

DATE: November 17, 2008

TO: The Honorable County Board of Supervisors

FROM: Scott Walker, Milwaukee County Executive

SUBJECT: PARTIAL VETO OF FILE NUMBER 08-345 (2009 Budget)

I am vetoing in part the County Board budget, File No. 08-345 (2009 Budget) pursuant to the authority granted to me by Article IV, Section 23(a) of the Wisconsin Constitution and Section 59.17(6) of the Wisconsin Statutes.

While I appreciate the hard work of County Board members on the 2009 budget, I cannot accept a property tax levy increase of nearly \$7.8 million. The budget I submitted reflects the platform I ran on this past spring of not raising taxes, protecting and improving core county services.

I intended for my budget to attack the structural deficit by enacting reforms and contracting out more county services to reduce rapidly growing employee wage and benefit costs. I believe government needs to provide core services in an efficient and fiscally sound manner using resources from throughout Milwaukee County.

The tax increases levied by MATC, MPS and the City of Milwaukee, along with the recent economic crisis, has further burdened the taxpayers of Milwaukee County. Government needs to be a leader for the people in these tough economic times. We should not be placing even more financial burdens on families, older adults and small business owners.

The budget, as passed by the County Board, maintains key safety initiatives including placing all lockup facilities under the supervision of the Sheriff's Office and funding the Witness Protection Program in the District Attorney's office.

As in past years, public safety is a high priority in this budget. So too is making Milwaukee County an affordable place to live, work, learn and retire.

We have experienced increases in the cost of electricity, heating oil, gasoline, groceries and medicine. Some have concluded that the taxes government collects from the taxpayers should also increase. The cost of living alone should be sufficient reason for those of us in government to hold the line on spending to protect our citizens and employers.

The budget I return to the County Board today not only avoids a property tax increase - **it actually provides a decrease in the property tax levy.**

I believe we can control taxes while also ensuring that we continue providing core county services – the kind of services that make us proud to live in Milwaukee County. Our budget, with these vetoes, seeks to continue providing these services, but in new and innovative ways that are more cost effective.

A vivid example of how we can provide better service is found in the Call Center at the Economic Support Division. DHHS management has worked very hard to solve longstanding problems with staffing. We would all agree that it's broken and needs to be corrected. A contract with UWM and IMPACT will include performance standards that will guarantee daily staffing levels and insure improved service to those in need. Those who currently work in the Call Center will not face layoff.

During deliberations on the 2009 budget a number of Supervisors expressed a desire to move forward with a strategic planning process to provide an improved framework for making budgetary decisions. I share that desire wholeheartedly, however I also understand the challenges of developing consensus among elected officials, community stakeholders and constituent groups that have diverse views of County services and policy priorities. As a result, I have directed the Director of the Department of Administrative Services to immediately begin working with the County Board staff on the following fundamental components of an integrated strategic planning and budget process:

- ❑ Creation of a 5-year financial forecast that defines the County's budgetary structural deficit and resulting fiscal challenges,
- ❑ Identification of County financial policies and practices that need to be strengthened or modified,
- ❑ Development of a new process for estimating County revenues that ensures that revenue estimates made during all phases of the budget process are realistic and based on solid analysis, and
- ❑ Development of a space plan that includes identifies County facilities that are currently underutilized, estimates the potential market value of County facilities and plans for the potential relocation of County

functions to maximize the utilization of County facilities while vacating and making surplus underutilized facilities.

While these suggestions do not immediately address every component of an integrated strategic planning and budgeting process, they do represent important first steps and will provide the analysis that is of the greatest immediate importance to our efforts to improve the County's fiscal health.

By sustaining the vetoes before you, we can work together to continue providing needed services while reducing the structural deficit by 26%, which in 2010 represents a \$12 million decrease from \$57 million to \$45 million. If we fail to act now we will be deferring \$12 million in difficult decisions from this year to next year.

Due to the fact economic news has gotten much worse since I presented my proposed budget in September, I will continue the corrective action plan implemented during 2008 into the 2009 fiscal year. My proposed budget included a significant reduction in the assumed rate of return on our short-term investments. Unfortunately, over the past two months, the Federal Reserve has twice reduced interest rates resulting in re-estimates of up to \$2.0 million less in the budgeted earnings on investments for 2009. I will monitor the status of the 2009 Budget on an ongoing basis to determine if other adjustments in expenditures become warranted. This action is meant to help Milwaukee County contain costs in the coming fiscal year while providing basic services.

Our budget will maintain full funding for the cultural institutions and provides infrastructure improvements at the zoo.

In the area of transportation our budget maintains all of our bus and Paratransit routes. In addition, the transit system will partner with DAS – Office for Persons with Disabilities to initiate a pilot program during 2009 to offer conditionally eligible Paratransit clients complimentary rides on the existing fixed route bus system. The purpose of this program is to foster greater independence of conditionally eligible Paratransit clients and to transition these clients to the less costly fixed route bus system.

These are the services and progressive thinking that make us proud to live in Milwaukee County and they continue to be priorities in this budget.

Below are the specific vetoes I am returning to you for consideration. I believe that the average family is already overburdened by increasing costs and County government should not add to this burden. As noted below,

through the use of my veto authority, I am returning the 2009 Budget to the County Board with a tax levy that is \$1.3 million less than the 2008 levy of \$249,889,950.

I have exercised my veto authority as follows:

Veto #1 Grants Writer/Coordinator Position

[Levy Change from Board Action: \$97,860]

Amendment 1A060

This amendment creates one position of Grants Writer/Coordinator in Org. Unit 1000, within the Intergovernmental Relations Division, for a total cost (including salary and active fringe benefits) of \$80,044. This amendment also denies creation of one position of DAS Budget Manager – Property Services in the Property Management Division for a total cost (including salary and active fringe benefits) of \$97,860. In total, this amendment decreases property tax levy overall by \$17,816.

I am partially vetoing this amendment to deny the creation of a Grants Writer/Coordinator position in the County Board Intergovernmental Relations Division. The County currently receives millions of dollars in grants and intergovernmental transfers primarily through the efforts made by staff in the various County departments pursuing grant opportunities consistent with the policy directives of the County Board. I believe that the coordination of the grant application process is an administrative function and I am concerned that the addition of this position under the County Board could result in an additional layer of bureaucracy that will have the unintended consequence of actually reducing the County's effectiveness of obtaining outside grants.

Veto #2 Task Force Consulting Services

[Levy Change from Board Action: -\$125,000]

Amendment 1A042

This amendment provides \$125,000 in Org. Unit No. 1040 County Board – Office of Community Business Development Partners for outside consulting assistance for continued support of the Men of Color Task Force. In total, this amendment increases the property tax levy by \$125,000.

I am vetoing this amendment in its entirety eliminating the appropriation of \$125,000 added by the Board for consulting services for the Men of Color Task Force. While I am supportive of the goals of the Task Force, I believe that the \$125,000 that has already been appropriated in 2008 for this purpose is adequate to achieve the goals and objectives that have been identified. There is sufficient funding remaining in the 2008 appropriation to continue existing consulting

services through March 2009. As a result I do not believe that additional funds are necessary in 2009.

Veto #3: Chief of Staff Salary Adjustment
[Levy Change from Board Action: -\$23,987]

For reasons of internal and external parity, the 2009 Recommended Budget included an increase in the salary for the Executive Director 2 Administrative Secretary Chief of Staff position from \$76,419 to \$95,000 for a salary and active fringe benefit cost of \$23,987.

I am vetoing this language from the 2009 budget in order to maintain the salary for the Chief of Staff position at its current level. The rationale for the salary increase included in the recommended budget was sound and the individual in my Chief of Staff position is certainly dedicated and deserving of the increase. However given the uncertain economic future and the difficult budget challenges we face, I cannot justify providing a salary increase at this time.

Veto #4: Summer Youth Employment Program
[Levy Change from Board Action: -\$100,000]

Amendment 1A077

This amendment appropriates \$150,000 to DAS-Human Resources to provide funding for a Summer Youth Employment Program. In addition, the Economic Development Reserve shall provide \$50,000 towards this commitment. This amendment increases the property tax levy by \$100,000.

I am proud of the efforts county departments made this past summer to successfully facilitate the Summer Youth Employment Program in partnership with the Milwaukee Public Schools. My administration worked hard to make this program a success for the children who were able to participate. I would be pleased to participate in a similar program again in 2009.

However I am vetoing \$100,000 of County tax levy funding to support this program. The County can clearly play an important supportive role in the Summer Youth Employment Program. However this is a school district function and should be entirely funded by MPS. Furthermore it would be inappropriate to fund a program that is only available to City of Milwaukee residents with tax levy funds collected from all County residents.

Veto #5: Technology Innovation Center Floor

[Levy Change from Board Action: -\$60,000]

Amendment IA039

This amendment increases Potawatomi revenues by \$40,000 and then reallocates \$100,000 of this revenue for a net decrease in Potawatomi revenues of \$60,000. The \$100,000 of reallocated revenue is applied to the Safe Alternatives for Youth Program in the Department of Health and Human Services and expenditures for that program are reduced \$50,000. The net property tax levy decrease from this portion of the amendment addressing Potawatomi and Safe Alternatives for Youth Program totals \$90,000. In addition, this amendment increases expenditures and property tax levy by \$60,000 for maintenance related to a section of the floor structure within the laboratory area of the Milwaukee County Research Park. The net property tax levy increase from the portion of the amendment related to the Research Park floor totals \$60,000. In total this amendment reduces the property tax levy by \$30,000.

I am partially vetoing this amendment to remove \$60,000 added for maintenance of the floor structure in the laboratory area of the Technology Innovation Center. Properly maintaining the dozens of County facilities with the limited resources available requires a thorough vetting and prioritization of maintenance projects by facilities maintenance staff. Milwaukee County facilities staff has not received a project request related to the Technology Innovation Center floor, nor have they developed of a cost estimate for the project. Based on the initial review of the work that may need to be done to the floor, it appears that this project would be more appropriately funded out of the capital budget. This project should be part of the County's on-going capital planning process where it can be analyzed and prioritized consistent with County policies and procedures.

Veto #6: Employee Fringe Benefits & Appropriation for Contingencies

[Levy Change from Board Action: -\$0]

Amendment IA059

This amendment reduces employee fringe benefit expenditures by \$3,714,286 and the corresponding departmental revenue offsets by \$464,286. The contingency fund is increased by \$1,500,000 and these funds are earmarked for possible wage agreements with employees in 2009. This amendment decreases the tax levy by \$1,750,000.

I am partially vetoing this amendment to retain the \$1,500,000 added to the Appropriation for Contingencies but remove language stating that the \$1,500,000 is "to provide funds for possible wage agreements with employees in 2009." I have two major concerns with this language. In the first half of this amendment,

the Board reduced funding for employee fringe benefits by more than \$3 million without adequate justification for this reduction. As a result funds in the Appropriation for Contingencies may be necessary for higher than budgeted employee health care costs. Second, in order to avoid negotiating against ourselves before we begin the collective bargaining process in earnest, we should refrain from identifying in high profile public documents specific funding for assumed wage settlements.

Veto #7: Combined Courts Related Operations Staffing and Funding
[Levy Change from Board Action: -\$1,312,846]

Amendment 1A013

This amendment restores funding in the Courts budget for 9.0 FTE Legal Research Intern positions, 9.0 FTE Clerical Assistant 1 positions and 8.0 FTE Deputy Court Clerk Judicial Assistants and removes authorization and funds for 9.0 FTE's Administrative Interns. The cost of salary, social security and active fringe for the positions restored by this amendment are \$420,003 for nine legal research positions (no fringe benefits included), \$499,826 for nine clerical assistants and \$592,448 for eight deputy court judicial assistants. These costs are partially offset by the elimination of 9.0 FTE administrative intern positions for a savings of \$205,522.

This amendment also delays the implementation of universal screening and directs the Community Justice Council Steering committee to evaluate the costs and benefits related to the potential implementation of this initiative. As a result, funding for 3.0 FTE Correctional Officer 1 positions in the Sheriff's department and 4.0 FTE Correctional Officer 1 positions in the House of Correction is restored.

In addition, \$58,401 of funding for a contract with Wisconsin Community Service for job assessments is restored.

This amendment in total increases the tax levy by \$1,201,091.

If this amendment is approved, the Combined Courts will have authorization for 302.0 FTE positions, including a total of 64.5 FTE Clerical Assistant 1 positions and 88.0 FTE Deputy Court Clerk Judicial Assistants. This amendment also replaces the recommended 9.0 FTE Administrative Interns with 9.0 FTE Legal Research Interns at more than double the cost.

I am partially vetoing this amendment to achieve the following:

Unfund nine positions of Legal Research Intern and restore authorization and funding for nine positions of Administrative Intern. The net tax levy impact of this action is a reduction of \$220,572.

Unfund nine positions of Clerical Assistant 1 for a tax levy reduction of \$499,826.

Unfund eight positions of Deputy Court Clerk Judicial Assistant for a tax levy reduction of \$592,448.

While I understand the Court staff's desire to maintain current staffing levels for assistance, if we are to successfully navigate through these difficult budget times, it is critical that all County agencies work to make their operations more efficient. The staffing reductions I have suggested are designed to have the smallest possible impact on Court operations. However I am also suggesting that these positions be unfunded instead of abolished to provide the managers of the Court system to make alternative reductions in a way that minimizes the impact on Court operations.

My partial veto retains funding for a contract with WCS for job assessment and retains provisions adopted by the Board related to universal screening.

Veto #8 Register of Deeds Positions and Funding

[Levy Change from Board Action: -\$0]

Amendment 1A007

This amendment denies the abolishment of six positions, unfunds one of those six positions, and increases revenues from Internet Access fees, Real Estate Transfer fees and Recording fees by \$292,544 to offset increased salary and benefit costs. The positions that are restored include one Document Recorder, one Administrative Assistant, one Clerical Assistant, one Clerical Specialist ROD and one Fiscal Assistant 1 and one Office Support Assistant. The total tax levy impact of this amendment is \$0.

I am vetoing this amendment in its entirety in order to eliminate funding for one Document Recorder position, one Administrative Assistant position, one Clerical Assistant position, one Clerical Specialist ROD position and one Fiscal Assistant 1 position for a decrease in funding of \$292,544 and to deny an increase in the monthly ROD Internet Access Fee from \$50 to \$500 and also deny the resulting revenue increase of \$18,000, an increase of \$60,000 in recording revenue and an increase of \$214,544 in real estate transfer revenue for a total revenue increase of \$292,544.

While this amendment has no tax levy impact, the increases in revenue that are assumed ignores the realities of the current real estate market and it is unlikely that this level of revenue will be realized. If the additional revenues are not realized, the Register of Deeds will require a transfer from the Appropriation for Contingencies or will have to layoff staff mid-year in order to balance his budget.

Veto #9: Community Justice Resource Center
[Levy Change from Board Action: \$983,011]

Amendment 1A002

This amendment provides \$983,011 in additional tax levy and fully restores the operation of the Community Justice Resource Center (CJRC).

The CJRC is supported with \$606,924 in tax levy for contract services expenditures relating to treatment, \$149,914 in tax levy for utilities, maintenance and supply costs and \$226,173 in Sheriff's charges. In total, the cost of operating the facility for 2009 is \$983,011.

I am vetoing this amendment in its entirety in order to eliminate \$983,011 of tax levy funding for the Community Justice Resource Center. As stated in my Recommended Budget, the CJRC works most effectively when it is used as a day reporting center where individuals sentenced to home detention must report for job training, AODA treatment or other programs aimed at reducing recidivism. Unfortunately judges from Milwaukee courts have continued to assign individuals sentenced to the House of Correction to also report to CJRC. This is an unfortunate misuse of resources. Without assurances that this practice will be discontinued, I have no choice but to veto this amendment.

Veto #10: Wisconsin Community Service Contract
[Levy Change from Board Action: -\$242,217]

Amendment 1A003

This amendment restores \$242,217 to the House of Correction budget for job development and job readiness services provided to inmates housed at the Adult Correctional Center who have the potential for release to either the Huber or Home Detention program.

I am vetoing this amendment to remove \$242,217 in funding for the Wisconsin Community Service Contract. The limited funds available for the House of Correction should be focused on safely and securely detaining inmates.

Veto #11: Farm and Fish Hatchery
[Levy Change from Board Action: \$0]

Amendment 1A003

This amendment restores full funding in the House of Correction for the operation of the Farm and Fish Hatchery. This amendment increases expenditures by \$294,850 to operate the facility in 2009 and proposes to fund the operation

through an additional \$294,850 in electronic surveillance revenues resulting in no levy impact. In the event budgeted electronic surveillance revenues are not sufficient to cover the costs of the electronic surveillance program and the costs of the Farm and Fish Hatchery, an earmark of \$294,850 has been established in the Appropriation for Contingencies budget.

I am vetoing this amendment to eliminate funding in the amount of \$294,850 for the Farm and Fish Hatchery, to reduce electronic surveillance revenue by \$294,850 and to remove language added to the Appropriation for Contingencies earmarking \$294,850 for the operation of the Farm and Fish Hatchery if electronic surveillance revenues are not adequate for this purpose.

While this amendment appears to have no tax levy impact, the increase made to electronic surveillance revenues is without rationale or justification and will very likely create a deficit in the House of Correction budget that will ultimately need to be filled with property tax levy. Furthermore, I am opposed to earmarking funds included in the Appropriation for Contingencies. These funds should be reserved for unexpected or uncertain expenses, not set aside for specific purposes.

Veto #12: Transit Segment Restoration
[Levy Change from Board Action: -\$516,996]

Amendment 1A079

This amendment restores transit bus service for Route 11 from 60th and Vliet Street to downtown beginning April 1, 2009. Total expenditures of \$941,976 are partially offset with increased passenger revenues (passenger abatements) of \$424,980 resulting in a property tax levy increase of \$516,996.

I am vetoing this amendment in its entirety in order to remove the restoration of Route 11 providing service from 60th & Vliet Street to downtown reducing expenditures by \$946,976, abatements by \$424,980 and the tax levy by \$516,996. The elimination of Route 11 in 2008 was part of an initiative by the Transit Department to consolidate duplicative routes in a manner that maximizes ridership and route efficiency. Restoring Route 11 will likely draw riders from Route 31 only three blocks away on Highland Boulevard increasing the cost per rider on both routes. The current route configuration represents a much more cost-effective option than the previous route configuration. As a result, I cannot support the use of tax levy funds to restore Route 11.

Veto #13: Transit Fares

[Levy Change from Board Action: -\$880,500]

Amendment 1A070

This amendment removes the proposed Transit fare increases included in my recommended budget decreasing the Adult Cash Fare by \$.25, the Half Fare Cash by \$.10 and the Half Fare Tickets by \$1.00 from the 2009 Recommended Budget. The effect of this amendment reduces Transit passenger abatements (passenger revenues) by \$1,047,500. To partially offset this increase in expenses, the cost for fuel is decreased \$400,000 and revenues provided to Paratransit from Aging-CMO client rides increases \$167,000. The net property levy increase from this action totals \$480,500. In addition, due to additional revenue provided to Paratransit by the Aging-CMO of \$10.80 per client per trip, expenditures increase \$167,000 and use of reserves increase by an equal amount for a \$0 property tax levy effect in the Aging-CMO.

I am partially vetoing this amendment in order to restore the Transit fare increases included in my recommended budget. To accomplish this my partial veto restores an increase in Adult Cash Fares by \$.25 and Half Fare Cash by \$.10 and Half Fare Tickets by \$1.00. My partial veto also reduces the Aging CMO co-pay for ParaTransit rides from \$10.80 as stated in the amendment to \$10.25 as included in my proposed budget. I am retaining the amendment's decrease in fuel expenditures for a levy reduction of \$400,000.

I believe that the proposed increase in fares is reasonable and necessary in light of increasing Transit system operating expenses, especially the costs for fuel. Milwaukee County Transit System is one of many transit systems in Wisconsin and across the country that is being forced to increase fares to offset rising fuel expenses. My partial veto reverses a shift of these cost increases to property tax payers that I believe is unacceptable.

I am also particularly concerned about the amendment's modification of the Aging CMO's co-pay for Paratransit. Under the budget as amended by the County Board the CMO would be paying \$10.80 co-pay, while the Economic Support Division would be paying a \$10.25 co-pay for the same service. The County needs to maintain a consistent and defensible methodology for charging co-pays for ParaTransit services to ensure continued reimbursement from the State.

Veto #14: Parking Revenues

[Levy Change from Board Action: -\$0]

Amendment 1A061

This amendment increases revenues for the 6th and State parking lot in Property Management by \$99,175 and reallocates these funds to the following departments for the following program expenses. \$57,100 is allocated to Property Management for Summer Youth Employment, \$12,000 is allocated to the County Board for the Sister Cities program and \$30,075 is allocated to Transit to offset fare increases. This amendment results in an overall \$0 net property tax levy impact.

I am vetoing the amendment in its entirety to reduce revenue anticipated for the 6th & State parking lot by \$99,175 and eliminate additional funding of \$12,000 in the County Board for the Sister Cities program, \$30,075 in Transit for the a Fare Increase Offset and \$57,100 in Property Management for Summer Youth Employment.

I am concerned that increasing revenues for the 6th & State parking lot will result in a revenue shortfall. The proposed budget prudently assumed only 6 months in revenue for the 6th & State lot because we are actively working to sell this property and assumed the sale as part of the Land Sale Revenue adopted by the Board. Assuming 12 months of revenue, as this amendment does, sends a mixed policy directive and will result in a revenue deficit. Furthermore, the need for additional funding for the Sister Cities program, the Fare Increase Offset and the Summer Youth Employment program in Property Management has not been adequately explained.

Veto 15: Skilled Trades

[Levy Change from Board Action: - \$1,361,481]

Amendment 1A047

This amendment restores the Skilled Trades positions that were unfunded in the 2009 Recommended Budgets for DAS – Property Management and the Department of Health and Human Services – Behavioral Health Division. This amendment increases expenditures by \$4,156,172; increases revenues by \$2,794,690 for an overall property tax levy increase of \$1,361,481.

I am partially vetoing this amendment to eliminate the restoration of these positions and restore authorization and funding for contracted services. My partial veto will decrease funding for skilled trades positions in the Property Management Division and the Behavioral Health Division by reducing expenditures by \$4,156,172, revenues by \$2,794,690 and the tax levy by

\$1,361,481. Sustaining this veto will allow for the transfer of the remaining salary and fringe benefit funds to professional services.

My proposal to privatize a portion of the County's skilled trades function is intended not only to reduce the tax levy, but also to maximize the utility of each dollar we spend on this function. As the level of resources available to maintain County facilities decreases to meet demands for services from our citizens, flexibility in the use of those dollars becomes increasingly important. The privatization proposal included in my recommended budget allows the County to hire electricians when electricians are needed, carpenters when carpenters are needed and plumbers when plumbers are needed, instead of maintaining full-time positions regardless of the type and volume of work required.

Veto #16 BHD Housekeeping

[Levy Change from Board Action: -\$1,195,326]

Amendment 1A021

The proposed amendment removes funding for a contract for housekeeping services for the Behavioral Health Division in the amount of \$1,000,000 while restoring funding for 1.0 FTE Office Support Assistant 2, 35.0 FTE Custodial Worker 1, 15.0 FTE Custodial Worker 2, and 4.0 FTE Housekeeper for an expenditure and tax levy increase of \$1,195,326.

I am partially vetoing this amendment to restore the abolishment of 55.0 positions in the Behavioral Health Division and reduce expenditures and the tax levy by \$1,195,326. It is my intent that the Property Management Division and the Behavioral Health Division return to the County Board at the earliest possible date with a request to transfer funds to the appropriate accounts and a request to approve a contract as necessary to implement the privatization of these functions as proposed in my recommended budget.

The privatization of the BHD housekeeping not only reduces the tax levy in 2009, but is a significant step in reducing the County's budgetary structural deficit for future years and therefore helps to assure that funding will be available to maintain the critical services that BHD provides to Milwaukee County residents. Sustaining my veto of this amendment only reduces the tax levy for 2009 and will reduce the budgetary structural deficit for 2010 by more than \$3 million.

Veto #17: Economic Support Division Call Center and Customer Service Functions

[Levy Change from Board Action: -\$0]

Amendment 1A025

The above amendment removes funding for contractual services from IMPACT and UW-Milwaukee to staff Department of Health and Human Services

Economic Support Division budgeted at \$2,075,937 for operation of the County's Call Center. In addition the amendment provides \$50,000 to contract with IMPACT for technical assistance and consulting and an additional \$50,000 is provided to obtain process review, staffing, productivity, and workflow analysis recommendations from UW – Milwaukee.

Further, the amendment restores 25.0 FTE Economic Support Specialists and 1.0 FTE Economic Support Supervisor as part of the Call Center for an expenditure increase of \$1,597,962. 6.0 FTE Quality Assurance Technicians and 1.0 FTE Economic Support Supervisor are restored as part of the customer service function for an expenditure increase of \$473,926.

Finally, the amendment creates an additional 5.0 FTE for the Call Center for a cost of \$306,405. Due to offsetting state revenue, the tax levy impact of these positions is \$153,200.

This amendment has a total tax levy impact of -\$42,508.

I am partially vetoing this amendment to allow the Department of Health and Human Services to contract with the University of Wisconsin-Milwaukee and IMPACT for the operation of Economic Support Division's Call Center. In addition I am vetoing the additional appropriation of \$50,000 to procure technical assistance and consulting from IMPACT and the additional appropriation of \$50,000 to obtain process review, staffing, productivity and workflow analysis recommendations from UW-Milwaukee. Further I have vetoed the creation of five positions of Economic Support. There is no overall tax levy impact to my partial veto. It is my intent that the funding associated with these positions and contracts be reallocated to offset the cost of the contracts for operation of the Call Center. Sustaining this veto authorizes the reallocation of funds from salary and fringe benefits to the Purchase of Services account.

During the budget hearings held over the course of the last few weeks, we have heard testimony from numerous individuals who depend on the Call Center for assistance. The problems of the Call Center are longstanding and severe and the people who depend on it are demanding change. Management at DHHS has worked diligently to solve these longstanding problems within the current staffing model. However the current model has clearly been broken for some time and needs to be replaced. A contract with UWM and IMPACT will include performance standards that will guarantee daily staffing levels and ensure improved response times. In addition, if the Board sustains this veto, every County employee who is currently working in the Call Center can be transferred to other priority areas within the Economic Support Divisions. For employees who enjoy their job and would prefer to continue to work in the Call Center, DHHS will work with IMPACT and UWM to provide that opportunity. No layoffs of any current County employee need occur.

Veto# 18: BHD Accounts Receivable, Billing and Admissions Positions
[Levy Change from Board Action: -\$277,430]

Amendment 1A066

This amendment denies the abolishment of 2.0 FTE Office Support Asst 2, 1.0 FTE Admin Asst, 1.0 FTE Fiscal Asst 1, 9.0 FTE Fiscal Asst 2, 3.0 FTE Fiscal Specialist, 12.0 FTE Clerical Asst 1, 1.0 FTE Clerical Asst (Hrly), and 1.0 FTE Quality Management Admin Assistant in the Behavioral Health Department for a tax levy increase of \$1,677,430. This amendment offsets personnel expenditures by a reduction in contractual costs to provide these services of \$1.4 million for a net tax levy increase of \$277,430.

I am vetoing this amendment to restore the abolishment of the 30 positions listed above and to reduce the tax levy for the Department of Health and Human Services – Behavioral Health Division by \$277,430. While this partial veto results in the abolishment of these positions, I have retained sufficient funding on the salary and fringe benefit line to proceed with contracting out this administrative function. It is my intent that BHD will return to the County Board at the earliest feasible date with a request to transfer funds to the appropriate accounts and a request to approve a contract for accounts receivable, billing and admissions services as proposed in my recommended budget.

The proposal to privatize accounts receivable, billing and admissions services developed by BHD staff not only saves tax levy dollars but also allows BHD to focus on providing critical services to their patients. If the Board sustains this veto I will also instruct the Director of BHD and the Human Resource Director to work with the employees and the union as well as the vendor to place as many affected employees as possible in other positions in the County or in jobs with the vendor.

Veto #19: Parks Department Staffing, Funding and Fees
[Levy Change from Board Action: -\$1,834,375]

Amendment 1A072

The above referenced amendment restores funding and position authorization for the following positions: 44.0 FTE Park Maintenance Worker 2, 2.0 FTE Community Center Managers, 1.0 FTE Park Artist, 1.62 FTE Horticulturalists 2 (Seas), 1.0 FTE Office Assistant 3, 1.0 FTE Horticulturalist I, and 1.0 FTE Special Events Coordinator; denies the creation 1.0 FTE Community Outreach Coordinator, 1.0 FTE Clerical Specialist (HR) NR, 4.61 Horticulturalist (Seas), 9.21 Park Worker 2 (Seas); authorizes but unfunds 4.0 FTE Park Maintenance Worker 2 and 2.11 Park Worker 3 (Seas) positions, abolishes 11.2 FTE Park Worker 2 (Seas) positions, and reduces unemployment expenditures by \$119,000.

The amendment's personnel actions result in a tax levy increase of \$2,031,879.

Further, the amendment makes various adjustments to the Park's departments fees and removes authorization for the installation of parking meters on Lincoln Memorial Drive. The amendment's fee-related actions result in an additional \$965,823 in tax levy support.

The amendment increases in levy support for by the Parks Department by \$2,957,202.

I am partially vetoing this amendment to remove the restoration of 48.0 Park Maintenance Worker 2 positions and authorize the increased use of seasonal positions as included in my recommended budget. It is my intent that the Parks Department will utilize funding within their 2009 salary budget to increase seasonal staff by 115,000 labor hours for a next tax levy savings of \$1,525,663.

Sustaining my veto will provide the Parks Department will 89,000 additional labor hours to provide services to County residents and maintain our park system. The Milwaukee County Zoo provides an excellent example of the effectiveness of a well-managed seasonal work force. With more than three-quarters of its workforce made up of seasonal workers during peak periods, the Zoo provides proof that the seasonal workforce model can be a low-cost, highly effective model for providing quality services.

In addition, my partial veto denies the restoration of the positions of 1.0 FTE Office Assistant 3, 1.0 FTE Special Events Coordinator, 1.0 FTE Horticulturalist I, 1.62 FTE's Horticulturalist 2 (seas) and 1.0 FTE Parks Artist for a tax levy savings of \$308,712. The Parks Department can absorb these responsibilities and continue to provide core Parks services without these positions.

My partial veto retains several provisions contained in this amendment, including the restoration of the 2.0 FTE Community Center Manager positions and denial of the creation of 1.0 Community Center Coordinator position, denial of the installation of parking meters along Lincoln Memorial Drive and various modifications to fee increases included in the recommended budget.

In exercising this veto I am reducing expenditure authority and the tax levy for the Parks Department by a total of \$1,834,375.

Veto #20: Exercise Equipment for Community Centers
[Levy Change from Board Action: -\$50,000]
Amendment 1A012

The above referenced amendment provides an appropriation of \$50,000 to the King and Kosciuszko Community Centers for recreation and/or exercise equipment. Each Community Center will receive \$25,000 each for this purpose.

The amendment results in an increase of \$50,000 in tax levy support.

I am vetoing this amendment in its entirety in order to eliminate \$50,000 to provide the King and Kosciuszko Community Centers each with \$25,000 for recreation and/or exercise equipment. If this equipment is needed, it should be requested through the Parks Department as part of the annual budget process so this need can be fairly evaluated and prioritized with other needs from other Parks facilities and other County departments.

Veto #21: Black Holocaust Museum
[Levy Change from Board Action: -\$0]
Amendment 1A073

This amendment provides \$50,000 in additional funding in the Parks Department to be used for the operation of America's Black Holocaust Museum. This amendment further specifies that this funding will be used to prepare a strategic plan and/or a fund development plan for continued operation of the museum and that a representative of the museum will provide an informational report to the Committee on Parks, Energy and the Environment on the status of these plans by June of 2009.

I am partially vetoing this amendment to eliminate the language indicating that the \$50,000 appropriated is to be used for the "operation" of America's Black Holocaust Museum. Let me be clear, I am supportive of efforts to re-establish this museum and make it sustainable into the future. In order to make sure that this one-time appropriation of \$50,000 is successfully leveraged towards that goal, it is my intent that staff from the Milwaukee Public Museum with expertise in fund raising, fiscal management and curatorial processes work with representatives of America's Black Holocaust Museum to develop a strategic plan to build America's Black Holocaust Museum into a sustainable cultural asset for our community. Upon passage of the 2009 budget, I will direct the Parks Department to convene a work group including representatives from America's

Black Holocaust Museum and staff from the Milwaukee Public Museum, the Department of Administrative Services and the County Board to develop a work plan and schedule to be presented to the County Board for the March 2009 Board cycle.

Veto #22: UW-Extension Relocation and Space Costs
[Levy Change from Board Action: -\$100,000]

Amendment 1A001

The above referenced amendment provides an appropriation of \$160,000 to the UW-Extension for space costs and relocation costs. The funding includes \$140,000 for space costs and \$20,000 for associated relocation costs. This amendment specifies that UW-Extension relocate to either the former Child Adolescent Treatment Center (CATC) building or seeks out privately-owned building space.

The amendment's net impact is an increase of \$160,000 in tax levy support.

I am partially vetoing this amendment to reduce the funding added to the UW-Extension for relocation and space costs by \$100,000 from \$160,000 to \$60,000 and to remove language identifying the CATC building or a privately owned facility as the only two options under consideration. I agree that UW-Extension will need to relocate from the current facility and have directed staff to work to find a suitable alternative location. It is my intent with this veto that the Extension be relocated to an existing County facility to ensure the maximum use of County assets.

Veto #23: UW-Extension Horticulture Helpline
[Levy Change from Board Action: -\$12,400]

Amendment 1A005

The above referenced amendment provides an appropriation of \$13,000 to restore the UW-Extension Horticultural Helpline. Revenues of \$600 are also restored in order to account for user-fees generated by the Horticultural Helpline.

The amendment's net impact is an increase of \$12,400 in tax levy support.

I am vetoing this amendment in its entirety to eliminate the Horticulture Helpline and reduce expenditures by \$13,000, revenues by \$600 and the tax levy by \$12,400. With the wide range of information available to the public at no charge through public libraries, the Internet and, for City of Milwaukee residents, the

City Forestry Department, there are significant other sources of information available for individuals in need of horticultural assistance.

Veto #24: Appropriation for Contingencies

[Levy Change from Board Action: \$0]

Amendment 1A050

This amendment requires that the Director of DAS make an appropriation transfer in the fourth quarter of 2009 to transfer all salary and fringe appropriations for County positions that are vacant and funded as of September 30, 2009, to the Appropriation for Contingencies Departmental budget. This amendment has no tax levy impact.

I am vetoing this amendment in its entirety in order to eliminate the directive that the Director of DAS will prepare an appropriation transfer in the fourth quarter of the year that transfers all salary and fringe benefit appropriations for County positions that are funded but vacant as of September 30, 2009 to the Appropriation for Contingencies.

I am very concerned about the potential unintended consequences to County services if my veto is not sustained. County department managers have a legal obligation not to exceed the budget authority granted by the County Board. Department managers often hold funded positions vacant in order offset vacation and sick leave payouts made to retiring employees, meet budgeted vacancy and turnover deduction and to ensure that the department does not deficit for the year. It is important to note that none of the funds budgeted for salaries or fringe benefits can be used for any other purpose without approval from the County Board.

Under this amendment a portion of departmental salary and fringe benefit funding will be transferred to the Appropriation for Contingencies during the fourth quarter of the year. I am concerned that the resulting shortfall in departmental budgets could force them to hold critical public health and safety positions vacant, affecting important public services while the administrative process of first transferring funds to the Appropriation for Contingencies and then back to the department with Board approval is carried out. In addition, the County would be required to report each resulting departmental deficit in our Comprehensive Annual Financial Report that is provided to current and potential future bond holders. Consistently reporting numerous departmental deficits could adversely impact the County's cost of borrowing and bond rating.

Veto #25 County Match For Bicycle Racks on MCTS Buses
[Levy Change from Board Action: \$0]

Amendment 1B003

This amendment increases expenditures \$650,000 for the purchase and installation of bike racks on the Milwaukee County Transit System fixed route bus fleet. Revenues of \$617,500 from a Federal Transit Administration grant are available to partially offset expenditures. The remaining revenues to offset expenditures of \$32,500, which represents the County's required local match, are funded through the issuance of general obligation bonds if the Bicycle Federation of Wisconsin can not raise this amount through private donations. This amendment would increase general obligation bonding by \$32,500.

I am partially vetoing this amendment in order to eliminate \$32,500 in general obligation bonds for the local match. I do not believe that limited County funds should be used for this purpose. If outside organizations are able to raise the required local match during 2009, my veto retains authorization to receive federal grant funds and private donations for this purpose.

Veto #26 Capital Budget Brown Deer Park Golf Course Improvements
[Levy Change from Board Action: \$0]

Amendment 1B011

This amendment increases expenditure authority and general obligation bond financing by \$141,000 to construct asphalt cart paths along the 13th and 15th hole at Brown Deer Golf Course.

I am vetoing this amendment in its entirety in order to eliminate \$141,000 in expenditures and \$141,000 in general obligation bonds for the installation of asphalt cart paths at the Brown Deer Park Golf Course. The additional general obligation bonds would put the County over our 2009-borrowing cap. This project should be considered and prioritized as part of the 2010 capital budget process.

Veto #27 Capital Budget Lion's Bridge Capital Improvements
[Levy Change from Board Action: \$0]

Amendment 1B012

This amendment increases expenditure authority and general obligation bond financing by \$450,000 to provide funding for the reconstruction of the two Lion Bridges in Lake Park.

I am vetoing this amendment in its entirety in order to eliminate \$450,000 in general obligation bonds for the Lion's Bridge project in Lake Park. Bids for reconstruction of the two Lions Bridges in Lake Park have come in higher than

anticipated in the 2008 budget. If this veto is sustained, I will direct department staff to re-bid the project and if necessary to redirect funds from other projects in the 2009 capital budget to address any shortfall in funds. By using existing bonding authority, this veto lowers 2009 general obligation borrowing to be consistent with the County's bonding cap.

Veto #28 Capital Budget Planning and Design Funds for Behavioral Health Division Facility

[Levy Change from Board Action: \$0]

Amendment 1B013

This amendment increases expenditure authority and general obligation bond financing by \$750,000 for planning and design for a schematic level design and construction cost estimate for the construction of a new Mental Health Center on a site that has yet to be determined.

I am vetoing this amendment in its entirety in order to eliminate the appropriation of \$750,000 and general obligation bonds of \$750,000 to contract for planning and design services for the construction of a new mental health facility. I have three primary concerns regarding this amendment. First, this amendment will cause us to exceed our bond caps as established by County ordinance and have significant levy impacts in 2010 and beyond. Second, I believe it is premature to begin planning and design of a new facility when we have not yet come to a final decision on the St. Mike's proposal or had any substantive discussion on an approach to addressing the mental health facility should St. Mike's ultimately fail. Third, if these bond proceeds are spent on planning and design and we do not move forward with actual construction we will be required to pay back the money spent, likely from the tax levy.

Veto #29 Capital Budget Pavement Marking Machine

[Levy Change from Board Action: \$0]

Amendment 1B007

This amendment provides \$250,000 in capital funding for the Fleet Division to purchase a pavement-marking machine.

I am vetoing this amendment in its entirety in order to eliminate \$250,000 in general obligation bonds to purchase a pavement-marking machine. The addition of \$250,000 in general obligation bonds will put the County over our bonding cap as established by County ordinance. The existing machine is serviceable for

another year and I believe that this item should be considered with other equipment replacement requests as part of the 2010 budget process.

Veto # 30 Tax Levy

[Levy Change from Board Action: -\$9,131,626]

File No. 07379

I am vetoing the Final 2009 Tax Levy for 2009 General County Purposes from \$257,687,150 to \$248,555,524, a decrease of \$ 9,131,626.

Scott Walker
Milwaukee County Executive