(0)	(255,800)	(0)	(255,800)
Facilities Exterior Upgrades Program								
Budget	0	923,400	0	0	0	923,400	0	923,400
Carryover	(0)	(2,171,841)	(0)	(0)	(0)	(2,171,841)	(0)	(2,171,841)
City Hall Restoration Program								
Carryover	(0)	(145,953)	(0)	(0)	(0)	(145,953)	(0)	(145,953)
City Hall Foundation and Hollow Walk								
Budget	0	3,160,000	0	0	0	3,160,000	0	3,160,000
Carryover	(0)	(5,581,207)	(0)	(0)	(0)	(5,581,207)	(0)	(5,581,207)
Municipal Garages/Outlying Facilities Remodeling								
Budget	0	400,000	0	0	0	400,000	0	400,000
Carryover	(0)	(565,019)	(0)	(0)	(0)	(565,019)	(0)	(565,019)
Menomonee Valley Facilities Relocation								
Carryover	(0)	(1,830,982)	(0)	(0)	(0)	(1,830,982)	(0)	(1,830,982)
MacArthur Square Plaza Restoration								
Budget	0	247,000	0	0	0	247,000	0	247,000
Carryover	(0)	(825,066)	(0)	(0)	(0)	(825,066)	(0)	(825,066)
ZMB Lower Parking Floor Restoration								
Budget	0	1,530,000	0	0	0	1,530,000	0	1,530,000
Carryover	(0)	(86,500)	(0)	(0)	(0)	(86,500)	(0)	(86,500)
Energy Efficiency & Renewable Energy								
Budget	0	150,000	0	0	0	150,000	0	150,000
Building Exterior Façade Restoration								
Budget	0	385,400	0	0	0	385,400	0	385,400
TOTAL BUILDINGS PROJECTS								
Budget	**$0**	**$8,022,800**	**$0**	**$0**	**$0**	**$8,022,800**	**$0**	**$8,022,800**
Carryover	**($0)**	**($13,043,277)**	**($0)**	**($0)**	**($0)**	**($13,043,277)**	**($0)**	**($13,043,277)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
TOTAL DPW INFRASTRUCTURE SERVICES								
Budget	**$0**	**$49,438,500**	**$0**	**$545,200**	**$0**	**$49,983,700**	**$74,621,230**	**$124,604,930**
Carryover	**($0)**	**($68,575,063)**	**($0)**	**($6,547,593)**	**($0)**	**($75,122,656)**	**($0)**	**($75,122,656)**
DPW OPERATIONS DIVISION								
SANITATION SECTION								
Sanitation Headquarters Modifications (Various Sites)								
Budget	0	250,000	0	0	0	250,000	0	250,000
Carryover	($0)	($498,635)	($0)	($0)	($0)	($498,635)	($0)	($498,635)
TOTAL SANITATION SECTION								
Budget	**$0**	**$250,000**	**$0**	**$0**	**$0**	**$250,000**	**$0**	**$250,000**
Carryover	**($0)**	**($498,635)**	**($0)**	**($0)**	**($0)**	**($498,635)**	**($0)**	**($498,635)**
FORESTRY SECTION								
Concealed Irrigation and General Landscaping								
Budget	$0	$460,000	$0	$0	$0	$460,000	$0	$460,000
Carryover	(0)	(517,114)	(0)	(0)	(0)	(517,114)	(0)	(517,114)
Production and Planting Program								
Budget	0	0	0	0	1,347,500	1,347,500	0	1,347,500
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
Boulevard Plan								
Carryover	(0)	(580,000)	(0)	(0)	(0)	(580,000)	(0)	(580,000)
Emerald Ash Borer Readiness and Response								
Budget	0	0	0	0	830,000	830,000	0	830,000
TOTAL FORESTRY SECTION								
Budget	**$0**	**$460,000**	**$0**	**$0**	**$2,177,500**	**$2,637,500**	**$0**	**$2,637,500**
Carryover	**($0)**	**($1,597,114)**	**($0)**	**($0)**	**($0)**	**($1,597,114)**	**($0)**	**($1,597,114)**
FLEET SECTION								
Two Way Radio Replacement								
Budget	0	238,000	0	0	0	238,000	0	238,000
Carryover	(0)	(412,000)	(0)	(0)	(0)	(412,000)	(0)	(412,000)
Major Capital Equipment								
Budget	0	5,500,000	0	0	0	5,500,000	0	5,500,000
Carryover	(0)	(1,105,344)	(0)	(0)	(0)	(1,105,344)	(0)	(1,105,344)
TOTAL FLEET SECTION								
Budget	**$0**	**$5,738,000**	**$0**	**$0**	**$0**	**$5,738,000**	**$0**	**$5,738,000**
Carryover	**($0)**	**($1,517,344)**	**($0)**	**($0)**	**($0)**	**($1,517,344)**	**($0)**	**($1,517,344)**
TOTAL DPW OPERATIONS DIVISION								
Budget	**$0**	**$6,448,000**	**$0**	**$0**	**$2,177,500**	**$8,625,500**	**$0**	**$8,625,500**
Carryover	**($0)**	**($3,613,093)**	**($0)**	**($0)**	**($0)**	**($3,613,093)**	**($0)**	**($3,613,093)**
TOTAL DEPARTMENT OF PUBLIC WORKS								
Budget	**$0**	**$56,386,500**	**$0**	**$545,200**	**$2,177,500**	**$59,109,200**	**$74,621,230**	**$133,730,430**
Carryover	**($0)**	**($72,814,080)**	**($0)**	**($6,547,593)**	**($0)**	**($79,361,673)**	**($0)**	**($79,361,673)**
TOTAL PROJECTS								
Budget	**$907,000**	**$73,147,688**	**$22,000,000**	**$545,200**	**$21,028,500**	**$117,628,388**	**$75,421,230**	**$193,049,618**
Carryover	**($0)**	**($129,623,701)**	**($167,831,245)**	**($6,547,593)**	**($0)**	**($304,002,539)**	**($0)**	**($304,002,539)**

NOTE: $6.6 million of "Cash Revenues" total are the payments to Debt Service and General Fund from proceeds of the Vehicle Registration Fee.

D. CITY DEBT

EXECUTIVE SUMMARY

MISSION: To equitably finance capital improvements and to manage and control outstanding debt.

OBJECTIVES: Debt management, including monitoring city debt levels and the overlapping debt burden imposed on city residents by other local governments.

STRATEGIES: Stabilizing the debt service property tax levy by developing a comprehensive debt policy for debt capacity and capital financing to reduce the amount of debt issued annually.

Ensure compliance with debt policy by developing a working debt forecast model that analyzes the impact of debt financing in future years.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to deliver services at a competitive cost and improve fiscal capacity. Effective management that stabilizes debt service costs and controls outstanding debt is a key component supporting this goal.

Milwaukee faces many of the issues that affect older Midwestern cities. Aging infrastructure and comparably lower income levels than surrounding areas are among the negative issues facing the city. The city's strength is in its strong financial management, sizable fund balances and moderate levels of debt. Overall, the city's capacity to meet its financial obligations remains strong.

The current mix of strengths and negatives results in the city having a high bond rating for general obligation debt. Recently, Fitch Ratings assigned an AA+ rating to city bonds, Moody's Investors Services rated them Aa2, and Standard & Poor's rated them AA Stable. Table 1 details the city's performance on several commonly used debt indicators.

OVERVIEW

The 2011 debt expenditure needs total $324 million, an increase of $43.8 million from 2010. There is an increase of $28.8 million for Revenue Anticipation Notes (RAN). The remaining debt increased by $15 million to reflect recent borrowings. Table 2 shows expenditures for self-supporting and tax levy supported city debt while Table 3 illustrates the distribution of their funding sources. Highlights of the major changes in city debt expenditures and funding sources follow.

Table 1

City Debt Indicators Relationship to Standard & Poor's Debt Benchmarks

Debt Indicators		S & P Rating
Economic		
Income as Percent of 2000 National Average	76.0%	Low
Market Value Per Capita	$55,235	Moderate
Taxpayer Concentration (Top Ten Taxpayers)	4.1%	Diverse
Financial		
Unreserved Debt Reserve Balance	10.6%	N/A
Unreserved General Fund Balance	4.8%	Near 5% goal
Debt		
Direct Debt Per Capita	$1,399	Moderate
Direct Debt Percent of Market Value	2.5%	Moderate
Debt Maturing Within Ten Years	87.0%	Standard is 50.0%

Table 2

CITY DEBT EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Self Supporting Debt					
Brewer MEDC Loan	$1,063,339	$1,063,339	$1,063,339	$0	$0
Delinquent Tax Financing	24,409,994	27,465,043	27,673,793	3,263,799	208,750
Industrial Land Bank	15,787	0	0	-15,787	0
MPS Loans, ADA and Information System	1,231,756	4,883,167	4,883,167	3,651,411	0
Parking	2,130,725	2,250,755	2,250,755	120,030	0
Sewer Maintenance Fund	8,321,297	8,630,562	8,630,562	309,265	0
Special Assessments	1,949,617	1,677,907	1,677,907	-271,710	0
Tax Increment Districts	26,189,852	16,818,171	16,818,171	-9,371,681	0
Water Works	3,269,050	3,699,610	3,699,610	430,560	0
Subtotal	$68,581,417	$66,488,554	$66,697,304	$-1,884,113	$208,750
Tax Levy Debt					
General City	$67,070,593	$83,922,824	$83,922,824	$16,852,231	$0
RANs City and MPS	137,540,000	166,950,000	166,325,000	28,785,000	-625,000
Schools	12,893,929	12,197,420	12,197,420	-696,509	0
Subtotal	$217,504,522	$263,070,244	$262,445,244	$44,940,722	$-625,000
Total Debt Needs	$286,085,939	$329,558,798	$329,142,548	$43,056,609	$-416,250
Fees and Issuance Costs	$1,400,000	$1,400,000	$1,400,000	$0	$0
Deduction for PDAF Prepayment	-5,400,000	-5,400,000	-4,900,000	500,000	500,000
Deduction for Segregated S.A.	-1,949,620	-1,677,907	-1,677,907	271,713	0
Total	$280,136,319	$323,880,891	$323,964,641	$43,828,322	$83,750

Table 3

CITY DEBT SOURCE OF FUNDS	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Self Supporting Debt					
Brewer MEDC Loan	$1,063,339	$1,063,339	$1,063,339	$0	$0
Delinquent Tax Financing	23,659,994	26,715,043	27,673,793	4,013,799	958,750
Industrial Land Bank	0	0	0	0	0
MPS Loans, ADA and Information System	1,223,881	4,883,167	4,883,167	3,659,286	0
Parking	2,130,725	2,250,755	2,250,755	120,030	200,000
Sewer Maintenance Fund	9,021,297	9,330,562	9,530,562	509,265	0
Tax Increment Districts	23,829,873	25,834,453	25,834,453	2,004,580	0
Water Works	4,569,050	4,999,610	4,999,610	430,560	0
Subtotal	$65,498,159	$75,076,929	$76,235,679	$10,737,520	$1,158,750
General Obligation Debt Financing					
Fees and Issuance Costs	$1,400,000	$1,400,000	$1,400,000	$0	$0
Other Revenues	144,119,680	176,059,280	177,017,280	32,897,600	958,000
Tax Levy	69,118,480	71,344,682	69,311,682	193,202	-2,033,000
Subtotal	$214,638,160	$248,803,962	$247,728,962	$33,090,802	$-1,075,000
Total Debt Needs	$280,136,319	$323,880,891	$323,964,641	$43,828,322	$83,750

CITY DEBT EXPENDITURES AND SOURCES OF FUNDS

General City (Excluding Schools and Revenue Anticipation Notes): Debt service costs associated with city borrowing for capital improvement projects, not including RAN borrowing, is $83.9 million in 2011, an increase of $16.9 million from 2010. The property tax levy for debt service is $69.3 million, an increase of $0.2 million from 2010.

Milwaukee Public Schools (MPS): The tax levy debt cost for school borrowing will be $12.2 million in 2011, a decrease of $0.7 million from 2010. Since 1989, the city has provided MPS with $182.3 million in borrowing authority for school improvements.

Tax Incremental Districts (TIDs): The incremental property taxes collected on the value increment portion of the property retire the debt incurred for city funded district improvements. In the 2011 budget, debt service for Tax Incremental Districts is $16.8 million while revenues are $25.8 million.

Delinquent Taxes: The 2011 budget includes $27.7 million to finance delinquent tax borrowing which is $3.3 million greater than 2010. Estimates of sources of funds from the collection of delinquent taxes and interest penalties are $27.7 million in 2011, an increase of $4 million from 2010.

Parking Debt: A transfer from the Parking Fund, equivalent to the amount of annual outstanding debt service, entirely offsets parking related debt service costs. In the 2011 debt budget, the Parking Fund provides $2.1 million to finance debt service costs associated with parking capital projects.

Special Assessments: Infrastructure improvements, like repaving streets or alleys, are partially offset by an assessed charge to the abutting property owners for a portion of the project's cost. When taxpayers choose a six year payment option, the city borrows money to finance the project. The 2011 debt budget includes approximately $1.7 million to finance debt service costs associated with special assessment borrowing.

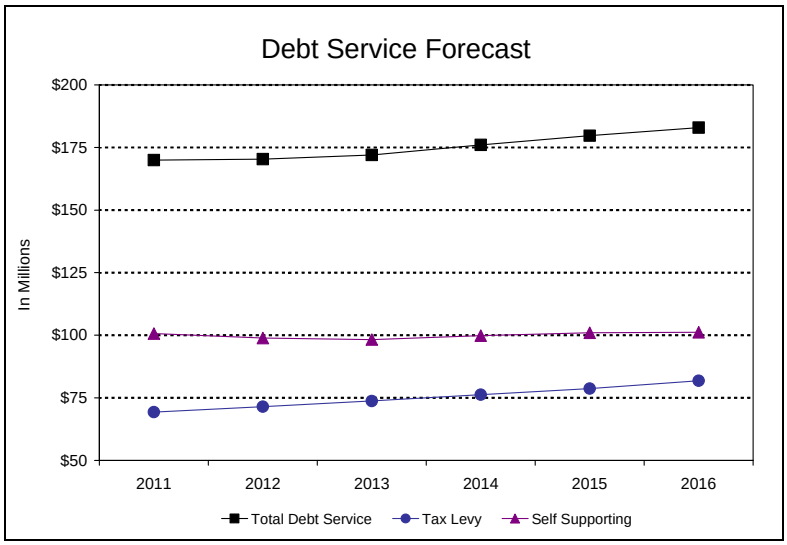
Water Works: The 2011 debt budget includes $3.7 million for Water Works' debt service costs. Debt service costs for Water Works are paid from Water Works' annual earnings.

Sewer Maintenance: Approximately $8.6 million in debt service for 2011 relates to sewer capital projects. Beginning in 2009, general obligation debt service related to sewer projects are paid by the Sewer Maintenance Fund. The Sewer Maintenance Fund made a payment to debt service in 2009 of $9.3 million.

Miller Park Project: The 2011 budget includes $1.1 million in revenue to offset debt service costs related to the Miller Park Stadium Project. This amount reflects an agreement with the Milwaukee Economic Development Corporation (MEDC) and the Southeastern Wisconsin Professional Baseball Park District.

Field Operations Facility Lease Payment: The city has constructed a new facility for the Sewer Maintenance Fund and Water Works at the Tower Automotive site. An annual rental payment from the Sewer Maintenance Fund and Water Works will fund this project. In 2011, the rental payment is $2.2 million.

Figure 1



Vehicle Registration Revenue: Revenue generated from the Vehicle Registration Fee will be transferred to the debt service fund to retire street related debt. There will be $3.3 million transferred to fund an increased level of street related capital improvement funding.

DEBT TAX LEVY STABILITY

The city has structural budget problems created by limited revenue sources and substantial wage and health care benefits growth, and instability with the debt budget due to past borrowing practices.

A debt stability plan requires a solid capital improvements plan. Limits on the level of borrowing directly influence future debt payments. To stabilize the debt tax levy, borrowing is lowered to the level of annual debt retirements. The city currently retires approximately $55 million in property tax levy supported debt annually.

Under a controlled borrowing approach, the city can reduce its annual increase in the debt service tax levy to a stable level. As shown in Figure 1, the tax levy debt service levels off in 2011 at roughly $69.3 million and will grow by approximately $2.4 million annually through 2016. Total debt service will continue to grow at a relatively slow rate to a total of $183.0 million by 2016.

Figure 2

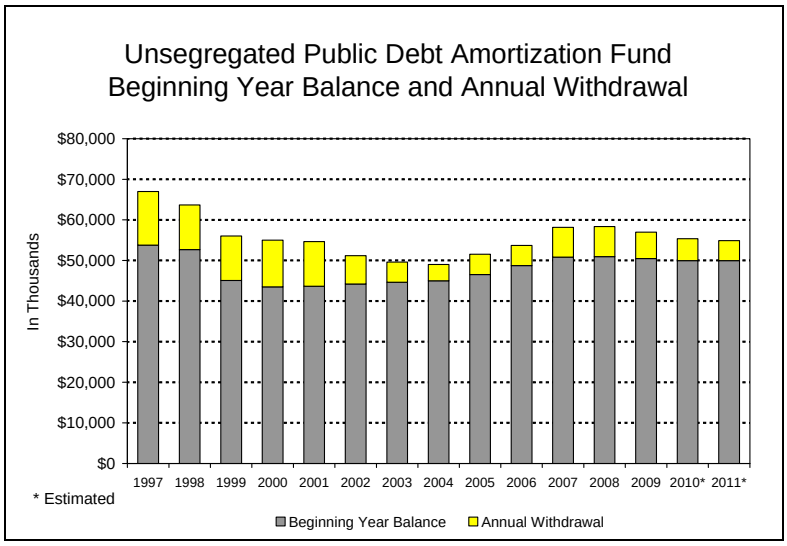
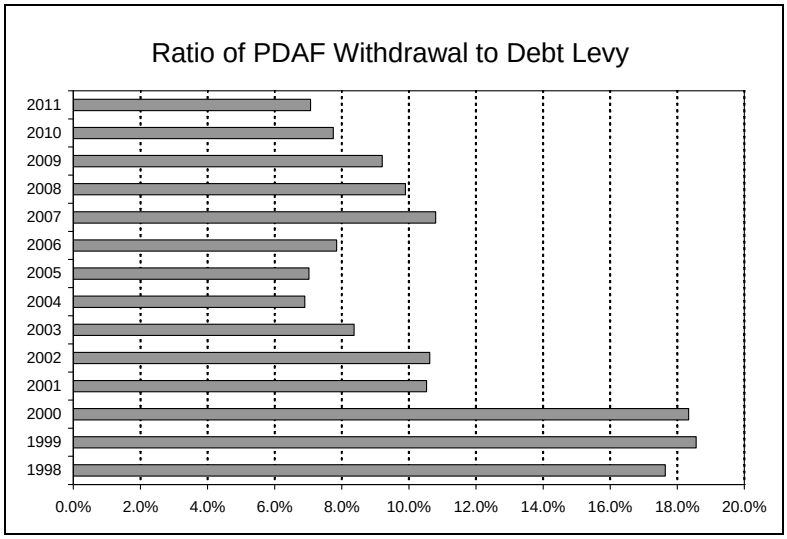


Figure 3



PUBLIC DEBT AMORTIZATION FUND

The Public Debt Commission oversees the use of the Public Debt Amortization Fund (PDAF). The primary sources of revenue for the fund are one-third of earnings on city investments and earnings on the fund's investments.

The PDAF withdrawal for the 2011 budget is $4.9 million. The 2009 fund balance is $49.9 million or $0.5 million less than the 2008 balance of $50.5 million. The annual withdrawal balances the competing goals of reducing the debt service tax levy versus maintaining a sufficient reserve balance. Figure 2 illustrates how the unsegregated balance of the PDAF was drawn down to approximately $43.5 million in 2000. Since 2001, the fund balance has grown from a low of $43.5 million to the current balance of $49.9 million, despite a very low interest rate environment.

The 2011 PDAF withdrawal reflects the need to use the fund to control the debt service property tax levy. Figure 3 shows the ratio of the PDAF withdrawal to the debt tax levy. A reasonable 7.0% ratio will exist for 2011 purposes. This level is consistent with recent years.

F. COMMON COUNCIL CONTINGENT FUND

EXECUTIVE SUMMARY

MISSION: To provide budgetary authority and funding to pay for emergencies that may arise during the year for which no express provisions have been made elsewhere in the city's budget.

OBJECTIVES: Allow funding of unauthorized emergency expenditures on a timely basis.

STRATEGIES: Adhere to guidelines and standards in considering requests for withdrawals. Maintain the Fund's integrity as an "emergencies only" source of funds.

SUMMARY OF EXPENDITURES

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Common Council Contingent Fund	[$1,449,764]	$5,000,000	$5,000,000	$5,000,000	$0	$0
TOTAL	[$1,449,764]	$5,000,000	$5,000,000	$5,000,000	$0	$0

SOURCE OF FUNDS

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Property Tax Levy	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$0	$0
TOTAL	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$0	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Common Council Contingent Fund provides funding for emergency situations that require expenditures above budget authorizations. Requests must be approved by three-quarters of the Common Council before funds can be used and must meet one of the following criteria:

- Emergency circumstances;
- Obligatory circumstances; or
- Fiscal advantage and/or compliance with fiscal management principles.

Additional established guidelines and standards must be met relative to the Finance and Personnel Committee's review of Contingent Fund requests. The guidelines and standards focus on:

- Timelines and process requirements; and
- Information that must be provided to the Finance and Personnel Committee upon request, including:
  - Statement of action requested, including the account where the Contingent Fund appropriation is needed;
  - Purpose of action, including the impact on program service or activity and program objectives; and
  - A description of the emergency that prompts the request.

Limiting Contingent Fund requests to these criteria forces departments to manage within their allocated budgets and discourages use of the Fund for initiating new projects or programs.

SPECIAL REVENUE FUNDS

This section of the budget includes funds supported by revenues other than the city property tax levy. Revenues other than the city property tax offset the appropriations in this section. Any property tax levies related to these special revenue funds are provided in other sections of the city's budget.

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
G. Parking Fund	$44,789,528	$56,642,216	$51,919,733	$54,603,800	$-2,038,416	$2,684,067
H. Grant and Aid Project Fund	52,394,849	76,117,944	68,316,730	72,446,206	-3,671,738	4,129,476
I. Economic Development Fund	6,744,919	9,072,755	9,707,848	8,839,558	-233,197	-868,290
J. Water Works	108,140,644	122,462,804	129,447,059	114,769,000	-7,693,804	-14,678,059
K. Sewer Maintenance Fund	82,013,049	73,810,755	88,904,209	88,320,000	14,509,245	-584,209
M. Delinquent County Taxes Fund	10,681,537	15,000,000	12,300,000	12,300,000	-2,700,000	0
TOTAL	$304,764,526	$353,106,474	$360,595,579	$351,278,564	$-1,827,910	$-9,317,015

G. PARKING FUND

EXECUTIVE SUMMARY

MISSION: To provide clean and safe on- and off-street parking in a manner which integrates parking policies and economic development goals and maintains the financial solvency of the Parking Fund and independence from city tax levy funding.

OBJECTIVES: Direct parking regulation of both on- and off-street activities such as parking structures and lots, towing, storing and disposing of vehicles, parking information desk operations, and the citation processing contract.

STRATEGIES: Continue services that maintain and enhance the financial stability of the Parking Fund including a diverse array of revenue streams.

Explore new technology to improve the efficiency of the city's parking operations.

Continue efforts to enhance citation processing and tow management.

Continue efforts to enhance citation collection and adjudication.

Respond to opportunities that accompany development and redevelopment projects.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	117.73	122.50	127.75	128.75	6.25	1.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	129	130	130	131	1	1
EXPENDITURES						
Salaries and Wages	$5,137,334	$4,881,990	$5,252,355	$5,274,521	$392,531	$22,166
Fringe Benefits	2,361,774	2,467,610	2,626,178	2,637,261	169,651	11,083
Operating Expenditures	13,011,670	14,783,000	14,242,000	14,242,000	-541,000	0
Equipment	7,181	182,000	257,500	257,500	75,500	0
Special Funds	4,100,824	6,090,616	5,366,700	5,230,518	-860,098	-136,182
Transfer to General Fund	18,132,150	22,287,000	18,000,000	20,787,000	-1,500,000	2,787,000
TOTAL OPERATING	$42,750,933	$50,692,216	$45,744,733	$48,428,800	$-2,263,416	$2,684,067
Capital Projects	$2,038,595	$5,950,000	$6,175,000	$6,175,000	$225,000	$0
TOTAL BUDGET	$44,789,528	$56,642,216	$51,919,733	$54,603,800	$-2,038,416	$2,684,067

STATEMENT OF REVENUES

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
OPERATING REVENUES						
Structures	$7,557,802	$7,238,000	$7,271,000	$7,271,000	$33,000	$0
Meters	4,653,243	5,406,245	4,951,400	4,951,400	-454,845	0
Permits	3,165,150	3,762,000	3,762,000	3,762,000	0	0
Towing	4,029,834	3,962,500	4,020,000	4,020,000	57,500	0
Lots	16,101	24,000	24,000	24,000	0	0
Parking Citation Revenue	20,879,206	22,000,000	22,000,000	22,000,000	0	0
Miscellaneous	499,729	400,000	495,000	495,000	95,000	0
Vehicle Disposal	1,439,486	2,200,000	1,330,000	1,330,000	-870,000	0
Sale of Real Property	4,200	0	0	0	0	0
Withdrawal From Reserves	1,024,631	5,699,471	1,891,333	4,575,400	-1,124,071	2,684,067
TOTAL OPERATING	$43,269,382	$50,692,216	$45,744,733	$48,428,800	$-1,124,071	$2,684,067
CAPITAL EXPENDITURES						
Structures	$2,038,595	$950,000	$1,175,000	$1,175,000	$225,000	$0
TOTAL EXPENDITURES	$2,038,595	$950,000	$1,175,000	$1,175,000	$225,000	$0
CAPITAL FINANCING						
Proceeds from Borrowing	$2,038,595	$950,000	$1,175,000	$1,175,000	$225,000	$0
Retained Earnings	5,000,000	5,000,000	5,000,000	5,000,000	0	0
Carryover Borrowing (Informational Purposes Only)	(4,098,064)	(4,439,064)	(0)	(3,759,764)	(-679,300)	(3,759,764)
TOTAL FINANCING	$7,038,595	$5,950,000	$6,175,000	$6,175,000	$225,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Parking Fund is an Enterprise Fund administered by the Department of Public Works (DPW), and finances the city's on- and off-street parking expenses through revenues received from these services. The Parking Fund's responsibilities include managing city owned parking structures and lots; towing, storing and disposing of vehicles; managing parking enforcement; information desk operations, and the citation processing contract. Operating the Parking Fund as an Enterprise Fund allows the city to use its excess revenues to transfer money to the city's General Fund, removing pressure from the property tax.

The Parking Fund oversees five city owned parking structures; operates and maintains approximately 6,500 parking spaces throughout the city; manages approximately 50 parking lots; issues nearly 885,000 parking citations each year; tows approximately 31,000 illegally parked and abandoned vehicles per year to the city's tow lot; and works with the Police Department to issue approximately 185,000 night parking permits each year. These activities provide convenient, efficient, and cost effective on- and off-street parking for Milwaukee's residents, businesses, and visitors.

The Parking Fund has used technology improvements to assume increased responsibility for tasks like issuing citations and night parking permits, allowing the Milwaukee Police Department to reallocate staff efforts to more critical service areas. Parking Enforcement Officers in DPW now assume most citation issuance duties and often take the first steps in determining whether a parked vehicle is properly registered.

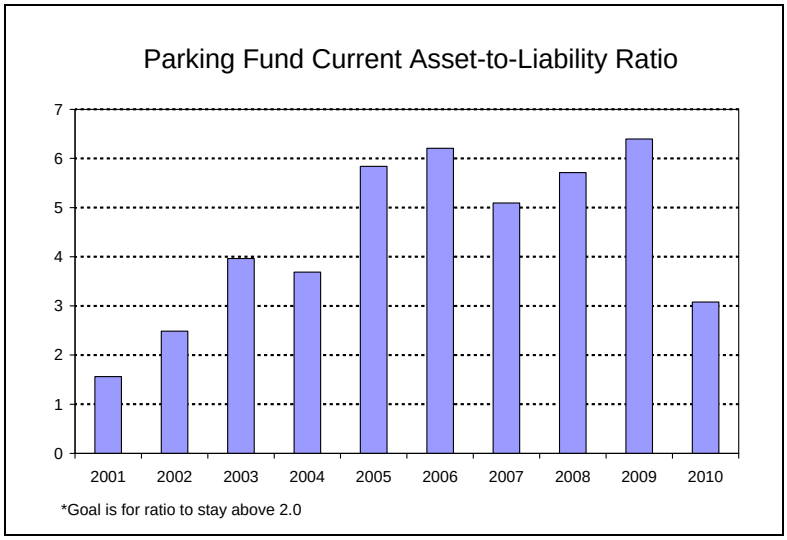
Strategies and Milestones for 2011

Objective:	**Direct parking regulation of both on- and off-street activities such as parking structures and lots, towing, storing and disposing of vehicles, parking information desk operations, and the citation processing contract.**
Strategies	**2011 Milestones**
Continue services that maintain and enhance the financial stability of the Parking Fund including a diverse array of revenue streams.	Maintain a minimum of a 2:1 ratio of assets to liabilities. Citation fines and parking meter rates increased.
Explore new technology to improve the efficiency of the city's parking operations.	Install the fourth phase of installation of multi-space parking meters.
Continue efforts to improve parking services and collections.	Encourage residents to purchase night parking permits online to avoid time spent in line to buy permits.
Use transfer to General Fund to improve city's financial status and increase ability to maintain services.	Parking revenues are either flat or in slight declines. Parking transfer to General Fund is decreased to $20.8 million.
Respond to opportunities that accompany development and redevelopment projects.	Discuss merits of lease agreements of city owned parking structures to maximize utilization and revenues.

STRATEGY IMPLEMENTATION

To remain financially viable, the Parking Fund's goal is to maintain at least a 2:1 ratio of current assets to liabilities. At the end of 2009, the Fund exceeded this level, at a 6.4:1 ratio, and is projected to be at 3.1:1 at the end of 2010 (see Figure 1). General obligation debt payable has been cut considerably since 2004, from $3.7 million to $3.2 million, and other current liabilities have remained relatively constant over the last six years. As of December 31, 2009 the Parking Fund had $59.1 million in total assets and $14.2 million in total liabilities, most of which is for outstanding debt.

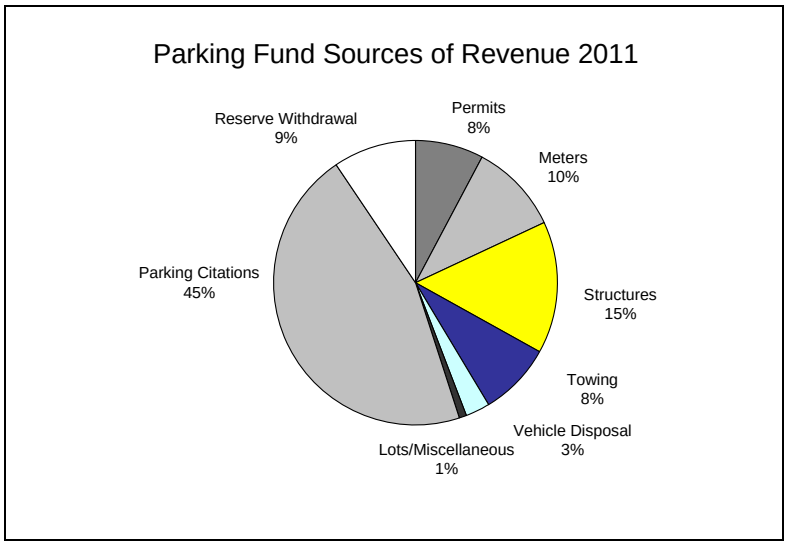
Figure 1



The Fund's strength results from its diverse revenue streams (see Figure 2). This diversity provides financial stability because if one type of revenue underperforms in any given year, it is not as damaging to the Fund. The largest source of parking revenue is citations, which generated over $21 million in 2009 and is slated to generate $22 million of revenue for 2011.

Technology Enhancements: The Parking Fund continues to pursue technological enhancements that automate parking functions and lead to more efficient and effective parking services. Technology improvements are intended to be user friendly, increase customer payment options, and improve overall customer service.

Figure 2



The multi-space meter project began in 2007, and the first phase of the project included the purchase and installation of 103 electronic multi-space meters to replace approximately 1,100 single space meters in the downtown central business district. The second phase of this project added 74 meters in 2008 and 40 more in 2009. In 2010 the third phase adds 53 multi-space meters. The 2011 proposed budget provides funding for approximately 40 multi-space meters in the Marquette University and Mt. Sinai Hospital areas, replacing coin operated, single space meters. In 2010, multi-space meters regulated 2,529 parking spaces downtown.

The 2011 proposed budget will encompass all the current metered areas that charge a minimum of $1 per hour and have at least six contiguous spaces per block. Unless new metered areas are added such as in the Park East Corridor or unless replacements of knock downs become necessary, or until the $0.50 per hour meters are increased to $1 per hour, the 2011 proposed budget is anticipated to conclude necessary multi-space meter funding for the next few years. Each meter controls multiple parking spaces and accepts coins, credit and debit card payments. The meters use wireless communications to provide real time information for adjudication, financial management, auditing, monitoring meter uptime and cashbox capacity, malfunctions, and frequency of coin collection.

Customer service kiosks that sell and dispense night parking permits and accept payments for parking citations are installed at six District Police Stations. In 2009, approximately 118,000 permits were sold in these districts through the automated payment centers. The kiosks accept cash, check, or credit cards and electronically dispense parking permits 24 hours a day, 7 days a week. Approximately 63% of all permits were sold through the kiosks in 2009, but that number is expected to decrease as more people begin to use the online option. This self-serve technology has significantly reduced Police Department staff workload related to processing parking permits, freeing officers and support staff for crime fighting duties. In 2010, the city decreased the frequency required to buy night parking permits. Persons who choose not to buy annual permits will be able to buy four month permits instead of the previous three month permits, meaning non-annual permits will only have to be bought three times in one year. A new, convenient feature added in 2010 allows night parking permits to be bought online using a MasterCard or Visa debit or credit card. This gives residents the ability to order, pay for, and receive a permit at their homes without having to take a trip to a police station.

Outstanding Parking Revenue Collection Strategies: DPW takes a proactive approach to increase the collection of unpaid parking citations and outstanding towing and storage fees. Various initiatives have increased the collection of outstanding fees.

- **New Citation Management Contract:** DPW Parking entered into a new citation processing and management agreement with Duncan Solutions that became effective January 1, 2009. Among the enhancements of this new contract is reduced citation processing fees by nearly 20% and approximately 4.7% reduction in payments made by the city to collect citations older than 80 days. The new contract uses dual collection rates for TRIP certified and non-TRIP collections, providing a greater financial benefit to the city.

- **Tax Revenue Intercept Program (TRIP):** The city began participating in the TRIP program in 2002. Beginning in 2007, all persons with vehicles registered in Wisconsin who have unpaid parking citation balances exceeding $40 are registered with the Wisconsin Department of Revenue (DOR). Since inception in the TRIP program, over $33 million in outstanding parking debt has been collected by the City of Milwaukee.

- **Citation Payment Plans**: As part of the 2009 citation processing contract, payment plans were required to allow persons seeing the Citation Review Manager to be able to pay their citations over a period up to one year without having to schedule a hearing in Municipal Court. Because significant processing time was required, this approach was underutilized. At DPW's request, the citation processing contractor revised the system to allow payment plans to be set up directly through the Violations Bureau. The citizen no longer has to take off a day of work to obtain an appointment with the Citation Review Manager followed by another day off to be heard in Municipal Court. Not only does this provide immediate relief for the citizen who can get their registration suspension lifted and their tow eligibility removed (if applicable), but it also will result in quicker appointments to see the Citation Review Manager and a decreased workload for the Municipal Court. While it has been only one month the new system has been in effect, the public response has been extremely positive.

- **Towing or Booting Legally/Illegally Parked Vehicles:** Under current law, if a vehicle with outstanding citations is legally parked, the city cannot tow or boot the vehicle for unpaid citations. Proposed legislation attempts to encourage violators to adjudicate or pay outstanding parking citations in a timely manner, by allowing municipalities to ticket and tow or boot any legally parked vehicle with three or more outstanding parking citations, requiring the citations to be paid or scheduled to be adjudicated prior to releasing the vehicle. The booting bill did not pass in the last legislative session, but DPW will work for its reintroduction in the upcoming legislative session.

- **Time Limitations for Citation Adjudication:** DPW will pursue state legislation in the current legislative session that encourages timely payment of outstanding parking citations by allowing a parking citation to be paid, adjudicated, or arranged to be adjudicated within 180 days after issuance. For a violator who does not do any of these things, the legislation would allow the Municipal Court to enter a default judgment without requiring signed acceptance or responsibility by the vehicle owner or violator.

Parking Structure Lease Agreements: In December 2009, the city leased its vacant retail space in the 4th and Highland parking garage. The space was vacant for more than 1.5 years. Now known as "CenterCourt", the new restaurant and bar owners are working to attract new business to the area. They have enhanced the food menu and updated the interior to make it more welcoming to new patrons.

OTHER SERVICE AND BUDGET CHANGES

Transfer to the General Fund: The 2011 proposed budget includes a transfer of $20.8 million to the General Fund which is a $1.5 million decrease over the amount budgeted in 2010. Due to flattening or declining revenues in the areas of meters and vehicle disposal, it is important to reduce this transfer payment. The Parking Fund will budget a $4.6 million withdrawal from Parking Fund reserves in 2011.

Capital Projects: Funding of $325,000 is provided for maintenance at the Second and Plankinton parking structure. The parking structure needs slab, crack, and joint repairs in order to remain in adequate condition. Funding of $600,000 is provided for replacing the Marquette and Mt. Sinai areas single space meters with multi-space electronic meters that accept credit/debit card payments. Approximately 40 multi-space meters will replace 425 single space meters, allowing for more efficient meter collection. A total of $250,000 is set aside for regular parking facility maintenance. This account provides funding for necessary structural, mechanical, and electrical deficiencies of a non-emergency nature.

2011 Budget by Services (Funding in Millions)

Service	**Parking Regulation**	
Activities:	Parking meter operation and maintenance, parking structure operation and capital management, parking lot management, parking ordinance enforcement, citation processing and collection, and parking permit administration.	
		2011 Projection
Performance Measures:	Number of multi-space meters in service.	320
	Number of multi-space meter transactions.	1,700,000
	Number of citations issued.	850,000
Funding by Source:	Operating Funds	$13.0
	Capital Budget*	$0.6
	Totals	**$13.6**

Service	**Towing Operations**	
Activities:	Towing and tow lot management, citation processing and release of vehicles.	
		2011 Projection
Performance Measures:	Number of vehicles towed.	31,000
	Percentage of towed vehicles returned to owners.	85.0%
	Average number of days vehicle stored before returned to owner.	2.3
Funding by Source:	Operating Funds	$4.8
	Capital Budget*	$0.0
	Totals	**$4.8**

Service	**Parking Fund Finance and Administration**	
Activities:	Parking structure operation and capital management, parking lot management.	
		2011 Projection
Performance Measures:	Revenue from city owned parking structures.	$7.2
	Transfer of excess funds from Parking Fund to General Fund.	$20.8
	Asset-to-liability ratio.	2.7
Funding by Source:	Operating Funds	$30.6
	Capital Budget*	$0.6
	Totals	**$31.2**

* Note: Program funding does not include capital improvements funded from the Permanent Reserve 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	Position Title	Reason
16	16.00		Communication Assistant III	Positions returned to full time until implementation of the Unified Call Center is complete.
-16	-12.00		Communication Assistant III (0.75 FTE)	
5	5.00		Communication Assistant IV	
-5	-3.75		Communication Assistant IV (0.75 FTE)	
1	1.00		Accounting Assistant II	Position moved from DPW Administration for Parking financial duties.
1	**6.25**	**0.00**	**Totals**	

H. GRANT AND AID FUND

EXECUTIVE SUMMARY

OBJECTIVES: 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 established in city ordinance. Grants support the objectives and strategies of departments.

STRATEGIES: Manage changes in Community Development Block Grant (CDBG) funding and potential changes in the allowable uses of CDBG funding.

Manage increased grant applications, funding and reporting through the Housing and Economic Recovery Act and the American Recovery and Reinvestment Act.

Identify and obtain new grant funding sources.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Grantor Share (Non-City)	$52,394,849	$76,117,944	$68,316,730	$72,446,206	$-3,671,738	$4,129,476
TOTAL	$52,394,849	$76,117,944	$68,316,730	$72,446,206	$-3,671,738	$4,129,476

The Grant and Aid Fund is a "parent" account that accumulates grant funds prior to allocation on a project-by-project basis during the fiscal year. In order to expend funds, a Common Council resolution is 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 or unanticipated grants.

OTHER SERVICE AND BUDGET CHANGES

The 2011 proposed grant and aid budget of $72.4 million reflects a decrease in anticipated grant funding of $670,000 (1.3%) and a decrease in unanticipated grant funding of $3 million (13%) from the 2010 budget (see Table 1). The majority of the reduction is in the unanticipated category. This grant funding was increased in the 2010 budget to provide additional grant authority for grant funding available through the American Recovery and Reinvestment Act (ARRA) of 2009. Since sufficient grant authority has been provided for ARRA grants, the unanticipated amount is reduced in 2011.

Table 1

Comparison of Projected Grant Activity (Grantor Share)

Department	2010	2011	Difference
Administration	$25,910,997	$27,167,122	$1,256,125
City Clerk	10,000	10,000	0
City Development	1,235,000	1,235,000	0
Fire	1,303,000	907,688	-395,312
Fire and Police Commission	0	207,992	207,992
Health	8,158,750	8,198,100	39,350
Library	1,084,700	1,086,100	1,400
Police	11,833,912	10,080,549	-1,753,363
Public Works	3,581,585	3,553,655	-27,930
Unanticipated	23,000,000	20,000,000	-3,000,000
Totals	$76,117,944	$72,446,206	$-3,671,738

Community Development Grants Administration (CDGA): The Community Development Grants Administration anticipates

receiving approximately $27.2 million in grant funds. This is an increase of $1.3 million or 4.8% from the 2010 budget. Approximately $18.2 million of this anticipated funding is through the Community Development Block Grant (CDBG) program, a funding increase of $1.3 million, or 7.7% from the 2010 budget. CDBG funds support neighborhood strategic planning efforts that target the city's block grant allocation toward city neighborhood priorities and needs.

The 2011 proposed budget includes $96,306 in CDBG reprogramming funds for the Department of Neighborhood Services Targeted Code Enforcement program, to support additional staffing to improve the monitoring and oversight of properties in the foreclosure process.

In addition, $281,655 in CDBG reprogramming funding has been earmarked for replacing $200,000 allocated from the 2010 CDBG contingent fund for the Milwaukee Police Department and Department of Public Works for abandoned and foreclosed home stabilization efforts and $81,655 reallocated from city department administration funding from the NSP 2 grant to the City Treasurer's Office for expedited *In Rem* foreclosure efforts in 2010.

Other grant changes include a $100,000 decrease in the HOME program grant (-1.4%) and an increase of $43,000 in the Housing Opportunities for Persons with AIDS program (8.1%).

Department of City Development grant funding stays constant at $1,235,000. The 2011 proposed budget includes the same grants and funding amounts as in the 2010 budget, including funding for brownfields, economic development, and the arts.

The City Clerk's Office anticipates $10,000 from the Historic Preservation grant. The historic preservation function was shifted from DCD to the City Clerk in 2010, as provided by Common Council File Number 090276.

Fire Department grant funding decreases by $395,000 (30%) to $908,000, the result of anticipated funding decreases for the Urban Areas Security Initiative grant, the Metropolitan Medical Response System grant, and the EMS Funding Assistant Program grant.

Health Department grant funding increases by $39,350 (0.5%) to $8.2 million. While some grant funding has ended, including the Adolescent Community Health Program, EcoCultural grant, MAPPP Milwaukee Adolescent Pregnancy Prevention Partnership and Tobacco Control grant, the department has been able to secure additional grants, including:

- LAUNCH (Linking Actions for Unmet Needs in Child Health), with anticipated funding of $612,000;
- Lead Detection grant, with anticipated funding of $284,000;
- Maternal and Child Health Grant Meta House, with anticipated funding of $464,000; and
- Sexual Assault Planning grant, with anticipated funding of $96,000.

There are additional changes, both increases and decreases, in various other Health Department grants.

Library grant funding increases slightly by $1,400 (0.1%) to $1.1 million, the result of a small increase in the Interlibrary Loan Services grant.

Police Department grant funding decreases by $1.7 million (14.8%) to $10.1 million. Most of this change is the result of an $800,000 reduction in the Brewers grant and a $1.25 million reduction in the COPS Secure Our Schools and COPS in Schools grants. Some new or increased grants are anticipated in 2011, including Bradley Center Program grant (+$162,000), Homicide Review Project (+$265,102), I-94 N-S Corridor Reconstruction (+$110,500), MPS School Security Program Northwest Secondary (+$288,000), Neighborhood Safety Initiative (+$247,500), and Wisconsin Internet Crimes Against Children (+$30,000).

Department of Public Works grant funding decreases by $27,930 (0.8%) to $3.6 million. This reflects a $39,322 reduction in the recycling grant, with anticipated funding of $3.5 million.
Unanticipated grant funding is $20 million.

American Recovery and Reinvestment Act: The American Recovery and Reinvestment Act (ARRA) of 2009 has provided millions in additional grant funding to the City of Milwaukee. This grant funding will support the city's efforts to address crime and public safety, energy efficiency and environmental quality, infrastructure and transportation improvements, public health, and job creation and workforce development.

Known ARRA grant awards include:

- $6.9 million in Homelessness Prevention and Rapid Re-Housing program
- $4.5 million in the Community Development Block Grant
- $10.3 million in Public Housing Capital Fund
- $4.1 million in the Byrne Justice Assistance grant
- $8 million in Workforce Investment grants
- $17.8 million in Energy Efficiency Block grant
- $874,000 in Lead Hazard Reduction/Healthy Homes
- $10.3 million in COPS Hiring Recovery Program grant
- $31 million in Street Transportation Project funding
- $423,773 in Port Security grant
- $7.9 million for Lapham Park Public Housing Development
- $25 million in the Neighborhood Stabilization Program 2
- $660,543 in Milwaukee Shines Solar grant
- $3 million for Leaking Underground Storage Tanks
- $450,000 in the Brownfield Revolving Loan Fund
- $200,000 in the Petroleum Assessment grant
- $200,000 in the Hazardous Assessment grant
- $95,000 in the Ready for Re-Use grant
- $241,085 in the Prevention and Wellness grant
- $33.6 million in the Clean Water Revolving Loan Fund
- $1.1 million in Pathways Out of Poverty grant
- $2.5 million in Broadband Technology Opportunities Program

The city has applied for additional ARRA funding of $10 million for the Putting Prevention to Work program and is awaiting final determination of the grant award. The city has convened an Economic Stimulus Task Force that will monitor and oversee the city's application for ARRA funding and report on the use of ARRA funds. The city has also created a website that explains how it is working to access and spend ARRA funds, part of the effort to create transparency and accountability in the program. The website provides details on proposed spending plans and how funds are spent by city government.

Capital Grant Funding: In addition to operating grants, certain city departments, particularly the Department of Public Works, also receive significant grant funding for capital improvement projects. For information on capital grants, see the *Capital Improvements* section of the *2011 Proposed Plan and Executive Budget Summary*.

I. ECONOMIC DEVELOPMENT FUND

EXECUTIVE SUMMARY

MISSION: The Economic Development Fund provides expenditure authority for economic development purposes, including the Business Improvement District program.

OBJECTIVES: Promote development in commercial areas.

STRATEGIES: Provide owner financed development.

Work cooperatively with local businesses to improve the appearance of business districts.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Business Improvement Districts	$6,744,919	$7,672,755	$8,209,848	$7,341,558	$-331,197	$-868,290
Excess TID Revenue	0	1,400,000	1,498,000	1,498,000	98,000	0
TOTAL	$6,744,919	$9,072,755	$9,707,848	$8,839,558	$-233,197	$-868,290

STRATEGY IMPLEMENTATION

The Economic Development Fund supports the goal of increasing investment and economic vitality throughout the city. The 2011 proposed budget for the Economic Development Fund is $8.8 million. There is no tax levy impact in this fund. Revenue of $8.8 million will be received from BID assessments and from excess TID revenue to finance budgeted expenses.

Business Improvement Districts are special assessment districts created at the petition of local commercial property owners. In accordance with Sec. 66.608 Wis. Stats., the city has established over 40 Business Improvement Districts (BIDs). Each year the BIDs work with the city to develop a plan and budget. This budget becomes the basis for an assessment charged to businesses in the BID area. Because the BIDs do not have taxing authority, the city collects the assessment on their behalf. Through an appropriation in the city budget, the city provides the dollars it collects to the BIDs.

For 2011, excess Tax Incremental Districts (TIDs) revenue will also be budgeted in the Economic Development Fund. This excess revenue is to be paid out to the other taxing jurisdictions (Milwaukee County, Milwaukee Public Schools, Milwaukee Area Technical College) when a TID is closed. It is expected that $1.5 million in excess revenue will be paid to the other jurisdictions in 2011. There is additional net revenue of $0.4 million that is represented in the General Fund revenues.

SERVICES

There are 35 active BIDs throughout Milwaukee; each is governed by a local board. Collectively, these BIDs annually raise over $7.3 million for activities ranging from economic development and administration to streetscaping and public safety. The following is a list of active BIDs for 2011 and their corresponding budgets as well as budget authority for new potential BIDS:

NID #1 (Brewery) $29,776

BID #2 (Historic Third Ward) $573,030

BID #3 (RiverWalk) $0

BID #4 (Greater Mitchell Street) $135,310

BID #5 (Westown) $102,337

BID #8 (Historic King Drive) $203,707

BID #9 (735 North Water RiverWalk) $0

BID #10 (Avenues West) $132,110

BID #11 (Brady Street Business Area) $158,640

BID #13 (Oakland Avenue) $50,000

BID #15 (RiverWalk) $391,208

BID #16 (West North Avenue) $158,250

BID #17 (North 76th and Brown Deer) $40,000

BID #19 (Villard Avenue) $114,000

BID #20 (East North Avenue) $220,870

BID #21 (Downtown Management District) $3,016,975

BID #25 (Riverworks) $212,157

BID #26 (Menomonee Valley) $116,073

BID #27 (Burleigh) $63,271

BID #28 (North Avenue Gateway District) $45,000

BID #29 (Teutonia, Capitol, Atkinson) $115,003

BID #31 (Havenwoods) $170,000

BID #32 (North Avenue Market Place) $92,917

BID #35 (Becher/Kinnickinnic) $8,227

BID #36 (Riverworks II) $47,095

BID #37 (30th Street Industrial Corridor) $166,354

BID #38 (Ceasar Chavez) $27,000

BID #39 (Center Street Market Place) $69,289

BID #40 (Airport Gateway) $331,000

BID #41 (Downer) $57,000

BID#42 (Schlitz Park) $113,000

BID #43 (South 27th Street) $119,419

BID #44 (Kinnickinnic) $45,913

BID #45 (Silver Lane) $87,090

BID #46 (Basilica Square) $11,087

BID #47 (Lincoln Village) $18,000

Potential New NIDs $100,000

J. WATER WORKS

EXECUTIVE SUMMARY

MISSION: Provide a safe, reliable, and aesthetically pleasing supply of water at a competitive price.

OBJECTIVES: Provide a reliable supply of water to customers.

Achieve 100% compliance with Safe Drinking Water Act standards.

Leverage the Water Works as an asset to the community to attract business and support general city operations.

STRATEGIES: Improve the utility's rate of return while maintaining a strong competitive position in the regional water market.

Invest in treatment plants and pumps to maintain reliable operation of the multiple barrier treatment process.

Market Milwaukee water to surrounding communities and nationally consistent with the Great Lakes Compact.

Continue Implementation of "Use Water Wisely" campaign.

BUDGET SUMMARY

PERSONNEL	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
FTEs - Operations and Maintenance	305.17	355.43	356.22	358.72	3.29	2.50
FTEs - Other	11.65	12.65	11.44	11.44	-1.21	0.00
Total Positions Authorized	348	404	378	381	-23	3
EXPENDITURES						
Salaries and Wages	$17,707,731	$19,620,166	$19,736,859	$19,850,287	$230,121	$113,428
Fringe Benefits	7,391,495	8,764,638	9,229,200	9,197,119	432,481	-32,081
Operating Expenditures	37,769,687	41,512,000	40,456,000	40,393,000	-1,119,000	-63,000
Equipment	1,664,173	3,488,000	1,277,000	1,204,500	-2,283,500	-72,500
Special Funds	5,042,198	9,418,000	10,418,000	6,985,000	-2,433,000	-3,433,000
TOTAL	$69,575,284	$82,802,804	$81,117,059	$77,629,906	$-5,172,898	$-3,487,153

CAPITAL BUDGET SUMMARY

CAPITAL BUDGET						
Main Program	$14,071,107	$15,400,000	$17,520,000	$15,800,000	$400,000	$-1,720,000
Plants and Other	5,237,267	4,630,000	6,845,000	4,845,000	215,000	-2,000,000
TOTAL CAPITAL BUDGET	$19,308,374	$20,030,000	$24,365,000	$20,645,000	$615,000	$-3,720,000
CAPITAL FINANCING						
Retained Earnings/Cash	$19,031,986	$19,630,000	$23,965,000	$16,200,000	$-3,430,000	$-7,765,000
Bond Issue	225,000	0	0	4,045,000	4,045,000	4,045,000
Assessments	0	100,000	100,000	100,000	0	0
Developer Financed	51,388	300,000	300,000	300,000	0	0
TOTAL CAPITAL FINANCING	$19,308,374	$20,030,000	$24,365,000	$20,645,000	$615,000	$-3,720,000

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
REVENUES						
Operating	$67,951,553	$83,000,000	$86,454,000	$86,454,000	$3,454,000	$0
Non-Operating	8,987,755	7,462,000	$7,670,000	$7,670,000	208,000	0
Developer Capital and Assessments	51,388	400,000	400,000	400,000	0	0
Bond Issue	225,000	0	0	4,045,000	4,045,000	4,045,000
Withdrawal From Retained Earnings	11,667,962	11,970,804	10,958,059	0	-11,970,804	-10,958,059
TOTAL REVENUES	$88,883,658	$102,832,804	$105,482,059	$98,569,000	$-4,263,804	$-6,913,059
EXPENDITURE AUTHORIZATIONS						
Operating	$69,575,284	$82,802,804	$81,117,059	$77,629,906	$-5,172,898	$-3,487,153
Capital Funding	19,308,374	20,030,000	24,365,000	20,645,000	615,000	-3,720,000
Deposit To Retained Earnings	0	0	0	294,094	294,094	294,094
TOTAL AUTHORIZATIONS AND DEPOSITS	$88,883,658	$102,832,804	$105,482,059	$98,569,000	$-4,263,804	$-6,913,059

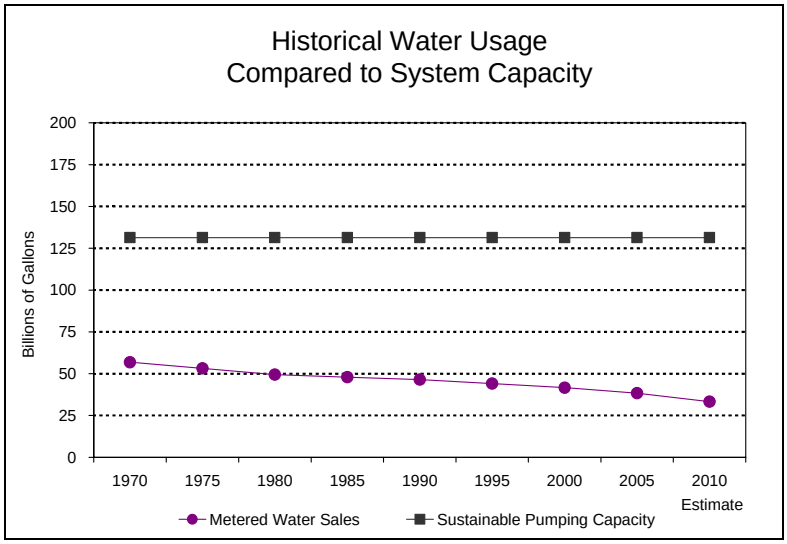
DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

A safe, reliable supply of water is critical to a modern economy and economic development. The Great Lakes are the world's largest source of fresh water. Milwaukee's proximity to Lake Michigan gives it an economic advantage over other areas of the country. A sustainable supply of drinking water gives businesses and homeowners confidence that they can locate here and continue to operate for decades to come. Additionally, by greatly reducing the risk of contaminants, a safe supply of drinking water may be the single most important factor in protecting the public's health. Milwaukee's advanced multi-barrier treatment process, which includes ozone disinfection, allows it to provide some of the cleanest water in the country.

The Milwaukee Water Works is a municipally owned water utility regulated by the State of Wisconsin Public Service Commission (PSC) and the Wisconsin Department of Natural Resources (DNR). From its Howard Avenue and Linnwood Plants, Water Works pumps and treats nearly 39.6 billion gallons of water annually from Lake Michigan with 33.3 billion gallons in metered sales. It delivers this water through 1,955 miles of mains to approximately 868,000 customers. In addition to water sales to Milwaukee residents and businesses, Water Works provides wholesale water services to Milwaukee County institutions and ten suburbs and retail service to five suburbs.

The utility's production structure directly affects water rates. Most costs are "fixed" in that they do not change significantly with the amount of water that is purchased by consumers. Costs for water mains, plant infrastructure, and the staff to support them remain, even as water consumption declines. Water sales continued to decline in 2009, dropping 2.2% from 2008. Since 2000, metered water sales have declined 20%. Figure 1 shows how the Water Works two treatment plants are now operating at less than one-third of their sustainable capacity. The utility maintains the two treatment plants due to the advantage of redundancy and the need for pumping capacity to the southwest service area.

Figure 1



In addition to declining consumption, a number of other factors since 2006 have placed pressure on the Water Works rates. A DNR mandated cross connection inspection program costs the utility $819,000 annually. This number will grow with new regulations adopted by DNR in 2010. The cost of treatment chemicals has more than doubled. In 2011, the Water Works will be required to spend $432,000 for the normal cost of pensions. In 2010, the Water Works will begin a multi-year plan to replace the water meters and batteries in residences in the retail service area; $4.3 million is proposed for this project in 2011. In 2011, the Water Works is budgeting for a 13% increase in electrical costs. In 2009, the utility spent more than $4.9 million for electricity to power its treatment plants, pumping stations, and other operations. Some of this increase will be offset by declining water pumpage and upgrades to more efficient pumping equipment.

In 2009, the Water Works received Common Council approval to pursue a two part plan to increase Water Works revenue. Council File 090142 authorized the Water Works to petition the Public Service Commission for a simplified rate case that would allow the utility to increase water rates by 3.8%, effective in mid-2009. Council File 090239 authorized the Water Works to apply for a larger rate case to be effective no earlier than December 15, 2009. The Public Service Commission has not yet approved this rate case. At the end of 2009, the Milwaukee Water Works posted a rate of return of -.69%, which is the ratio of net operating income to the value of Water Works' assets. This negative rate of return indicates an unsustainable financial position for the utility. The second rate increase is expected to become effective at the end of 2010.

The second rate case contemplates increasing the overall rate of return to 5.2%, which would provide the utility with enough revenue to maintain existing operations and fund an adequate capital improvements plan. In 2010, the rate case process became protracted. The delay in implementing the new rates cost the utility about $18 million in revenue in 2010. Due to this loss in expected revenue, the Water Works took action to stabilize its 2010 finances. Water Works management delayed equipment purchases, scrutinized operating expenses, reduced overtime, and curtailed water main replacements. If the new rate case becomes effective as proposed, the average homeowner in the City of Milwaukee will pay $47.19 per quarter (or 52 cents per day) for this essential service.

In 2008, the Mayor and Common Council reached a deal with New Berlin for the Water Works to sell water to the middle third of that community. The arrangement was consistent with requirements of the Great Lakes Compact. This arrangement will increase Water Works sales by 1.26 million gallons per day. However, declining water consumption across all sectors of the region will likely yield a net decrease in metered water sales in 2010. In July of 2009, the Water Works began delivering water to this portion of New Berlin.

Strategies and Milestones for 2011

Objective: Provide a reliable supply of water to customers.	
Strategies	**2011 Milestones**
Upgrade system pumping stations Continue preventative maintenance program for water mains, hydrants, and meters.	Complete improvements to southwest pressure district. Repair main breaks within 24 hours 95% of the time. Implement phase one of a multi-year AMR meter replacement project.
Objective: Achieve 100% compliance with Safe Drinking Water Act standards (days in compliance total days in reporting period).	
Strategies	**2011 Milestones**
Continue to invest in treatment plants and pumps to maintain reliable operation of the multiple barrier treatment process.	Complete construction of the Riverside backup power generator. Achieve 730 days in compliance for the two treatment plants.
Objective: Leverage the Water Works as an asset to the community to attract business.	
Strategies	**2011 Milestones**
Improve the utility's rate of return while maintaining a strong competitive position in the regional water market.	Implement a PSC approved rate case with a differential rate of return for wholesale and retail customers.
Market Milwaukee water to surrounding communities and nationally consistent with the Great Lakes Compact.	Initiate large scale interstate marketing effort to attract water intensive businesses to Milwaukee.

STRATEGY IMPLEMENTATION

In 2009, Water Works repaired 91% of main breaks within 24 hours and the average time that customers were without water was 4.5 hours. Water mains are replaced primarily according to the frequency of main breaks. In 2009, Water Works installed 12.1 miles of water mains. The 2011 proposed budget funds the Water Main program to replace 12.2 miles.

In 2009, Water Works achieved its goal of providing safe, high quality drinking water. The utility was in full compliance with the Safe Drinking Water Act 365 days last year. The utility substantiated no water quality complaints that were attributable to Water Works' activities. Typically, plumbing issues within a customer's building explain most water quality complaints.

OTHER SERVICE AND BUDGET CHANGES

Using Water Wisely Campaign: The Water Works uses sustainable practices such as supply-side conservation, limiting leaks and preventing water waste, energy conservation and operation efficiency. Supply side

conservation practices focus on reducing costs and operational efficiencies that saved over one billion gallons from 2006 to 2008. The Water Works participates in the U.S. EPA's Water Sense program and conducts public education with Clean Wisconsin on an awareness campaign "Use Water Wisely, Control Water Costs" that focuses on finding and fixing household leaks. The 2011 proposed budget includes a new half time position of Community Outreach Liaison to help educate the public and various stakeholder groups on best practices for not wasting water.

Automatic Meter Reading (AMR) Project: In the fourth quarter of 2010, the Water Works will begin a multi-year program to replace water meters in about 160,000 residences in the retail service area. In 1994, the Water Works began its Automatic Meter Reading program to reduce costs of manually taking meter readings. The AMR program allowed the Water Works to take readings of customer's water usage using trucks that recorded the information over radio waves transmitted by this meter equipment. The batteries on the original transmitters are beginning to fail and the warranty for replacement has expired. Next generation batteries now have an expected useful life of 20 years, with a full 10 year warranty and a pro-rated warranty up to 20 years. The Water Works proposes to install new water meters for customers to coincide with the battery replacement, since the Public Service Commission requires the utility to replace all water meters every 20 years. The 2011 proposed budget for this project is $4.3 million, including funding for 32 AMR positions. Water Works is making minor renovations at its Cameron Avenue facility to accommodate meter shop operations related to this project. The Water Works could then further improve the Cameron Avenue facility and eventually sell its current Meter Shop on Kinnickinnic Avenue.

Distribution Crews: The Water Works continues to reap operating savings from the consolidation of its two field facilities into the DPW field headquarters on North 35th Street. As retirements occur in 2010 or 2011, the Water Works will be able to eliminate one Chief Repair Worker and two Repair Workers. The utility is reviewing other options to streamline staffing through consolidation of position titles and scheduling throughout its operations.

Water Marketing: The Water Business Marketing program will be a sponsor of a new Food and Beverage Development Plan in the region, led by the M7 economic development team. The plan is to retain and attract food and beverage production companies.

Debt Service: To help stabilize the utility's finances, the 2011 proposed budget includes $4,045,000 in debt financing of capital projects at its treatment plants and pumping stations. The utility continues to cash finance its "base" annual capital program for water mains. This new borrowing increases the debt service budget by $173,000.

Transfer of Surplus Earnings: In 2009, city leaders discussed approaches for leveraging the city's assets to address fiscal challenges. As part of the rate case discussion, the Mayor, Common Council, and Comptroller's Office agreed that the Water Works would transfer $3 million from its surplus to the city's General Fund. No transfer is included for 2011.

Furlough and Pay Freeze: The 2011 proposed budget includes a four day furlough for all Water Works staff, saving approximately $273,000 in salaries. No salary or wage increases are included in the 2011 proposed budget

CAPITAL PROJECTS

The 2011 Water Works capital budget totals $20,645,000.

Water Main Replacement Program: In 2011, the Water Main Replacement program increases to address the problem of an aging distribution system. Funding of $15.8 million will add 12.2 miles of water mains. This includes $300,000 for developer financed mains, and $100,000 for assessable main replacements.

Linnwood Plant Building and Treatment Improvements: The 2011 proposed budget allocates $325,000 for roof replacements at the Linnwood Treatment Plan, $195,000 to replace a leaking sanitary sewer main, $600,000 for

continuation of the Motor Control Center project, $175,000 to replace valves for the ozone bypass system, and $500,000 for a chemical feed upgrade.

Howard Plant Building and Treatment Improvements: The 2011 proposed budget allocates $350,000 to repair sections of roof. $100,000 is included to design a flocculator system upgrade. In 2010, funding was included to conduct a structural analysis of the ozone building structure, as the building had horizontal joint separation and the roof shows signs of cracking but no leaks. $500,000 is included to stabilize a wall in the ozone building.

Pump Facility Improvements: The 2011 proposed budget allocates $1.55 million for pump facility improvements, including upgrades at the Lincoln Avenue station, Texas Avenue station, and Oklahoma Avenue station. Funding also includes $250,000 for variable frequency drives at four facilities, an energy efficiency measure.

Storage Facility Improvements: $300,000 is included to accomplish design work for painting the water storage tanks on Lincoln Avenue. Painting is a necessary preventative maintenance strategy.

Meter Shop: $150,000 is included to complete renovations at the Cameron Avenue facility for the AMR project. This facility will be the field shop for the AMR replacement program and eventually will house the entire Meter Services work force.

Backup Power Generation: No new funding is included for the multi-year back-up power generation project. Construction of a new system for the Riverside pumping station is expected to be completed in late 2011. Design for back-up power at the Linnwood treatment plant is anticipated to begin in late 2010, but capital funding for construction is not needed until 2012.

2011 Budget by Services (Funding in Millions)

Service	**Water Distribution and Customer Service**	
Activities:	Distribution main design, operation, maintenance and repairs, meter reading, customer accounts, cross connection inspections, and administration.	
		2011 Projection
Performance Measures:	Percentage of main breaks in service within 24 hours.	94.0%
	Miles of mains installed or replaced.	12.2
	Rank of residential water rate in Southeastern Wisconsin (of 78).	20
Funding by Source:	Capital Budget	$17.6
	Operating Funds	$47.7
	Totals	**$65.3**
Service	**Drinking Water Supply and Treatment**	
Activities:	Water pumping, water treatment, water quality monitoring, plant operation and maintenance.	
		2011 Projection
Performance Measures:	Percent compliance with Safe Drinking Water Act standards.	100.0%
	Substantiated water quality complaints.	< 5
Funding by Source:	Capital Budget	$3.0
	Operating Budget	$29.9
	Totals	**$32.9**

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	Position Title	Reason
			Business Operations	
1	0.50		Community Outreach Liaison (0.50 FTE)	Educate customers on smart water use as part of "Use Water Wisely" campaign.
-1	-1.00		Office Assistant II	
-4	-1.00		College Intern (0.25 FTE)	Hire up to four College Interns through the DER resource program.
-1	-1.00		Water Systems and Security Manager	Full year funding for AMR positions.
-1	0.25		AMR Meter Service Manager (X)	
	2.33		Meter Field Supervisor (X)	
-1	-0.50		Program Assistant I (0.50 FTE)	
	1.00		Customer Service Representative III	
	0.50		Office Assistant IV	Increase from 0.5 FTE to full time.
-2	-1.00		Office Assistant III (0.50 FTE)(A)	AMR positions added in 2010 budget are not needed.
-1	-0.33		Water Meter Investigator (0.33 FTE)	
-4	19.45		Water Meter Technician II	Consolidation of Technician titles into a single classification as part of the AMR project.
-6	-6.00		Water Meter Technician I	
-1	-0.33		Meter Shop Utility Worker (0.33 FTE)	AMR positions added in 2010 budget are not needed.
-1	-0.33		Meter Reader Supervisor (0.33 FTE)	
	-6.29		Various Positions	Miscellaneous adjustments.
			Engineering	
	1.21	-1.21	Various Positions	Reduced capital deduction.
			Distribution	
-1	-1.00		Communications Assistant IV	Positions reclassification.
1	1.00		Communications Assistant III	
-1	-1.00		Office Assistant III	
1	1.00		Office Assistant II	
	-1.34		Water Distribution Utility Investigator	Efficiencies from facility consolidation.
-1	-1.00		Water Distribution Tapping Specialist	
	-1.33		Water Distribution Laborer	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
			Water Quality	
-1	-1.00		Water Chemist II	Reorganization of shift schedules and duties.
			Plants South	
1	1.00		Automated System Specialist	Increase efforts to automate plant functions.
	-0.50		Machine Repair Person	Experience due to difficulties in filling vacancy.
-23	**3.29**	**-1.21**	**Totals**	

K. SEWER MAINTENANCE FUND

EXECUTIVE SUMMARY

MISSION: Protect people, property, and the environment from sewage, flooding, erosion, and polluted runoff.

OBJECTIVES: Improve surface water quality by eliminating sanitary sewer overflows while reducing the risk of property damage due to flooding and basement backups.

STRATEGIES: Reduce stormwater infiltration and inflow (I&I) into sanitary sewer basins that the State of Wisconsin and Milwaukee Metropolitan Sewerage District have stipulated for correction.

Conduct a demonstration project for private lateral rehabilitation on private property to assess its effectiveness at reducing infiltration and inflow into the sanitary system and reduce the risk of basement back-ups.

Continue to develop and implement a Capacity, Management, Operations, and Maintenance (CMOM) program to govern operations.

BUDGET SUMMARY

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	93.26	107.52	104.02	104.02	-3.50	0.00
FTEs - Other	25.47	25.49	28.99	28.99	3.50	0.00
Total Positions Authorized	172	164	164	164	0	0
EXPENDITURES						
Salaries and Wages	$5,281,823	$5,002,568	$4,905,082	$4,905,082	$-97,486	$0
Fringe Benefits	2,528,705	2,641,187	2,729,439	2,729,439	88,252	0
Operating Expenditures	6,221,095	5,671,000	6,098,000	5,888,000	217,000	-210,000
Equipment	30,077	160,000	347,400	97,400	-62,600	-250,000
Special Funds	29,402,321	36,399,000	36,454,288	34,866,500	-1,532,500	-1,587,788
O&M TOTAL	$43,464,021	$49,873,755	$50,534,209	$48,486,421	$-1,387,334	$-2,047,788
Capital Projects	$36,236,229	$23,937,000	$38,370,000	$39,833,000	$15,896,000	$1,463,000
Deposit to Retained Earnings	2,312,799	0	0	579	579	579
TOTAL	$82,013,049	$73,810,755	$88,904,209	$88,320,000	$14,509,245	$-584,209
REVENUES						
Sewer Maintenance Fee	$27,508,815	$28,591,500	$26,554,000	$26,949,000	$-1,642,500	$395,000
Stormwater Maintenance Fee	18,950,771	22,316,000	$22,337,000	$22,337,000	21,000	0
Charges for Services	1,739,065	1,286,000	$1,351,700	$1,351,000	65,000	-700
Interest Revenue	173,285	258,000	$200,000	$200,000	-58,000	0
Miscellaneous Revenue	434,702	0	$350,000	$350,000	350,000	0
Proceeds from Borrowing	32,978,748	21,337,000	35,614,000	33,933,000	12,596,000	-1,681,000
ARRA forgivable capital loans	[12,378,147]	0	0	0	0	0
Grant and Aid	227,663	0	0	2,800,000	2,800,000	2,800,000
Assessable	0	0	0	400,000	400,000	400,000
Withdrawal from Retained Earnings	0	22,255	2,497,509	0	-22,255	-2,497,509
TOTAL	$82,013,049	$73,810,755	$88,904,209	$88,320,000	$14,509,245	$-584,209

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The regional sewer system is a critical contributor to the Administration's key goal to sustain, enhance, and promote Milwaukee's natural environmental assets. The City of Milwaukee maintains a sewer system that transports sanitary sewage to Milwaukee Metropolitan Sewerage District (MMSD) facilities for treatment. By treating our wastewater before returning it to our rivers and Lake Michigan, our sewerage system reduces the risk of waterborne illnesses and protects water quality. The sewer system also plays a key role in protecting property by managing flooding in the city. Additionally, new state regulations are placing more responsibility on municipalities for reducing pollution in stormwater.

Strategies and Milestones for 2011

Objective:	**Improve surface water quality by eliminating sanitary sewer overflows while reducing the risk of property damage due to flooding and basement backups.**
Strategies	**2011 Milestones**
Reduce stormwater infiltration into sanitary sewer basins that have been stipulated for correction by the State of Wisconsin and the Milwaukee Metropolitan Sewerage District (MMSD).	Inspect 4,500 manholes for leaks and rehabilitate manholes as required by stipulation. Reduce or store excess flow in seven broken sewersheds between 2009 and 2013.
Implement a private property I&I reduction program	Disconnect footing drains and rehabilitate sewer laterals in about 350 homes.
Continue to develop and implement a Capacity, Management, Operations, and Maintenance (CMOM) program to govern operations.	Develop and regularly report on key performance measures for both capital improvements and maintenance activities.

STRATEGY IMPLEMENTATION

The City of Milwaukee maintains 2,446 miles of public sewers, which connect to hundreds of miles of privately owned sewer laterals, the Milwaukee Metropolitan Sewerage District system, and sewer systems of surrounding communities. The integrated nature of the region's systems requires coordinated management strategies across the various stakeholders. Milwaukee's regional sewer system operates much more effectively than other major Great Lakes cities' as measured by the number of annual sewer overflows. However, severe weather over the past several years is presenting new challenges to the regional sewer system.

The core purpose of a traditional sewer system is to deliver all sanitary sewer flows to treatment plants, eliminate surface flooding, and reduce the risk of basement backups in homes. However, no sewer system, including Milwaukee's, has unlimited capacity. Leaky sewers and private laterals throughout the region, coupled with the increasing frequency of large storms, present enormous challenges. During large storms, when too much stormwater enters the sanitary sewer system it must discharge stormwater and sewage, known as Sanitary System Overflows (SSOs), or basement backups will result.

Over the past three years, Milwaukee has experienced unusual severe weather. Milwaukeeans suffered millions of dollars in property damage from flooding as a result. June 2008 was the wettest month in Milwaukee's history, with 12.3 inches of rain, compared to the June average of 3.6 inches. Large storms that drop huge amounts of rainfall over a short period will overwhelm the city's storm sewer capacity. The city's storm sewer system in the separated area was designed to manage the "five year" storm event, or about two inches of rain in a two hour period. On July 22, 2010, 5.65 inches of rain fell on portions of Milwaukee over a two hour period. This is 55% more rain than what Engineers would classify as a 100 year storm.

Another measure of the severity of recent rain events is the height of river crests on the Kinnickinnic River during large rain events. River cresting is a function of both rainfall and impervious surface area and drainage from the surrounding area. This watershed has been developed for several decades, so the height of river crests are largely a function of increased rainfall. Table 1 includes river crests height since 1976. Four of the five highest crests occurred since 2006. If these storm events are becoming a "new normal" the city, MMSD, and other planning agencies will need to assess long term strategies to address this challenge. These strategies may require rethinking land use plans or other major changes to the public and private sewerage system.

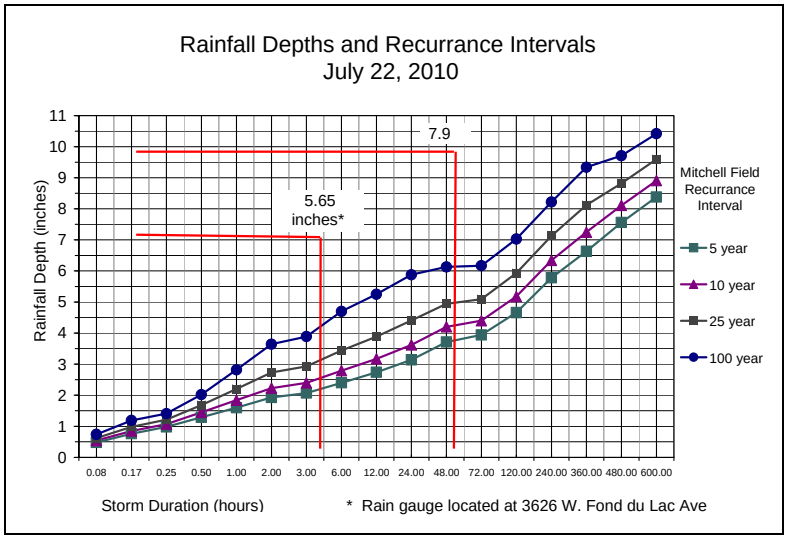
Table 1

Kinnickinnic River Dates of Highest River Crests

Date	Feet
8/6/1986	16.0
6/8/2008	**13.3**
7/10/2006	**13.2**
7/15/2010	**13.2**
7/23/2010	**13.2**
8/14/1994	12.6
6/21/1997	12.5
8/28/1995	12.4
6/17/1992	12.4
8/18/1990	12.3
6/23/2010	**12.3**
8/5/1998	12.2

Due to several occurrences of SSOs in the regional sewer system, the Milwaukee County Circuit Court in 2005 stipulated a variety of actions that 28 regional communities, including Milwaukee, must take to eliminate SSOs. These actions included identifying and correcting leaks in select sewer basins. The 2011 capital budget includes $14.33 million of "Infiltration and Inflow Reduction Projects" to reduce the amount of rainwater that enters the sanitary sewer system. This represents a 175% increase in city investment for this purpose. DPW will target this investment to the sewer sheds with the highest levels of infiltration and inflow and the greatest risk of basement backups. The majority of these funds will be used to reduce I&I in the public right of way, including 4,500 inspections of manholes, sealing 1,400 manholes, and lining sewers.

Figure 1



However, an MMSD study concluded that about 59% of I&I is from private property. The 2011 budget proposes funds to conduct an I&I reduction projects on homes in a demonstration area. The 2011 Sewer Maintenance Fund I&I capital budget includes an estimated $2.8 million in grants from MMSD for work on private property, $2.3 million in general sewer fund capital, and $400,000 in special assessment work. The plan will apply the conclusions of available research, and the demonstration area will allow for additional data. This project will evaluate which components of a multi-faceted approach should be implemented in the local sewer sheds most in need of improved performance, in order to address this community need cost-effectively. Budget estimates for work on private property vary widely, so the scope of this demonstration project will require ongoing assessment.

Work on private property may include private lateral rehabilitation, disconnection of home foundation drains from the sanitary sewers, and installation of sump pumps. To meaningfully reduce the risk of basement backups across a sewershed and serve the intended public purpose, these improvements could be mandatory for the homeowner, but funded by the public. These improvements will reduce excess stormwater into the public sanitary system and have public benefits to community at large. Backflow preventers, which benefit the property on which it is installed, could be an optional improvement. If a homeowner chooses this optional improvement, he or she could be required to pay some or all of the cost of the improvement through a special assessment, payable over six years. When done in conjunction with a lateral replacement and footing drain disconnection, the marginal cost of the

backflow preventer is estimated to be $1,000 per home. Beginning to address the problems of the regional sewer system on private property entails many public policy questions including cost effectiveness and equity, and additional scientific assessment of the demonstration areas will be necessary. The Administration is committed to working with the Common Council to shape this proposal going forward, and to draft appropriate ordinance revisions.

The city maintains an objective of zero annual sanitary sewer overflows. However, as DPW and MMSD phase in larger system improvements over time, extremely large storms will trigger the system's bypass pumps to discharge effluent from the system to reduce the risk of costly basement backups in residents' homes. The 2011 capital budget includes $1,000,000 for rehabilitation of ten bypass pumps. This is double the 2010 budget for this purpose. With the severity of storms increasing, bypass pumps play a critical role in reducing the risk of basement back-ups.

In addition to reducing SSOs and basement backups, Milwaukee is now required under its stormwater permit to reduce polluted stormwater runoff. This unfunded mandate is codified in Wisconsin Administrative Code (NR 151.13). Since the code's adoption, complying with it has become drastically more expensive than originally stated by the Department of Natural Resources. In 2009, DPW and the Department of Administration have worked with the DNR and the Alliance of Cities to modify the DNR rules to make them more cost effective and the compliance timeline more reasonable. The City of Milwaukee and the DNR have agreed to recognize the city's combined sewer area as a system for stormwater treatment. The combined sewer area, which collects both sanitary and stormwater flows and sends it to MMSD for treatment, covers approximately one-third of the city. This recognition will save city ratepayers tens of millions of dollars to comply with the NR 151 mandate, allowing the city to target its resources to reducing infiltration and inflow into the core system.

FINANCING CHANGES

Stormwater Management Fee: In 2011, the Stormwater Management Fee per quarter per Equivalent Residential Unit (ERU) will remain at $14. All one to four unit residential properties are charged one ERU per quarter. Commercial properties are charged based on their actual estimated impervious surface (one ERU is equivalent to 1,610 square feet of impervious surface). However, regular fee increases will be necessary in 2012 and beyond, particular if the city further increases its investment to work on private property.

Sewer Maintenance Fee: In 2011 the rate will remain at $1.16 per one hundred cubic feet of water (CCF).

Capital Financing: In recent years, the Sewer Fund has successfully used the State of Wisconsin's Clean Water Fund to finance some debt. The Clean Water Fund provides below market interest loans to communities to finance stormwater control projects. General Obligation (GO) debt will finance sewer capital projects that do not qualify for the Clean Water Fund. The Sewer Fund will then make payments to the city to cover the debt service. This financing strategy will save ratepayer's money, as clean water funding and General Obligation bonds have a lower interest rate than revenue bonds, and do not have other "reserve" requirements that increase costs. All 2010 capital appropriations in the Sewer Maintenance Fund are intended to finance projects and related DPW costs and do not include an appropriation for revenue bond reserves. In 2010, the city will cash finance $2.6 million in sewer capital to improve fund sustainability. This cash financing will cover the pump replacement projects, salary and fringe benefits associated with the design and project management of sewer capital projects, and manhole inspection projects.

American Recovery and Reinvestment Act: In 2009, the federal government passed the American Recovery and Reinvestment Act (ARRA) to rebuild the nation's infrastructure. Funding for sewer and stormwater management projects was awarded through the Clean Water Fund program. The City of Milwaukee and DPW maximized this rare opportunity by having projects identified and "shovel ready". This approach was successful in winning the city $15.5 million in forgivable loans (grants) for sewer projects.

Debt Fund Transfer: The 2011 proposed budget includes an $8.7 million transfer from the Sewer Maintenance Fund to the Debt Fund for sewer related GO debt service.

Payment to the General Fund: The Sewer Fund makes an annual payment to the General Fund to finance street sweeping and leaf collection services, provided by the Department of Public Works Operations Division. In 2009, the Common Council voted to fund tree pruning and brush collection from the Sewer Maintenance Fund. The 2011 proposed budget will transfer $12.39 million from the Sewer Maintenance Fund to the General Fund to pay for all levy supported tree care costs from the Sewer Maintenance fund and pension payments associated with street sweeping, leaf collection, brush collection, and pruning. Street trees help reduce stormwater flows by absorbing water through their root system. An amount of $2,117,500 will be transferred to the capital fund to support the tree planting capital program and emerald ash borer prevention program.

2011 Budget by Services (Funding in Millions)

Service	**Sewer System Services**	
Activities:	Sewer examinations, sewer cleaning, structure cleaning, structure repair, main repair, booster pump operation and maintenance, engineering and design, permit administration, and street sweeping.	
		2011 Projection
Performance Measures:	Total sewerage system miles.	2,446
	Miles replacement sewers installed or lined.	15.52
	Sanitary sewer overflows.	0
	Miles of sanitary and combined sewers cleaned.	455
Funding by Source:	Sewer Maintenance Fund	$48.5
	Capital Budget (incl. $2.8m capital grants)	$39.8
	Totals	**$88.3**

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	Position Title	Reason
-1		-1.00	Engineering Drafting Technician V	Reclassification to meet staffing needs.
1		1.00	Engineering Drafting Technician IV	
	-3.5	3.50	Various	Additional salaries charged against capital projects to reflect higher overall capital program.
0	**-3.50**	**3.50**	**Totals**	

M. COUNTY DELINQUENT TAX FUND

EXECUTIVE SUMMARY

MISSION: Provide appropriation authority to purchase Milwaukee County delinquent property taxes.

OBJECTIVES: Provide a funding mechanism to purchase delinquent county property taxes without affecting the city's tax levy.

STRATEGIES: Return tax delinquent properties to the tax rolls and increase future city revenue.

SUMMARY OF EXPENDITURES

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
Purchase of Delinquent County Taxes	$10,681,537	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0
TOTAL	$10,681,537	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0

SOURCE OF FUNDS

	2009 ACTUAL EXPENDITURES	2010 ADOPTED BUDGET	2011 REQUESTED BUDGET	2011 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2010 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2011 REQUESTED
County Delinquent Taxes Collected	$10,681,537	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0
TOTAL	$10,681,537	$15,000,000	$12,300,000	$12,300,000	$-2,700,000	$0

In accordance with Sec. 74.83 Wis. Stats., the City of Milwaukee is authorized to enter into an agreement with Milwaukee County to purchase county delinquent personal property taxes and real estate tax certificates. The initial agreement was executed in December 1987.

The authority to collect county delinquent property taxes enables the City Treasurer to consolidate the collection of delinquent taxes. Consolidation of the delinquent taxes provides a more efficient and effective tax collection administration by eliminating the burden of duplicate collections by the city and county.

The city purchases the county's delinquent personal property and real estate taxes at the close of the current tax collection period each February. In addition, the city also purchases the county's real estate taxes that become delinquent during the installment collection cycle each month. The city acquires an asset, delinquent county property taxes receivable, and generates revenue by keeping the interest and penalty charges collected on the delinquent taxes outstanding.

This account is the city's mechanism to purchase the county's delinquent property taxes. It is related to other delinquent tax collection efforts in the city debt budget.

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II. BORROWING AUTHORIZATIONS
General Obligation Bonds or Short Term Notes

		Reauthorization of 2010 Authority (1)(2)	New 2011 Authority	Total
A.	**Grants and Aids Projects** Specific purposes not contemplated at the time the budget was adopted			
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 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337 and 66.1105.			
6.	For developing sites for industry and commerce to expand the tax base as authorized under section 66.1101 and 66.1103.			
	Subtotal Grants and Aids Projects (Lines 1 to 6) (3).	$900,000	$0	$900,000
7.	Low interest mortgage loans under section 62.237.			
8.	For blight elimination, slum clearance, redevelopment, community development and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337 and 66.1105.			
9.	Parking lots or other parking facilities.			
10.	Housing public purpose under section 67.12(12).			
	Subtotal Grants and Aids Projects (Lines 7 to 10) (3).	$0	$400,000	$400,000
B.	**Renewal and Development Projects**			
1.	For providing financial assistance to blight elimination, slum clearance, redevelopment and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337 and 66.1105.			
	MEDC Loan Program.			
	Subtotal Renewal and Development Projects.	$17,685,743	$3,710,257	$21,396,000
C.	**Public Improvements**			
1.	Public buildings for housing machinery and equipment.	$21,222,622	$15,724,800	$36,947,422
2.	Harbor improvements.	3,023,208	0	3,023,208
3.	Parking facility improvements.	3,759,764	1,175,000	4,934,764
4.	Purchase of sites for and construction of engine houses, fire stations reconstruction, remodeling, planning, design and site acquisition.	6,725,659	3,064,000	9,789,659
5.	Police Department facility construction.	12,825,358	4,945,931	17,771,289
6.	Bridge and viaduct.	12,916,956	6,554,000	19,470,956
7.	Sewage disposal, sewer improvement and construction.	2,960,000	0	2,960,000
8.	Street improvements and construction.	41,620,286	35,611,700	77,231,986
9.	Parks and public grounds.	2,029,354	611,000	2,640,354
10.	Library improvements authorized under section 229.11 and 229.17.	7,714,515	2,526,000	10,240,515
	Subtotal General Obligation Bonds or Short Term Notes (Sections A through C).	$133,383,465	$74,322,688	$207,706,153
D.	**Contingent Borrowing**			
	Borrowing for a public purpose not contemplated at the time the budget was adopted.			
	Contingent borrowing.	$0	$150,000,000	$150,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$0	$150,000,000	$150,000,000
E.	**School Board Borrowing**			
1.	School purposes (A).	$7,950,000	$2,000,000	$9,950,000
2.	For school purposes authorized under section 119.498 and/or 66.1333.	0	0	0
	Subtotal General Obligation Bonds or Short Term Notes.	$7,950,000	$2,000,000	$9,950,000

		Reauthorization of 2010 Authority (1)(2)	New 2011 Authority	Total
F.	**Borrowing for Special Assessments**			
1.	To finance public improvements in anticipation of special assessments levied against property.			
2.	General city.	$6,547,693	$545,200	$7,092,893
	Subtotal General Obligation Bonds or Local Improvements Bonds.	$6,547,693	$545,200	$7,092,893
G.	**Tax Incremental Districts**			
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 67.05(5)(b).	$167,831,245	$22,000,000	$189,831,245
	Subtotal General Obligation Bonds, Short Term Notes or Revenue Bonds.	$167,831,245	$22,000,000	$189,831,245
H.	**Borrowing for Delinquent Taxes**			
	To finance general city purposes for anticipated delinquent taxes.	$0	$28,000,000	$28,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$0	$28,000,000	$28,000,000
I.	**Revenue Anticipation Borrowing**			
	To borrow in anticipation of revenue in accordance with section 67.12 of the Wisconsin State Statutes.	$0	$400,000,000	$400,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$0	$400,000,000	$400,000,000
J.	**Water Works Borrowing**			
	Water Works mortgage revenue bonds or general obligation bonds.	$11,600,000	$4,045,000	$15,645,000
	Subtotal Revenue Bonds or General Obligation Bonds.	$11,600,000	$4,045,000	$15,645,000
K.	**Sewer Maintenance Fund Borrowing**			
	Sewer Maintenance Fund revenue bonds or general obligation bonds including prior years.	$46,418,302	$33,933,000	$80,351,302
	Subtotal Revenue Bonds or General Obligation Bonds.	$46,418,302	$33,933,000	$80,351,302
	Total General Obligation Bonds or Short Term Notes	$373,730,705	$714,845,888	$1,088,576,593

(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.

(A) Design plans for any alteration to building exteriors and interiors shall be reviewed and approved by the city.

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.

Departmental Salary Appropriations

Department net salary and wage appropriations reflect current wage rates and expenditures and 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 18-06-12 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 unless a corresponding resolution specifying the footnote's intent is also adopted by the Common Council.

POSITIONS ORDINANCE AND 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.

TAX LEVY TO RATE CONVERSION TABLE

Assessed Value Used in Conversion Calculation as of September 9, 2010: $27,047,716,695

Tax Rate Per $1,000 of Assessed Valuation	Levy Change	Levy Change	Tax Rate Per $1,000 of Assessed Valuation
$0.01	$270,477	$5,000	$0.00
$0.05	$1,352,386	$10,000	$0.00
$0.10	$2,704,772	$50,000	$0.00
$0.25	$6,761,929	$100,000	$0.00
$0.50	$13,523,858	$500,000	$0.02
$1.00	$27,047,717	$1,000,000	$0.04

Formula for deriving tax rate per $1,000 of assessed value from known assessed value and levy:

$$\text{TAX RATE} = \frac{\text{TAX LEVY}}{\text{ASSESSED VALUE/1,000}}$$

Formula for deriving levy from known rate and assessed value:

TAX LEVY = TAX RATE x (ASSESSED VALUE/1,000)

Formula for deriving assessed value from known rate and levy:

ASSESSED VALUE = (TAX LEVY/TAX RATE) x 1,000

Note: Results are Approximate Due to Rounding