2010 PROPOSED PLAN AND EXECUTIVE BUDGET SUMMARY

CITY OF MILWAUKEE

STATE OF WISCONSIN

Tom Barrett
Mayor

Department of Administration
Budget and Management Division

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Administration Director

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GUIDE TO BUDGET DOCUMENTS

PLAN AND BUDGET SUMMARY

A document containing a fiscal summary of the 2009 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.

2004 FISCAL OUTLOOK AND STRATEGIC PLAN

A strategic framework that guides policy decisions based on long term strategic goals and objectives.

To obtain copies of the: *Proposed Plan and Executive Budget Summary, Plan and Budget Summary, Budget, Six Year Capital Plan* and the *2004 Fiscal Outlook and Strategic Plan* contact the:

Budget and Management Division
City Hall - Room 307
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 9*	Plans and Budget Requests Due
July	Mayor's Public Hearings on Plans and Budgets
July - September	Mayor's Executive Plan and Budget Review
September 24**	Plan and Budget Submitted to Common Council
Mid-October	Legislative Hearings
October 30 and 31	Finance and Personnel Committee Budget Amendment Days
November 7***	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.

THE 2010 CITY BUDGET: CRISIS MEETS OPPORTUNITY

Milwaukee has serious, deep seated fiscal problems. Its revenue structure is broken and expenditures exceed levels of sustainability. Given the difficulties, getting by seems like an achievement. Yet, incremental change is unlikely to overcome the ongoing debilitation.

> -- Public Policy Forum, "*City of Milwaukee's Fiscal Condition: Between a Rock and a Hard Place,"* August 2009, page 60

The recent publication of the *Public Policy Forum's* independent analysis of the City of Milwaukee fiscal condition should provide all city government stakeholders cause for concern. The *Forum's* conclusion that "…the City of Milwaukee is financially well run and management is not the cause of its fiscal problems" underscores the difficult challenge the city faces regarding fiscal sustainability. The "low-hanging fruit" have already been harvested, and the report's analysis makes it clear that the policy parameters that citizens and policymakers have become accustomed to are inadequate to the task of achieving fiscal sustainability

The 2010 proposed budget initiates an era of transformation. Fifteen years of state fiscal policy and developments in the private economy have decimated Milwaukee's ability to continue service delivery according to past practice and expectations. The 2010 proposed budget reflects an emphasis on innovation that must continue on an annual basis. The proposed budget contains significant changes which are absolutely necessary to ensure that city government meets its most important priorities.

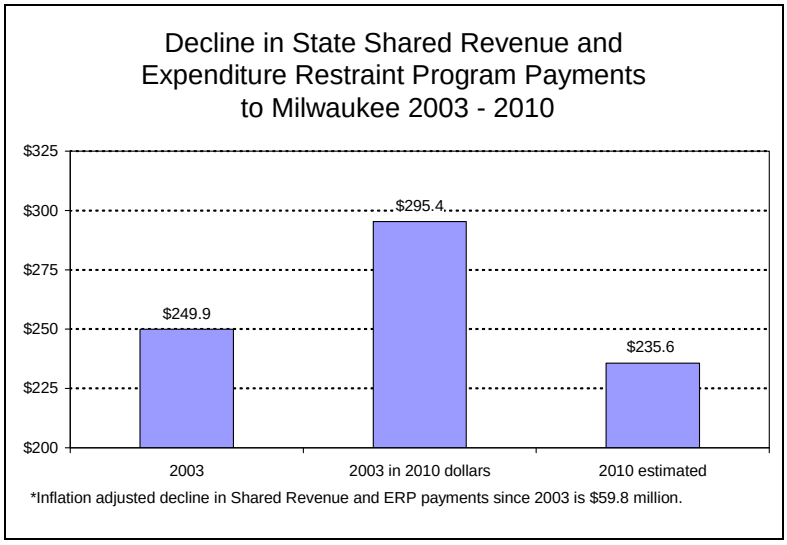
Fiscal Background

Milwaukee's revenue structure presents tremendous and increasingly difficult fiscal challenges. A standard benchmark of fiscal health for municipalities is having diverse revenue sources, including many under their direct control and tied to inflation. Milwaukee has fewer such revenue sources than similar cities while its largest revenue source – state aid – has not increased in 12 years. Also, unlike most cities, Milwaukee depends upon a single local tax to fund its operating expenditures. As a result, property taxes are higher in Milwaukee even though the city generates less total revenue from local taxation than other cities.

> -- Public Policy Forum, "*City of Milwaukee's Fiscal Condition: Between a Rock and a Hard Place,"* August 2009, page 4

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 diversify their local tax effort away from reliance on the property tax. Second, the state has mandated a very prescriptive local government collective bargaining law that in practical terms has very little deference for differences in local tax capacity and economic conditions.

Figure 1



These two policy elements did not cause unmanageable consequences as long as the shared revenue formula grew in proportion to state tax receipts. In fact, these policies produced several positive impacts. For

example, local governments in Wisconsin had relatively less incentive to pursue land use policies designed to maximize commercial development (and the resulting sales taxes) that pose substantial risk of environmental damage and the costs of new infrastructure that accompany sprawl. The state's collective bargaining law has resulted in labor peace and allowed local governments to deliver essential services without disruption.

However, the breakdown in the State's Shared Revenue program has created substantial consequences for the city's fiscal sustainability. Figure 1 illustrates the impact of this breakdown on city finances since 2003.

Property taxes and user charges dominate Milwaukee's local revenue. Significant constraints apply to both of these sources. The annual *Comparative Expenditure and Taxation Report* from the City Comptroller illustrates that the city's fiscal sustainability challenge is not primarily an expenditure problem. Milwaukee's per capita expenditures are 17% lower than the *Report's* benchmark city average, and rank the eighth lowest of these ten cities. Milwaukee's per capita revenues are the lowest of these ten cities; however, Milwaukee's per capita property taxes are 31% higher than the average, due to its having no property tax alternatives, compared to a $482 per capita average of "other local taxes" in the other nine cities.

Mayor Tom Barrett has led an effort to diversify the city's revenues. As a result of his work, the State Legislature included a .15% city share of an expanded county sales tax in the 2009-2011 Biennial State Budget. However, the Governor successfully vetoed this provision, which would have provided approximately $12.5 million annually to the city.

The 2010 proposed budget continues innovative use of the city's world class drinking water utility as a way to improve its fiscal capacity. The 2009 budget included a $1.5 million payment from New Berlin to the city's general fund as part of a groundbreaking agreement to expand the water service area in the City of New Berlin. The 2010 proposed budget reflects a transfer of $3 million in water utility surplus revenues to the general fund. Sound financial management of the water utility should enable the city to continue this practice on a sustainable basis.

The city will continue to pursue initiatives to diversify its revenues in order to deliver services while reducing its reliance on the property tax. These initiatives will include authority for a local option sales tax; application of a telephone surcharge to help pay for the cost of first responders; and a "carve-out" of the existing state gasoline tax designed to recognize the impacts that density and a regional economic role have on the city's surface transportation network.

<u>The Looming Pressure of Pensions and Post-Retirement Health Care</u>

The city has experienced a sharp increase in fringe benefit expenditures, particularly in the area of health care for employees and retirees. Health care costs grew by $26 million from 2004 to 2008, accounting for 38% of the city's $68 million total expenditure growth, and they are projected to grow even more rapidly in the next three years…. While many retirement benefits for existing retirees and employees cannot be modified without the consent of those affected, these escalating costs suggest that significant changes to the city's fringe benefit structure must be contemplated as part of a larger strategy to attain long term solvency.

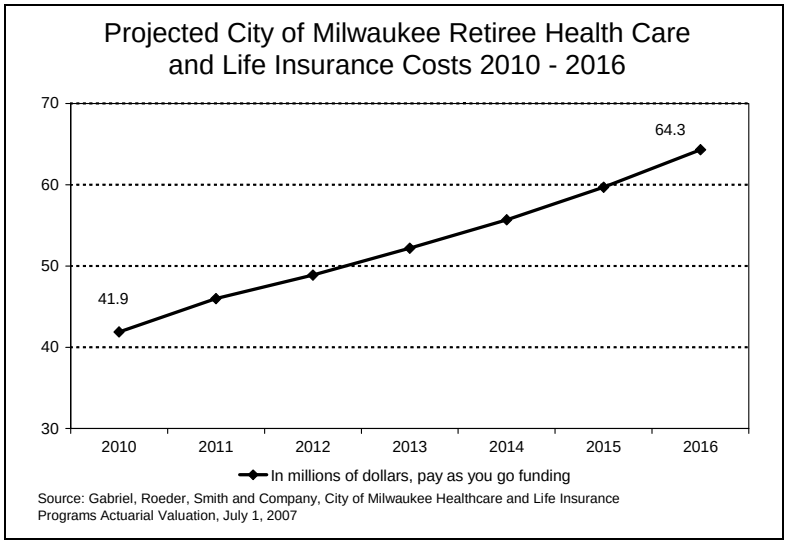
> -- Public Policy Forum, "*City of Milwaukee's Fiscal Condition: Between a Rock and a Hard Place,"* August 2009, page 5

The dysfunctional nature of United States health care has produced substantial cost pressure on all governmental units. Collective bargaining agreements that apply to city retirees have caused this to become an acute destabilizing factor in the city budget. A recent actuarial analysis estimated that health care benefits for city retirees will grow almost 60% as a proportion of total payroll between 2007 and 2016.

Based on the projection illustrated in Figure 2, retiree health care benefits will consume more than one-third of the projected increase in the tax levy by 2016. Private sector employers are responding to post-retirement health care pressure by reducing benefits. Fifty-seven per cent of organizations surveyed by Hewitt Associates plan to reduce post-retirement health care benefits over the next three years. This option is not available to the City of Milwaukee, other than through collective bargaining.

Pensions represent another fixed obligation that will pose increasing problems for city fiscal stability. Responsible funding practices have resulted in the City of Milwaukee Employes' Retirement System (ERS) as being one of the most-soundly-funded in the nation. However, the 2009 stock market decline has resulted in a budget pressure the city has not faced for many years - an employer contribution. Figure 3 demonstrates the massive impact this turn of events will have on city finances.

Figure 2

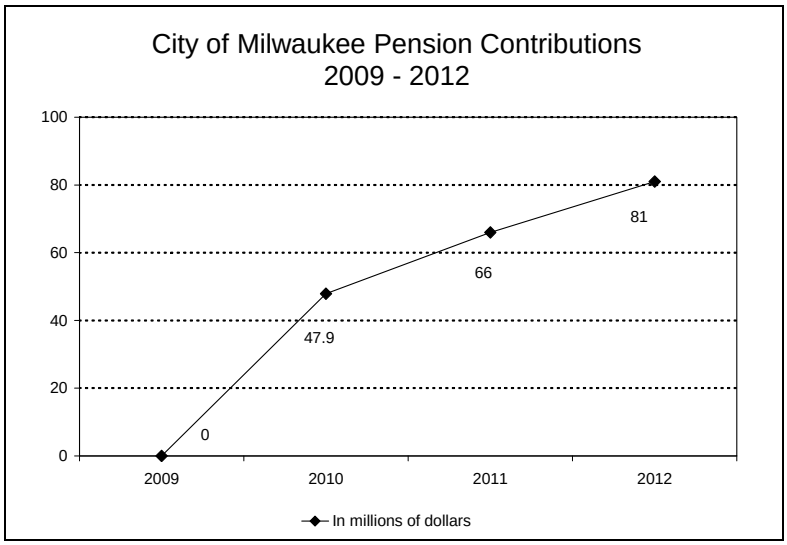


City Collective Bargaining Initiative

At the time the proposed 2010 proposed budget went to press, the city had reached tentative agreements (TA) for the periods 2007-2009 and 2010-2011 with its largest labor union, District Council (DC) 48. The TA includes several provisions that improve the prospects for budget sustainability.

- Wage rates for 2007-2009 are held well below the prior trend;
- Wage rates for 2010 and 2011 are frozen, and progression steps will not be awarded;
- The union agrees not to contest an imposition of four furlough days in both 2010 and 2011;
- Changes to HMO premiums that were included in public safety union contracts for 2007-2009 are extended to DC 48;
- New employes hired beginning in 2010 will pay the 5.5% employe contribution for pension benefits. Currently the city pays the employe contribution, making it a city budget expense.

Figure 3



In return, DC 48 gains a limited term enhancement to pensions for employes that retire during the contract period, and a no layoff provision during the contract period. The no layoff provision does not apply to seasonal employes or staff affected by loss of grant funding.

Summary of 2010 Proposed Budget

The 2010 proposed budget reflects the need for innovation and a transformative approach to service delivery. The proposed budget also maintains essential priorities needed to progress on the Mayor's key goals for the city government, which are:

1. Build safe and healthy neighborhoods.
2. Increase investment and economic vitality throughout the city.
3. Improve workforce development and connect more citizens to family supporting jobs.
4. Help children succeed, prepare for post-secondary education, and meet their full potential.

5. Promote racial, social, and economic equity for all citizens.
6. Sustain, enhance, and promote Milwaukee's natural environmental assets.

The budget includes funding commitments to address these priorities:

- $215.7 million in the Milwaukee Police Department, which will allow for continuation of its data driven deployment strategies and operation of the Neighborhood Task Force. The budget also reflects the city's successful Community Oriented Policing (COPS) grant, which will allow for a new class of 50 police recruits in mid-year.
- $99.8 million in the Milwaukee Fire Department to enable response to fire suppression and Advanced Life Support calls for service within an average response time of less than five minutes.
- A $1.7 million increase to the Department of Public Works (DPW) local street program, which will enable a 61 year replacement cycle - less than half the replacement cycle that existed when Mayor Barrett took office. Stimulus funding adds $15 million to the major streets program as well as $1.1 million for additional crack filling on local streets.
- Funding for the Milwaukee Public Library to allow the continued operation of all neighborhood libraries, including public service hours on three of four weekday school nights and continuation of the popular Sunday hours at three libraries during winter time.
- New initiatives in the Department of Neighborhood Services operating budget and the Department of City Development capital budget to preserve the city's housing stock from the threats posed by foreclosures.
- Funding in the Milwaukee Health Department to continue its communicable disease surveillance and response capacity.
- A CDBG funded Diversity in Urban Forestry program, which will enable young people to develop career skills while helping DPW preserve the urban forest.

The city's fiscal circumstances necessitated significant reductions to baseline budget capacity. The Mayor's budget reflects a careful approach to these reductions, focusing wherever possible on areas where duplication could be reduced, excess capacity eliminated, and new service delivery methods initiated. In summary, the proposed budget reflects:

- A reduction in full time equivalent (FTE) operating budget personnel of approximately 380 positions
- A reduction of approximately $35 million to the cost of continuing baseline operations.

Taxpayer Impacts

The proposed 2010 budget includes a tax levy increase of 4.4% compared to 2009, a $10.4 million increase. This constitutes an increase over trend of approximately $2 million.

The proposed budget also reflects a policy of full cost recovery for solid waste services, tree care operations, and snow and ice removal. These two proposals add approximately $8.85 million of operating and capital revenue to the city budget. User charges for public works services represent one of the few local options the city has to diversity its operating revenues.

As a result, the combined impact of the proposed tax levy and municipal service charge increases, including requested water rates, on the owner of a typical residential property is $83, or approximately 5.3%. This impact reflects the unusually high projected increase in water rates of approximately 28%. The city has developed a plan for sustainable future water rates that will be far less volatile than recent experience. As a result, the annual impact of city levies and municipal service charges are expected to return to a trend level annual change of 3.5% in 2011.

Summary

The 2010 proposed budget reflects the first step in what will be a series of transformations in city services and finances. Although the budget includes several important steps toward fiscal equilibrium, there is a need for significantly more change in order to develop a realistic sustainability framework. Those changes will need to

involve revenue diversification, fringe benefit modifications, ongoing wage freezes, and additional service delivery innovations. Policymakers need to embrace the city's fiscal crisis as an opportunity for changing the city's organizational model.

Informational Note:

At the time the 2010 Executive Budget was submitted, the Common Council had not acted on a proposed $3.75 million increase for the Local Solid Waste Charge and $1.6 million Snow and Ice Fee. The Comptroller has recognized this proposed increase as part of the 2010 revenue estimates. In the event the Common Council fails to adopt, in whole or in part, the proposed increases, the Mayor will recommend that certain service levels be reduced. In order of priority reduction, these service levels include:

- Funding for three weekend garbage collections, in order to ensure users weekly service: $250,000
- Elimination of the new four week fall "Clean & Green" communitywide collection of bulky materials: $170,000
- Elimination of two recycling bin routes with relatively low tonnage rates: $150,000
- Elimination of the 4-cubic yard "outside the cart" allowance for weekly collection, effective April 1, 2010 instead of June 1, 2010 as proposed: $425,000
- Elimination of the existing eight week spring "Clean & Green" communitywide collection of bulky materials: $340,000
- Reduction of existing garbage collection frequency from its current service level during four winter months: $560,000 (10 winter routes eliminated)
- Reduction of existing garbage collection frequency from its current service level in the remaining eight months: $1,890,000 (10 routes eliminated full year)
- $1.6 million in snow and ice control related services.

In the absence of amendments, these costs would fall to the tax levy.

The Mayor supports his proposed budget for solid waste service expenditures and the increase in the Solid Waste Charge as the appropriate budgetary action.

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2010 PROPOSED BUDGET AND TAX RATE COMPARED TO PRIOR YEAR

PURPOSE OF EXPENDITURE AND FUNDING SOURCE	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 MINUS 2009 ADOPTED	2009 ADOPTED	2010 PROPOSED	CHANGE 2010 MINUS 2009 ADOPTED
A. GENERAL CITY PURPOSES						
1. Budget (Expend. Auth.)	$598,622,172	$566,516,979	$-32,105,193			
2. Non Tax Levy Funding	474,881,415	475,891,523	1,010,108			
3. Tax Levy Funding	123,740,757	90,625,456	-33,115,301	$4.22	$3.26	$-0.96
B. EMPLOYEE RETIREMENT						
1. Budget (Expend. Auth.)	$68,218,434	$117,140,683	$48,922,249			
2. Non Tax Levy Funding	32,330,341	35,332,470	3,002,129			
3. Tax Levy Funding	35,888,093	81,808,213	45,920,120	$1.23	$2.94	$1.72
C. CAPITAL IMPROVEMENTS						
1. Budget (Expend. Auth.)	$125,849,979	$124,406,528	$-1,443,451			
2. Non Tax Levy Funding	124,085,659	123,588,528	-497,131			
3. Tax Levy Funding	1,764,320	818,000	-946,320	$0.06	$0.03	$-0.03
D. CITY DEBT						
1. Budget (Expend. Auth.)	$258,662,815	$280,197,069	$21,534,254			
2. Non Tax Levy Funding	188,057,005	211,017,839	22,960,834			
3. Tax Levy Funding	70,605,810	69,179,230	-1,426,580	$2.41	$2.49	$0.08
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	$0.17	$0.18	$0.01
SUBTOTAL (A+B+C+D+F)						
1. Budget (Expend. Auth.)	**$1,056,353,400**	**$1,093,261,259**	**$36,907,859**			
2. Non Tax Levy Funding	**$819,354,420**	**$845,830,360**	**$26,475,940**			
3. Tax Levy Funding	**$236,998,980**	**$247,430,899**	**$10,431,919**	**$8.09**	**$8.90**	**$0.81**
G. PARKING FUND						
1. Budget (Expend. Auth.)	$52,620,313	$55,892,216	$3,271,903			
2. Non Tax Levy Funding	52,620,313	55,892,216	3,271,903			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
H. GRANT AND AID						
1. Budget (Expend. Auth.)	$78,370,351	$76,117,944	$-2,252,407			
2. Non Tax Levy Funding	78,370,351	76,117,944	-2,252,407			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
I. DEVELOPMENT FUND						
1. Budget (Expend. Auth.)	$7,142,523	$8,538,787	$1,396,264			
2. Non Tax Levy Funding	7,142,523	8,538,787	1,396,264			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
J. WATER DEPARTMENT						
1. Budget (Expend. Auth.)	$124,800,475	$122,462,804	$-2,337,671			
2. Non Tax Levy Funding	124,800,475	122,462,804	-2,337,671			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
K. SEWER MAINTENANCE FUND						
1. Budget (Expend. Auth.)	$76,348,343	$73,810,755	$-2,537,588			
2. Non Tax Levy Funding	76,348,343	73,810,755	-2,537,588			
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	$15,000,000	$0			
2. Non Tax Levy Funding	15,000,000	15,000,000	0			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
SUBTOTAL (G+H+I+J+K+M)						
1. Budget (Expend. Auth.)	**$354,282,005**	**$351,822,506**	**$-2,459,499**			
2. Non Tax Levy Funding	**$354,282,005**	**$351,822,506**	**$-2,459,499**			
3. Tax Levy Funding	**$0**	**$0**	**$0**	**$0.00**	**$0.00**	**$0.00**
TOTAL (A thru M)						
1. Budget (Expend. Auth.)	**$1,410,635,405**	**$1,445,083,765**	**$34,448,360**			
2. Non Tax Levy Funding	**$1,173,636,425**	**$1,197,652,866**	**$24,016,441**			
3. Tax Levy Funding	**$236,998,980**	**$247,430,899**	**$10,431,919**	**$8.09**	**$8.90**	**$0.81**

Tax Rates and Assessed Value - 2010 rate column is based on an estimated assessed value of: $27,798,171,548 as of July 17, 2009.

COMPARISONS BY BUDGET SECTIONS BETWEEN 2010 PROPOSED BUDGET VERSUS 2009 ADOPTED AND 2010 REQUESTED BUDGETS, REVENUES TAX LEVIES, AND RESULTING CHANGES

	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUEST
A. GENERAL CITY PURPOSES					
Appropriations					
Salaries and Wages	$372,203,718	$369,755,000	$336,314,994	$-35,888,724	$-33,440,006
Fringe Benefits	124,461,875	126,442,973	116,695,727	-7,766,148	-9,747,246
Operating Expenditures	66,614,168	70,302,847	67,501,948	887,780	-2,800,899
Equipment Purchases	7,419,571	7,504,603	5,447,900	-1,971,671	-2,056,703
Special Funds	6,976,919	7,473,654	6,635,654	-341,265	-838,000
Special Purpose Account Miscellaneous*	16,056,046	17,555,690	16,208,483	152,437	-1,347,207
Workers Compensation Special Purpose Accounts	14,383,000	14,383,000	14,883,000	500,000	500,000
Employee Health Care Special Purpose Accounts	114,968,750	124,000,000	119,525,000	4,556,250	-4,475,000
Fringe Benefit Offset	-124,461,875	-126,442,973	-116,695,727	7,766,148	9,747,246
TOTAL APPROPRIATIONS	$598,622,172	$610,974,794	$566,516,979	$-32,105,193	$-44,457,815
Funding Sources					
General City Revenues	$452,502,915	$448,142,511	$462,891,523	$10,388,608	$14,749,012
Tax Stabilization Fund Withdrawal	22,378,500	13,000,000	13,000,000	-9,378,500	0
Property Tax Levy	123,740,757	149,832,283	90,625,456	-33,115,301	-59,206,827
TOTAL REVENUES	$598,622,172	$610,974,794	$566,516,979	$-32,105,193	$-44,457,815
B. EMPLOYEE RETIREMENT					
TOTAL APPROPRIATIONS	$68,218,434	$70,540,748	$117,140,683	$48,922,249	$46,599,935
Funding Sources					
Non-Property Tax Revenue	$32,330,341	$26,984,345	$35,332,470	$3,002,129	$8,348,125
Property Tax Levy	35,888,093	43,556,403	81,808,213	45,920,120	38,251,810
TOTAL REVENUES	$68,218,434	$70,540,748	$117,140,683	$48,922,249	$46,599,935
C. CAPITAL IMPROVEMENTS					
TOTAL CAPITAL IMPROVEMENTS PROGRAM					
Appropriations	$125,849,979	$185,572,398	$124,406,528	$-1,443,451	$-61,165,870
Funding Sources					
1. BORROWING (General Obligation)					
a. New	$68,276,745	$117,539,075	$77,167,080	$8,890,335	$-40,371,995
b. Carryover	(129,313,585)	(0)	(145,751,799)	(16,438,214)	(145,751,799)
2. BORROWING (Tax Incremental Districts)					
a. New	$36,268,614	$45,222,323	$23,222,323	$-13,046,291	$-22,000,000
b. Carryover	(140,310,308)	(0)	(164,578,922)	(24,268,614)	(164,578,922)
3. SPECIAL ASSESSMENTS (Internal Borrowing)					
a. New	$150,300	$1,045,000	$770,000	$619,700	$-275,000
b. Carryover	(14,147,349)	(0)	(8,582,492)	(5,564,857)	(8,582,492)
4. CASH FINANCED					
a. From Revenues	$12,790,000	$13,151,000	$15,829,125	$3,039,125	$2,678,125
b. Vehicle Registration Fee	6,600,000	6,600,000	6,600,000	0	0
c. From Tax Levy	1,764,320	2,015,000	818,000	-946,320	-1,197,000
d. Total Cash Financed	21,154,320	21,766,000	23,247,125	2,092,805	1,481,125
TOTAL REVENUES (Capital Improvements)	$125,849,979	$185,572,398	$124,406,528	$-1,443,451	$-61,165,870
D. CITY DEBT					
TOTAL APPROPRIATIONS (Includes borrowing for Milwaukee Public Schools)	$258,662,815	$281,137,069	$280,197,069	$21,534,254	$-940,000
Funding Sources					
Revenues	$147,918,917	$160,067,972	$163,527,972	$15,609,055	$3,460,000
TID Increments	22,869,085	24,429,873	23,829,873	960,788	-600,000
Delinquent Tax Revenue	17,269,003	23,659,994	23,659,994	6,390,991	0
Property Tax Levy	70,605,810	72,979,230	69,179,230	-1,426,580	-3,800,000
TOTAL REVENUES	$258,662,815	$281,137,069	$280,197,069	$21,534,254	$-940,000
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)					

	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUEST
CITY BUDGET APPROPRIATIONS	$1,056,353,400	$1,153,225,009	$1,093,261,259	$36,907,859	$-59,963,750
Less: Non-Property Tax Revenues	819,354,420	879,842,093	845,830,360	26,475,940	-34,011,733
Property Tax Levies	$236,998,980	$273,382,916	$247,430,899	$10,431,919	$-25,952,017
SPECIAL REVENUE ACCOUNTS (ITEMS G THROUGH M)					
G. PARKING					
TOTAL APPROPRIATIONS	$52,620,313	$52,733,000	$55,892,216	$3,271,903	$3,159,216
Funding Sources					
Current Revenues	$20,856,384	$21,120,000	$22,242,745	$1,386,361	$1,122,745
Capital Improvements from Reserves	5,000,000	5,000,000	5,000,000	0	0
Withdrawal from Reserves	4,195,779	4,163,000	5,699,471	1,503,692	1,536,471
Citation Revenue and Processing	19,632,150	21,500,000	22,000,000	2,367,850	500,000
New Borrowing	2,936,000	950,000	950,000	-1,986,000	0
Other Funding (Carryover Borrowing)	(4,098,064)	(0)	(4,439,064)	(341,000)	(4,439,064)
TOTAL REVENUES	$52,620,313	$52,733,000	$55,892,216	$3,271,903	$3,159,216
H. GRANT AND AID					
TOTAL APPROPRIATIONS	$78,370,351	$69,576,383	$76,117,944	$-2,252,407	$6,541,561
Funding Sources					
Grantor Share	$78,370,351	$69,576,383	$76,117,944	$-2,252,407	$6,541,561
TOTAL REVENUES	$78,370,351	$69,576,383	$76,117,944	$-2,252,407	$6,541,561
I. ECONOMIC DEVELOPMENT					
TOTAL APPROPRIATIONS	$7,142,523	$6,938,787	$8,538,787	$1,396,264	$1,600,000
Funding Sources					
Business Improvement District Assessment	7,142,523	6,938,787	8,538,787	1,396,264	1,600,000
TOTAL REVENUES	$7,142,523	$6,938,787	$8,538,787	$1,396,264	$1,600,000
J. WATER WORKS					
Appropriations					
Operating Budget	$66,013,475	$72,823,000	$77,702,804	$11,689,329	$4,879,804
Capital Improvements Program	27,096,000	27,500,000	20,030,000	-7,066,000	-7,470,000
Debt Service (Principal and Interest)	4,995,000	5,722,000	5,100,000	105,000	-622,000
Capital Funding from Retained Earnings	26,696,000	27,100,000	19,630,000	-7,066,000	-7,470,000
TOTAL APPROPRIATIONS	$124,800,475	$133,145,000	$122,462,804	$-2,337,671	$-10,682,196
Funding Sources					
Current Operating Revenues	$68,212,700	$67,731,200	$83,000,000	$14,787,300	$15,268,800
Non-Operating Revenues	10,237,000	7,862,000	7,862,000	-2,375,000	0
Proceeds from Borrowing	0	0	0	0	0
Use of Retained Earnings	46,350,775	57,551,800	31,600,804	-14,749,971	-25,950,996
Other Funding (Carryover Borrowing)	(12,500,000)	(0)	(12,275,000)	(-225,000)	(12,275,000)
Property Tax Levy	0	0	0	0	0
TOTAL REVENUES	$124,800,475	$133,145,000	$122,462,804	$-2,337,671	$-10,682,196
K. SEWER MAINTENANCE					
Appropriations					
Operating Budget	$44,898,343	$42,297,000	$49,873,755	$4,975,412	$7,576,755
Capital Improvements Program	31,450,000	38,200,000	23,937,000	-7,513,000	-14,263,000
TOTAL APPROPRIATIONS	$76,348,343	$80,497,000	$73,810,755	$-2,537,588	$-6,686,245
Funding Sources					
Sewer User Fee	$26,617,000	$28,233,000	$28,591,500	$1,974,500	$358,500
Storm Water Management Fee	18,720,330	19,191,000	22,316,000	3,595,670	3,125,000
Charges for Services	1,200,000	1,286,000	1,286,000	86,000	0
Miscellaneous Revenue and Retained Earnings	1,261,013	287,000	280,255	-980,758	-6,745
Other Funding (Carryover Borrowing)	(57,518,648)	(0)	(85,734,826)	(28,216,178)	(85,734,826)
Proceeds from Borrowing	28,550,000	31,500,000	21,337,000	-7,213,000	-10,163,000
TOTAL REVENUES	$76,348,343	$80,497,000	$73,810,755	$-2,537,588	$-6,686,245
M. COUNTY DELINQUENT TAXES					
Appropriations					
Operating Budget	$15,000,000	$15,000,000	$15,000,000	$0	$0
TOTAL APPROPRIATIONS	$15,000,000	$15,000,000	$15,000,000	$0	$0
Funding Sources					
Operating Revenue	$15,000,000	$15,000,000	$15,000,000	$0	$0
TOTAL REVENUES	$15,000,000	$15,000,000	$15,000,000	$0	$0

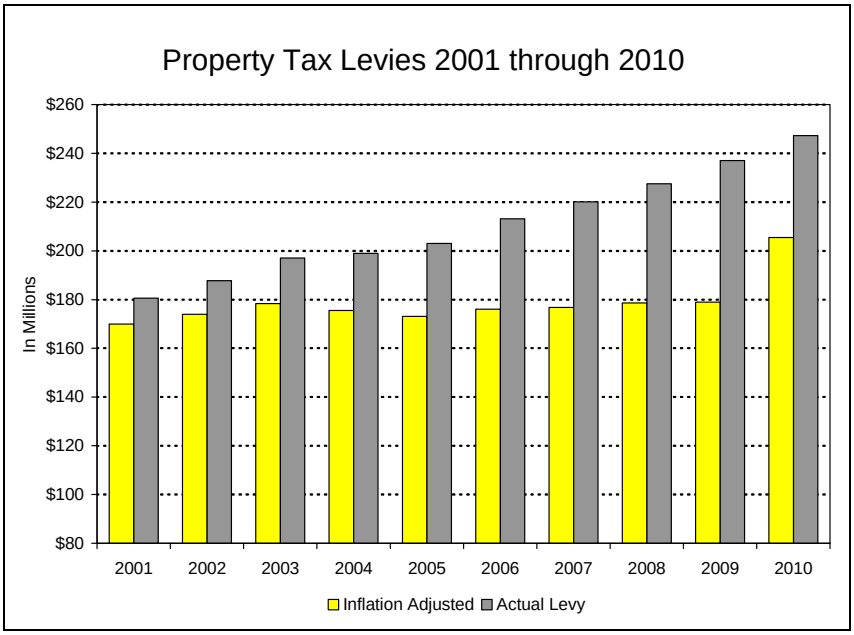
	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUEST
SUBTOTALS SPECIAL REVENUE ACCOUNT BUDGETS (ITEMS G THROUGH M)					
TOTAL BUDGETS	$354,282,005	$357,890,170	$351,822,506	$-2,459,499	$-6,067,664
TOTAL REVENUES (NON-PROPERTY TAX)	$354,282,005	$357,890,170	$351,822,506	$-2,459,499	$-6,067,664
GRAND TOTALS (ITEMS A THROUGH M)					
BUDGET APPROPRIATIONS	$1,410,635,405	$1,511,115,179	$1,445,083,765	$34,448,360	$-66,031,414
LESS: NON-PROPERTY TAX REVENUES	$1,173,636,425	$1,237,732,263	$1,197,652,866	$24,016,441	$-40,079,397
PROPERTY TAX LEVIES	$236,998,980	$273,382,916	$247,430,899	$10,431,919	$-25,952,017

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 Propose Accounts Miscellaneous" in the line item budget.

PROPERTY TAX RATE AND LEVY COMPARISON

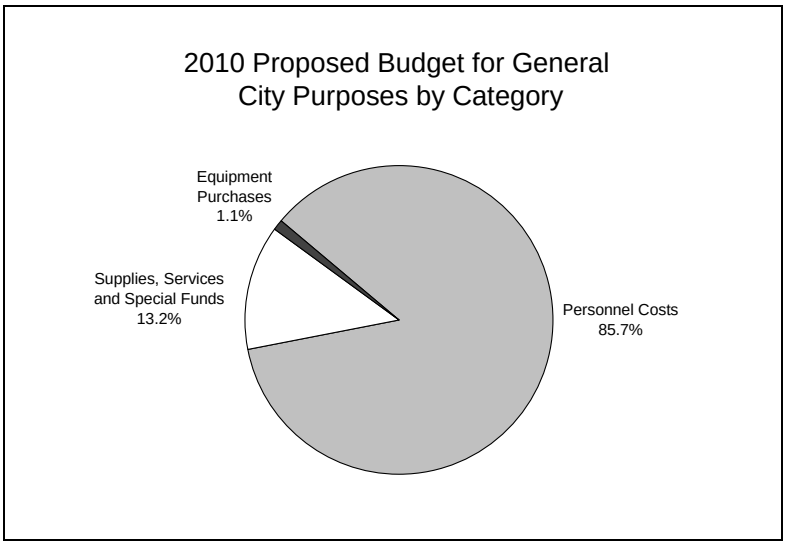
The graphs below show property tax rates and levies for the City of Milwaukee from 2001 through the 2010 budget. The 2010 proposed tax rate of $8.90 is $0.81 higher than the 2009 rate of $8.09. The 2010 proposed tax levy of $247.3 million totals an increase of $10.3 million from the 2009 levy of $237 million. Since 2001, the property tax rate has decreased by $1.59 from $10.49 in 2001 to the 2010 proposed rate of $8.90. During this same period, the "real" or inflation adjusted property tax levy has increased $35.6 million.



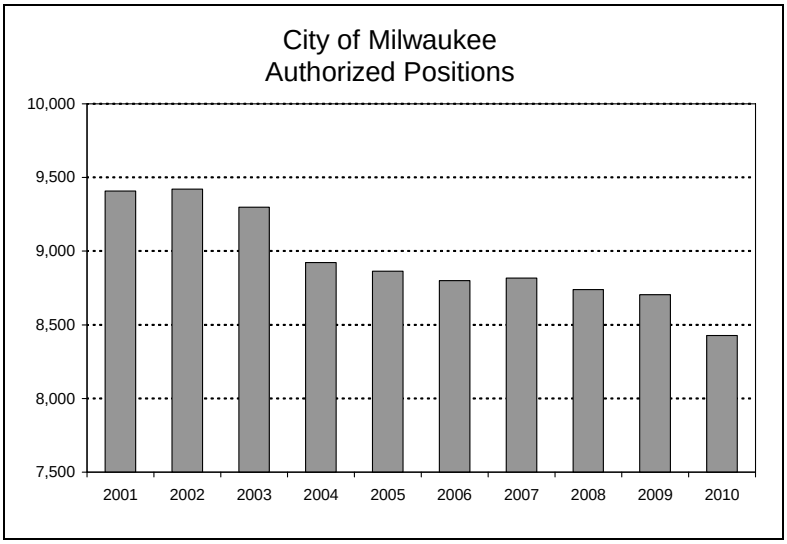
GENERAL CITY PURPOSES SPENDING

The pie chart below depicts the proportions of general city purposes spending allocated to Personnel Costs (85.7%), Supplies, Services, and Special Funds (13.2%), and Equipment Purchases (1.1%) in the 2010 proposed budget.

It should be noted that the 2010 proposed budget funds approximately $9.1 million of major equipment purchases in the capital budget.



The following bar graph indicates changes in authorized positions from 2001 to 2010. Funding for personnel costs (which include salary and wages) relates directly to the number of positions authorized citywide. Excluding temporary and seasonal staff, the 2010 proposed budget reflects a net decrease of 279 positions from 2009 levels (8,703 in 2009 to 8,424 in 2010).



CHANGE IN POSITIONS

	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
General City Purposes					
Administration, Department of	106	107	106	0	-1
Assessor's Office	59	59	56	-3	-3
City Attorney	65	65	63	-2	-2
City Development, Department of	218	206	201	-17	-5
Common Council City Clerk	111	111	112	1	1
Comptroller's Office	66	67	67	1	0
Election Commission	20	108	107	87	-1
Employee Relations, Department of	80	79	75	-5	-4
Fire and Police Commission	17	17	18	1	1
Fire Department	1,133	1,070	1,018	-115	-52
Health Department	306	305	273	-33	-32
Library	377	377	360	-17	-17
Mayor's Office	14	14	14	0	0
Municipal Court	45	45	45	0	0
Neighborhood Services, Department of	229	229	240	11	11
Police Department	3,001	3,012	2,906	-95	-106
Port of Milwaukee	35	35	36	1	1
Public Works, Department of **(Total)**	(2,393)	(2,393)	(2,323)	(-70)	(-70)
Administrative Services Division	63	63	63	0	0
Infrastructure Services Division	707	707	807	100	100
Operations Division	1,623	1,623	1,453	-170	-170
Special Purpose Account	11	11	11	0	0
Treasurer's Office	58	59	59	1	0
Unified Call Center	0	0	30	30	30
General City Purposes Total	**8,344**	**8,369**	**8,120**	**-224**	**-249**
General City Purposes Total *	**8,333**	**8,270**	**8,022**	**-311**	**-248**
Pensions					
Deferred Compensation	2	2	2	0	0
Employees' Retirement System	51	58	52	1	-6
Pensions Total	**53**	**60**	**54**	**1**	**- 6**
Parking Fund	129	130	130	1	0
Sewer Maintenance Fund	172	172	164	-8	-8
Water Works	348	358	404	56	46
Subtotal Budgeted Positions	**9,046**	**9,089**	**8,872**	**-174**	**-217**
Less Temporary Positions	343	441	440	97	-1
Total Budgeted Positions	**8,703**	**8,648**	**8,432**	**- 271**	**- 216**

* Does not include Election Commissioners and Election Commission Temporary Office Assistants (11 in 2009 and 98 in 2010) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS
O&M Funded

	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
General City Purposes					
Administration, Department of	71.11	70.69	64.59	-6.52	-6.10
Assessor's Office	46.55	46.55	42.55	-4.00	-4.00
City Attorney	57.55	57.80	54.80	-2.75	-3.00
Common Council City Clerk	90.50	90.50	90.30	-0.20	-0.20
Comptroller's Office	51.95	51.95	51.95	0.00	0.00
Department of City Development	41.20	43.60	40.30	-0.90	-3.30
Election Commission *	8.00	8.00	8.00	0.00	0.00
Employee Relations, Department of	48.90	47.99	44.31	-4.59	-3.68
Fire and Police Commission	9.50	9.50	8.70	-0.80	-0.80
Fire Department	1,090.05	1,066.50	1,027.05	-63.00	-39.45
Health Department	166.06	161.20	146.70	-19.36	-14.50
Library	302.59	302.45	282.89	-19.70	-19.56
Mayor's Office	12.50	11.50	11.00	-1.50	-0.50
Municipal Court	39.50	39.50	39.38	-0.12	-0.12
Neighborhood Services, Department of	169.58	169.58	157.50	-12.08	-12.08
Police Department	2,864.15	2,864.15	2,686.45	-177.70	-177.70
Port of Milwaukee	22.00	22.00	20.50	-1.50	-1.50
Public Works, Department of **(Total)**	(1,041.02)	(1,049.68)	(967.24)	(-73.78)	(-82.44)
Administrative Services Division	50.54	50.54	52.49	1.95	1.95
Infrastructure Services Division	248.40	265.06	300.34	51.94	35.28
Operations Division	742.08	734.08	614.41	-127.67	-119.67
Special Purpose Accounts	3.00	3.00	4.00	1.00	1.00
Treasurer's Office	30.25	30.78	28.25	-2.00	-2.53
Unified Call Center	0.00	0.00	7.75	7.75	7.75
General City Purposes Total	**6,165.96**	**6,146.92**	**5,784.21**	**-381.75**	**-362.71**
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	126.75	127.75	122.50	-4.25	-5.25
Sewer Maintenance Fund	106.54	105.52	107.52	0.98	2.00
Water Works	329.93	335.18	355.43	25.50	20.25
Grand Total	**6,772.68**	**6,758.87**	**6,413.16**	**-359.52**	**-345.71**

* Election Commission does not include Temporary Office Assistants (3.8 FTEs in 2009 and 13.56 in 2010) due to staffing fluctuations between election and non-election years.

COMPARISON OF 2010 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

	2007 ACTUAL** EXPENDITURES	2008 ACTUAL** EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
A. General City Purposes					
1. Budgets for General City Purposes					
Administration, Department of	$8,531,386	$8,754,750	$8,850,868	$7,902,031	$-948,837
Assessor's Office	4,684,217	4,927,120	4,539,601	4,278,246	-261,355
City Attorney	6,948,088	7,268,135	7,104,963	6,813,103	-291,860
City Development, Department of	3,428,309	3,918,972	4,408,117	3,946,428	-461,689
City Treasurer	2,713,043	2,956,994	2,959,256	2,951,830	-7,426
Common Council City Clerk	8,056,164	8,283,211	8,228,642	7,858,228	-370,414
Comptroller	5,135,131	5,693,637	5,483,015	5,066,065	-416,950
Election Commission	1,225,688	2,710,209	1,315,764	2,073,779	758,015
Employee Relations, Department of	5,170,131	5,305,978	4,982,399	4,606,026	-376,373
Fire and Police Commission	621,300	776,656	1,071,067	970,473	-100,594
Fire Department	98,661,899	105,553,127	104,997,269	99,819,701	-5,177,568
Health Department	13,729,738	13,954,013	13,600,881	12,228,339	-1,372,542
Library	23,322,388	23,260,351	21,811,023	19,862,194	-1,948,829
Mayor's Office	1,195,306	1,250,514	1,279,774	1,099,265	-180,509
Municipal Court	3,344,499	3,585,918	3,332,482	3,379,436	46,954
Neighborhood Services, Department of	13,878,879	14,534,520	14,104,331	13,826,142	-278,189
Police Department	218,318,780	226,772,707	230,576,730	215,731,877	-14,844,853
Port of Milwaukee	4,152,263	3,857,890	4,795,011	4,831,778	36,767
Public Works Department (Total)	(116,392,365)	(129,857,247)	(113,681,038)	(108,314,302)	(-5,366,736)
Administrative Services Division	4,704,929	5,059,766	4,890,430	4,715,061	-175,369
Infrastructure Services Division	25,001,995	27,930,801	26,390,916	33,656,488	7,265,572
Operations Division	86,685,441	96,866,680	82,399,692	69,942,753	-12,456,939
Special Purpose Accounts	141,133,421 *	139,212,403 *	165,961,816	157,113,431 *	-8,848,385
Unified Call Center	0	0	0	540,032	540,032
Fringe Benefit Offset	-119,653,507	134,143,935	-124,461,875	-116,695,727	7,766,148
Total Budgets for General City Purposes	$560,989,488 **	$846,578,287 **	$598,622,172	$566,516,979	$-32,105,193

* 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	$14,105,629	$14,693,861	$14,141,000	$15,248,500	$1,107,500
Licenses and Permits	13,697,999	12,909,731	13,137,900	12,709,420	-428,480
Intergovernmental Revenue	272,539,040	271,097,777	272,252,400	270,271,600	-1,980,800
Charges for Services	79,192,455	90,241,003	87,154,340	95,615,303	8,460,963
Fines and Forfeitures	5,783,973	5,250,348	5,593,000	5,255,000	-338,000
Miscellaneous Revenue	35,479,323	30,591,648	37,564,275	40,781,700	3,217,425
Fringe Benefits	22,386,775	24,098,921	22,650,000	23,000,000	350,000
Cost Recovery	0	0	10,000	10,000	0
Total Revenues	$443,185,194	$448,883,289	$452,502,915	$462,891,523	$10,388,608
Tax Stabilization Fund Withdrawals	$23,175,000	$29,457,500	$22,378,500	$13,000,000	$-9,378,500
Property Tax Levy	95,982,881	104,074,730	123,740,757	90,625,456	-33,115,301
Total Financing for General City Purposes	$562,343,075	$582,415,519	$598,622,172	$566,516,979	$-32,105,193
B. Employees' Retirement					
1. Budgets for Employees' Retirement					
Firemen's Pension Fund					
Pension Contribution	$121,651	$106,036	$125,000	$71,000	$-54,000
Lump Sum Supplement Contribution	297,508	244,196	200,000	150,000	-50,000
Policemen's Pension Fund					
Pension Contribution	$307,582	$56,972	$41,423	$321,277	$279,854
Administration	0	0	0	0	0
Lump Sum Supplement Contribution	0	0	0	0	0
Employees' Retirement Fund					
Pension Contribution	$0	$0	$0	$49,904,730	$49,904,730
Administration	19,362,651	19,002,182	24,364,000	24,191,584	-172,416

	2007 ACTUAL** EXPENDITURES	2008 ACTUAL** EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
Employers' Share of Employees' Annuity Contribution	23,422,742	23,639,683	18,249,000	16,979,005	-1,269,995
Annuity Contribution Employer's Reserve Fund	0	0	5,581,000	6,800,000	1,219,000
Social Security					
Social Security Tax	$17,503,709	$17,971,473	$18,090,000	$17,157,000	$-933,000
Former Town of Lake Employees' Retirement Fund					
Pension Contribution	$7,506	$7,273	$7,300	$7,300	$0
Former Town of Lake Firemen's Retirement Fund					
Pension Contribution	$0	$0	$0	$0	$0
Deferred Compensation	$983,335	$1,068,888	$1,560,711	$1,558,787	$-1,924
Total Budgets for Employees' Retirement	$62,006,684 **	$62,096,703 **	$68,218,434	$117,140,683	$48,922,249
2. Source of Funds for Employees' Retirement					
Fringe Benefits Pension	$854,682	$976,185	$1,067,000	$1,041,500	$-25,500
Charges to Retirement Fund	18,948,735	19,969,080	24,037,530	23,883,904	-153,626
Charges to Deferred Compensation	983,335	1,068,888	1,560,711	1,558,787	-1,924
Charges to Other Governmental Units	0	0	0	1,965,279	1,965,279
Miscellaneous Revenue/Reserve Fund	101,040	69,503	5,665,100	6,883,000	1,217,900
Property Tax Levy	41,118,922	40,188,093	35,888,093	81,808,213	45,920,120
Total Financing for Employees' Retirement	$62,006,714	$62,271,749	$68,218,434	$117,140,683	$48,922,249
C. Capital Improvements					
1. Budgets for Capital Improvements					
Special Capital Projects or Purposes	$47,681	$134,961	$15,825,000	$16,360,000	$535,000
Administration, Department of	835,421	582,024	1,656,920	949,400	-707,520
City Attorney	2,904	21,620	0	2,287,500	2,287,500
City Development, Department of	39,028,869	28,828,666	43,844,614	39,402,543	-4,442,071
City Treasurer	37,815	33,019	0	0	0
Common Council City Clerk	12,490	13,976	350,000	0	-350,000
Election Commission	0	0	40,000	0	-40,000
Employee Relations, Department of	153,495	198,338	0	0	0
Fire and Police Commission	0	0	150,000	0	-150,000
Fire Department	2,118,070	3,915,075	2,807,500	4,806,000	1,998,500
Health Department	452,339	408,087	864,000	100,000	-764,000
Library	757,677	1,089,006	4,144,000	4,075,000	-69,000
Municipal Court	150,617	147,717	683,645	334,000	-349,645
Neighborhood Services, Department of	0	0	0	76,141	76,141
Police Department	5,718,578	3,489,356	6,664,000	4,188,000	-2,476,000
Port of Milwaukee	250,024	669,750	1,500,000	0	-1,500,000
Public Works, Department of (Total)	(74,556,454)	(66,995,089)	(47,320,300)	(51,827,944)	(4,507,644)
Administration Division	615,539	1,632,502	350,000	500,000	150,000
Infrastructure Services Division	27,871,523	32,056,439	31,707,300	36,107,500	4,400,200
Operations Division	46,069,392	33,306,148	15,263,000	15,220,444	-42,556
Total Budgets for Capital Improvements (Other than Parking, Water Works, and Sewer Maintenance)	$124,122,434 **	$106,526,684 **	$125,849,979	$124,406,528	$-1,443,451
2. Source of Funds for Capital Improvements					
General Obligation Borrowings					
New Borrowing	$76,477,794	$74,288,343	$68,276,745	$77,167,080	$8,890,335
Carryover Borrowing	0 (a)	0 (a)	129,313,585 (a)	151,701,879 (a)	22,388,294 (a)
Tax Increment District Public Improvements					
New Borrowing	$36,807,399	$25,125,610	$36,268,614	$23,222,323	$-13,046,291
Carryover Borrowing	0 (a)	0 (a)	140,310,308 (a)	164,578,922 (a)	24,268,614 (a)
Anticipated Special Assessments					
New Authorizations	$2,010,419	$2,801,207	$150,300	$770,000	$619,700
Carryover Special Assessments	0 (a)	0 (a)	14,147,349 (a)	8,582,492 (a)	-5,564,857 (a)
Capital Improvement Revenues					
Cash Revenues	$137,923	$283,603	$19,390,000	$22,429,125	$3,039,125
Carryover Capital Revenues	0 (a)	0 (a)	0 (a)	0 (a)	0 (a)
Property Tax Levy	8,688,899	4,027,921	1,764,320	818,000	-946,320
Total Financing for Capital Improvements (Other than Parking, Water Works and Sewer Maintenance)	$124,122,434 *	$106,526,684 *	$125,849,979	$124,406,528	$-1,443,451

	2007 ACTUAL** EXPENDITURES	2008 ACTUAL** EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 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)	$147,892,532	$181,101,841	$215,436,667	$241,558,000	$26,121,333
Bonded Debt (Interest)	35,360,182	33,636,754	52,176,449	44,588,689	-7,587,760
Bonded Debt (Fees)	45,820	296,373	400,000	400,000	0
Bonded Debt (Issuance Expenses)	77,652	147,235	1,000,000	1,000,000	0
Subtotal	$183,376,186	$215,182,203	$269,013,116	$287,546,689	$18,533,573
Less: Prepayment					
Prepayment Deduction (PDAF)	$-7,300,000	$-7,400,000	$-6,500,000	$-5,400,000	$1,100,000
Special Assessment	-3,258,000	-3,258,000	-3,850,301	-1,949,620	1,900,681
Total Budget for City Debt (a)	$172,818,186 **	$204,524,203 **	$258,662,815	$280,197,069	$21,534,254

Milwaukee School Board

(a) Included in city debt amounts above are the following amounts for school purposes not controlled by the Common Council.	2007	$20,338,735	
	2008	$20,763,771	(est.)
	2009	$20,556,484	(est.)
	2010	$17,593,929	(est.)

2. Source of Funds for City Debt					
Revenues	$83,878,000	$83,878,000	$147,918,917	$163,527,972	$15,609,055
TID Increments from Prior Year	17,423,000	17,423,000	22,869,085	23,829,873	960,788
Delinquent Tax Revenues	15,837,000	15,837,000	17,269,003	23,659,994	6,390,991
Property Tax Levy	67,421,689	74,200,995	70,605,810	69,179,230	-1,426,580
Total Financing for City Debt	$184,559,689	$191,338,995	$258,662,815	$280,197,069	$21,534,254
E. Delinquent Tax					
1. Budget for Delinquent Tax Fund					
Delinquent Tax Fund	$1,000,000	$0	$0	$0	$0
2. Source of Funds for Delinquent Tax Fund					
Property Tax Levy	$1,000,000	$0	$0	$0	$0
F. Common Council Contingent Fund					
1. Budget for Common Council Contingent Fund					
Common Council Contingent Fund	$5,500,000 *	$5,000,000 *	$5,000,000	$5,000,000	$0
2. Source of Funds for Common Council Contingent Fund					
Property Tax Levy	$5,500,000	$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)	$920,936,792	$1,219,725,877	$1,056,353,400	$1,093,261,259	$36,907,859
Non-Tax Levy	$719,819,521	$720,061,208	$819,354,420	$845,830,360	$26,475,940
Tax Levy	$219,712,391	$227,491,739	$236,998,980	$247,430,899	$10,431,919
Subtotal Financing for (Estimated Revenues) Common Council Controlled Budgets (Except Water and Special Revenue Accounts)	$939,531,912	$947,552,947	$1,056,353,400	$1,093,261,259	$36,907,859
Special Revenue Accounts Sections G through M					
G. Parking					
1. Budget for Parking Program					
Operating and Maintenance Expense	$25,155,812	$26,752,228	$26,552,163	$28,405,216	$1,853,053
Transfer to General Fund	15,800,000	17,000,000	18,132,150	21,537,000	3,404,850
Capital Improvement Program	2,141,626	1,385,192	2,936,000	950,000	-1,986,000
Capital Improvements to be Financed from Available Cash Reserves	0	0	5,000,000	5,000,000	0
Total Budget for Parking Program	$43,097,438 **	$45,137,420 **	$52,620,313	$55,892,216	$3,271,903

	2007 ACTUAL** EXPENDITURES	2008 ACTUAL** EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
2. Source of Funds for Parking Operations					
Parking Permits	$2,913,815	$3,014,342	$2,914,000	$3,012,000	$98,000
Meters	4,088,508	3,802,976	4,555,000	5,406,245	851,245
Rental and Lease of Facilities	7,123,748	7,841,792	7,112,384	7,262,000	149,616
Towing of Vehicles	3,991,550	4,183,417	3,800,000	3,962,500	162,500
Vehicle Disposal	2,258,743	2,541,946	2,200,000	2,200,000	0
Miscellaneous	271,352	354,049	275,000	400,000	125,000
Subtotal Financing of Parking Operations	$20,647,716	$21,738,522	$20,856,384	$22,242,745	$1,386,361
Other Funding Sources					
Withdrawal from Reserves	$1,088,965	$0	$4,195,779	$5,699,471	$1,503,692
Citation Revenue	18,949,885	22,222,538	19,632,150	22,000,000	2,367,850
Miscellaneous	269,246	0	0	0	0
Capital Improvements to be Financed from Available:					
Cash Reserves	$0	$0	$5,000,000	$5,000,000	$0
New Borrowing	0	0	2,936,000	950,000	-1,986,000
Carryover Borrowing	0	0	4,098,064 (a)	4,439,064 (a)	341,000 (a)
Subtotal Other Funding Sources	$20,308,096	$22,222,538	$31,763,929	$33,649,471	$1,885,542
Total Financing for Parking	$40,955,812	$43,961,060	$52,620,313	$55,892,216	$3,271,903

(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)	$52,803,606	$55,500,463	$78,370,351	$76,117,944	$-2,252,407
Total for Grants and Aids Projects	$52,803,606 **	$55,500,463 **	$78,370,351	$76,117,944	$-2,252,407
2. Source of Funds for Grants and Aids Projects					
Grantor Share (Non-City)	$52,803,606	$55,500,463	$78,370,351	$76,117,944	$-2,252,407
Total Financing for Grants and Aids Projects (Except Capital Projects)	$52,803,606	$55,500,463	$78,370,351	$76,117,944	$-2,252,407
I. Economic Development Fund					
1. Budget for Economic Development Fund					
Business Improvement Districts	$6,179,845	$6,482,610	$7,142,523	$8,538,787	$1,396,264
Total Budget for Economic Development Fund	$6,179,845	$6,482,610	$7,142,523	$8,538,787	$1,396,264
2. Source of Funds for Economic Development Fund					
Business Improvement District Assessments	$7,580,219	$6,482,610	$7,142,523	$8,538,787	$1,396,264
Total Source of Funds for Economic Development Fund	$7,580,219	$6,482,610	$7,142,523	$8,538,787	$1,396,264
J. Water Works					
1. Budget for Water Works, Department of Public Works					
Operating Budget	$63,655,263	$66,165,760	$71,008,475	$82,802,804	$11,794,329
Capital Improvements Program	15,485,215	18,124,405	27,096,000	20,030,000	-7,066,000
Deposits to Special Accounts (Retained Earnings)	15,411,049	17,672,549	26,696,000	19,630,000	-7,066,000
Total Expenditures and Deposits	$94,551,527 **	$101,962,714 **	$124,800,475	$122,462,804	$-2,337,671
2. Source of Funds for Water Works					
Operating Revenue	$67,670,886	$68,414,358	$68,212,700	$83,000,000	$14,787,300
Non-Operating Revenue	9,619,098	7,325,039	10,237,000	7,862,000	-2,375,000
Proceeds from Borrowing	0	225,000	0	0	0
Retained Earnings	17,261,543	25,998,317	46,350,775	31,600,804	-14,749,971
Total Source of Funds for Water Works	$94,551,527	$101,962,714	$124,800,475	$122,462,804	$-2,337,671
K. Sewer Maintenance					
1. Budget for Sewer Maintenance					
Operating Budget	$36,583,470	$35,634,818	$44,898,343	$49,873,755	$4,975,412
Capital Budget	19,502,394	26,939,928	31,450,000	23,937,000	-7,513,000
Total Budget for Sewer Maintenance	$56,085,864 **	$62,574,746 **	$76,348,343	$73,810,755	$-2,537,588
2. Source of Funds for Sewer Maintenance					
Sewer User Fee	$23,769,847	$26,358,869	$26,617,000	$28,591,500	$1,974,500
Storm Water Fee	12,771,655	12,756,516	18,720,330	22,316,000	3,595,670

	2007 ACTUAL** EXPENDITURES	2008 ACTUAL** EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
Charges for Services	1,215,558	1,608,929	1,200,000	1,286,000	86,000
Miscellaneous Revenue	413,959	309,453	370,300	258,000	-112,300
Retained Earnings	-1,587,549	0	890,713	22,255	-868,458
Proceeds from Borrowing	19,502,394	24,778,791	28,550,000	21,337,000	-7,213,000
Total Source of Funds for Sewer Maintenance	$56,085,864	$65,812,558	$76,348,343	$73,810,755	$-2,537,588
M. Delinquent County Taxes					
1. Budget for Delinquent County Taxes					
Delinquent County Taxes and Tax Certificate Purchases	$12,002,314	$14,396,282	$15,000,000	$15,000,000	$0
Total Budget for Delinquent County Taxes	$12,002,314	$14,396,282	$15,000,000	$15,000,000	$0
2. Source of Funds for Delinquent County Taxes					
Purchase of Milwaukee County Delinquent Taxes	$12,002,314	$14,396,282	$15,000,000	$15,000,000	$0
Total Source of Funds for Delinquent County Taxes	$12,002,314	$14,396,282	$15,000,000	$15,000,000	$0
Subtotal Budget Authorization for Special Revenue Accounts	$264,720,594	$286,054,235	$354,282,005	$351,822,506	$-2,459,499
Subtotal Estimated Revenues for Special Revenue Accounts	$263,979,342	$288,115,687	$354,282,005	$351,822,506	$-2,459,499
Total All Budgets Under the Control of the Common Council (Includes Water and Special Revenue Accounts)	$1,185,657,386	$1,505,780,112	$1,410,635,405	$1,445,083,765	$34,448,360
Total Financing Revenues of Budgets Under the Control of the Common Council (Includes Water and Special Revenue Accounts)	$1,203,511,254	$1,235,668,634	$1,410,635,405	$1,445,083,765	$34,448,360

** Expenditures include funding carried over from prior year.

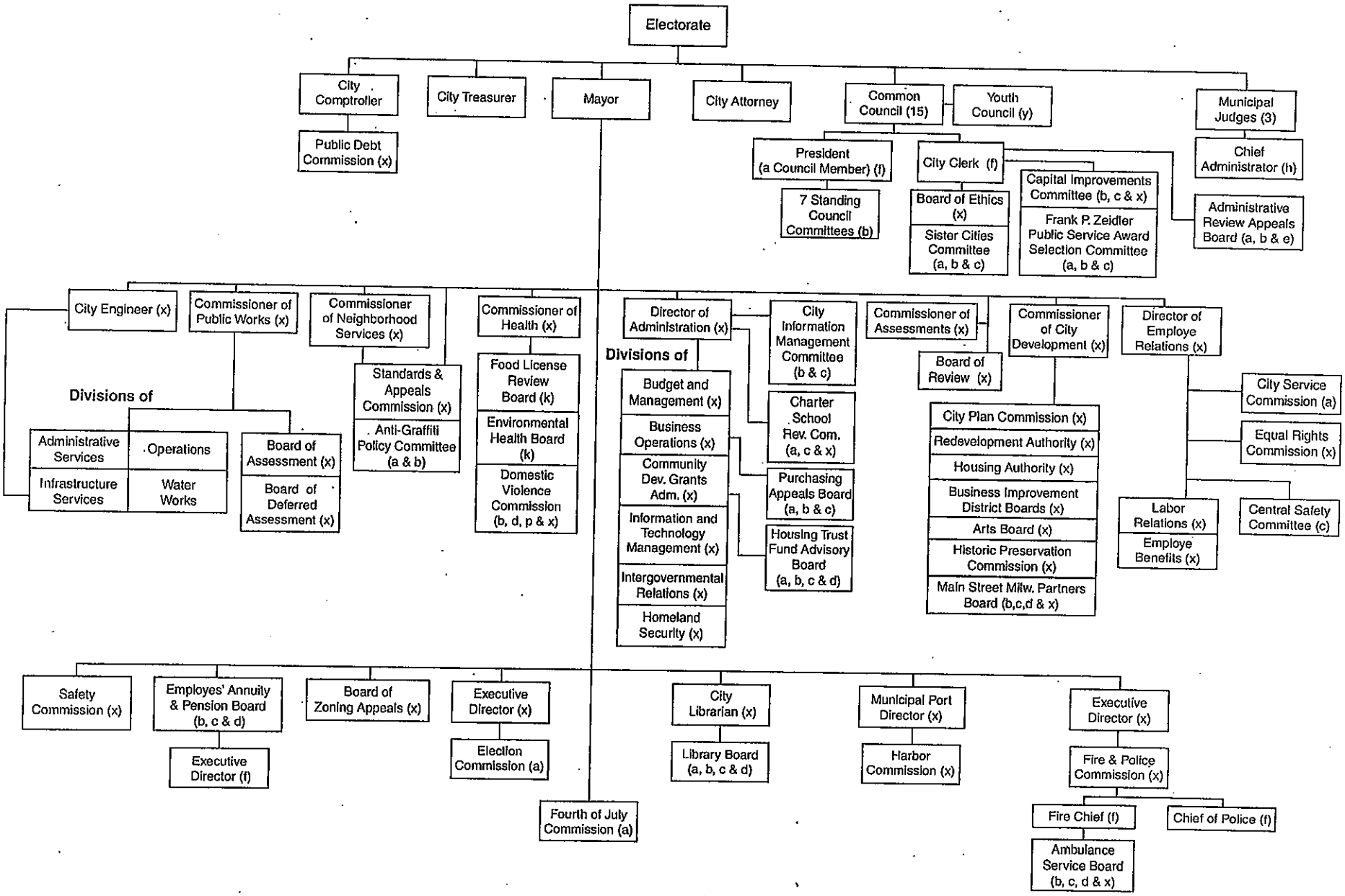
SECTION II. SUMMARY OF BORROWING AUTHORIZATIONS
(Including School Purposes)

	2008	2009	2010
General Obligation Bonds or Short Term Notes			
New Borrowing			
General City Purposes	$62,737,385	$71,212,745	$78,117,080
Schools	2,000,000	2,000,000	2,000,000
Subtotal New Borrowing	**$64,737,385**	**$73,212,745**	**$80,117,080**
Carryover Borrowing*	(127,276,094)	(135,411,649)	(150,190,863)
Subtotal	**$64,737,385**	**$73,212,745**	**$80,117,080**
Special Assessment Borrowing			
New Borrowing	$2,760,149	$150,300	$770,000
Carryover Borrowing*	(14,746,383)	(14,147,349)	(8,582,492)
Subtotal	**$2,760,149**	**$150,300**	**$770,000**
Contingency Borrowing			
New Borrowing	$110,000,000	$130,000,000	$130,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$110,000,000**	**$130,000,000**	**$130,000,000**
Tax Incremental District Borrowing			
New Borrowing	$60,451,000	$36,268,614	$23,222,323
Carryover Borrowing*	(109,648,810)	(140,310,308)	(164,578,922)
Subtotal	**$60,451,000**	**$36,268,614**	**$23,222,323**
Delinquent Taxes Borrowing			
New Borrowing	$17,000,000	$21,000,000	$24,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$17,000,000**	**$21,000,000**	**$24,000,000**
Revenue Anticipation Borrowing			
New Borrowing	$300,000,000	$350,000,000	$400,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$300,000,000**	**$350,000,000**	**$400,000,000**
Water Works Borrowing			
New Borrowing	$12,500,000	$0	$0
Carryover Borrowing*	(0)	(12,500,000)	(12,275,000)
Subtotal	**$12,500,000**	**$0**	**$0**
Sewer Maintenance Fund Borrowing			
New Borrowing	$27,700,000	$28,550,000	$21,337,000
Carryover Borrowing*	(46,261,582)	(57,518,648)	(85,755,826)
Subtotal	**$27,700,000**	**$28,550,000**	**$21,337,000**
Total All Borrowing			
New Borrowing	$595,148,534	$639,181,659	$679,446,403
Carryover Borrowing*	(43,380,681)	(359,887,954)	(421,383,103)
Total	**$595,148,534**	**$639,181,659**	**$679,446,403**

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

CITY OF MILWAUKEE ORGANIZATION CHART

Source: Legislative Reference Bureau • September 2009



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	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
A. General City Purposes	$846,164,905	$598,622,172	$610,974,794	$566,516,979	$-32,105,193	$-44,457,815
B. Employees' Retirement	62,096,703	68,218,434	70,540,748	117,140,683	48,922,249	46,599,935
C. Capital Improvements	106,526,684	125,849,979	185,572,398	124,406,528	-1,443,451	-61,165,870
D. City Debt	204,524,203	258,662,815	281,137,069	280,197,069	21,534,254	-940,000
F. Contingent Fund	5,000,000 *	5,000,000	5,000,000	5,000,000	0	0
TOTAL	$1,224,312,495	$1,056,353,400	$1,153,225,009	$1,093,261,259	$36,907,859	$-59,963,750

* Contingent Fund experience shown for informational purposes only. Expenditure experience represents transfers to other expense categories.

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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 2010.

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	66.70	71.11	70.69	64.59	-6.52	-6.10
FTEs - Other	25.43	29.33	30.75	34.25	4.92	3.50
Total Positions Authorized	106	106	107	106	0	-1
EXPENDITURES						
Salaries and Wages	$4,966,999	$4,728,061	$4,912,000	$4,270,662	$-457,399	$-641,338
Fringe Benefits	2,058,512	1,938,505	2,014,000	1,750,972	-187,533	-263,028
Operating Expenditures	631,988	757,302	726,807	697,807	-59,495	-29,000
Equipment	15,622	23,000	54,590	37,590	14,590	-17,000
Special Funds	1,081,629	1,404,000	1,260,000	1,145,000	-259,000	-115,000
TOTAL	$8,754,750	$8,850,868	$8,967,397	$7,902,031	$-948,837	$-1,065,366
REVENUES						
Charges for Services	$4,956,237	$155,350	$106,000	$106,000	$-49,350	$0
Miscellaneous	842,131	677,000	378,000	378,000	-299,000	0
TOTAL	$5,798,368	$832,350	$484,000	$484,000	$-348,350	$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 2010

Objective: Abate lead in houses containing young children.	
Strategies	**2010 Milestones**
Lobby for state lead abatement tax credit.	Introduction of bill.
Objective: Enhance transit options and existing infrastructure.	
Strategies	**2010 Milestones**
Reduce local street replacement cycle to 65 years by 2014.	Adopt 2010 budget with a budget of at least $11 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 2010.	
Strategies	**2010 Milestones**
Establish city policy for distribution of Water Works surplus earnings to the General Fund.	Inclusion in 2010 city budget and 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	**2010 Milestones**
Implement Me2 Energy Retrofit Project.	Implement Phase I of the project.

Strategies and Milestones for 2010

Objective: Expose more inner city youth to career environments.	
Strategies	**2010 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	**2010 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	**2010 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 projects by implementing the MORE ordinance.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2010 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 2010. 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. DOA's efforts in 2010 will focus on lobbying for state legislative adoption of a local option .15% sales tax. This option was included in the State Legislature's 2009-2011 Biennial Budget, but did not survive a gubernatorial veto. The department will also work with the Milwaukee Water Works, the Mayor, and the Common Council to establish a sustainable approach to the distribution of surplus earnings from the Water Works to the General Fund. 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: DOA's long term objective in the area of environmental sustainability is reducing the energy use in city operations by 15% by 2012, with the reduction measured from the 2005 baseline amount. In 2010, DOA will work with city departments to improve energy efficiencies by retrofitting city facilities and buildings. A key component of this strategy is using funding from the federal government stimulus via the Energy Efficiency Block Grant to implement improvements. This funding provides $5.8 million to implement capital projects that increase energy efficiency. Funds have been allocated based on projected reductions in energy use, demand charges and demonstration of project payback within a reasonable time period.

Environmental sustainability also intends to foster development of "green" jobs. The 2010 proposed budget includes an innovative pilot program, the Milwaukee Energy Efficiency Program (Me2), to improve energy efficiency in 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. Focus on Energy will conduct energy audits of homes and coordinate building improvements, with the costs being charged to the property owner over time as they realize energy savings. The program will help eligible Milwaukee property owners install cost effective energy efficiency projects that otherwise may not be 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, and control the region's growing demand for electricity and natural gas. The Neighborhood Improvements Development Corporation (NIDC) will administer the program.

In addition, if a market for carbon trading develops, the city will have a claim to carbon credits. There is no net cost to the city taxpayer or net increase to the tax levy to support the project.

Promoting Social and Economic Equity: One of the Mayor's strategic goals is to promote social and economic equity for all citizens. In 2010, DOA's Business Operations Division (BOD) will continue to implement the Milwaukee Opportunities Restoring Employment (M.O.R.E.) ordinance. The Common Council and the Mayor adopted this ordinance during 2009 in order to increase contracting and employment opportunities for city residents and small, women owned, minority owned, and local firms. BOD will review and monitor all relevant city contracts and select development projects to ensure compliance with the provisions of the ordinance. Annually, the BOD will report on the outcomes of the various new programs (Emerging Business Enterprise Program; Resident Preference Program; First Source Recruitment Program; Apprenticeship Ratio Inclusion; and the Local Business Enterprise Program) that are tied to the ordinance.

BOD is also working with a consultant to conduct a disparity study, in order to determine if a statistically significant disparity exists between the number of minority owned and women owned business enterprises that are ready, willing, and able to provide goods and services to the city and the number of minority owned and women owned businesses that were actually providing goods and services to the city. If the consultant finds that there is statistically significant disparity in contracting it is anticipated that the consultant will move on to Phase II of the study which consists of the qualitative interviews with the business community; a review of the city's contracting policies and procedures; and presentation of a final report to the city with possible program revisions. If the consultant does not find that there is a statistically significant disparity the consultant will provide recommendations that focus on business capacity building.

OTHER SERVICE AND BUDGET CHANGES

Environmental Sustainability Program: The Mayor has directed the department's Environmental Sustainability Director to focus this program increasingly on city operations, regulatory strategies, and the city's energy efficiency performance. In 2010, the program will focus on:

- Administration of the city's $5.8 million Energy Efficiency Community Block Grant. This includes developing policies and procedures for the Milwaukee Energy Efficiency (ME2) residential retrofit program and overseeing program implementation via the NIDC.
- Development and implementation of a program for identifying energy efficiency opportunities in city facilities and recommendations for a program for targeted improvements using a variety of funding sources including the city's capital improvements, federal and state grants, and energy efficiency incentives and rebates.
- Advise the Mayor and Common Council on state and local environmental policy, including water sales outside the Great Lakes basin, stormwater quality regulations, energy policy, and air quality policy.
- Leverage the efforts of local environmental groups and cooperative partnerships to improve regional environmental quality and promote Milwaukee's efforts to the community at large.
- Work with DPW to develop a "Pay as You Throw" pilot program and other strategies to encourage source reduction, recycling, and more equitably distribute solid waste removal costs.

Information Technology Management: The proposed budget makes substantial strides in aligning information technology resources with service needs and the city's fiscal circumstances. As a result of the development of new, non-mainframe based technology applications in various city departments and improvements to its own operations, DOA's Information Technology Management Division (ITMD) will eliminate four positions with an estimated salary and fringe benefit savings of $360,000. Other ITMD streamlining and cost reduction efforts generate an additional $174,000 in budget savings. During 2010, the city's Chief Information Officer (CIO) will take on an expanded role in citywide information technology cost management. This will include 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.

E-Notify: E-Notify is an online web service developed by DOA that uses Internet technologies to deliver news and information to citizens in a timely manner. E-Notify is available to anyone with access to the Internet and an e-mail account. Subscribers can use E-Notify to establish a free subscription to desired city information feeds. As of September 2009, 39,760 users had E-Notify subscriptions. In 2009, notifications are increasing significantly, with a

58% increase compared to 2008 (Sep 2008 subscriptions = 23,356). The number of active notification categories is currently at 176. In addition, in 2009 ITMD release a E-Notify text messaging feature which has 1,544 subscribers to date. Since the inception date of this service, DOA has established 7 different categories which sent out 39 text messages.

2010 IT Capital Projects: The 2010 proposed capital budget contains $949,400 for four DOA information technology projects. These projects are directed towards improving citywide technology operations and increasing staff productivity. Projects include completion of an upgrade of the financials module of the Oracle/Peoplesoft enterprise product to the latest version of the FMIS software. Budgeted at $600,000, the upgrade will ensure continued product support and updates from the vendor. The proposed budget also provides $161,000 for replacement of the obsolete tape backup, which should also reduce future operating costs. In addition, the budget provides $50,000 for the first year of a multi-year e-server replacement project. This initiative will lead to either migration of the current system to alternative platforms or replacement of necessary hardware. The existing server will no longer be supportable after 2011. Finally, the proposed capital budget includes $140,000 to improve the productivity and capacity of ITMD staff through tools that allow for an additional programming environment. This initiative is especially timely given the process streamlining and IT staff reductions that are included in the proposed operating budget for various departments.

2010 Census: The Department of Administration will lead Milwaukee's Complete Count Committee (CCC) consisting of a core group of approximately 50 local government, business and community leaders. The mission of the CCC is to count every resident in the 2010 census so that our community receives a fair allocation of government resources and accurate legislative representation. Census activities will include:

- A census outreach campaign targeted to raise census awareness among all residents;
- A focused and structured neighbor-to-neighbor initiative designed to maximize the response rate to census questionnaires.

The CCC is responsible for establishing a clearinghouse of census promotional materials for use by all CCC partners and creating a website for accessing information about the importance of the census. The CCC and its partners will spread the word to every person living in Milwaukee that the census is more than just a simple count of the U. S. population. A core message will be that the census is safe and private, determines Milwaukee's allocation of millions of dollars of government resources, and generates the number of seats Milwaukee will have in the Wisconsin State Legislature and the U. S. Congress. The 2010 proposed budget includes $50,000 in a special purpose account to support the census initiatives.

Budget and Management Division: The 2010 proposed budget will eliminate funding for one full time analyst position in the Budget Office, producing estimated salary and fringe benefit savings of $60,500. In order to allow for staffing flexibility in the event of vacancies or leaves of absence during peak load periods, the budget provides auxiliary authority for one position.

Intergovernmental Relations Division: The 2010 proposed budget realigns resources in the Intergovernmental Relations Division (IRD) to help balance the budget. During 2010, one position of Legislative Fiscal Manager will be funded at .50 FTE in order to generate salary and fringe benefit savings of $36,400. The position will be restored to full-time status in 2011 to meet the demands of a State Budget process. In addition, the budget will eliminate a consulting contract for federal lobbying for a savings of $24,000. During 2010 the Mayor, Administration Director, and Legislative Liaison Director will assume greater responsibilities for federal relations. Funding of $5,000 for travel expense will facilitate this change, which has already proven effective during 2009.

Change in Responsibility for Homeland Security Functions: The proposed budget transfers the Division of Homeland Security from the Department of Administration to the Fire and Police Commission. No changes in program duties or responsibilities will occur with this transfer.

The Director of Homeland Security works on the terrorism response and prevention functions tied to Urban Areas Security Initiative (UASI) dollars, as well as the city's emergency management program. This program helps the city to prevent, respond to, and recover from any major disaster, catastrophe, emergency or incident requiring extraordinary city resources.

Chapter 166 of the Wisconsin State Statutes requires each municipality to adopt an effective program of emergency management and to appoint a head of emergency management services. Chapter 6 of the City Charter, updated by the Council in 2007 to meet these state requirements, assigns responsibilities to the Director and identifies numerous emergency management functions.

Assignment of this function to the Fire and Police Commission facilitates productive coordination of planning and response activities with the Police and Fire departments.

2010 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.	
		2010 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	$1.4
	Grants and Reimbursables	$0.1
	Totals	**$1.5**
Service	**Grants Management**	
Activities:	Grants administration, coordination, and planning.	
		2010 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	$1.4
	Special Purpose Accounts	$0.1
	Totals	**$1.6**

2010 Budget by Services (Funding in Millions)

Service	**Information Technology and Management**	
Activities:	Enterprise systems, Geographic Information Systems, information policy, systems development and support, E-Government, and city website.	
		2010 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	$4.7
	Grants and Reimbursables	$0.3
	Capital Budget	$0.9
	Special Purpose Accounts	$0.1
	Totals	**$6.0**

Service	**Procurement and Materials Management**	
Activities:	Purchasing administration, competitive bidding, contract administration, Procard administration, inventory monitoring, Emerging Business Enterprise, and material disposal and sale.	
		2010 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	$1.2
	Grants and Reimbursables	$0.5
	Totals	**$1.7**

Service	**Intergovernmental Relations**	
Activities:	Intergovernmental relations, lobbying, fiscal and budget analysis, and planning.	
		2010 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
	-1.00		Budget and Management Special Assistant	Move position to Auxiliary status for peakload needs.
-1		-0.50	Homeland Security Director	Move Office of Homeland Security to Fire and Police Commission.
1		1.00	Grant Monitor	Position created to monitor NSP grant.
1		1.00	Grant Monitor	Position created to monitor CDBG Recovery grant.
2		2.00	College Intern	Positions created to monitor HPRRP grant.
1		1.00	Contract Compliance Officer	Position created to implement File 080218.
	-0.50		Legislative Fiscal Manager	Reduction in work hours.
-1	-1.00		Programmer Analyst	Eliminate vacant position.
-1	-1.00		Enterprise Information Manager	
-1	-1.00		Systems Coordinator	Staffing realignment based on service needs and changes to citywide information technology environment.
-1	-1.00		Systems Analyst Senior	
	-1.00		Systems Analyst Senior	
-1			Applications Development Coordinator	Technical correction of position title.
1			Systems Analyst Senior	
	-0.02	0.42	Various Positions	Miscellaneous funding adjustments.
0	**-6.52**	**4.92**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	50.83	46.55	46.55	42.55	-4.00	-4.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	59	59	59	56	-3	-3
EXPENDITURES						
Salaries and Wages	$3,063,120	$2,900,446	$2,930,000	$2,623,437	$-277,009	$-306,563
Fringe Benefits	1,432,839	1,189,183	1,201,000	1,075,609	-113,574	-125,391
Operating Expenditures	266,498	279,972	284,800	429,200	149,228	144,400
Equipment	0	0	0	0	0	0
Special Funds	164,663	170,000	170,000	150,000	-20,000	-20,000
TOTAL	$4,927,120	$4,539,601	$4,585,800	$4,278,246	$-261,355	$-307,554
REVENUES						
Charges for Services	$379,634	$476,500	$351,500	$351,500	$-125,000	$0
TOTAL	$379,634	$476,500	$351,500	$351,500	$-125,000	$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.

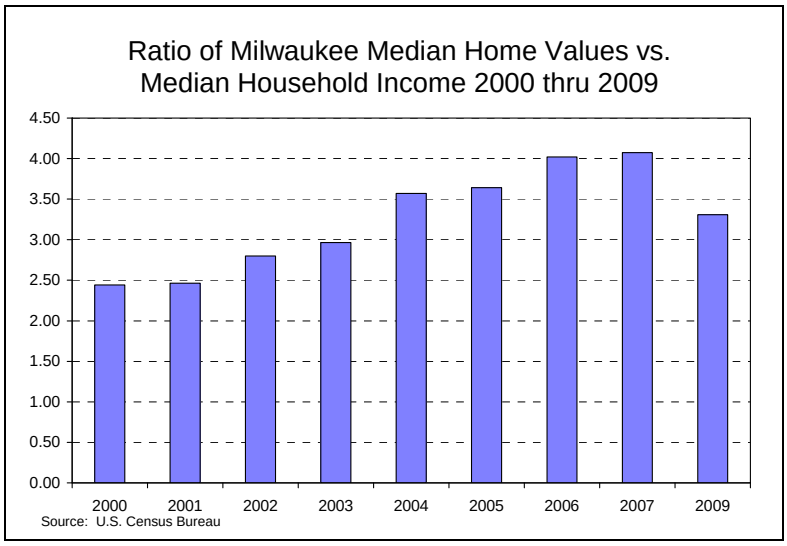
Strategies and Milestones for 2010

Objective: Improve customer service and transparency in assessment operations.	
Strategies	**2010 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 web site. 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	**2010 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 2008, 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, and 2008's falling prices may signal a return to more traditional value-to-income ratios of 2.5:1 (see Figure 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 2008 assessment years (see Figure 2). These improvements have occurred with taxable land parcels increasing by 7,000 and FTEs decreasing 28.5%.

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 1.01 for 2008, 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 2008 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 reduce expenditures by 5.7% from its 2009 budget, to $4.3 million. The office prepared for these reductions by holding three positions vacant in 2009 and finding operational efficiencies. A revaluation will not be performed in 2010 in order to stay within these budget constraints.

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. The Professional Services Account has been increased, mostly due to $180,000 in projected expenses related to researching and litigating remissions cases, which should result in reduced remissions for 2010 and future years. This increased emphasis on

Figure 2

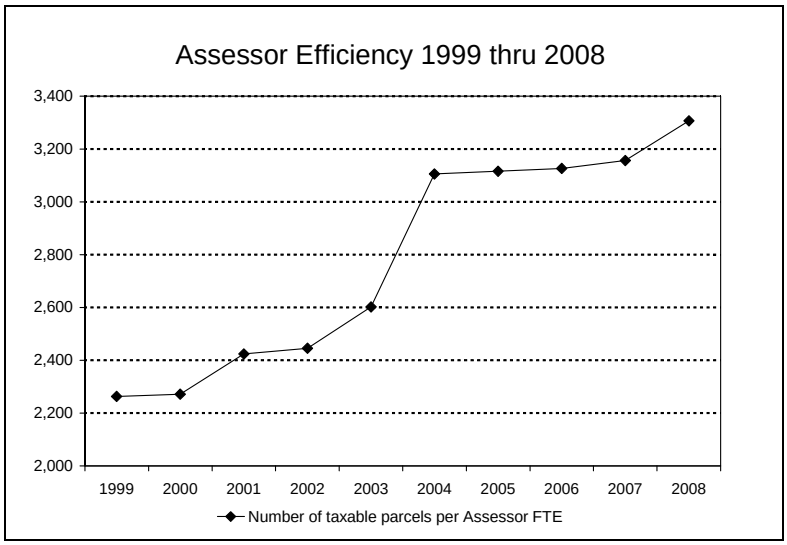


Figure 3

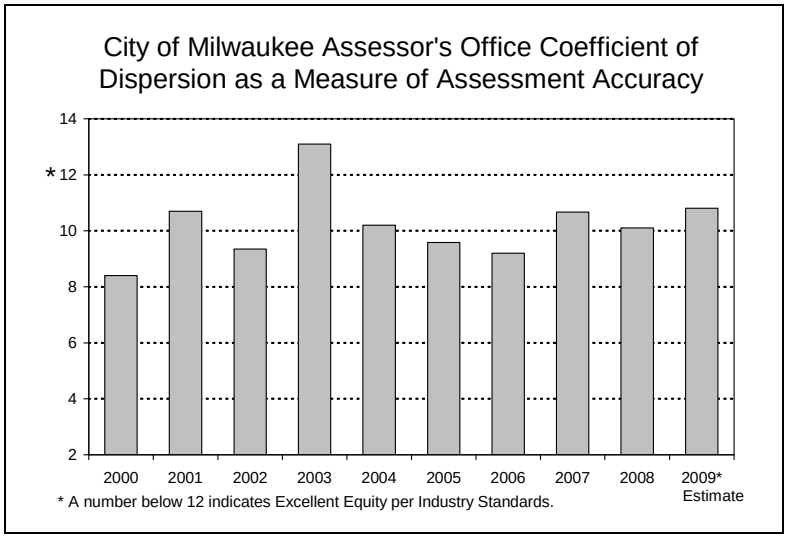
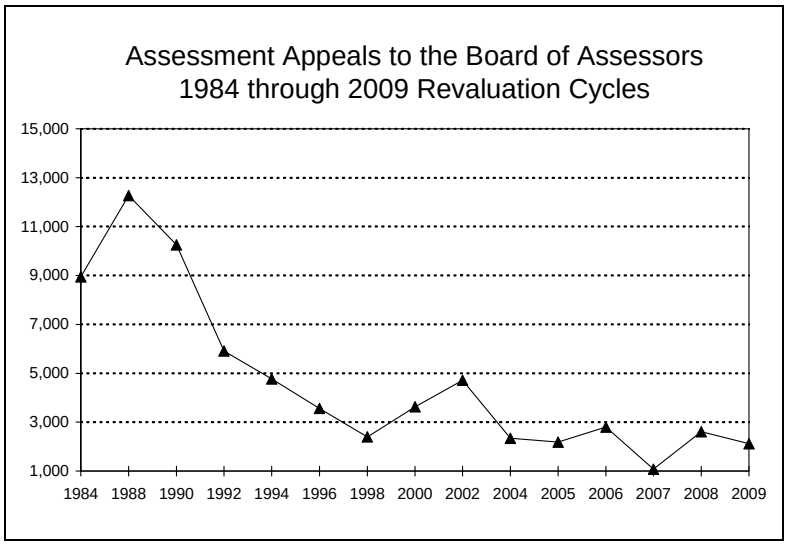


Figure 4



remissions cases allows for a $250,000 reduction to the Remissions of Taxes Special Purpose Account in 2010. Dedicating more resources to remissions cases resulted in successful defenses of assessments in 2009 against Allright Parking and Vavoline, consistent with the Common Council's policy to litigate assessment appeals.

The Assessor's Office has also increased its collaboration with the Department of City Development in appraising properties for development possibility. This collaboration should decrease DCD's reliance on outside sources for its appraisal duties and reduce city expenses for these duties.

2010 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.	
		2010 Projection
Performance Measures:	Assessment level.	95%-105%
	Coefficient of dispersion.	<10.0
	Price related differential.	1.00
Funding by Source:	Operating Funds	$3.4
	Special Purpose Accounts	$0.8
	Totals	**$4.2**
Service	**Process Objections**	
Activities:	Timely resolution of objections and appeals to property assessments.	
		2010 Projection
Performance Measures:	Total assessment objections.	2,600
	Number of appeals to Board of Review.	560
Funding by Source:	Operating Funds	$0.8
	Totals	**$0.8**
Service	**Public Information**	
Activities:	Providing prompt and accurate information to taxpayers and property owners of assessment related information.	
		2010 Projection
Performance Measures:	Residential property inquiries.	2,700
	Commercial property inquiries.	400
	Website hits.	1,450,000
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	-1.00		Supervising Assessor	Staff retirement reduction to meet budgetary constraints.
-1	-1.00		Supervising Assessor Assistant	
-2	-2.00		Property Appraiser	
1			Senior Property Appraiser	Unfunded Auxiliary position necessary to maintain service in peak time periods due to reduced number of funded positions.
-3	**-4.00**	**0.00**	**Totals**	

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	56.15	57.55	57.80	54.80	-2.75	-3.00
FTEs - Other	4.25	4.25	4.00	4.00	-0.25	0.00
Total Positions Authorized	64	65	65	63	-2	-2
EXPENDITURES						
Salaries and Wages	$4,697,137	$4,662,024	$4,761,000	$4,475,250	$-186,774	$-285,750
Fringe Benefits	2,120,107	1,911,430	1,952,000	1,834,853	-76,577	-117,147
Operating Expenditures	394,391	388,509	459,000	449,000	60,491	-10,000
Equipment	56,500	143,000	54,000	54,000	-89,000	0
Special Funds	0	0	0	0	0	0
TOTAL	$7,268,135	$7,104,963	$7,226,000	$6,813,103	$-291,860	$-412,897
REVENUES						
Charges for Services	$1,025,500	$876,000	$635,700	$635,700	$-240,300	$0
Miscellaneous	45,000	23,200	0	0	-23,200	0
TOTAL	$1,070,500	$899,200	$635,700	$635,700	$-263,500	$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.

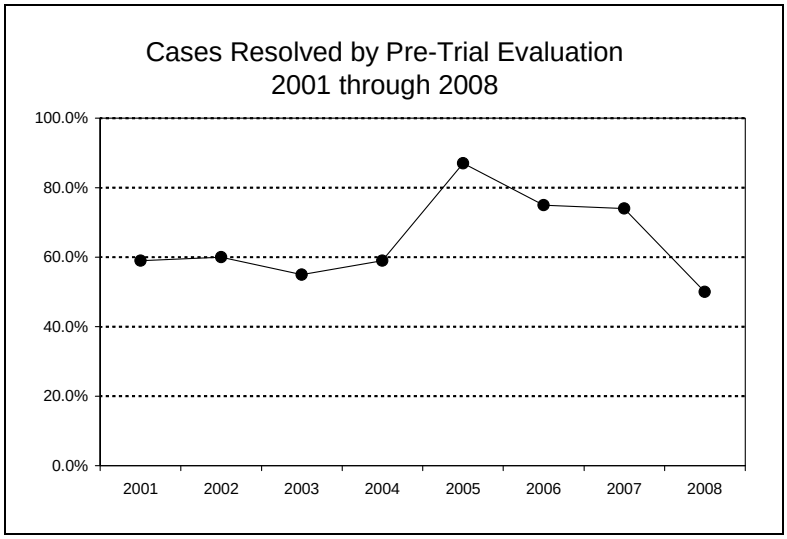
Strategies and Milestones for 2010

Objective: Protect the city's interest in litigation.	
Strategies	**2010 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	**2010 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 2008 there was a decrease in the cases resolved by pre-trial evaluation.

Figure 1



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. In 2008, the percentage of claims filed against the city resulting in a lawsuit was approximately 8.1%, a small increase from 6% in 2007.

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. Nine lawsuits were initiated and five closed. In 2008, the unit began to focus more resources on problem licensed premises, often the venue for criminal 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 2008, a total of 554 general nuisance referrals have been opened, closed, or are being actively investigated and monitored. The Community Prosecution Unit was also involved in 18 nuisance abatement lawsuits and 30 razing cases that were commenced, closed, or pending in 2008.

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 2010 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. Funding decreases in the Insurance Fund due to anticipated lower policy premiums based on a surplus in 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 2010 to continue to abate commercial or residential properties that have been officially declared a nuisance.

Position Elimination: Due to significant fiscal constraints resulting from decreasing State Shared Revenue and the necessary pension contributions, all departments are required to make reductions in staffing and services for 2010. The 2010 proposed budget eliminates two vacant positions, one Paralegal and one Executive Administrative Assistant II. The personnel cost adjustment is also increased in anticipation of future vacancies resulting from retirements or separations.

City Attorney Office Capital Project: During the exterior restoration of City Hall, the City Attorney's Office had to vacate the eighth floor so extensive repairs could be made to the roof and dormers. As a result of this repair work, the majority of the eighth floor is currently uninhabitable for the City Attorney's Office to return. For the 2010 capital budget, $2.3 million is provided to begin renovation work on the eighth floor. This project and its funding will be spread out over two years, for a total cost of $4.6 million.

2010 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.	
		2010 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	$6.8
	Grants and Reimbursables	$0.3
	Special Purpose Accounts	$3.1
	Totals	**$10.2**

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	-1.00		Paralegal	Vacant positions eliminated due to fiscal constraints.
-1	-1.00		Executive Administrative Assistant II	
	-1.00		Miscellaneous	Anticipated vacancy due to separation or retirement.
	0.25	-0.25	Miscellaneous	Shift from grant to O&M funding.
-2	**-2.75**	**-0.25**	**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 foreclosure 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 Neighborhood Investment 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.

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	41.99	41.20	43.60	40.30	-0.90	-3.30
FTEs - Other	116.96	119.05	106.00	103.30	-15.75	-2.70
Total Positions Authorized	245	218	206	201	-17	-5
EXPENDITURES						
Salaries and Wages	$2,402,652	$2,672,292	$2,856,000	$2,521,580	$-150,712	$-334,420
Fringe Benefits	1,101,833	1,095,640	1,171,000	1,033,848	-61,792	-137,152
Operating Expenditures	282,224	265,185	266,000	266,000	815	0
Equipment	0	0	0	0	0	0
Special Funds	132,263	375,000	375,000	125,000	-250,000	-250,000
TOTAL	$3,918,972	$4,408,117	$4,668,000	$3,946,428	$-461,689	$-721,572
REVENUES						
Charges for Services	$387,843	$462,000	$341,000	$341,000	$-121,000	$0
Licenses and Permits	632,332	632,800	460,000	460,000	-172,800	0
Miscellaneous	389,318	250,000	200,000	200,000	-50,000	0
TOTAL	$1,409,493	$1,344,800	$1,001,000	$1,001,000	$-343,800	$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 2010

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	**2010 Milestones**
Increase ease and efficiency of permit process by promoting use of the E-permit system.	Achieve 45% 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 of commercial and industrial property by showing the competitive advantages of Milwaukee sites via the M7's *choosemilwaukee.com* website.	Integrate information about applicable tax credit programs with Milwaukee property information available through the *choosemilwaukee.com* website.
Undertake site assembly and/or brownfield redevelopment to create sites for appropriate tax generating or neighborhood serving redevelopment.	Purchase and begin redevelopment of former Tower Automotive property to create a new central city business park.
Objective: Become ranked in top 30 of 50 largest cities for job growth by showing an upward trend in employment by 2012.	
Strategies	**2010 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	**2010 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 Neighborhood Investment (TIN) programs.	Assist property owners and neighborhood improvement efforts in 7 "Healthy Neighborhoods" and 12 "Targeted Investment Neighborhoods".
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 and at least 80 small businesses.
Prepare "Smart Growth" policy plan in accordance with state requirements.	Complete Milwaukee's "Smart Growth" policy plan by 2010.
Objective: Expose 1,000 inner city youth to career environments.	
Strategies	**2010 Milestones**
Provide employment opportunities for teens through the Earn & Learn program.	Seek resources and develop partnerships to support jobs for 175 youth in City of Milwaukee internships and 825 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.	Sponsor conference to foster collaboration among agencies and programs that provide career education to Milwaukee youth.
Objective: Improve surface water quality and polluted stormwater runoff by 2018.	
Strategies	**2010 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 two tax incremental districts created in 2008. These districts are Mitchell Street (TID 71) and Bishop's Creek (TID 72).

Mitchell Street (TID 71): The district consists of 281 properties located roughly one block north and south of Mitchell Street between 5th Street and 16th Street. It also includes a small area south of Forest Home Avenue between 13th Street and 15th Street. The plan is to strengthen the economic vitality of the commercial properties

and improve the area housing stock. This will include the installation of pedestrian lighting, water irrigation on the boulevard, and security cameras. The plan also includes residential forgivable loans and business loans.

Bishop's Creek (TID 72): The project plan is to redevelop the site of the former Kaiser Tannery facility at the southwest corner of West Hampton Avenue and North 32nd Street. Phase 1A entails demolition and site remediation and the development of 55 affordable housing units. Other anticipated components of Phase 1 include adaptive reuse of an existing structure as a 20 unit dormitory. Phase 2 would include additional adaptive reuse of structures on the site, including retail development. Phase 3 would include a theater/arts/meeting/conference facilities as well as new commercial development.

The main employers in any community are existing small businesses. In 2008, 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 2008:

- Jobs created: 1,073
- Jobs retained: 2,103
- New housing constructed: 196 units
- Commercial/industrial space created: 472,200 square feet
- Investment leveraged: $174 million
- Development Center walk-in customers: 13,954
- 86 vacant lots sold that generated $2.6 million in sales revenue and $36.9 million in expected investment.

In 2010, DCD will use its economic development "toolbox" to encourage private investment throughout Milwaukee, with an emphasis on the Park East Corridor, the 30th Street Industrial Corridor, central city residential neighborhoods and commercial corridors, riverfront property, underused industrial properties, and the Memonomee Valley.

The City of Milwaukee Development Center is responsible for the processing of all permits for the construction or remodeling of city buildings. In 2008, the number of permits issued through the Development Center decreased from 37,105 in 2007 to 33,973. The department issued more than 36% of the permits through the online E-permits system in 2008. In 2010, DCD projects it will issue 45% of permits online as contractors continue to become more familiar with the system. The department will eliminate a vacant position of Plan Examiner III to reflect the expanded use of the E-permit system and the decrease in the demand for permits.

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.

OTHER SERVICE AND BUDGET CHANGES

Historic Preservation Transfer: The department will transfer staffing and support for the Historic Preservation Commission to the Common Council City Clerk's Office in accordance with 320-21 of the City Code of Ordinances. Staffing consists of one Senior Planner and one Associate Planner.

Staffing Change in the Planning Section: Completion of the city's area plans in 2009 will decrease the workload in the Planning Section for 2010. The workload change will allow the department to eliminate a Geographic Information Specialist.

Other Staffing Changes: Remaining position eliminations proposed by the department relate to the current fiscal condition of the city. The department expects some level of service reduction but intends to redistribute the critical functions of these positions to other staff. There is one position of Economic Development Specialist in the Neighborhood and Business Development Section, one position of Audiovisual Specialist II in the Marketing Section and one position of Housing Rehabilitation Specialist in the Housing Development Section eliminated. In addition, there is the elimination of three previously unfunded positions.

CAPITAL PROJECTS

Advanced Planning Fund ($175,000): Funding will support land use, engineering, marketing and economic studies related to economic and real estate development activities.

Neighborhood Commercial District Street Improvement Fund ($500,000): This funding provides a match to Business Improvement District loans to improve the streetscapes along Oakland Avenue and Center Street. The fund also provides the required city catch for approved CMAO projects.

Tax Increment Districts (TIDs): The 2010 proposed budget provides the following TID borrowing authority:

- **New Borrowing for Potential New TIDs ($10 million):** This portion provides funding authority for potential new TIDs created in 2010. 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 ($1 million):** Provides budget authority to pay for interest costs associated with TID borrowing for the first two years of debt service payments.
- **Potential New Developer Financed TIDs ($12.2 million):** This additional budget authority provides greater flexibility for dealing with developer financed TIDs. This authority allows the city to consider general obligation borrowing when analyzing potential and existing developer financed TIDs. These TIDs undergo the same approval process all TIDs experience.

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 ($1.1 million): This funding supports the retail investment fund, façade grants, brownfield cleanup and other business assistance programs.

ADA RiverWalk ($1.2 million): This funding allows DCD to improve the RiverWalk and make it easily accessible to all residents. The total cost of the project is $4.52 million including $1.5 million that had been budgeted in the Development Fund in prior years. The 2010 allocation along with prior year funding will fund access improvements at seven of nine locations.

Tower Automotive ($7 million): The city has agreed to commit $10 million in tax levy supported for this roughly $33 million project. There is $3 million provided in the 2008 capital improvement budget for this project. This funding represents the remaining city commitment. There is $15.6 million of tax incremental district financing and $7.3 million expected from the receipt of tax credits and grants for this project in addition to the city's $10 million of support.

The project intends to take currently under utilized industrial facilities and property and prepare the area for mixed-use redevelopment projects and improvement of existing residential property. Anticipated development in the area will create nearly 700 jobs.

Housing Infrastructure Preservation Fund ($600,000): This new program will provide 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.

2010 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.	
		2010 Projection
Performance Measures:	Total number of permits issued.	30,000
	E-permit utilization rate.	45%
	Jobs **created** or **retained** by employers receiving city assistance and support.	1,500
	New housing units constructed with city assistance.	200
Funding by Source:	Operating Funds	$3.0
	Grants and Reimbursables	$2.7
	Capital Budget	$38.8
	Special Purpose Accounts	$0.3
	Totals	**$44.8**

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.	
		2010 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**

2010 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.	
		2010 Projection
Performance Measures:	Percent completion of Comprehensive Neighborhood Plans as required by state law.	100%
	Prepare neighborhood land use and redevelopment plans.	2
Funding by Source:	Operating Funds	$0.9
	Grants and Reimbursables	$0.2
	Capital Budget	$0.1
	Totals	**$1.2**

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
			General Management and Policy	
-1			Administrative Assistant IV	Eliminated unfunded position.
-1			Program Assistant III	
-1		-1.00	Economic Development Specialist	Fiscal constraints.
-1	-0.60		Audiovisual Specialist II	
		-1.00	Office Assistant II	
-1		-1.00	Housing Rehabilitation Specialist	
-1	-1.00		Marketing Development Services Manager	Position classification change.
1	1.00		Communications and Outreach Manager	
-1	-1.00		Plan Examiner III	Reduction in permits issued and technological improvements.
-1		-1.00	Rental Rehabilitation Specialist	Reflects approved classification change.
1		1.00	Housing Rehabilitation Manager	
-1			Zoning and Development Coordinator	Eliminated unfunded position.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1		-1.00	Geographic Information Specialist	Reduction in planning workload.
1	1.00		City Planning Manager	Reflects approved classification change.
-1	-1.00		Assistant Planning Director	
-1		-1.00	Senior Planner	Transfer Historic Preservation to City Clerk's Office.
-1	-1.00		Associate Planner	
	1.70	-3.45	Miscellaneous	
			Public Housing	
-2		-2.00	Housing Manager III	Transfer of positions to the Housing Authority and reclassifications.
-3		-3.00	Custodial Worker II City Laborer	
-4		-4.00	Building Maintenance Mechanic II	
4		4.00	Building Maintenance Mechanic I	
-1		-1.00	Accounting Assistant II	
-1		-1.00	Heating and Ventilating Mechanic III	
1		1.00	Office Assistant III	
-1		-1.00	Office Assistant II	
		-0.30	Miscellaneous	
-17	**-0.90**	**-15.75**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	87.31	90.50	90.50	90.30	-0.20	-0.20
FTEs - Other	0.00	0.00	0.00	1.00	1.00	1.00
Total Positions Authorized	112	111	111	112	1	1
EXPENDITURES						
Salaries and Wages	$5,004,405	$5,106,238	$5,131,000	$5,009,780	$-96,458	$-121,220
Fringe Benefits	2,331,455	2,093,558	2,104,000	2,054,010	-39,548	-49,990
Operating Expenditures	794,299	856,136	843,763	734,103	-122,033	-109,660
Equipment	72,134	32,675	34,300	28,300	-4,375	-6,000
Special Funds	80,928	140,035	62,035	32,035	-108,000	-30,000
TOTAL	$8,283,221	$8,228,642	$8,175,098	$7,858,228	$-370,414	$-316,870
REVENUES						
Charges for Services	$4,405,811	$4,066,395	$4,336,200	$4,336,200	$269,805	$0
Licenses and Permits	2,285,108	2,206,575	2,147,000	2,207,230	655	60,230
Miscellaneous	-6,180	5,000	14,000	14,000	9,000	0
TOTAL	$6,684,739	$6,277,970	$6,497,200	$6,557,430	$279,460	$60,230

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.

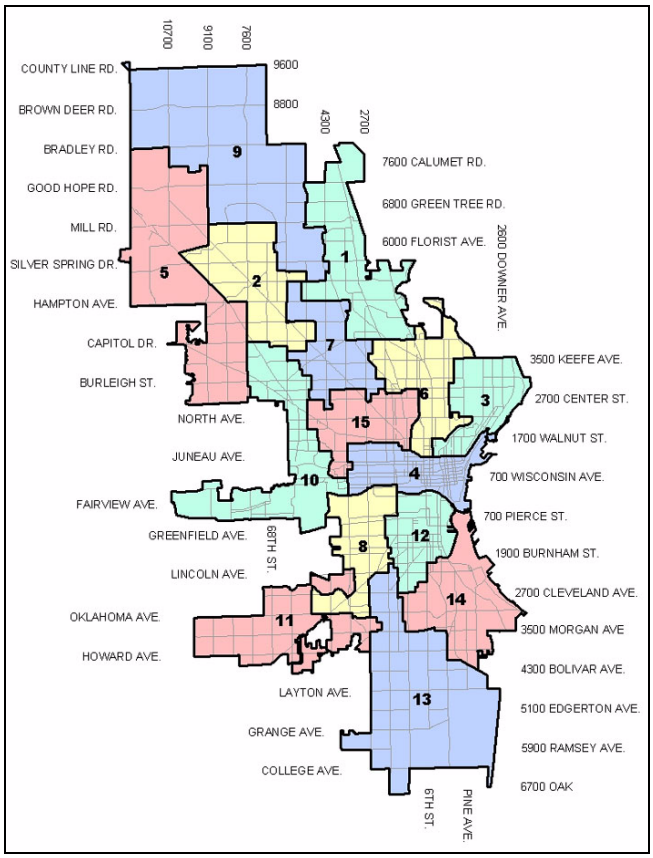
The Common Council City Clerk's Office performs the functions of city government and licensing in an efficient, fair manner. In addition, the department maintains accurate and up-to-date records of city government actions and ordinances, and keeps constituents informed of the actions of their Council 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 second 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 18 months, 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 2010 proposed operating budget totals $7.9 million, a 4.5% decrease from the 2009 adopted budget. The City Clerk's Office has recommended numerous operational changes to stay within these budgetary constraints. The frequency of aldermanic newsletters will be reduced, saving on printing and postage costs, and less will be spent on renting off site facilities to hold meetings with groups and constituents. The aldermanic travel budget has been cut in half, to $15,000, an amount similar to previous years' experience. Funding for computer upgrades has also been reduced by $15,000, and the Legislative Reference Bureau has reduced its book budget by more than 25%. One Council File Specialist and one fill-in Legislative Assistant position has been eliminated to streamline operations and meet budgetary goals.

The Common Council passed a file in July 2009 that shifted administrative and professional support to the city's Historic Preservation Commission from the Department of City Development to the City Clerk's Office. These positions are included in the 2010 proposed City Clerk's budget and the department will begin to administer historic preservation issues in January 2010.

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 System is expected to be completed and functional for city employees in the first half of 2010, with access for the public expected in late 2010. 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 2010 proposed budget reflects 0.2 FTE in O&M reductions. This reduction will be achieved through attrition and changes in department needs, but the change in FTE also includes an addition of one non-O&M Senior Planner position related to the City Clerk's new Historic Preservation duties. See the *Detailed Listing of Position and Full Time Equivalents Changes* table for additional information.

2010 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.	
		2010 Projection
Funding by Source:	Operating Funds	$1.7
	Special Purpose Accounts	$0.5
	Totals	**$2.2**
Service	**License Administration**	
Activities:	Issuance and administration of licenses.	
		2010 Projection
Performance Measures:	Number of applications processed	20,000
	Number of licenses issued	12,500
	Number of other permits and registrations issued	1,800
Funding by Source:	Operating Funds	$0.7
	Totals	**$0.7**
Service	**Public Information**	
Activities:	Provides information to the general public regarding the operations and services of city government.	
		2010 Projection
Funding by Source:	Operating Funds	$0.6
	Totals	**$0.6**
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.	
		2010 Projection
Funding by Source:	Operating Funds	$4.9
	Totals	**$4.9**

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		Council File Specialist	Efficiency gain through attrition.
-1	-0.20		Legislative Assistant (Aux)	Reduced to meet budgetary constraints.
1		1.00	Senior Planner	Moved from Department of City Development to City Clerk's Office per file 090276.
1	1.00		Associate Planner	
0	**-0.20**	**1.00**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	45.17	51.95	51.95	51.95	0.00	0.00
FTEs - Other	7.44	7.55	8.55	8.55	1.00	0.00
Total Positions Authorized	66	66	67	67	1	0
EXPENDITURES						
Salaries and Wages	$3,224,063	$3,333,585	$3,543,000	$3,283,734	$-49,851	$-259,266
Fringe Benefits	1,512,200	1,366,770	1,453,000	1,346,331	-20,439	-106,669
Operating Expenditures	944,060	745,660	488,000	413,000	-332,660	-75,000
Equipment	7,114	30,000	30,000	15,000	-15,000	-15,000
Special Funds	6,200	7,000	8,000	8,000	1,000	0
TOTAL	$5,693,637	$5,483,015	$5,522,000	$5,066,065	$-416,950	$-455,935
REVENUES						
Charges for Services	$297,645	$254,100	$250,000	$250,000	$-4,100	$0
TOTAL	$297,645	$254,100	$250,000	$250,000	$-4,100	$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 representation on 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 2010

Objective: Provide independent fiscal, financial and program analysis, revenue estimation and auditing.	
Strategies	**2010 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	**2010 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 the exception of 1998, 2003, and 2004, 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 that 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 2008, General Fund revenues exceeded the Comptroller's estimate by $17.1 million or 3.1%. This additional revenue will contribute to the TSF balance for 2009 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 2010 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.

2010 Budget by Services (Funding in Millions)

Service	**Financial Services**	
Activities:	Financial analysis, revenue estimation, auditing, and accounting.	
		2010 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.	
		2010 Projection
Performance Measures:	Unqualified audit opinion by the city's outside auditor.	Yes
Funding by Source:	Operating Funds	$3.4
	Grants and Reimbursables	$0.6
	Totals	**$4.0**
Service	**Debt Management**	
Activities:	Public debt management, preparation and sale of city debt, and financial services.	
		2010 Projection
Performance Services:	Bond Rating (Fitch).	AA+
Funding by Source:	Operating Funds	$0.6
	Totals	**$0.6**

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
1		1.00	Management Accountant Senior	Increased grant funding.
1	**0.00**	**1.00**	**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 two Spring elections for municipal races, and conduct municipal, statewide, and Congressional elections in the Fall.

Process and accurately record voter registration cards from previous elections.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	23.11	11.80	22.56	21.56	9.76	-1.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	113	20	108	107	87	-1
EXPENDITURES						
Salaries and Wages	$892,218	$524,288	$783,000	$727,308	$203,020	$-55,692
Fringe Benefits	413,382	214,958	321,000	298,196	83,238	-22,804
Operating Expenditures	1,404,609	576,518	1,165,377	1,048,275	471,757	-117,102
Equipment	0	0	0	0	0	0
TOTAL	$2,710,209	$1,315,764	$2,269,377	$2,073,779	$758,015	$-195,598

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 more than 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.

Four elections generally occur in even numbered years such as 2010. These include the municipal primary elections in February, the municipal general elections in April, municipal, statewide, and Congressional primaries in September, and municipal, statewide and Congressional general elections in November. The Election Commission estimates approximately one-third of Milwaukee voters in 2010 will need to complete a new voter registration due to a name or address change, or because of first time voting, and the Election Commission will have to process an estimated 100,000 forms for the Spring and Fall election cycles. Over 172,000 votes were cast in the Fall 2006 general election, which was the last year a non-presidential Fall general election occurred in the city, and a similar amount of votes are expected to be cast in Fall 2010 (see Figure 1).

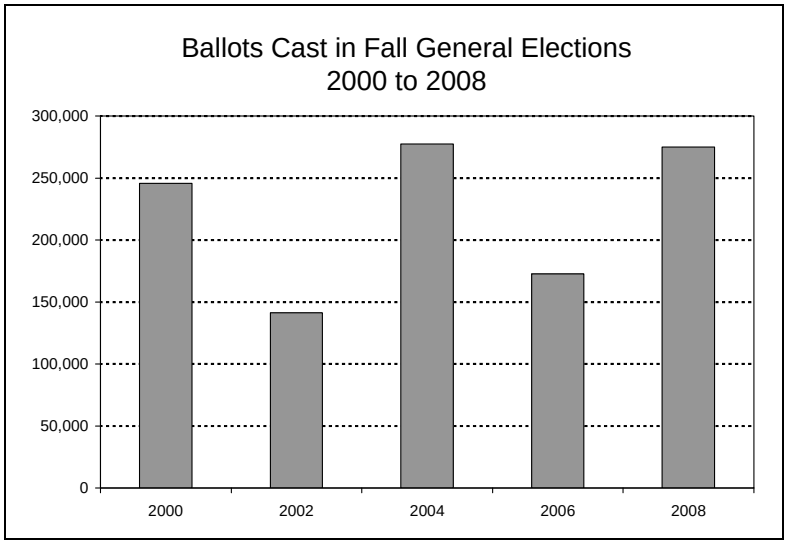
Strategies and Milestones for 2010

Objective: Conduct fair and efficient elections.	
Strategies	**2010 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 four 2010 elections.

STRATEGY IMPLEMENTATION

In 2008, the Election Commission recruited a pool of new poll workers to assist with elections going forward. Additionally, Poll Workers received a daily pay increase from $85 to $100 in 2009 to make Milwaukee poll worker wages comparable to Poll Workers in other cities. Few controversies were reported in the 2008 Fall and 2009 Spring Elections, despite increases in turnout and 46,000 absentee ballots being cast in the 2008 Fall elections.

Figure 1



OTHER SERVICE AND BUDGET CHANGES

Since the Election Commission will have higher turnout elections in 2010 as opposed to 2009, positions and funding for temporary staff, Election Day Poll Workers (funded in "Other Operating Services"), and ballots will be increased in 2010.

One Elections Recruiter/Trainer position has been eliminated in the 2010 proposed 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 elections in 2010.

2010 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.	
		2010 Projection
Performance Measures:	Expected voter turnout.	< 60%
	Percentage of polling places with Election Day voting machine problems.	2.0%
Funding by Source:	Operating Funds	$2.1
	Totals	**$2.1**

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		Elections Recruiter/Trainer	Reduction necessary to meet budgetary constraints.
4	2.92		Temporary Election Laborer (0.73 FTE)	Increased number of elections and higher voter turnout in 2010 vs 2009.
84	7.84		Temporary Office Assistant II	
87	**9.76**	**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: Identify opportunities to streamline and automate processes and operations to create administrative efficiencies and improve customer satisfaction.

Improve recruitment efforts and streamline testing 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.

Establish data sharing and accountability structures to enhance safety in the workplace at the operating department level.

Continue the revitalization of the Equal Rights Commission.

STRATEGIES: Outsource performance examination components for high volume recruitment and testing needs.

Utilize full scope of services offered through contract between the city and United Healthcare for EAP services and training.

Implement self-service application for tuition reimbursement application/approval process.

Collaborate with other city agencies in the implementation of position control application.

Pilot a model of Nurse Triage Case Management to streamline worker compensation claims workflow.

Identify and access 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.

Establish a new certification rule that provides greater flexibility to departments in interviewing and hiring the most qualified candidates.

Perform feasibility study on in-house clinic as health services option for active and retired city employees as a way to control expenditures and improve quality of care.

Implement Joint Labor/Management Committee on Wellness with labor groups with settled contracts.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	56.13	48.90	47.99	44.31	-4.59	-3.68
FTEs - Other	4.35	7.60	7.60	8.20	0.60	0.60
Total Positions Authorized	82	80	79	75	-5	-4
EXPENDITURES						
Salaries and Wages	$3,200,377	$3,116,928	$3,087,000	$2,800,403	$-316,525	$-286,597
Fringe Benefits	1,487,934	1,277,941	1,266,000	1,148,165	-129,776	-117,835
Operating Expenditures	510,253	466,073	501,839	553,839	87,766	52,000
Equipment	2,877	8,838	3,000	3,000	-5,838	0
Special Funds	104,537	112,619	112,619	100,619	-12,000	-12,000
TOTAL	$5,305,978	$4,982,399	$4,970,458	$4,606,026	$-376,373	$-364,432
REVENUES						
Charges for Services	$174,022	$195,000	$194,000	$194,000	$-1,000	$0
Miscellaneous	386,455	181,525	239,000	239,000	57,475	0
TOTAL	$560,477	$376,525	$433,000	$433,000	$56,475	$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 2010

Objective: Identify opportunities to streamline and automate processes and operations to create administrative efficiencies and improve customer satisfaction.	
Strategies	**2010 Milestones**
Outsource performance exam components and streamline clerical testing activities.	Execute a contract with a vendor for administration of typing test by January 2010.
Utilize a different model for the provision of EAP services.	Implement an EAP referral model using United's Care 24 line.

Implement a Tuition Reimbursement Self-Service Application.	All tuition reimbursement requests and applications are received and processed using new application by Spring of 2010.
Implement Position Control Application.	Finalize implementation for general city departments in 2009 and for DPW, MPD, and MFD in 2010.
Objective: Improve recruitment efforts and streamline testing processes to better support needs of operating departments.	
Strategies	**2010 Milestones**
Assess the feasibility of automating requisition, referral, and certification processes within the Staffing Division.	Determine viability of application by March of 2010, Project Implementation by Summer of 2010 and Operating Departments User Training by Fall of 2010.
Adopt a new certification rule that provides greater flexibility to departments to hire the most qualified candidates.	Rule is adopted by January 2010. Use of existing eligible lists with expanded certification rule is maximized throughout the year. Increase the number of referrals to provide greater choice of candidates for departments.
Objective: Identify opportunities to significantly impact health care costs, improve quality of care, and employee accountability and responsibility for care.	
Strategies	**2010 Milestones**
Follow-up and implement initiatives that support and encourage employee accountability for health needs and identify opportunities for greater utilization of existing services.	Continue to negotiate wellness and prevention program provisions with all bargaining units. Implement a Joint Labor/Management Wellness and Prevention Committee Initiative with labor groups who have settled contract. Encourage and facilitate use of United's Care24 line for wellness, prevention, and other health needs. Complete feasibility study of in-house clinic as health services option for active and retired members and their families.
Objective: Establish data sharing and accountability structures to enhance safety in the workplace at the operating department level.	
Strategies	**2010 Milestones**
Monitor effectiveness of programs and initiatives identified and implemented by departments in accordance to safety plans developed in 2009.	Departments have completed the review and analysis of all claim data for 2005 through 2009 and have identified and implemented intervention strategies.
Explore methods to control worker's compensation expenditures.	Pilot a model of Nurse Triage Case Management to control and direct care and expedite employee's return to work. Complete accident investigation training for Fire and Police departments.

Look at the spectrum of loss prevention and identify strategies aimed at reducing injury both before and after occurrence.	Analyze industry claim data and expenditures and identify best practices.
Objective: Continue the revitalization of the Equal Rights Commission.	
Strategies	**2010 Milestones**
Increase the Commission's visibility in the community and identify opportunities for partnerships and collaboration with other institutions.	Formalize working relationships with local community based agencies, private partners and educational institutions to advance equal rights agenda. Finalize Commission's webpage. Facilitate and coordinate two events or activities with community partners to bring awareness and educations about the role of the Commission.
Define and finalize the role of the Commission in assessing the city's effectiveness in addressing and responding to equal rights needs of the community.	Formalize the mission, scope and responsibility of the Accountability Sub-Committee. Ensure that provisions of Chapter 109 and 112 are enforced.

STRATEGY IMPLEMENTATION

Performance Examinations: In 2010, DER will contract with a vendor to outsource typing testing activities for approximately 800 applicants for Office Assistant I jobs with the city and the Police Department and School Secretary I jobs for Milwaukee Public Schools. DER receives approximately 1,600 applications per year for the aforementioned classifications. One full day of testing is scheduled every month in DER's computer training room. Only applicants who successfully complete the typing portion are invited to take the written test.

DER will work with DOA's Business Operations Division to contract with a vendor to outsource the typing test and require applicants to attach a certificate demonstrating that they are able to meet the minimum requirements as part of the application. This initiative will streamline clerical testing.

EAP Services: The city has an opportunity to consider a different model of delivering EAP services to its employees and their families. The city is interested in continuing to make effective and efficient EAP services available in a cost effective way. The EAP Coordinator position will be eliminated and replaced with a part time administrative position. EAP services and associated referrals will be handled through United's Care24 program. This program offers members access to a wide range of health and well being information 7 days a week, 24 hours a day. Using one toll free phone number, members can speak with Registered Nurses and master's level counselors to help with almost any problem ranging from medical and family matters to personal, legal, financial and emotional needs.

Tuition Reimbursement Self-Service Application: In 2009, DER will provide a mechanism for employees to electronically submit tuition reimbursement requests and use the PeopleSoft HRMS system as the central repository for employee training history information.

Position Control: Position Management is a tool that exists in the PeopleSoft HRMS system that will allow the city 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 will allow the Budget Office, DER and the departments to quickly identify which

positions are filled, vacant or under filled. The architecture for position management has been created by ITMD and the Budget Office has created and entered postion number data on the system for 17 general city departments. DER anticipates having all city departments, with the exception of DPW, Fire and Police, entered by the end of 2009 with the rest of the city entered into the system in 2010.

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 2008 DER processed 9,097 applications (excluding protective services), conducted 277 exam sessions, and referred over 1,600 candidates for interviews. To address the recruitment workload with reduced staff and to improve efficiencies with filling vacant positions, DER upgraded its recruitment and testing software in 2008. As of August 2008, candidates were able to submit applications online. This has significantly reduced the amount of data entry required. In 2010, DER plans to implement the requisition and certification capabilities of the application. The system will profile 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.

In 2009, the state gave the City Service Commission the authority to adopt by rule the number of candidates to be certified from eligible lists as long as candidates with the same score are certified accordingly. By the end of 2009, the Commission is expected to adopt this rule increasing the number of people certified and referred to departments for interviews. The expanded certification rule will result in a greater incentive for departments to maximize the use of existing eligible lists for comparable positions.

Employee Benefits: In 2009, 10,794 employees and retirees are participating in the city's health care plans. Since 2000, health care expenditures have increased $49.8 million, or 88%, from $56.7 million to $106.5 million projected expenditures for 2009. 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 2010, the employee health care budget is increased 4.2% over the 2009 budgeted amount.

In late 2009, the city will begin a feasibility study to determine the costs and benefits of adding an "Employer Sponsored Health Clinic" as an employee option for primary care services. Such a clinic would focus on wellness and preventive medicine while using best practice guidelines and evidence based medicine. The city will work with Quad-Med to evaluate how their model is being used by Miller, Northwestern Mutual Life, Briggs and other local employers.

In 2010, 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 three years ago.

City of Milwaukee Wellness Initiative: In 2010, the city will initiate a 12 person Labor Management Committee with those unions that have agreed to current contract language. This committee will develop a program to include employee health risk assessments, identify the activities to be included in the risk assessments, identify a vendor to provide the assessments and other activities related to health and wellness.

Workplace Safety and Risk Management: In 2008, the Budget and Management Division and the Department of Employee Relations 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. The following programs have been implemented and are having a direct impact upon safety indicators:

- The implementation of a Return to Work Program in the Fire Department in February 2009. The program has yielded a 10% to 11% reduction in injury hours and a 6% to 7% reduction in injury pay. Through May, 38 employees have participated in the program.
- All Police Department injuries are now reviewed and classified according to "type of duty". This will assist the department identify areas of intervention and or training.

- Early in 2009, the Department of Public Works implemented a Transitional Duty Program. Through June 2009, 64 employees have participated in the program. This is an increase of 39% over the number of employees participating during the same time period in 2008.

In 2009 and 2010, departments will work on implementing and monitoring the goals and initiatives documented in conjunction with their safety plans including the implementation of the following accountability benchmarks:

- Safety performance measures included in job descriptions and performance appraisal processes.
- Accident investigation protocols and policies at the supervisory level.
- Analyzing industry specific injury data from other jurisdictions and comparing it to internal data.
- Injury review programs that address employees with repeating and reoccurring injuries.

DER will work with the Budget and Management Division to identify and track performance measures to analyze injury rate prevention, avoidance of lost time, duration of lost time, and recurrence. Public Entity Risk Institute (PERI) will be used to access a national database of public sector liability and worker's compensation claims and compare loss data against similar public organizations and identify best practices from entities with a track record of minimizing injuries and controlling costs.

In 2010, DER will pilot a model of Nurse Triage Case Management with Corvel Corporation. This program will provide intense attention and direction on claims meeting a benchmark for referral at the initial phases of the claim. This program will assist the city in keeping the claims process moving forward while controlling medical costs.

Equal Rights Commission: The Equal Rights Commission has been fully operational since February 10, 2009. Eight regular meetings have been held through June, including two public hearings related to the Administrative Rules for the Paid Sick Leave Ordinance.

The Commission is charged with monitoring the employment, contracting, and program activities of the city, preparing and providing timely reports to the Mayor and Common Council on efforts to promote equal rights, equal opportunities, positive community relations, and to eliminate discrimination and inequities within city government and the city. The Commission also receives complaints alleging violations and pursues remedies by means of mediation, conciliation, litigation or other appropriate means and renders a report of its activities and recommendations to the Mayor and Common Council. Finally, the Commission enforces Milwaukee's Paid Sick Leave Ordinance.

OTHER SERVICE AND BUDGET CHANGES

Position Changes: The department will eliminate six positions and create one part time position. One vacant Labor Relations Analyst Senior position and one Program Assistant I position in Labor Relations will be eliminated. In the Certification and Salary Services Section, one Program Assistant I position and one vacant Human Resource Analyst Senior position are eliminated. In the Employee Benefits Division, one Benefits Specialist position is eliminated and one new Administrative Specialist part time position is created to provide administrative support to the EAP function. Finally, the Worker's Compensation Section is eliminating two Claims Representative positions.

2010 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.	
		2010 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	$1.0
	Grants and Reimbursables	$0.2
	Special Purpose Accounts	$0.8
	Totals	**$2.0**
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.	
		2010 Projection
Performance Measures:	Increase in active employee health costs.	10.0%
	Percentage of total health care costs paid by active employees.	10.0%
	Number of empolyees and retirees participating in health care plans.	10,814
Funding by Source:	Operating Funds	$0.9
	Special Purpose Accounts	$114.9
	Totals	**$115.8**
Service	**Staffing**	
Activities:	Recruitment, examinations, certification of eligible applicants, and outplacement services.	
		2010 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.	34
Funding by Source:	Operating Funds	$1.5
	Totals	**$1.5**
Service	**Worker's Compensation**	
Activities:	Administration, data analysis, and departmental safety monitoring.	
		2010 Projection
Performance Measures:	Number of worker's compensation claims (receipts).	2,072
	Average cost per claim.	$5,323
	Number of recordable cases.	1,073
Funding by Source:	Operating Funds	$1.2
	Special Purpose Accounts	$14.9
	Totals	**$16.1**

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		Employee Benefits Specialist	Responsibilities will be reassigned.
1		0.60	EAP Administrative Specialist	Will staff new EAP function.
-1	-1.00		Claims Representative	New workflow for processing claims.
-1	-0.50		Office Assistant III	Reduced to meet budget constraints.
-1	-1.00		Program Assistant I	Functions merged with another position.
-1	-0.86		Labor Relations Analyst Senior	Work will be reassigned.
-1	-1.00		Human Resource Analyst Senior	
-1	-1.00		Program Assistant II	Reclassification.
1	1.00		Pay Services Specialist	
	0.77		Various Positions	Miscellaneous adjustments.
-5	**-4.59**	**0.60**	**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.

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.

Expand use of technology to enhance communications with the public.

Promote diverse public service departments.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	8.50	9.50	9.50	8.70	-0.80	-0.80
FTEs - Other	0.00	0.00	0.00	1.80	1.80	1.80
Total Positions Authorized	16	17	18	18	1	0
EXPENDITURES						
Salaries and Wages	$484,982	$666,740	$726,000	$592,514	$-74,226	$-133,486
Fringe Benefits	220,869	273,363	298,000	242,931	-30,432	-55,069
Operating Expenditures	62,713	128,324	104,028	134,028	5,704	30,000
Equipment	8,092	2,640	1,000	1,000	-1,640	0
Special Funds	0	0	0	0	0	0
TOTAL	$776,656	$1,071,067	$1,129,028	$970,473	$-100,594	$-158,555

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 2010

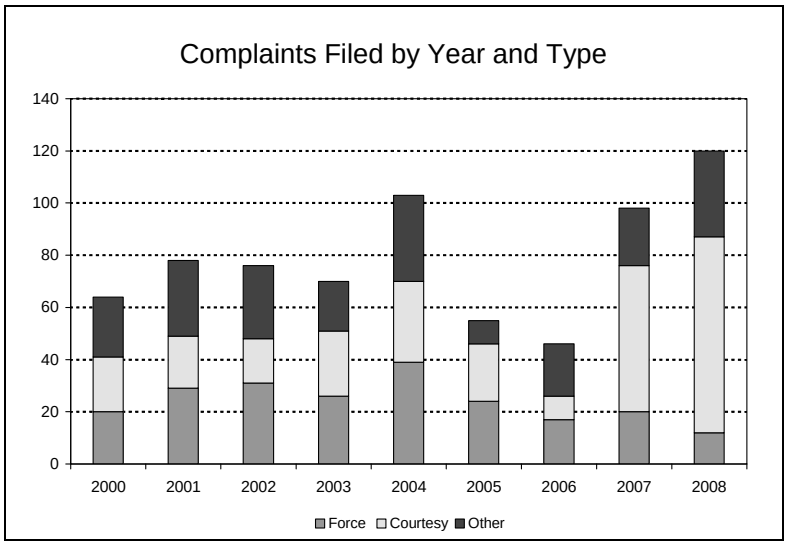
Objective:	**Monitor the quality and effectiveness of Fire and Police department policies, practices, and outcomes through appropriate utilization of the Commission's oversight authority.**
Strategies	**2010 Milestones**
Perform policy review and analysis concerning police and fire services including 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 full time staff and university partnerships to conduct in depth analysis of selected policy issues.
Develop a proactive approach to identify patterns and trends in delivery of police and fire services.	Utilize data and new staff to increase role in policy review for MPD and MFD.
Objective:	**Provide a viable Citizen Complaint program to ensure that complainants are heard and satisfied with the overall process.**
Strategies	**2010 Milestones**
Review the Citizen Complaint program to address allegations of employee misconduct.	Increase the number of complaint hearings conducted before a citizen board panel.
Improve Commission efficiency and effectiveness while increasing transparency to the public.	Outsource hearing examiner function.
Monitor and audit complaints and investigations conducted by the Fire and Police departments.	Utilize new 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 MPD investigations with research analysis functions to identify policy revisions.
Objective:	**Improve community relations and enhance public confidence through transparent operations and improved accessibility to information.**
Strategies	**2010 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 report and include semi-annual or quarterly reports. Publish policy and issue papers. Expand utilization of the Commission website and provide information such as trial outcomes, policy reviews, and recommendations for improvements. Identify and partner with other community agencies.
Develop a network of community advocates to assist individuals with the complaint process.	Improve outreach to Milwaukee Commission on Police and Community Relations. Identify and partner with other community agencies.
Objective: Identify and reduce racial, social, and economic disparities in the community.	
Strategies	**2010 Milestones**
Promote diverse public service departments.	Continue to refine recruiting and hiring procedures to attract a diverse applicant pool. Oversee the development of comprehensive Fire and Police department recruitment plans.

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 2010, with enhanced data system capabilities, the Commission will continue to fully exercise its policy review efforts to proactively address systemic problems and influence positive organizational change to ensure a fair, competent, and transparent system.

Figure 1



Citizen Complaints: The Commission is also 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 recognized community referral organizations, or through the Fire and Police Commission website. 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 the complaint and refers them to the citizen board for disciplinary action when rule violations are identified.

The Commission is implementing a revised Citizen Complaint program in order to:

- Increase transparency and community confidence in the complaint process.
- Establish an independent system to receive, investigate, and discipline members for misconduct.
- Analyze complaints to identify 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.
- Expedite the overall process by utilizing new procedures for complaint resolution that minimize delays.

Figure 2

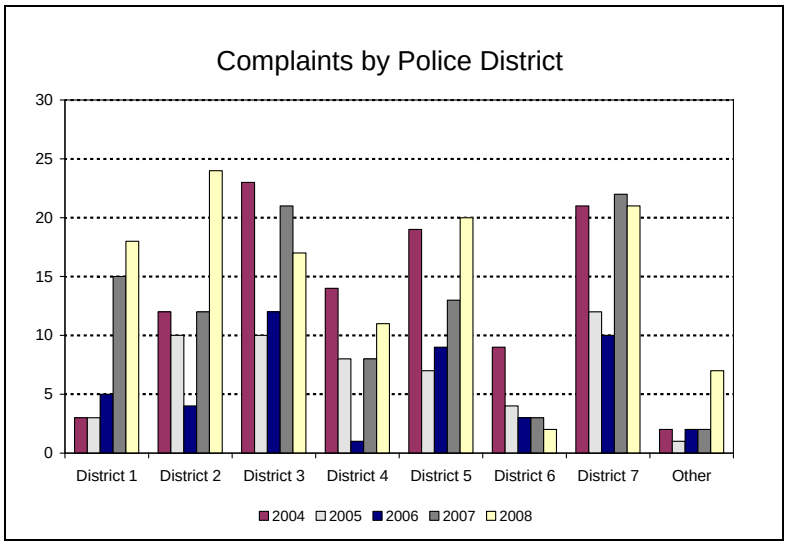
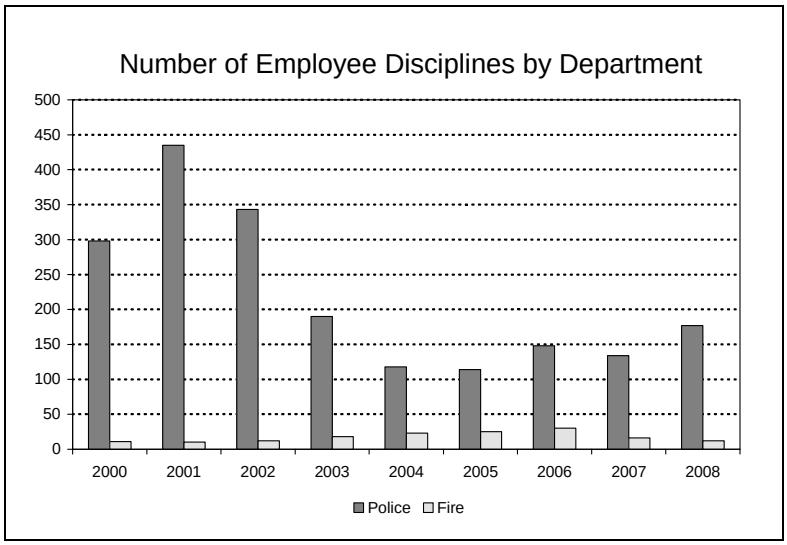


Figure 3



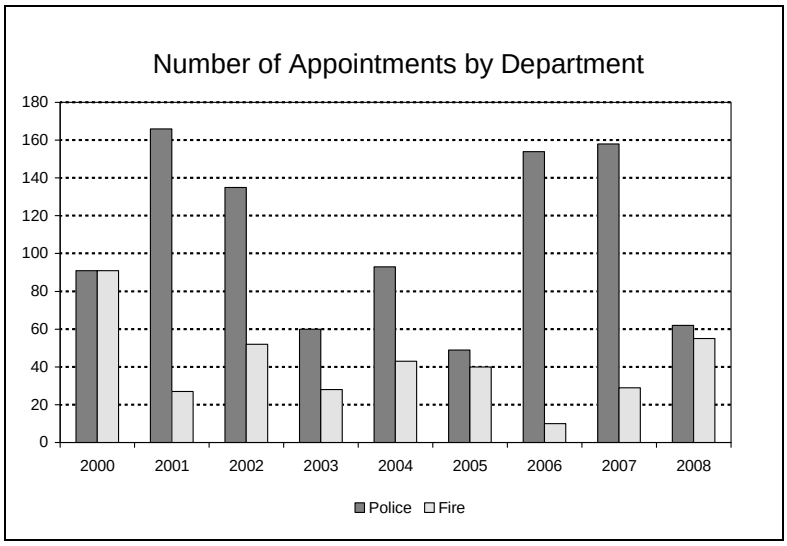
Under the program, complaints will undergo a more thorough screening process and action will be taken based on how the complaints are classified. Prior to 2009, all complaints were classified as formal complaints as shown in Figure 2. In 2009, the Commission began classifying complaints as formal or informal to direct more resources at serious complaints and resolve minor issues with increased efficiency. Complaints may be dismissed based upon published guidelines.

The mediation program is offered as an alternative to the traditional complaint process. It facilitates a non-adversarial approach for complaint resolution and offers complainants the chance to better understand and be directly involved with the resolution. Mediation gives complainants the opportunity to address and resolve their concerns and allows both parties to learn from the open discussion of sensitive issues and contribute to better community relations. In 2010, the Commission will utilize trained mediators to assist with the process and more efficiently handle the anticipated mediation caseload.

In 2010, the Commission will also periodically monitor and audit complaint investigations regardless of whether the complaint was 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.

Figure 4



In 2009, several steps were taken to make the appeals process more efficient. The Commission utilized outside Hearing Examiners to hear additional appeals and eliminated a backlog of more than 30 hearings. New disciplinary hearing procedures, combined with legislation that changed the right to an automatic adjournment and the deadline for completing disciplinary appeal trials, will continue to make the appeals process more efficient. These changes are anticipated to reduce the time needed to resolve an appeal to 90 - 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 has also improved the amount of information that is available to the public by providing additional reports and issue papers.

In 2009, an enhanced Commission website published Board meeting materials, trial outcomes, policy reviews and other information in a user friendly format. Another key component of the plan is community outreach, including 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 has also begun to periodically survey the community and participants in the complaint process to gather citizen feedback and gauge Commission performance.

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.

Following Commission standards, the Department of Employee Relations develops and administers 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.

OTHER SERVICE AND BUDGET CHANGES

The Commission continues to optimize staff and services to enhance public safety functions. In 2010, the Office of Homeland Security will be placed under the oversight of the Commission's Executive Director and administrative staff. This consolidation will enable the Commission to improve activities of the grant funded programs of the office that are concentrated in the area of fire and police services while allowing the departments to share operational and office resources.

The Director of the Office of Homeland Security has two distinct responsibilities: the terrorism response and prevention functions tied to UASI dollars; and the city's emergency management program, which prepares the city to prevent, respond to, and recover from any major disaster, catastrophe, emergency, or incident requiring extraordinary city resources.

Chapter 166 of the Wisconsin State Statutes requires each municipality to adopt an effective program of emergency management and to appoint a head of emergency management services. Chapter 6 of the City Charter, updated by the Council in 2007 to meet these state requirements, assigns responsibilities to the Director and identifies numerous emergency management functions.

Since the UASI grant does not fund the local portion of emergency government management, funding for the Homeland Security Director will be 80% grant and 20% operating.

IT Enhancements: Enhanced data capabilities allow the Commission to monitor and recognize a number of trends such as priority response times by Police District, complaints filed across districts, use of force by district and individual officers, and the types of complaints filed. Conducting extensive and in depth research and analysis of various public safety issues such as crime data, fire suppression, and personnel deployment together with analyzing rules, regulations, policies, and procedures will provide an invaluable tool to report results and guide policy decisions. The Commission's website allows for greater information sharing with the public and improved access to a variety of documents and reports pertaining to Commission and Board functions.

Capital Funding: The 2010 proposed budget includes $150,000 in capital funding to help expand the size of the Commission's office space. Increased office space is needed for additional full time staff, consolidation of the Homeland Security Office and to accommodate Commissioners and other department staff. Meeting space is also needed for complaint interviews and regular interaction with the public. An expanded reception area will accommodate walk-in traffic and offer a safe work environment.

2010 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.	
		2010 Projection
Performance Measures:	Number of complaints filed.	330
	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	$0.4
	Totals	**$0.4**

2010 Budget by Services (Funding in Millions)

Service	**Monitoring and Oversight**	
Activities:	Review departmental policies, practices, procedures and rules and make recommendations for change.	
		2010 Projection
Performance Measures:	Number of policy or procedures reviewed.	15
	Number of recommendations for revisions made.	12
	Number of department operating rules reviewed or revised.	15
	Number of MPD and MFD department investigations audited.	50
Funding by Source:	Operating Funds	$0.4
	Totals	**$0.4**

Service	**Community Relations**	
Activities:	Perform regular outreach and education with the community to build citizen confidence and satisfaction with the Fire and Police departments.	
		2010 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.	110
	Number of partnerships formed with community organizations.	12
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&M FTEs	Position Title	Reason
-1	-1.00		Research and Policy Manager/Hearing Examiner	Replace with contract services.
1	0.20	0.80	Homeland Security Director	Transferred from the Department of Administration.
1		1.00	Compliance Analyst	
1	**-0.80**	**1.80**	**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 2010.

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	1,088.87	1,090.05	1,066.50	1,027.05	-63.00	-39.45
FTEs - Other	5.74	7.11	7.50	7.50	0.39	0.00
Total Positions Authorized	1,146	1,133	1,070	1,018	-115	-52
EXPENDITURES						
Salaries and Wages	$75,975,854	$73,992,523	$77,595,000	$69,950,509	$-4,042,014	$-7,644,491
Fringe Benefits	24,898,824	25,157,459	26,383,000	23,783,173	-1,374,286	-2,599,827
Operating Expenditures	4,455,380	4,863,460	5,737,406	5,720,406	856,946	-17,000
Equipment	147,075	788,112	444,713	252,613	-535,499	-192,100
Special Funds	75,994	195,715	388,000	113,000	-82,715	-275,000
TOTAL	$105,553,127	$104,997,269	$110,548,119	$99,819,701	$-5,177,568	$-10,728,418
REVENUES						
Charges for Services	$7,969,211	$7,182,900	$7,232,700	$6,432,700	$-750,200	$-800,000
TOTAL	$7,969,211	$7,182,900	$7,232,700	$6,432,700	$-750,200	$-800,000

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.

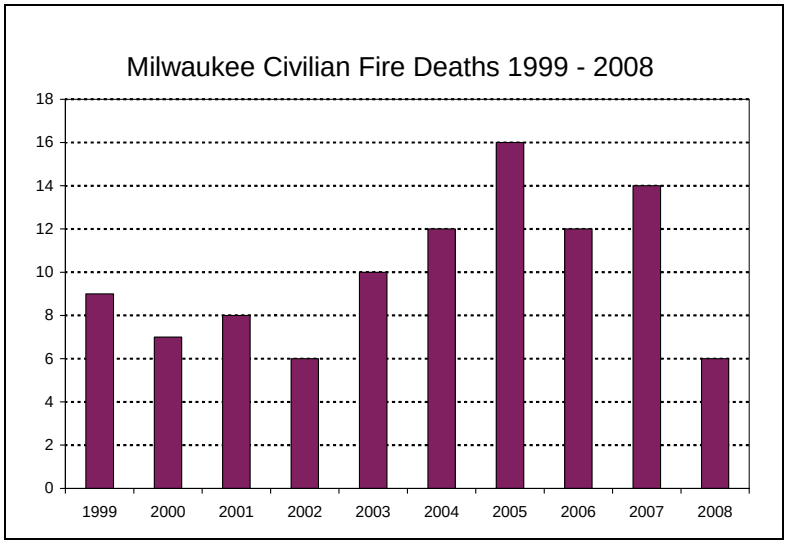
Strategies and Milestones for 2010

Objective:	**Limit fire fatalities to less that ten per year, maintain a 95% recovery rate from penetrating trauma and decrease vacant structure fires by 10%.**
Strategies	**2010 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



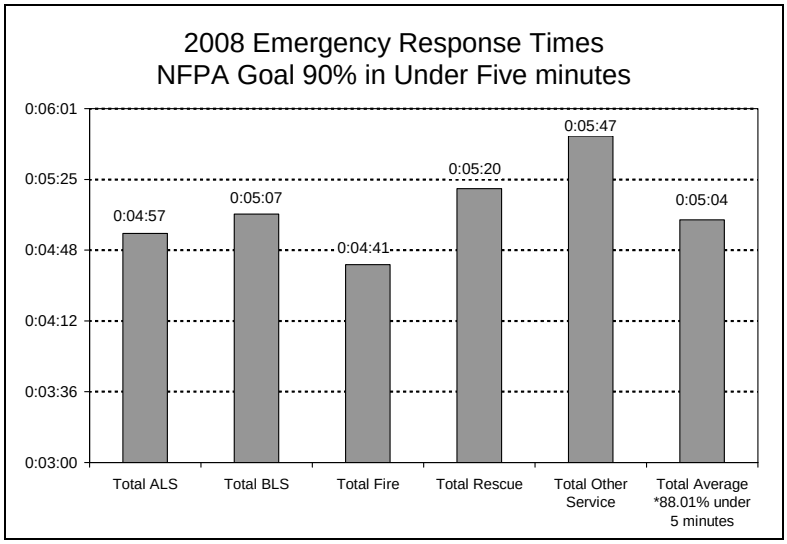
Response Time: Timely response to events has a direct impact on the outcome of any emergency. The success of this strategy is measured by an average response time of five minutes or less for 95% of calls received. As Figure 2 indicates, the department is meeting its goal for the most critical types of fire and EMS calls. These are the calls where quick response is most critical to saving lives. The MFD responded to 88.1% of its total calls for service within five minutes or less during 2008. Average response time to fires remained well below five minutes during 2008, as it has through the first half of 2009.

Structure fires totaled 531 in 2008, a 17% decrease from 2007. Thirty-four of the 531 structure fires in 2008 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 2009, of the 112 stabbings incidents responders treated, 109 patients or 97.32% survived. Of the 140 gun shot wound EMS responses, 126 or 90% of the victims survived.

Timely response to fires is important to prevent fire fatalities and to minimize injuries and property loss. Ideally, individuals are warned by fire safety devices like smoke detectors to vacate the property before the fire becomes hazardous. However, a quick response allows the department to get personnel to the fire as soon as possible and rescue anyone trapped in the fire. Thermal imaging cameras allow Fire Fighters to locate trapped individuals through smoky conditions.

Figure 2



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 fire death trends.

In 2007, the department made 11,350 fire prevention contacts to residents in one and two family dwellings. The department increased this outreach to 13,701 contacts during 2008. Education programs include Sesame Street, Elder Safe, the Survive Alive House, and the Mobile Survive Alive Houses. 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

Fire Cause Investigation Unit (FIU): The 2010 proposed budget includes position authority and funding for a Fire Cause Investigation Unit (FIU). The FIU is intended to increase the proportion of fires with a determined origin and cause. This will enable the department to work more effectively with the Police Department to bring arson perpetrators to justice, in the event the FIU determines that an intentional act caused the fire. The FIU will also help the department target its preventive efforts more effectively. Approximately 30% of the $235,000 in salary costs for the three positions will be funded through Community Development Block Grant (CDBG) funds.

National Staffing Standards on Ladder Companies: The 2010 proposed budget reduces staffing on all of the city's 16 Ladder Companies to four personnel. During 2009, the department has assigned five personnel to eight companies, with the remaining eight ladders being staffed with four personnel. This reduction is consistent with a 2005 staffing study that confirmed that fire station density conditions within the City of Milwaukee show significant overlap and that moving Milwaukee Fire Department staffing levels to the nationally accepted benchmark of four Fire Fighters on ladders does not change the effective coverage areas or emergency response times. This study also determined the level of response overlap and number of stations provides sufficient coverage for call concurrency. The proposed change results in a reduction of 24 positions and an estimated salary savings of $1.9 million.

Changes to Companies: The 2010 proposed budget will result in two of the city's 52 companies being decommissioned as a result of staffing reductions. The Chief will determine which ladder or engine companies to decommission based on response time impacts and proximity to other Engine and Ladder Companies. It is expected the decommissioned rigs will come from multi-rig firehouses. The department has analyzed this impact

and has concluded the change will have a marginal impact on response time—2 seconds for an engine and 7 seconds for a ladder. It is expected the department will still be able to achieve an average response time to fires of less than five minutes. The proposed change results in a reduction of 24 positions and an estimated salary savings of $1.9 million.

In addition, the proposed budget reduces special duty pay by $990,000 in order to meet fiscal constraints. This reduction equates to 12 FTE positions. The impact on availability of companies will depend on the level of absences on a given day. On average, it is projected this change will result in one to two rigs a day being removed from service.

CAPITAL PROJECTS

The 2010 capital budget supports the critical needs of the Fire Department in terms of major equipment and facilities maintenance. The budget includes $4,806,000, including $3,571,000 for replacement of major equipment; $1,125,000 for facilities maintenance; and $110,000 for generators to provide an auxiliary power supply.

2010 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.	
		2010 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	$91.7
	Grants and Reimbursables	$0.2
	Capital Budget	$4.8
	Totals	**$91.7**
Service	**Fire Education, Training, and Support Services**	
Activities:	Fire education, inspections, pre-incident planning, infrastructure support (shop, IT services, dispatch) training and administrative support.	
		2010 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	$8.1
	Grants and Reimbursables	$0.3
	Totals	**$8.4**

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		Fire Captain/Fire Investigator (D)	Create Fire Cause Investigation Unit.
2	1.00	1.00	Fire Lieutenant/Fire Investigator (D)	
-1	-1.00		Admin. Fire Lieutenant	Streamline Support Services DU due to fiscal constraints.
-1	-1.00		Information Technology Specialist	
-1	-1.00		Fire Equipment Repairer I	Reduce repair capacity due to fiscal constraints and investments in replacement equipment.
-1	-1.00		Fire Dispatch Supervisor	Fiscal constraints.
4			Fire Captain	Technical correction to position authority.
1			Fire Lieutenant	
-1		-1.00	UASI Grant Intelligence Analyst	Reflects regional grant agreement.
-3	-3.00		Fire Fighter	Shift public education functions to civilian positions.
2	2.00		Community Education Specialist	
-2	-2.00		Fire Captain	Reduction to company overlap due to fiscal constraints.
-4	-4.00		Fire Lieutenant	
-6	-6.00		Heavy Equipment Operator	
-12	-12.00		Fire Fighter	
-24	-24.00		Fire Fighter	Reduction to ladder company staffing consistent with benchmark practices.
-69			Auxiliary Fire Fighter	Elimination of unfunded excess position authority.
	-12.00		Fire Fighter	Reduction to special duty capacity to absorb absences.
		0.39	Various	Miscellaneous adjustments.
-115	**-63.00**	**0.39**	**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: Decrease crime by at least 10% annually to improve standing among 22 comparably sized cities.

Abate lead based paint hazards in 7% (2,800) of contaminated houses in the target area by 2012.

Improve child health by promoting healthy birth outcomes for infants and ensuring that all Milwaukee children have adequate health coverage by 2012.

Improve child health and school readiness by increasing immunization compliance to 95% by 2012.

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

Maintain existing childhood obesity rates.

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

STRATEGIES: Address pandemics through intensive surveillance and coordination with state and federal officials.

Leverage corporate and philanthropic resources to expand lead abatement funding and other innovative programs.

Increase BadgerCare Plus enrollment.

Utilize nursing resources to focus on high risk circumstances and to leverage non-city funding.

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

Promote access to information and services to teens to encourage responsible sexual health.

Improve nutritional status of Milwaukee children.

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

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	164.18	166.06	161.20	146.70	-19.36	-14.50
FTEs - Other	110.80	106.05	108.95	111.25	5.20	2.30
Total Positions Authorized	312	306	305	273	-33	-32
EXPENDITURES						
Salaries and Wages	$8,185,911	$8,221,584	$8,221,000	$7,290,703	$-930,881	$-930,297
Fringe Benefits	3,835,951	3,370,849	3,371,000	2,989,188	-381,661	-381,812
Operating Expenditures	1,746,764	1,882,448	1,882,448	1,762,448	-120,000	-120,000
Equipment	2,393	15,000	15,000	5,000	-10,000	-10,000
Special Funds	182,991	111,000	111,000	181,000	70,000	70,000
TOTAL	$13,954,010	$13,600,881	$13,600,448	$12,228,339	$-1,372,542	$-1,372,109
REVENUES						
Charges for Services	$755,575	$1,421,165	$872,600	$872,600	$-548,565	$0
Licenses and Permits	1,939,375	2,258,825	2,233,600	2,505,900	247,075	272,300
TOTAL	$2,694,950	$3,679,990	$3,106,200	$3,378,500	$-301,490	$272,300

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 located throughout the city. The 2010 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 including H1N1, 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 and to accelerate progress toward benchmark children's immunization rates. The department will develop additional partnerships with state government to increase reimbursements for certain services, thereby helping to improve the city's fiscal capacity.

Strategies and Milestones for 2010

Objective:	**Decrease crime by at least 10% annually to improve standing among 22 comparably sized cities.**
Strategies	**2010 Milestones**
Promote a public health model of violence prevention.	Release citywide violence prevention plan. Establishment of a Family Justice Center. Identify and promote firearm safety and reduction in the use of illegal guns. Advise and participate in the Medical College of Wisconsin violence prevention initiative.
Objective:	**Through existing and the addition of potential new funding streams, abate lead based paint hazards in 7% (2,800) of contaminated houses in the target area by 2012 (2,800 units based on 800 per year and 400 extra units through solicited private/philanthropic funding).**
Strategies	**2010 Milestones**
Tap corporate and philanthropic resources to expand lead abatement funding and continue existing programs.	Develop a master list of corporate and private foundations. Leverage existing city resources such as the Grant Compliance Manager. Engage private sector through meetings with foundations, corporations and related private enterprise coalitions. Using existing funding, abate 800 contaminated units. Secure additional funding of $500,000 to abate 100 contaminated units.
Explore incentives and regulatory compensation changes to promote screening among physicians.	Review best practices and identify stakeholder groups to define incentives. 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.
Update the Health Department's Lead Elimination Strategic Plan.	Complete by December 2009.

Strategies and Milestones for 2010

Objective	**Improve child health by promoting healthy birth outcomes for infants and ensuring that all Milwaukee children have adequate health coverage by 2012.**
Strategies	**2010 Milestones**
Increase BadgerCare Plus enrollment.	Establish five new partnerships with community based organizations by October 2009, to increase access for eligible children. Expand MA Outreach ability to enroll clients through cross training current MHD staff and hiring additional Health Access Assistants. Establish three new locations through partnerships with community based organizations where MA Outreach can enroll clients and increase access for eligible populations.
Maintain and expand evidence based home visiting programs.	Incorporate strategies and lessons learned from EFM and NFP evaluations to improve and expand service delivery. Set timelines for ongoing program evaluation and continuous quality improvement efforts. Collaborate with local and statewide home visitation efforts to encourage the widespread implementation and universal access of evidence based home visiting strategies. Ensure ongoing viability of MHD home visiting programs collaborative referrals processes and systems for children under the age of three. Continue current collaborative efforts with Milwaukee County Birth to Three, Milwaukee Public Schools, Social Development Commission, and Head Start. Expand collaborative efforts to interface with other community agencies with an early childhood focus. Develop long term funding plan including additional funding sources and community partners. Explore legislative options for expansion of evidence based home visiting programs.
Objective:	**Improve child health and school readiness by increasing immunization compliance to 95% by 2012.**
Strategies	**2010 Milestones**
Continue to improve the School Readiness Initiative with MPS in order to increase immunization rates.	By August 2009, complete manual data reconciliation. Identify personnel, community based organizations, and financial resources to enhance programming for MPS Immunization Task Force.

	Develop a Memorandum of Understanding with MPS and the Department of Public Instruction for exchange of immunization data. Expand the MPS Immunization Task Force to target a wider childhood and student population and incorporate additional funding sources and community partners.
Objective: Improve child health by reversing the trend of childhood obesity by 2015.	
Strategies	**2010 Milestones**
Improve nutritional status and exercise patterns of Milwaukee children.	Continue to assure access to fruits and vegetables through WIC by educating clients and increasing their capacity to purchase these items with the "New WIC Way", promoting farmer's market vouchers and collaborating with other programs to increase availability of these items to WIC clients. Continue to promote skim and 1% milk for WIC children older than two years. Work with at least five schools to help them meet the criteria for the Governor's Health Award.
Objective: Improve child health by reducing the teen birth rate 46% by 2015.	
Strategies	**2010 Milestones**
Promote access to information and services to teens to encourage responsible sexual health.	Increase the number of women enrolled by MHD in the Family Planning Waiver by an additional 15%. Expand 'No Condom No Way' campaign to online resources such as Facebook, and revise/update marketing strategy with a new 'look' for products and media by end of 2010.
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 through new service initiatives. Decrease STD infections 5% by 2012.	
Strategies	**2010 Milestones**
Enhance service delivery at the STD/HIV clinic to maximize the number of clients that can be seen, counseled and treated.	Develop a flexible service delivery model for the clinic that efficiently utilizes staff resources and responds to fluctuations in client demand. Achieve a turnaway rate of no more than 20% at the STD clinic. Report findings from the Clinic Service Delivery Survey and utilize the information to develop performance measures.

Strategies and Milestones for 2010

Build community capacity to more efficiently reach a broader population of clients.	Form or reconvene the STD Prevention Task Force using the current Immunization Task Force model. Collaborate with MPS to pilot STD screening/testing in schools. Evaluate current Field Delivered Therapy protocol and implementation as related to community STD case identification and treatment. Explore implementation of expedited partner therapy within the MHD STD/HIV program.
Improve community education and outreach efforts to target hard-to-reach populations.	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 and reducing the number of critical risk violations.	
Strategies	**2010 Milestones**
Implement a revised system for food inspections based on the complexity of food establishments and the severity and prevalence of critical risk violations.	Establish performance measures for a new inspection model.
Decrease the number of critical violations in restaurant and related food service facilities.	Implement revised Code of Ordinances recertification requirements for Food Managers in the City of Milwaukee.
Develop incentives for restaurants to ensure safe and sanitary establishment conditions.	Determine the feasibility of implementing a Food Inspection Rating Scale and Public Awareness Campaign.

STRATEGY IMPLEMENTATION

H1N1 Planning and Preparedness: The City of Milwaukee has experienced more than 3,300 confirmed cases of H1N1 through August 2009. Wisconsin's outbreak is the highest of any state in the nation. The department is revising its strategies in order to maximize the community's capacity to respond effectively to H1N1 during the remainder of 2009 and into 2010.

The department's epidemiologic efforts will focus less on case counts while prioritizing the ability to characterize the flu's severity and the magnitude of its transmission. Currently, health scientists have not detected any evidence that suggests the virus has become more dangerous than when it first appeared in the Spring of 2009. However, experience to date indicates that young people will be especially vulnerable to the flu outbreak. Therefore, the department's surveillance will be essential to making decisions such as whether or not to close schools.

During the Fall of 2009, the department is conducting a substantial public information campaign that includes elementary and secondary schools, universities, community based organizations, faith based organizations, business groups, and the health care sector. The department has developed innovative communications tools to help inform the public of the status of the H1N1 situation.

Figure 1

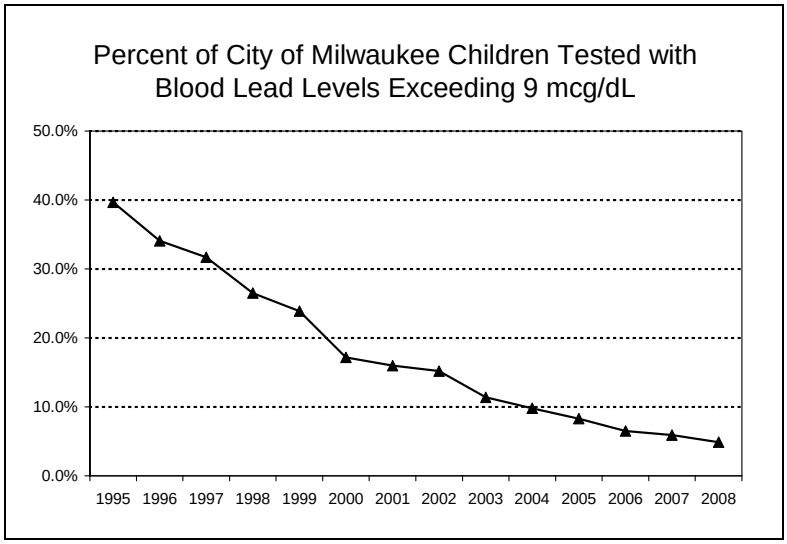
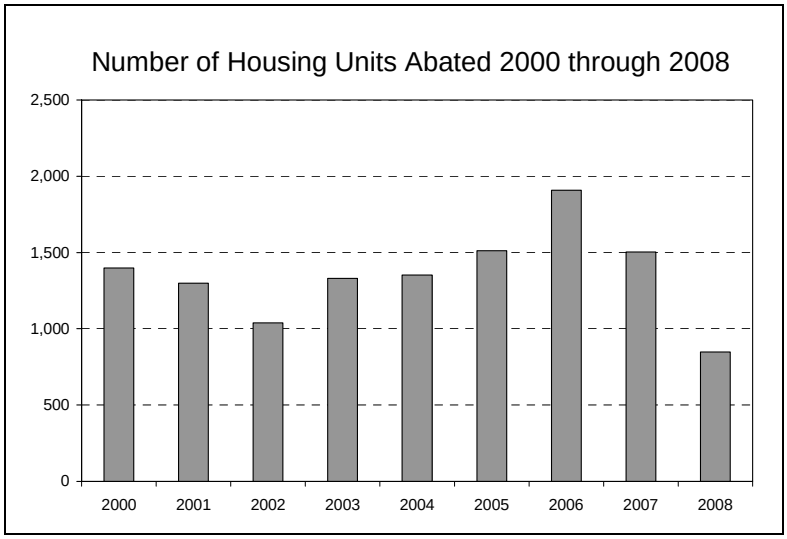


Figure 2



The department is coordinating resources for a mass vaccination campaign at up to three sites, should officials determine such an effort is appropriate and that sufficient vaccine is available. Vaccination efforts will prioritize those groups most at risk. Plans also include ensuring that emergency medical personnel, such as paramedics and public health nurses, receive vaccinations as soon as the vaccine becomes available. Current projections indicate that the first shipment of the H1N1 vaccine will occur in mid-October, 2009.

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 approximately 4.9% in 2008. Approximately 1,503 units were made lead safe in 2007 and approximately 850 units were made lead safe in 2008 (see Figure 2). Due to a number of economic circumstances, the department projects that approximately 25% fewer homes will be abated during 2009, compared to 2008.

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 2010, the city plans to fund additional lead abatement efforts in approximately 850 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 ranks low in the state for health insurance coverage and has the state's largest population of uninsured individuals. In 2006, approximately 91,000 or roughly 16% of residents did not have health care coverage for all or part of the year. The Health Department's Medical Assistance Outreach program, which identifies and assists eligible city residents enroll in health insurance, helps to fill this gap.

Figure 3

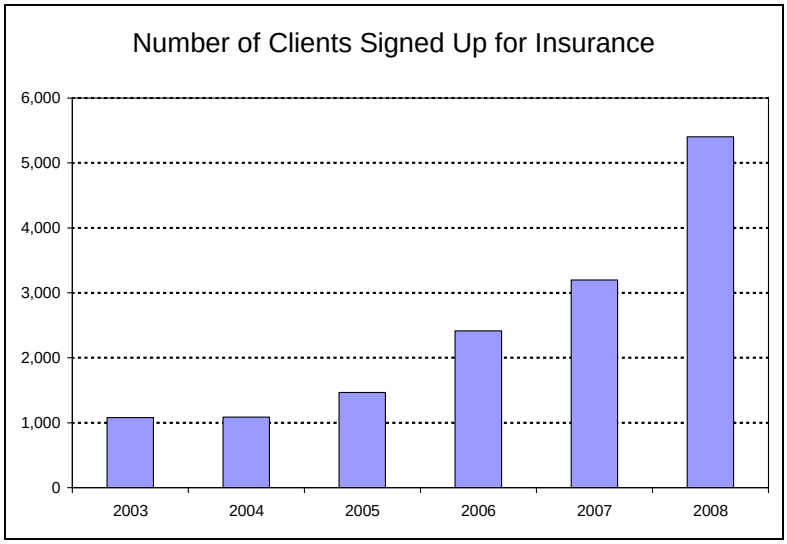
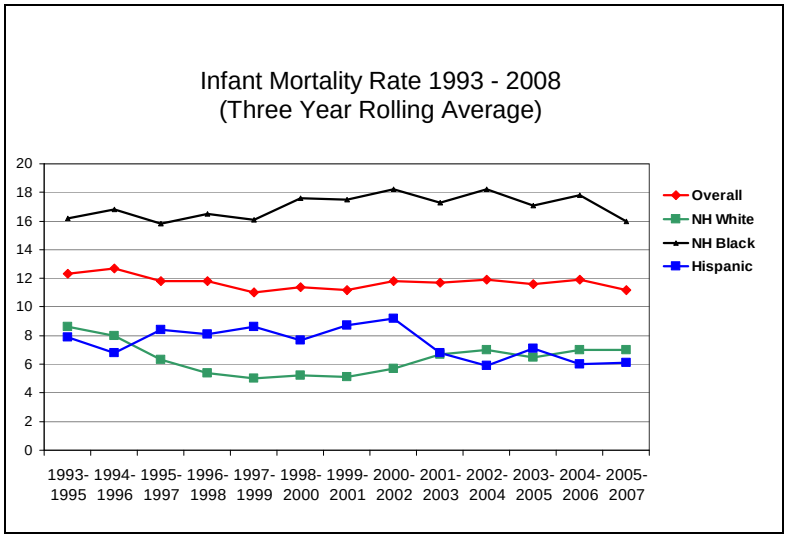


Figure 4



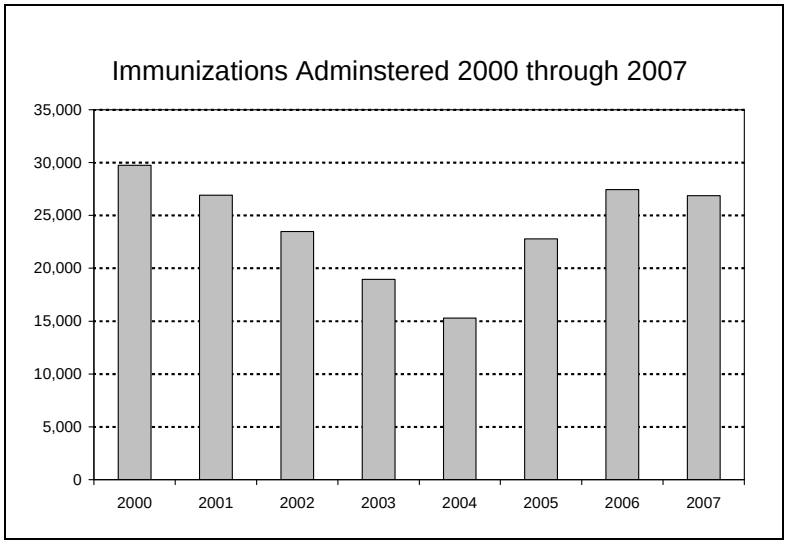
Since 2003, the Medical Assistance Outreach program has helped 14,679 clients sign up for insurance and has referred over 10,300 individuals to other support programs. In 2008, the program saw over 5,400 individuals and helped 4,154 clients gain access to insurance (see Figure 3).

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 2004 and 2006, non-Hispanic African Americans in Milwaukee experienced a 17.84 per 1,000 infant mortality rate compared to a 6.01 rate for Hispanic residents and a 7.0 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.

To help address this disparity, 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 outreach and 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, increase child health, safety and development, decrease child abuse and neglect, improve school readiness, and enhance family functioning. Since inception, the program has enrolled 398 new clients and serviced 346 infants. In 2009, 100% of the women involved in the program were receiving pre-natal care and 57% of mothers initiated breastfeeding at birth. More than 80% 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



Another program, the Nurse Family Partnership, is partially funded through a partnership with Columbia St. Mary's until the end of 2009 and the University of Wisconsin Partnership Program until April 2010. The goals of the program are 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 is being implemented with 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 2009, the Nurse Family Partnership program had enrolled 124 families and 89% of these families had achieved the recommended level of prenatal visits, 75% of new mothers initiate breastfeeding, and 86% of the infants were current with recommended immunization schedules.

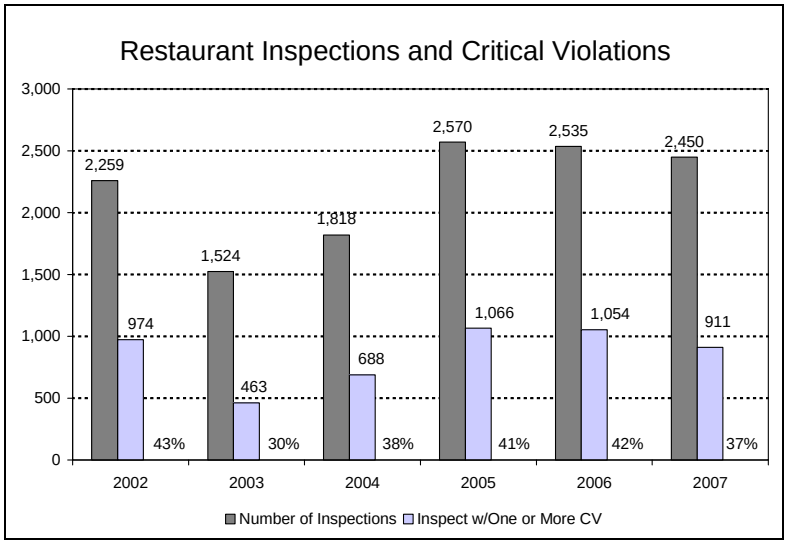
Immunizations: The United States Department of Health and Human Services (DHHS) has established a goal to have 90% of children complete the primary immunization series. The goal is considered an appropriate level of protection to prevent or minimize outbreaks of vaccine preventable diseases which have become more prevalent in the United States. The city has adopted the DHHS goal and improving immunization rates remains a high priority. The department's school readiness immunization program has improved significantly Milwaukee's compliance with immunization benchmarks. Since the 2005-2006 school year, immunization compliance rates have increased from 64% to a current rate of 84%, an increase of 31%. Much of this increase is due to the efforts of the department and the Immunization Task Force.

In order to increase and sustain progress regarding immunization, the department has fostered the creation of an 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 2008, the task force finalized and presented recommendations to city leaders to provide strategic guidance on improving immunization rates. The recommendations were adopted and the task force continues to involve additional community members to meet established goals. The Health Department recently received a model

practice award from the National Association of County and City Health Officials for its collaborative efforts with MPS on immunizations.

Figure 6



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 program 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 improve client outreach and service as a result of new operational strategies.

For example, the Dual Protection Partnership Initiative began in April 2008 and provides education to clients along with actively managed referrals of clients to medical providers. Field Delivered Testing and Treatment started in July 2008 and will decrease the amount of time between diagnosis and treatment to decrease the spread of disease. This should result in a larger number of cases treated in a timely manner and decrease both occurrence and re-occurrence of cases.

The department has utilized increased resources and process improvements to improve service outcomes at its STD clinic. For example, during the first quarter of 2009 the department was able to provide service to almost 82% of the clinic's visitors, compared to 75% during the first quarter of 2008 and just 66% during the first quarter of 2007.

The Community Partner STD Testing initiative started in June 2008 and includes collaboration with six community partners to expand the department's ability to screen, diagnose and treat high risk populations. The department also launched the HIV/STD Express Clinic Service in August 2008. Express Clinic Service is a revised service model where clients are triaged at the beginning of each appointment and then counseled and examined accordingly. This will increase the number of clients seen at the clinic through more effective utilization of STD program staff and public health nurses.

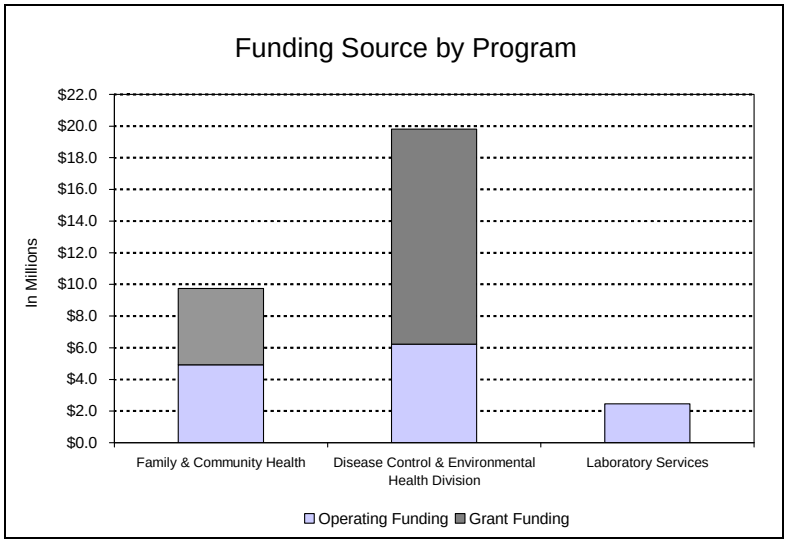
The 2010 proposed budget includes $75,000 in a departmental special fund to enable targeted HIV prevention initiatives. The department will use its surveillance and community outreach expertise to tailor these initiatives to the most critical emerging patterns of HIV risk.

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. In 2010, through the department's Women's, Infant's, and Children's (WIC) Nutrition grant, the department will improve nutritious food choices available to children with expanded use of Farmer's Market vouchers through the program, and will promote skim and 1% milk through an education and outreach campaign.

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 2007, 37% 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.

Figure 7



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. Implementation of a tiered model of delivery will help inspectors better target more complex establishments and concentrate on violations that pose the greatest health risk for consumers.

In 2007, the department unveiled a new Food Establishment Inspection Reporting System that allows the public to view online inspection reports from restaurants, food, and retail establishments. The reports are updated daily so the information remains current and consumers can view the most recent conditions of city food establishments. The department is also exploring the feasibility of implementing a Food Inspection Rating Scale to increase inspection transparency to the public and aid consumers in making informed dining decisions.

Violence Prevention: The reduction of violence is a top priority for the city. The Office of Violence Prevention will provide strategic direction and oversight for the city's effort to reduce the risk of violence through a variety of strategies. Strategies include community policing, the development of a citywide comprehensive violence prevention strategic plan, and the development of community crime prevention collaborations. The office will also link city departments, academic partners, and community based initiatives to coordinate existing violence reduction efforts.

Homeland Security and Public Health Emergency Preparedness: The department is involved in several multi-disciplinary 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 as well as coalitions involving private sector and non-governmental stakeholders involved in comprehensive communitywide emergency planning. The Urban Areas Security Initiative (UASI) and Cities Readiness Initiative (CRI) are 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 pharmaceutical stockpiles in response to a bioterrorism event.

OTHER SERVICE AND BUDGET CHANGES

Budget Funding: The 2010 proposed budget provides $12.23 million of local tax levy funding. This decrease of 10% is due to the fiscal constraints facing city government.

Capital Funding: Capital funding for the Health Department totals $100,000. This includes $50,000 for urgent roof repairs at the Northwest Health Center. The department will utilize another $134,000 in existing capital authority

to expedite this repair. The department intends to use federal stimulus funding to moderate the need for new funding for upgrades to its various information technology applications.

School Readiness Immunization Initiative: The 2010 proposed budget continues funding for the School Readiness Immunization Initiative to help the community achieve benchmark immunization rates. Funding for the program is used to support the establishment of more reliable baseline immunization data for the city and provide guidance to childcare and health care providers to bridge any gaps in immunization data with those organizations. The initiative has established offsite immunization clinics and enhanced immunization outreach and educational efforts. There will be difficulty in making progress regarding immunization rates due to the need to reallocate substantial resources to address mass vaccination needs resulting from the 2009 H1N1 influenza pandemic.

Medical Assistance Outreach: Funding in 2010 will 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: In 2008, the Milwaukee Health Department underwent a reorganization to facilitate a more evenly distributed workload among the divisions and promote greater efficiencies within the department. The current organizational structure is based on a national model and will allow the department to effectively respond to the changing health needs of the city. The proposed budget for 2010 has responded to severe funding constraints primarily through streamlining supervision and consolidating management responsibilities. The proposed budget maintains all existing clinic services, with modest reductions to personnel involved in direct service delivery. The primary challenge for 2010 staffing revolves around sustaining the necessary staff resources for the Nurse Family partnership. See the *Detailed Listing of Position Changes* for more information.

2010 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.	
		2010 Projection
Performance Measures:	Number of immunizations administered for the city and MPS.	20,000
	Number of clients seen at the STD clinic.	8,000
	Number of units made lead safe.	1,000
	Number of food inspections.	4,500
	Percent of all food inspections with one or more critical risk violations.	35.0%
Funding by Source:	Operating Funds	$5.6
	Grants and Reimbursables	$8.0
	Capital Budget	$0.1
	Totals	**$13.7**

Service	**Family and Community Health**	
Activities:	Prenatal and reproductive health, newborn screening, immunizations, health education, preschool health, infant mortality reduction, health care access, cancer prevention, tobacco control and prevention, women's wellness program, domestic violence and sexual assault, elementary and adolescent school health.	
		2010 Projection
Performance Measures:	Number of intensive nurse home visits.	5,000
	Number of clients signed up for insurance.	4,000
	Increase in the number of 3 and 4 year olds who remain in WIC.	5.0%
Funding by Source:	Operating Funds	$4.2
	Grants and Reimbursables	$4.2
	Capital Budget	$0.08
	Totals	**$8.5**

Service	**Laboratory Services**	
Activities:	Disease surveillance, environmental health protection, food and water safety, specialized testing, emergency response, data interpretation and integration, and research.	
		2010 Projection
Performance Measures:	Number of tests for communicable disease.	5,200
	Number of tests for blood lead poisoning.	4,000
	Number of tests for lead in the environment.	11,000
	Number of tests for water quality including beach monitoring.	1,300
Funding by Source:	Operating Funds	$2.4
	Grants and Reimbursable	$0.09
	Capital Budget	$0.05
	Totals	**$2.5**

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
-1	-1.00		Community Health Services Officer	Reduce Communications capacity due to fiscal constraints.
-1	-1.00		Office Assistant III	
-1	-1.00		Health Project Coordinator Violence	Eliminate program capacity.
-1	-1.00		Network Administrator	Eliminate position to reflect consolidation of network support in DOA ITMD.
-1	-1.00		Network Analyst Assistant I	
-1	-1.00		Chief Compliance Officer	Reflect management efficiencies via change in scope of Compliance Analyst responsibilities.
	-1.00		Custodial Worker II/City Laborer	Consolidation of buildings and grounds support personnel.
	-0.40		Human Resources Analyst Senior	Reflect efficiencies in Human Resources functions.
-1		-1.00	Health Inequities Reduction Coordinator	Reflect change in how Center for Health Equity Grant will be administered and expended.
-1		-1.00	Health Information Specialist	Reflect change in how Center for Health Equity Grant will be administered and expended.
-1	-1.00		Health Care Outreach Coordinator	Reduce community outreach capacity due to fiscal constraints.
-1	-1.00		Office Assistant II	Reflect efficiencies gained from reorganization of health centers program.
-1	-1.00		Manager of Nursing Practice	Reduce management capacity due to fiscal constraints.
	-1.00		Public Health Nurse	Reduce Team Nursing capacity due to fiscal constraints. Maintain position authority.
		-1.30	Public Health Nurse	Reflect decrease in grant funding for the Milwaukee Nurse Family Partnership Program.
-1		-1.00	Public Health Nurse Supervisor	Reflect decrease in grant funding for the Milwaukee Intensive Nurse Home Visiting Program.
-3		-3.00	Public Health Nurse	Reflect decrease in grant funding for the Milwaukee Intensive Nurse Home Visiting Program.
1		1.00	Public Health Nurse	Reflect increase in grant funding for the Milwaukee Breast Cancer Awareness Program.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
5		5.00	Health Access Assistant II	Reflect increase in grant funding for Medical Assistance Outreach Program.
-1		-0.50	Environmental and Disease Control Specialist	Reduce reimbursable authority.
-1		-1.00	Lead Risk Assessor II	Reflect change in anticipated grant funding award.
5		5.00	Various Lead Program Grant Positions	Reflect increase in grant funding awards.
	-4.00	4.00	Various Lead Nursing Positions	FTE correction from O&M to non-O&M.
-1	-1.00		Environmental Health Supervisor	Consolidate supervision in Consumer and Environmental Health due to fiscal constraints.
-1.5		-1.50	Communicable Disease Specialist	Reflect reduction in STD Grant funding.
-1		-1.00	Public Health Nurse	Reflect reduction in HIV Women's Grant funding.
	-1.00		Communicable and Infectious Disease Program Supervisor	Consolidate management responsibilities in TB and STD clinics due to fiscal constraints.
	-1.35	1.35	Public Health Nurse	Reflect grant funding increase in TB program.
-1		-1.00	Health Project Coordinator Emergency Preparedness	Reflect change in UASI funding objectives resulting in the elimination of position.
-1		-1.00	Employee Assistance Coordinator	Realize savings through administration through DER.
-22			Auxiliary Positions	
1	-0.61	2.15	Various Positions	Miscellaneous adjustments.
-33	**-19.36**	**5.20**	**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 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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	295.83	302.59	302.45	282.89	-19.70	-19.56
FTEs - Other	22.40	25.37	25.37	25.37	0.00	0.00
Total Positions Authorized	396	377	377	360	-17	-17
EXPENDITURES						
Salaries and Wages	$12,766,908	$12,566,216	$12,568,000	$11,391,809	$-1,174,407	$-1,176,191
Fringe Benefits	6,019,581	5,152,148	5,153,000	4,670,642	-481,506	-482,358
Operating Expenditures	2,093,301	2,302,800	2,317,000	2,237,000	-65,800	-80,000
Equipment	1,921,308	1,789,859	1,862,000	1,562,743	-227,116	-299,257
Special Funds	459,523	0	0	0	0	0
TOTAL	$23,260,621	$21,811,023	$21,900,000	$19,862,194	$-1,948,829	$-2,037,806
REVENUES						
Charges for Services	$1,443,123	$1,413,900	$1,507,000	$1,507,000	$93,100	$0
TOTAL	$1,443,123	$1,413,900	$1,507,000	$1,507,000	$93,100	$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 2010

Objective: Reduce families living in poverty and improve job growth.	
Strategies	**2010 Milestones**
Offer job and résumé labs.	Funding secured; Milwaukee Area Workforce Investments Board (MAWIB) kiosks installed demonstrated increase in use.
Offer computer training classes.	Funding secured; demonstrated continued use.
Objective: Expose more inner city youth to career environments.	
Strategies	**2010 Milestones**
Ensure every city student has a library card.	80% of first grade students enrolled in MPS will have valid cards.
Objective: Increase literacy rate.	
Strategies	**2010 Milestones**
Maintain expansion of Library's Books2Go Early Literacy Initiative.	Private support secured.

	Outreach sites served increased from 20 to 40. 1,100 children served; 110 childcare providers trained.
Increase services through Youth and Community Outreach Services Unit.	Private support secured for "Teacher in the Library" initiative. Develop and test "Teacher in the Library" after school program proposal.
Enhance literacy services to adults with school age children.	Adult and computer literacy classes and related offerings.
Objective: Deliver services at a competitive cost.	
Strategies	**2010 Milestones**
Use RFID and self-check technologies to improve and streamline circulation functions.	System is planned and under construction by end of 2010 at all MPL locations.
Enhance libraries and library services through capital planning and development.	Villard project breaks ground and on track for Spring 2011 opening, other facility improvements and changes determined.

STRATEGY IMPLEMENTATION

Ready to Read with Books2Go: The Library developed the "Ready to Read with Books2Go/*Libros Para Llevar*" program to improve 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.

The program's outreach staff 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. Ready to Read staff model ways that childcare providers can develop early literacy skills during story time 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 to teach parents about early literacy skills. The Library plans to seek sufficient funding to double the number of outreach sites to 40.

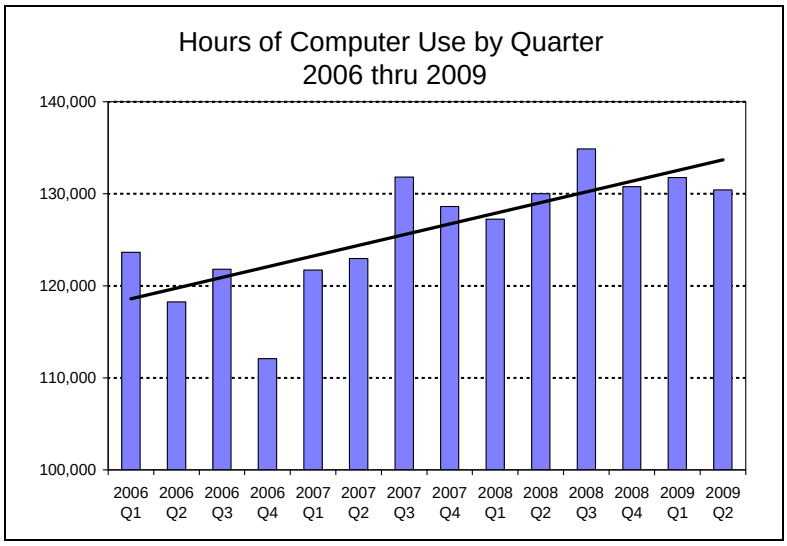
Programming and Technological Resources: The Library is working to meet changing patron needs by offering innovative programming and expanded technological resources and services.

In recent years, the Library has offered programs for a variety of audiences, from Harry Potter and Curious George events for youth, to Teen Violence Prevention programs and a student led Teen Advisory Board, to poetry discussions and author visits for adults.

The Library's resources of information have expanded beyond traditional collections and reference to include increasing numbers of computer based information and technical skills development. In 2008, MPL offered 480 privately supported computer classes focusing on providing residents with basic computer skills. Over 4,000 people attended these classes in 2008, and 230 more classes were held with over 1,800 attending in the first six months of 2009.

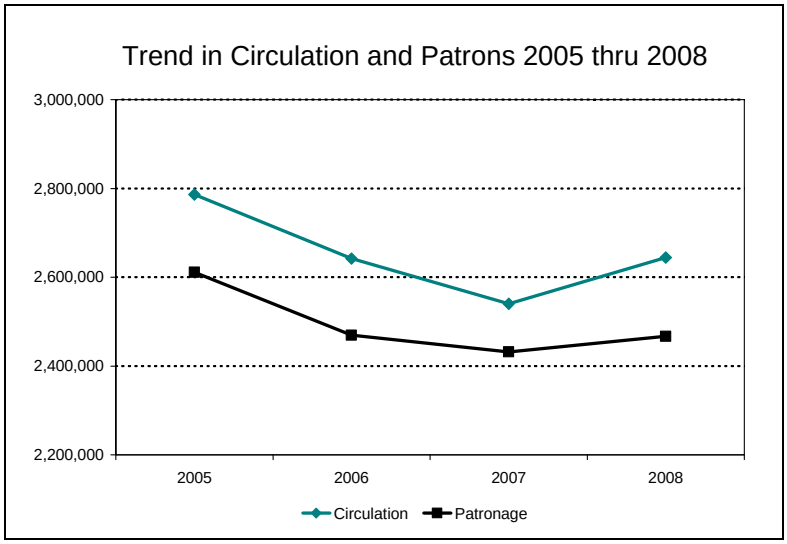
Patrons are also using Library technology outside of computer classes. The overall number of computer hours used throughout the Library system continues to increase (see Figure 1). In 2008, total computer hours of use at the Milwaukee Public Libraries increased 10% from 2006. This trend continued in the first half of 2009, as hours of usage increased 2.8% from the first six months of 2008 despite fewer hours of service. Residents are also using their home computers to get an increasing amount of library information and materials, as roughly three-fourths of the Library's holds are placed outside of a Library facility. 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.

Figure 1



Facilities Planning: The Library will strategically align its technical resources and neighborhood facilities to the changing needs of Milwaukee's population. Both circulation and patronage to the MPL system increased in 2008, reversing recent years of declines (see Figure 2).

Figure 2



A 2008 draft plan examined each Library facility, its long term viability and condition, and discussed new models to support 21st century services. In 2009, the Library Board formed a Strategic Planning Committee, which featured representatives of the Library Board, Library Foundation, and others. This committee worked to develop strategies regarding future library operations and facilities, and presented its findings in Summer 2009. This was followed by a series of public meetings at a variety of MPL neighborhood libraries. This public input will assist the Library in finalizing a framework for improvements and possible future facilities in 2010.

OTHER SERVICE AND BUDGET CHANGES

Library Operations Neighborhood Libraries: The Mayor's budget plans to have all 12 current neighborhood libraries continue to operate in 2010. Hours will be reduced at all non-O&M facilities to meet budgetary constraints, as those 11 branches will be open 7 hours a day, 5 days a week. This reduction of hours is necessary to deal with staff reductions that total 17 positions, but will keep all facilities open and enable residents to have consistent hours of access to their neighborhood library in 2010. The consistent hours should enable more opportunity for the Library to continue to offer its programs at all locations, increasing the chances for community members to improve their skills and enrichment.

Books and Materials: A total of $1.4 million is set aside to fund materials purchased for Central Library and all 12 neighborhood libraries. This amount is nearly $194,000 less than 2009's materials budget and the reduced materials budget means that materials will be prioritized to support the Library's strategic plan, while meeting the needs of patrons.

Consolidation of Central Library Services: Central Library will continue to reconfigure public service staffing in 2010 to meet budgetary constraints. Central Library will remain open for 54 hours a week in 2010, but its Humanities and Art areas will be limited to 20 hours of public availability.

Media Hold Policy: MPL reached an agreement in early 2009 with the Milwaukee County Federated Library System that restored the ability to hold most media items for pickup. As a result, overall material holds increased 14.5% in the first half of 2009 compared to the same time in 2008. Library officials are reviewing the effects of this change in policy and may consider future modifications. This includes reviewing the possibility of "open holds", where a library worker sets aside the item on a holds shelf before the library opens to the public. The library patron that requested the hold can later take the item from that shelf and check the item out, without a library worker having to do the extra work of retrieving the item during service hours, freeing the worker up to perform other duties.

Youth and Community Outreach Services: In 2009, mobile, community outreach and young adult services were consolidated into one department of Youth and Community Outreach Services (YCOS). YCOS is responsible for programs such as Books2Go and Homework Help, and all positions were filled in the new department by Spring 2009.

CAPITAL PROJECTS

The 2010 proposed budget provides $4.1 million for library capital improvements, including $1.5 million to complete installation of Radio Frequency Identification (RFID) technology at Central Library and neighborhood libraries. This new system will use scanners to allow customers to check out their own materials, and another scanner will check in materials that are being returned, reducing these tasks for circulation staff. A conveyor belt sorting machine is also planned for several facilities, including Central Library. This machine will direct materials to a proper bin, reducing the time needed to sort these materials, and increasing availability of these materials for customers. Bids and demonstrations for this project were returned in July 2009, and RFID should be operational at all library facilities by the end of 2010, yielding significant productivity increases and cost savings, and possibly leading to more hours of service in future years.

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 2010 proposed budget includes $1.75 million in borrowing authority to make up the Library's share of a mixed-use residential and retail project near the current Villard Street Branch. Villard Square will include a new Villard Library, scheduled to open in early 2011, as well as 47 residential units geared toward families headed by grandparents.

The capital budget includes $825,000 in improvements to Central Library. This includes ongoing projects to repair the building's historic mosaic tile and scagliola, as well as masonry work on the building's exterior. Funds are also set aside for continued upgrades to the 111-year-old building's electrical and air handling units, as well as assistance from the Energy Challenge Fund in the form of energy audits and other efficiency improvements. Energy Challenge funding resulted in lighting upgrades in 2008 and 2009 at Central Library, helping to reduce electrical costs by a projected $15,000 in 2009.

2010 Budget by Services (Funding in Millions)

Service	**Public Service Central Library**	
Activities:	Circulation services, duties related to designation as the Milwaukee County Federated Library System's Resource Library, interlibrary loan services, Ready Reference, collection development, computer and technology services, adult literacy, providing for a healthy environment, and providing opportunities for lifelong learning.	
		2010 Projection
Performance Measures:	Circulation change Jan - June 2008 vs. Jan - June 2009.	5.3%
	Change in library visits Jan - June 2008 vs. Jan - June 2009.	-0.3%
	Change in computer use Jan - June 2008 vs. Jan - June 2009.	6.8%
	Patron contacts.	275,000
Funding by Source:	Operating Funds	$4.7
	Grants and Reimbursables	$0.1
	Capital Budget	$0.8
	Totals	**$5.6**

Service	**Public Service Neighborhood Libraries**	
Activities:	Circulation services, Ready Reference, collection development, computer and technology services, Wisconsin Regional Library for the Blind and Physically Handicapped, adult literacy, providing for a healthy environment, and providing opportunities for lifelong learning.	
		2010 Projection
Performance Measures:	Circulation change Jan - June 2008 vs. Jan - June 2009.	3.5%
	Change in library visits Jan - June 2008 vs. Jan - June 2009.	2.8%
	Change in computer use Jan - June 2008 vs. Jan - June 2009.	1.5%
	Patron contacts.	703,000
Funding by Source:	Operating Funds	$4.2
	Grants and Reimbursables	$1.5
	Capital Budget	$1.8
	Totals	**$7.5**

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.	
		2010 Projection
Performance Measures:	Total number of outreach sites served by Books2Go.	40
	Computer program attendance	3,070
	Computer program classes	370
	Number of participants reached in Early Literacy programs.	17,400
	Number of participants reached in School Age programs.	19,200
	Number of children registered in Summer Reading programs.	19,977
	Number of adults participating in Adult Library programs.	12,000
Funding by Source:	Operating Funds	$0.7
	Totals	**$0.7**

2010 Budget by Services (Funding in Millions)

Service	**Administrative Services**	
Activities:	Implementation of Library Strategic Plan and guidelines, development of community partnerships and marketing plan, and daily administrative duties for MPL.	
		2010 Projection
Performance Measures:	Average hours a week each library facility is open.	40.6
	Number of registered MPL cardholders.	377,262
	Number of valid MPL cardholders.	163,100
Funding by Source:	Operating Funds	$2.3
	Totals	**$2.3**

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.	
		2010 Projection
Performance Measures:	Items added to collection.	128,000
	Materials expenditure per capita.	$2.29
	Number of computers in Library facilities	889
	Hours of computer usage.	450,637
	Unique web visits.	2,063,000
Funding by Source:	Operating Funds	$4.6
	Grants and Reimbursables	$0.2
	Capital Budget	$1.5
	Totals	**$6.3**

Service	**Facilities and Fleet Services**	
Activities:	Maintenance of building and grounds for Central Library and all neighborhood libraries. Daily delivery of materials, equipment and supplies between MPL facilities.	
		2010 Projection
Performance Measures:	Facilities cost per square foot.	$5.90
Funding by Source:	Operating Funds	$3.4
	Totals	**$3.4**

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
			Administrative Unit	
-1	-1.00		Library Circulation Assistant I	Change in AFSCME DC 48 Contract Administrator per file 071501.
-1	-1.00		Bookbinder	Gain in efficiency realized by retirement of incumbent.
-2	-2.00		Copy Catalog Technician II	Change in cataloging contract with Milwaukee County Federated Library System.
-1	-1.00		Library Technician II	Gain in efficiency to meet budgetary constraints.
-1	-1.00		Heating and Ventilation Mechanic II	Reduction through attrition to meet budgetary constraints.
			Neighborhood Libraries Unit	
-1	-1.00		Neighborhood Libraries and Community Partnerships Director	Position retitled to reflect change in scope of duties and responsibilities.
1	1.00		Deputy Library Director Public Services	
-1	-0.56		Library Circulation Aide	Reduction in hours of facility operations to meet budgetary constraints.
1	1.00		Library Circulation Assistant I	Change in staffing configuration due to reduction in hours of facility operations to meet budgetary constraints.
-4	-4.00		Library Branch Manager	
-1	-1.00		Librarian II	Reduction in hours of facility operations to meet budgetary constraints.
-2	-2.00		Library Reference Assistant	
-1	-1.00		Library Delivery Services Specialist	Change in delivery contract with Milwaukee County Federated Library System.
-2	-2.00		Library Driver	
1	0.00		Librarian III (Aux)	Unfunded position to handle short term needs to fill in and replace retired Librarians on payroll.
			Central Library Unit	
-1	-1.00		Librarian III	Reduction of hours in Art and Humanities area to meet budgetary constraints.
-1	-1.00		Librarian II	
-1	-1.00		Library Circulation Assistant II	Gain in efficiency to meet budgetary constraints.
-1	-1.00		Library Circulation Assistant I	
1	0.00		Librarian III (Aux)	Unfunded position to handle short term needs to fill in and replace retired Librarians on payroll.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	0.00		Library Circulation Assistant I (Aux)	Short term Auxiliary position in case of need of fill in replacement for retirement or resignation.
0	-0.14		Various	Miscellaneous adjustment.
-17	**-19.70**	**0.00**	**Totals**	

MAYOR'S OFFICE

EXECUTIVE SUMMARY

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

GOALS: Build safe and healthy neighborhoods.

Increase investment and economic vitality throughout the city.

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

Help children succeed, prepare for post-secondary education, and meet their full potential.

Promote racial, social and economic equity for all citizens.

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

STRATEGIES: Continue and improve the Accountability in Management program to ensure city services are delivered efficiently, effectively, and equitably.

Promote energy efficiency and renewable energy on a regional basis.

Initiate a cluster of water technologies industries to leverage economic development.

Obtain ARRA stimulus funds to improve Milwaukee.

Ensure the 2010 Census accurately counts Milwaukee's total population.

Advocate for a Comprehensive Transit Strategy.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	11.70	12.50	11.50	11.00	-1.50	-0.50
FTEs - Other	0.00	0.00	0.00	0.50	0.50	0.50
Total Positions Authorized	14	14	14	14	0	0
EXPENDITURES						
Salaries and Wages	$833,873	$872,641	$794,000	$745,578	$-127,063	$-48,422
Fringe Benefits	379,069	357,783	326,000	305,687	-52,096	-20,313
Operating Expenditures	33,026	49,350	48,000	44,000	-5,350	-4,000
Equipment	4,546	0	4,000	4,000	4,000	0
TOTAL	$1,250,514	$1,279,774	$1,172,000	$1,099,265	$-180,509	$-72,735

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, coordinating the implementation of services and policies, and providing crisis management. The managers of all the city's major service delivery agencies (with the exception of the Fire and Police Chiefs and other elected officials) are appointed by and are directly accountable to the Mayor.

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 responsiveness to citizens; and fostering effective communication and outreach about the Mayor's priorities and initiatives. The Barrett Administration will ensure that departments are effectively implementing these strategies throughout 2010.

Environmental Sustainability: In 2009, the Business Journal named Mayor Barrett the "Green Environmental Leader of the Year" for his dedication to encouraging ecological innovation in Southeastern Wisconsin. Mayor Barrett was selected among governmental employees at the local, regional, state and federal level whose actions positively influenced environmental sustainability in Southeastern Wisconsin.

In 2009, Mayor Barrett announced the construction of a methane pipeline project to reduce energy costs used in wastewater treatment, which would remove 500,000 tons of greenhouse gases and create 300 green jobs. The Mayor also led business and community leaders in kicking off Metro Milwaukee Green, an effort to help businesses incorporate environmentally sustainable and cost saving measures into their operations.

Under Mayor Barrett's guidance, the Office of Environmental Sustainability developed a plan to spend $5.8 million in stimulus funding for the Energy Efficiency Community Block Grant. This includes $3.4 million for improvements to the city's facilities and $2.4 million for improvements to residential properties and businesses. The latter includes $1.16 million for the Me2 residential revolving loan program that will save homeowners on their utility bills and stimulate the economy.

Mayor Barrett is committed to fight to preserve our freshwater assets. The Mayor actively participated in adoption of the Great Lakes Water Resources Compact in the state legislature, and is working to ensure that the state develops implementing regulations. In 2009, Mayor Barrett testified before the U.S. Subcommittee on Water Resources and Environment and discussed Milwaukee's efforts to reduce urban stormwater runoff pollution and expressed strong support of the effort in Congress to establish a Clean Water Trust Fund to rebuild the nation's water infrastructure.

Growing the Local Water Economy: Mayor Barrett is a strong advocate of the Milwaukee 7 water cluster effort, understanding the importance of water related industries to the region's economy. Mayor Barrett has been successful in securing the state's commitment for a School of Freshwater Science, and continues to work with the Department of City Development, private partners and public institutions to create opportunities for incubation and growth of water related industries and public instruction programs.

Commitment to Public Education: Mayor Barrett was 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. That council is working to ensure improvements in the fiscal efficiency of MPS, oversee implementation of the State's Corrective Action Plan for MPS and to work with the Governor's office to help secure federal education dollars including the Race to the Top discretionary dollars available though federal American Recovery and Reinvestment Act.

The Mayor intends to continue to pursue opportunities to improve student outcomes in Milwaukee.

Implementation of the American Recovery and Reinvestment Act (ARRA): Mayor Barrett formed a Stimulus Action Team consisting of representatives from key city departments and led by the Department of Administration. The team has been tasked with identifying funding available for the City of Milwaukee in ARRA and seizing potential opportunities.

Mayor Barrett directed the Department of Administration (DOA) to create an internal grants reporting system that will enable city managers to track ARRA and other grants opportunities. The DOA is creating an in-house, web based site that will be the central repository for all grants, development and reporting opportunities. This mandatory reporting system will be easily accessible to departments on the MINT and will ensure that everyone knows what types of grants applications are in process and what paperwork is outstanding, including quarterly reports. DOA studies each opportunity, examines long range implications and communicates with other departments to determine the best strategic approach to each selected opportunity. Further discussion of the ARRA awards and applications can be accessed through the DOA's summary. Examples of recent awards include the following:

- In July, the city was awarded $10 million in grants under the Department of Justice Office of Community Oriented Policing Services (COPS) Hiring Recovery Program. These grants will provide 100% funding for approved entry level salaries and benefits for three years for newly hired, full time sworn officer positions.

- Also in July, the Milwaukee Area Workforce Investment Board was awarded a $1 million Youth Build grant to fund the Milwaukee Builds Initiative. Milwaukee Builds prepares young adults for careers and employment in the construction industry.

2010 Census: The Barrett Administration is partnering with other elected officials and community organizations to participate in the city's Complete Count Committee, which is charged with making sure Milwaukee's census count is accurate and complete. To ensure an accurate count, the Complete Count Committee will focus on finding individuals who have traditionally been left out of the census, including those below the poverty level, those receiving public assistance and those who speak a language other than English

Transportation: Mayor Barrett continues to advocate for a Comprehensive Transit Strategy that provides connectivity among all modes of transportation, connects workers to jobs and that is part of a bigger, comprehensive, vision that will link Milwaukee to other destinations in the Midwest, nationally and internationally. Phase I of the downtown streetcar project will connect the Intermodal Station, downtown businesses and employment centers, through neighborhoods with high resident density. This phase of the project will utilize $54.9 million of funds Congress allocated to Milwaukee for a downtown streetcar. The Locally Preferred Alternative will be submitted to the Federal Transit Administration in late 2009 or early 2010.

In 2009, Mayor Barrett coordinated with Representative Moore's office to express support for the reauthorization of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act and to apply for funds that would support 15.5 miles of extensions to the downtown streetcar. Federal Transportation Investment to Generate Economic Recovery (TIGER) grants funding for Phase II of the streetcar project will be applied for in 2009. Funding opportunities for further transportation infrastructure will continue to be actively pursued in 2010.

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
	-1.00		Staff Assistant To the Mayor (Y)	Vacancy eliminated due to budget constraints.
	-0.50	0.50	Staff Assistant Manager (Y)	Fund half position through MAWIB.
0	**-1.50**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	36.56	39.50	39.50	39.38	-0.12	-0.12
FTEs - Other	0.00	1.00	1.00	1.00	0.00	0.00
Total Positions Authorized	45	45	45	45	0	0
EXPENDITURES						
Salaries and Wages	$2,027,694	$2,002,024	$2,080,000	$2,006,358	$4,334	$-73,642
Fringe Benefits	938,122	820,830	853,000	822,607	1,777	-30,393
Operating Expenditures	495,637	454,628	531,000	512,471	57,843	-18,529
Equipment	32,865	3,000	3,000	3,000	0	0
Special Funds	91,600	52,000	45,000	35,000	-17,000	-10,000
TOTAL	$3,585,918	$3,332,482	$3,512,000	$3,379,436	$46,954	$-132,564
REVENUES						
Charges for Services	$1,614,344	$1,710,100	$1,613,600	$1,613,600	$-96,500	$0
Forfeitures	5,250,348	5,593,000	5,255,000	5,255,000	-338,000	0
Miscellaneous	7,660	0	0	0	0	0
TOTAL	$6,872,352	$7,303,100	$6,868,600	$6,868,600	$-434,500	$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 $6.9 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, such as the Milwaukee Urban League, 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 2010

Objective: Build safe and healthy neighborhoods.	
Strategies	**2010 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	**2010 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 2010 proposed budget is based on an estimated 185,000 to 190,000 cases. Case volume increased slightly to 158,473 in 2008 from 135,611 in 2007 and 130,521 in 2006. While anticipated 2009 case volume was 155,000 to 160,000, projected annual volume is now between 185,000 to 190,000. Substantial growth in traffic cases resulting from automated ticket writing and other Milwaukee Police Department's initiatives drive most of the increase. Traffic cases are now 75% of total caseload, a 5.8% increase over 2008. The ratio of warrants and commitments to cases adjudicated in 2008 was 23%, a decrease from 33% in 2007 (see Figures 1 and 2). This reflects the policy of Branch 3 not to issue writs or drivers license suspensions but instead to refer these cases directly to collections. This policy ended in July 2009. As a result, this percentage will increase in 2009 and 2010 and forfeitures should also increase.

Figure 1

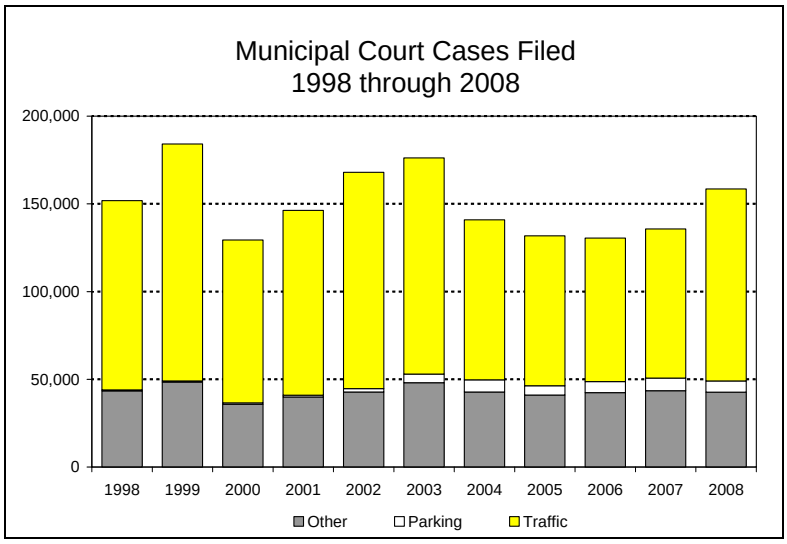
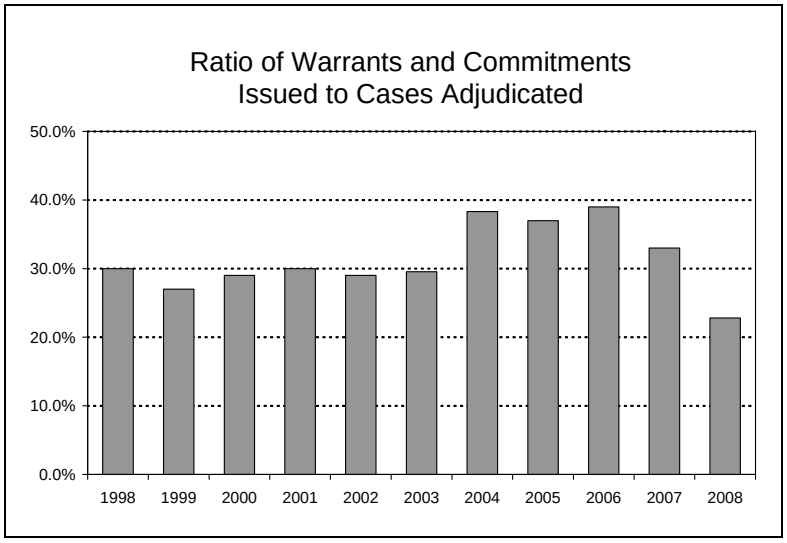


Figure 2



Evening court sessions, begun in 2003, continued their success in 2008 with a sustained 78% appearance rate. In 2008, a total of 29 sessions were scheduled for 711 defendants on 949 cases. Since evening court is more convenient, a high percentage of scheduled defendants actually appear for their hearings, improving court efficiency.

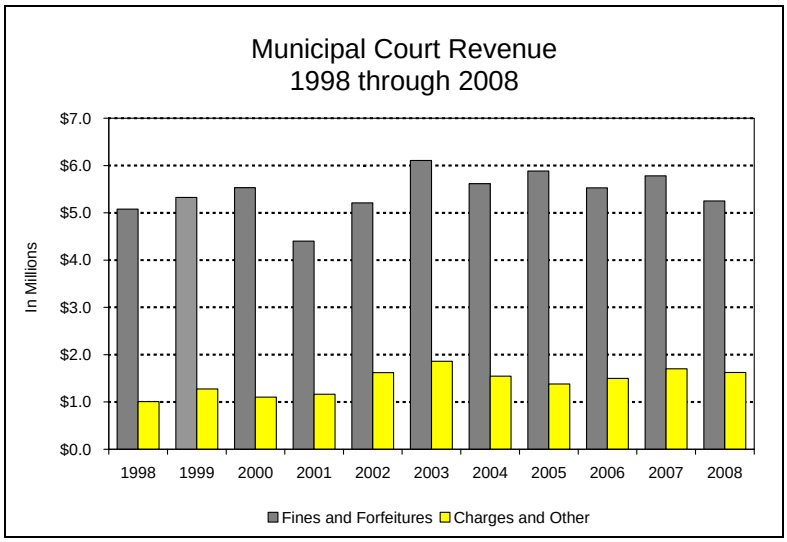
Drivers License Recovery and Employability Project: The 2010 proposed budget includes $200,000 for the Drivers License Recovery and Employability Project, with $100,000 allocated in the CDBG funding allocation plan, $50,000 allocated through CDBG reprogramming and $50,000 provided in a special purpose account. This reduces the special purpose account funding from $75,000 to $50,000 as a result of the city's funding constraints.

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 61% of project funding in 2007; provided 77% of the $852,000 expended by the project in 2008; and are expected to contribute 82% of the $1,115,130 budget in 2009 and 83% of the $1,173,500 projected 2010 budget.

Figure 3



In 2008, the project received 3,058 referrals, screened 2,074 clients, provided advice only to 890 clients, and actively managed 1,579 cases. Of 977 closed cases, 563 obtained licenses, for a license recovery rate of 57.6%. 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 August of 2009, the project is maintaining or improving on these outcomes.

While there is 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 earnings at least full time wages at double the minimum wage (3% to 6%).

OTHER SERVICE AND BUDGET CHANGES

Challenges to Collection Efforts: Collection efforts have been successful, particularly using direct electronic interface with the State of Wisconsin Department of Revenue and Department of Transportation and electronic databases of the Court's collection agency. In 2008, the Court collected $1.5 million in payments to be applied to outstanding forfeitures and fines, a $40,000 decrease from the amount collected in 2007. Total court revenues decreased $612,000 from 2007 to 2008 to nearly $6.9 million. Charges for services decreased $86,000 and fines and forfeitures decreased $534,000 (see Figure 3). The Court attributes the decrease in collections primarily to worsening economic conditions, as this reduces defendants' ability to pay judgments.

Improving Case Management: The 2010 capital budget includes $334,000 in funding for the third and final year of the Electronic Case Files and Document Records Management Project. This includes funding for programming services, website redesign, e-Filing integration, and self-service kiosks. The 2008 and 2009 budgets provided $973,945, for total project funding of $1,307,945 including 2010 funding.

A feasibility study for the project found that electronic case management and document retention would substantially improve process workflows from acceptance of citations through court hearings and adjudication. Court staff, Judges and Commissioners, and the public will benefit from these significant improvements in court operations. Cumulative operating cost savings of more than $2 million are projected through 2015.

Parking Citation Electronic Case Transfer: Since 2005, the Municipal Court budget has included funding to pay a contractor to prepare and submit parking citation records to the Court's Electronic Case Management System. In 2010, these costs will be paid by the Parking Fund since they are related to the Parking Fund operations. This shifts $10,000 in expenses from the Municipal Court's budget to the Parking Fund.

Reduced Court Commissioner Staffing: The number of hours of Court Commissioner staffing is reduced from 1,000 hours to 750 hours in 2010. This reduction is needed in order to meet the city's budget constraints. This reduction allows the Court to maintain its current schedule but it will not be able to add additional slots, which may result in some delays in scheduling pre-trials. The amount of delay will depend on the increase in case filings.

2010 Budget by Services (Funding in Millions)

Service	**Municipal Court Adjudication**	
Activities:	Impartially adjudicate ordinance violation cases and effectively enforce judgments.	
		2010 Projection
Performance Measures:	Percentage of non-priority cases that are tried within 90 days of intake date.	99.0%
	Ratio of warrants and commitments to cases adjudicated.	37.0%
Funding by Source:	Operating Funds	$3.4
	Capital Budget	$0.3
	Special Purpose Accounts	$0.4
	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
	-0.12		Municipal Court Commissioner	Reduction needed to meet budget constraints.
0	**-0.12**	**0.00**	**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 safe buildings are constructed through effective enforcement of the building code.

Abate nuisance properties.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	155.71	169.58	169.58	157.50	-12.08	-12.08
FTEs - Other	26.93	33.50	33.50	34.50	1.00	1.00
Total Positions Authorized	229	229	229	240	11	11
EXPENDITURES						
Salaries and Wages	$8,044,292	$8,042,152	$8,567,000	$7,817,370	$-224,782	$-749,630
Fringe Benefits	3,908,527	3,297,283	3,512,000	3,205,122	-92,161	-306,878
Operating Expenditures	751,151	858,896	946,000	908,650	49,754	-37,350
Equipment	53,109	60,000	60,000	5,000	-55,000	-55,000
Special Funds	1,777,441	1,846,000	1,930,000	1,890,000	44,000	-40,000
TOTAL	$14,534,520	$14,104,331	$15,015,000	$13,826,142	$-278,189	$-1,188,858
REVENUES						
Charges for Services	$9,611,923	$7,917,330	$8,527,600	$9,664,525	$1,747,195	$1,136,925
Licenses and Permits	5,647,375	5,746,100	4,978,800	5,197,790	-548,310	218,990
Intergovernmental Aids	1,007,509	1,040,000	1,005,000	1,005,000	-35,000	0
TOTAL	$16,266,807	$14,703,430	$14,511,400	$15,867,315	$1,163,885	$1,355,915

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 2009, the average complaint response is 7.8 days. The violation goal is to close all violations within 45 days of the compliance date established by Inspectors. Through July 2009, an average of 82.9% of violations met this goal. The goals are to respond to complaints and resolve violations as quickly as possible.

Strategies and Milestones for 2010

Objective: Improve neighborhood appearance.	
Strategies	**2010 Milestones**
Move to a more proactive code enforcement strategy.	Establish a residential rental unit inspection pilot program in Milwaukee's UWM area.
Improve community cleanliness.	Work with other departments to develop a detailed action plan for improving community cleanliness.
Nuisance property abatement.	Work with other departments to develop a detailed action plan for abating nuisance properties.
Reduce the impact of vacant buildings on the community.	Establish a vacant building registration and inspection program.
Objective: Reduce fire deaths and property loss from fires.	
Strategies	**2010 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 2008, 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 2008, an average of 79.3% violations were abated within 45 days of the initial compliance date. In 2008, 47,218 violation orders were closed and 4,860 graffiti complaints were closed. The trend in average time to close out residential complaints is shown in 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 2008, the Nuisance Section responded to complaints in approximately 6.4 days and through July 2009, the department is

averaging a 5.1 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 2008, 82% of violation orders were completed on time and in 2009, the department is averaging 93%. In 2008, the Nuisance Control Service closed out 10,259 complaints and closed out 12,717 violation orders.

Figure 1

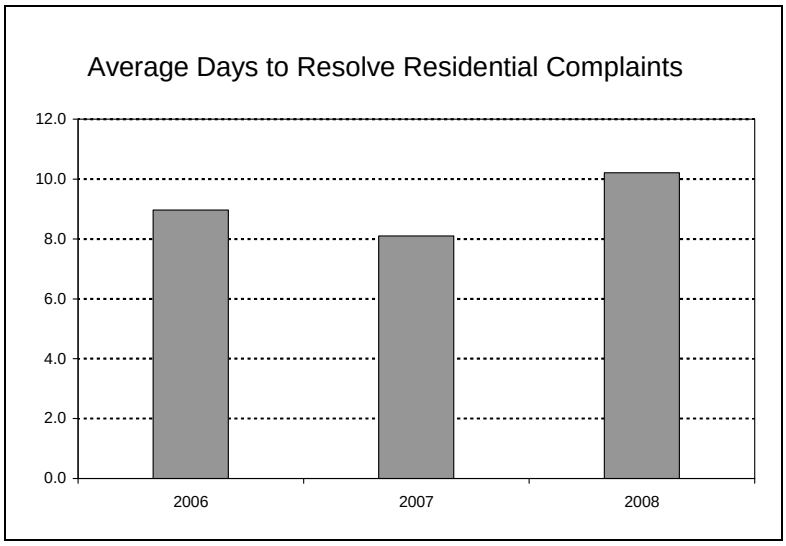
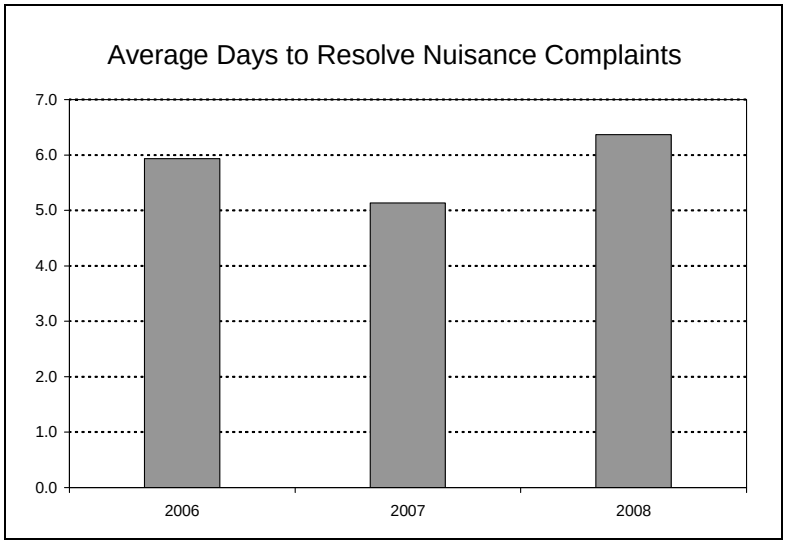


Figure 2



Improving Cleanliness and Nuisance Property Abatement: DNS also continues to review its procedures to determine if changes can be made to improve its nuisance abatement services. In November 2006, DNS implemented a "three strikes" policy. A $100 fee is assessed for the third litter violation at the same property within any continuous one year period. In 2008, there were 11,174 cleanup orders issued, of these there were 1,328 total cases with three or more strikes. In August 2007, DNS implemented an accelerated abatement program. The program targets nuisance litter violations that involve food garbage on the ground. Property owners are given either 24 hours or 3 days to voluntarily cleanup the litter before DNS refers the litter to DPW for cleanup. The amount of time given depends upon the amount of garbage on the ground and the magnitude of any threat to public health. In 2008, there were 79 three day orders and 13 one day orders.

Vacant Building Registration Program: The Mayor is proposing creation of a Vacant Building Registration program in 2010. If the Council approves the program, a budget amendment will be needed to provide funding for the program and to reflect the revenue the program will generate. Anticipated program revenue should offset the program's cost. Unfunded position authority for four Code Enforcement Inspector positions and one Office Assistant position is provided in the 2010 proposed budget to reflect the Mayor's intent to create the program.

The program will provide more proactive and comprehensive inspection and monitoring of vacant properties. As a result of the downturn in the housing market, the number of vacant properties is increasing, creating a greater risk to neighborhood conditions if these properties are not adequately maintained. 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.

The program as proposed will require specific buildings that are vacant for a specified time period to be registered with DNS. DNS will conduct an interior and exterior inspection of the property to ensure that no critical code violations exist. If violations exist, DNS will issue orders to correct the violations. Registration is valid for six

months and must be renewed as long as the building remains vacant. A $250 base renewal fee will be charged, with the fee increasing if uncorrected code violations exist. It is estimated that there are 300 vacant commercial buildings and 1,000 residential buildings that would initially qualify.

Residential Rental Inspection Pilot Program: The Mayor is proposing creation of a pilot Residential Rental Inspection program in 2010. If the Council approves the program, a budget amendment will be needed to provide funding for the program and to reflect the revenue the program will generate. Program revenue is anticipated to offset its cost. Unfunded position authority for six Code Enforcement Inspector positions is provided in the 2010 proposed budget to reflect the Mayor's intent to create the program.

Certain areas of the city have a high concentration of rental properties, which increases the risk of fire and other safety hazards, as well as dangerous or unsatisfactory housing conditions. The program's goal is provide more proactive and comprehensive inspection and monitoring of rental properties in order to deter landlords from illegally and improperly maintaining rental units. This should ensure safe housing, reduce illegal occupancies and fire deaths, and minimize the adverse impact of rental housing. The program is being implemented on a pilot basis so that its effectiveness can be determined before it is extended to other areas.

The program as proposed will require each rental unit to obtain a residential rental certificate. After application for a certificate, DNS will conduct an interior and exterior inspection to ensure compliance with the building maintenance code and zoning ordinances. Units with no critical violations will be issued a four year certificate. Units with violations and that abate the violations will be 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.

The initial pilot area is the residential neighborhood surrounding the University of Wisconsin Milwaukee. The university campus area has a high concentration of rental units and has had problems with illegal occupancies and other code violations. There are an estimated 5,000 rental units in the pilot area.

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.

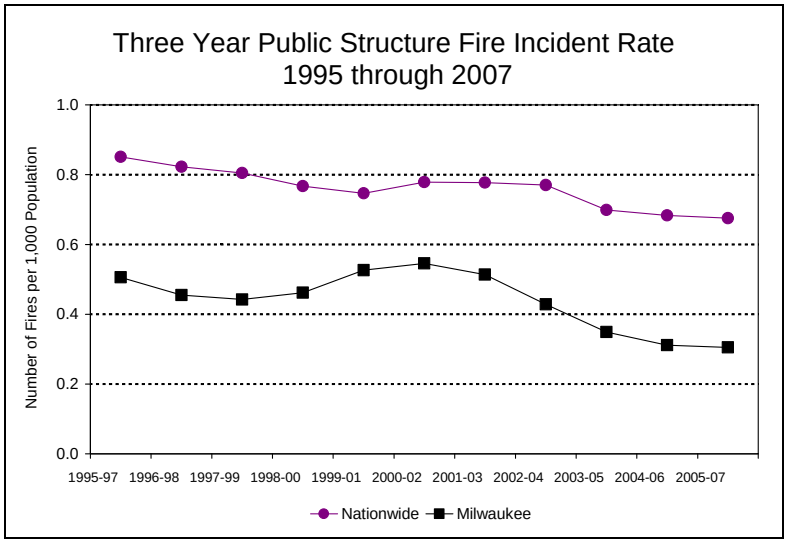
Fire Prevention: One of the objectives that DNS supports is reducing fire deaths and property loss. DNS contributes to this objective by conducting fire inspections of commercial and residential properties, excluding one and two family properties, and ensuring compliance with building codes, including 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 0.31 is significantly lower than the national rate of 0.68. 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. Since 1995, the number of fires, on a three year rolling average basis, has decreased by 150 or 45.6%.

OTHER SERVICE AND BUDGET CHANGES

Razing and Vacant Building Protection Fund Special Purpose Account: The Razing and Vacant Building Protection Fund Special Purpose Account funds the demolition of properties that qualify for razing under criteria established by ordinance. The account is funded at $1,050,000 in the 2010 proposed budget, with additional funding anticipated from the Neighborhood Stabilization Program through the American Reinvestment and Recovery Act. The combination of city and federal funding should provide sufficient resources to complete necessary razings. DNS will also continue to pursue rehabilitation efforts in order to avoid unnecessary razings.

Graffiti Abatement Funding: The city is allocating $150,000 in 2010 and 2011 for graffiti abatement through the CDBG funding received through the American Recovery and Reinvestment Act. This funding will pay for a Special Enforcement Inspector and Office Assistant III position that were previously funded through the operating budget. The Graffiti Abatement Special Purpose Account is increased to $170,000. In addition, the 2010 CDBG funding allocation provides $90,000 for graffiti abatement to community organizations, which will work with DNS in abating graffiti, and $50,000 in CDBG reprogramming is allocated to DNS for graffiti abatement. DNS will use its graffiti resources to fund abatement, prevention, and education activities. In order to improve its complaint response, inspection and abatement efforts, the department is incorporating graffiti into the work of all nuisance control staff.

Figure 3



Unified Call Center: The 2010 proposed budget includes a new Unified Call Center initiative. Refer to the *Unified Call Center* section of the *2010 Proposed Plan and Executive Budget Summary* for more information. The Unified Call Center will also provide a new Citizen Relationship Management Information Technology System that will provide DNS with improved functionality compared to that currently provided by the Neighborhood Services System. Technology improvements are critical to improving the productivity of DNS staff.

Community Sanitation Fund: The 2010 proposed budget eliminates the $30,000 in this fund. The fund has supported the community organizations that assist DNS in its Spring thaw cleanup, summer block sweeps, and other efforts to address nuisance litter issues. Through the cooperative agreement with Keep Greater Milwaukee Beautiful, 98 tons of garbage was collected in 2008. As of August 2009, 204 tons of garbage has been collected. Keep Greater Milwaukee Beautiful plays a significant role in the city's Spring thaw cleanup efforts. The department will have less ability to address these issues and leverage the support of community organizations.

Residential Code Enforcement: Three Residential Code Enforcement Inspector positions are not funded, resulting in total savings of $186,500. This reduction will affect service levels, including delaying complaint response and abatement and reducing the ability for inspectors to conduct proactive activities. DNS will have less ability to proactively monitor properties in foreclosure. Current complaint response times in residential code enforcement is 9 days. With this reduction, the complaint response time will increase to 10.5 days. Service levels are also impacted by the need to allocate existing staff to inspecting properties in the process of foreclosure.

Commercial Code Enforcement: Two Commercial Code Enforcement Inspector positions are not funded, resulting in total savings of $124,300. This reduction will affect service levels, including delaying complaint response and abatement and reducing proactive efforts. The priority of these staff will be completing required fire prevention inspections. Failure to complete the annual fire inspections will place over a million dollars of State funding at risk.

Nuisance Control: Three Nuisance Control Officer positions, reflecting 2.5 FTE, are not funded, resulting in total savings of $140,200. This reduction will affect service levels, including delaying complaint response and abatement and reducing proactive efforts. Current complaint response times in the nuisance control section is 5.1 days. With this reduction, the complaint response time will increase to 5.9 days. Fewer cleanup orders will be issued.

Comparison of 2009 and 2010 Operating Funded Staffing Levels: While the budget summary table shows a reduction of 12.08 operating FTEs from 2009, this amount overstates the actual decrease in funded staffing levels. DNS has had large vacancy deductions in prior budgets, including the 2009 budget, which were not reflected in the budgeted FTE amounts. Adjusting for the vacancy deduction, the net reduction in operating funded staffing strength from 2009 is approximately 2.6 FTE or 1.6%. In order to make the budget more transparent regarding which positions will likely be held vacant, funding is reduced for specific positions and the vacancy deduction amount decreased to the standard 2%.

Anderson Municipal Building Security Improvements: Capital funding of $76,141 is provided for security upgrades at the Anderson Municipal Building. This facility houses approximately 100 staff from the Residential Inspection Division and the Nuisance and Environmental Health Division. A recent security incident identified the need for security upgrades to improve employee safety at this facility. Improvements include installing bullet resistant glazing and fiberglass on the first and second floor reception areas, improved security card access and doors, and security cameras.

2010 Budget by Services (Funding in Millions)

Service	**Residential Code Enforcement Services**	
Activities:	Residential code enforcement, Code Compliance program, court enforcement, and graffiti abatement.	
		2010 Projection
Performance Measures:	Average days to respond to complaints.	10.5
	Percent of orders abated at first inspection.	52.0%
	Number of violation orders closed out.	19,700
	Graffiti complaints closed out.	5,976
Funding by Source:	Operating Funds	$3.8
	Capital	$0.1
	Grants and Reimbursables	$2.0
	Special Purpose Accounts	$1.3
	Totals	**$7.2**
Service	**Commercial Code Enforcement Services**	
Activities:	Commercial code enforcement and fire prevention inspections.	
		2010 Projection
Performance Measures:	Three year average public fire incident rate per 1,000 residents.	0.31
	Percent of orders abated at first inspection.	55.0%
	Number of violation orders closed out.	7,100
	Fire inspections completed.	9,446
Funding by Source:	Operating Funds	$1.3
	Grants and Reimbursables	$0.1
	Totals	**$1.4**

2010 Budget by Services (Funding in Millions)

Service	**Trades Permits and Inspection Services**	
Activities:	Construction, electrical, boiler, elevator, and plumbing permits and inspections.	
		2010 Projection
Performance Measures:	Permits processed (closed).	29,885
	Value of work (in millions) for processed (closed) permits.	$552
	Number of complaints closed out.	1,630
	Number of violation orders closed out.	3,720
Funding by Source:	Operating Funds	$4.6
	Grants and Reimbursables	$0.8
	Totals	**$5.4**

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.	
		2010 Projection
Performance Measures:	Voluntary compliance with nuisance litter orders.	65.0%
	Average days to confirm nuisance litter abatement.	21.0
	Average days to respond to complaints.	5.9
	Percent of orders abated at first inspection.	50.0%
	Number of violation orders closed out.	16,200
	Number of complaints closed out.	10,400
	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
	-0.58		Graduate Intern (0.58 FTE)	Reduction to meet budget constraints.
	-2.00		Office Assistant II	
	-2.00		Code Enforcement Inspector II	
	-3.00		Code Enforcement Inspector II	
	-2.50		Nuisance Control Officer II	
	-0.75		Customer Service Representative II	Positions transferred to Unified Call Center.
	-0.25		Customer Service Representative I	
4			Code Enforcement Inspector II	New Vacant Building Registration program.
1			Office Assistant III	
6			Code Enforcement Inspector II	New Residential Rental Inspection program.
	-1.00	1.00	Special Enforcement Inspector	Shift cost to CDBG-R grant.
	-1.00	1.00	Office Assistant III	
	-1.00	1.00	Various Positions	Shift cost to NSP grant.
	2.00	-2.00	Various Positions	Costs shifted from NSP grant to operating.
11	**-12.08**	**1.00**	**Totals**	

POLICE DEPARTMENT

EXECUTIVE SUMMARY

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

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

Help children succeed in school by reducing truancy.

STRATEGIES: Increase neighborhood police presence and deployment effectiveness.

Implement new policy for low urgency calls for service.

Increase confidence in neighborhood safety and police.

Collaborate with MPS and others to reduce school violence.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	2,825.68	2,864.15	2,864.15	2,686.45	-177.70	-177.70
FTEs - Other	20.86	25.95	31.45	65.06	39.11	33.61
Total Positions Authorized	3,003	3,001	3,012	2,906	-95	-106
EXPENDITURES						
Salaries and Wages	$157,684,084	$162,480,554	$161,429,000	$152,462,027	$-10,018,527	$-8,966,973
Fringe Benefits	53,538,891	51,993,777	51,657,000	48,787,849	-3,205,928	-2,869,151
Operating Expenditures	12,720,653	13,638,712	14,024,400	12,744,347	-894,365	-1,280,053
Equipment	2,829,079	2,463,687	2,811,000	1,737,654	-726,033	-1,073,346
Special Funds	0	0	0	0	0	0
TOTAL	$226,772,707	$230,576,730	$229,921,400	$215,731,877	$-14,844,853	$-14,189,523
REVENUES						
Intergovernmental	$990,938	$979,900	$981,600	$981,600	$1,700	$0
Charges for Services	1,268,543	647,500	112,100	112,100	-535,400	0
TOTAL	$2,259,481	$1,627,400	$1,093,700	$1,093,700	$-533,700	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Police Department (MPD) contributes to the city's goals of building safe and healthy neighborhoods and helping children succeed and meet their full potential. MPD has ensured community safety since 1855. Law enforcement personnel, most of them recruited and trained by the department, serve the public from an Administration Building, seven District Stations, a Data Communications Center, and Training Academy. The city continues its commitment with a competitive level of resources to its law enforcement efforts.

Crime prevention policies and programs are not delivered in a vacuum. A single policy or program may not deter actions that have profound impacts on a perpetrator or victim of crime. Factors in police success include deployment strategies based on real time crime data and intelligence; accountability at the precinct command level; follow-up and assessment; and a positive relationship with the community.

Most crime prevention results from the combined impact of community institutions. These institutions include families, schools, churches, labor markets, as well as the legal institutions of policing and criminal justice. Strong parental attachments to consistently disciplined children (Hirschi, 1995) in watchful and supportive communities (Braithwaite, 1989) are the best prevention of street crime and violence. Schools, labor markets and a stable family environment may prevent crime, even among those who have committed crime in the past, when they attract commitment to a successful life pattern that would be endangered by criminality.

Public safety is one of the many dynamics that is essential for a city to thrive. However, policing cannot control all variables. Good schools, employment opportunities, families, communities, and other supporting agencies play essential roles in preventing crime. The effectiveness of crime prevention depends heavily on these other conditions. Schools cannot succeed without supportive families, families cannot succeed without supportive labor markets, labor markets cannot succeed without well policed safe streets, and police cannot succeed without community participation in the labor market and their vested interest in their community.

Strategies and Milestones for 2010

Objective: Decrease crime by 10% annually to improve standing among cities of comparable size.	
Strategies	**2010 Milestones**
Increase neighborhood police presence and deployment effectiveness through the Neighborhood Task Force.	Reduction in index crimes, recognize impacts of NTF statistics.
Continue to develop innovative strategies to prioritize calls for service and increase police presence where most needed.	Establish citizen survey, measure the community's response to police presence. Implement initiatives that are measurable and implement best practices across all districts.
Continue to increase confidence in neighborhood safety and police through community meetings and high profile activities in neighborhood and various high profile initiatives.	Establish citizen survey, measure the community's confidence in the Police Department and personal view of safety in neighborhoods and city. Continue with increased foot patrols, bicycle patrols, and park-and-walks.
Develop initiatives using SMART (Specific, Measurable, Aggressive by Achievable, Results Oriented, Time Bound) strategies.	Reduce crime in targeted areas and replicate results across district boundaries.
Objective: Help children succeed in school by reducing truancy.	
Strategies	**2010 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

Clearance rates refer to the percentage of reported crimes for which one or more arrests are made (or, the suspect is identified but due to death or other "exceptional" circumstances cannot be arrested). Figure 1 shows that Milwaukee's total clearance rate of 16.8% in 2008 includes much higher rates for crimes against persons (murder, rape, robbery, and assault). Property crimes (burglary, larceny, and motor vehicle theft) typically have lower clearance rates due to the large volume and lack of direct contact between the criminal and the victim. This clearance rate is a significant increase from the 8.3% clearance rate of 2005.

A high clearance rate is important for two reasons; arrests deter the arrested offender (specific deterrence) and a consistently high clearance rate deters potential perpetrators. The deterrent effect of police investigations and arrests ultimately depends on criminals promptly facing real consequences for their actions, including incarceration.

Clearance rates only represent part of the Police Department's impact on public safety and criminal behavior. This service includes funding for the Bureaus and Divisions related to tracking and halting the trade of drugs in Milwaukee. Narcotics offenses do not factor into the FBI index for clearance reports. Consequently, although many crimes reported to the FBI are in fact drug related, the FBI reported clearance rate does not directly measure the effectiveness of these special units, nor their impact on other types of serious crime.

Figure 1

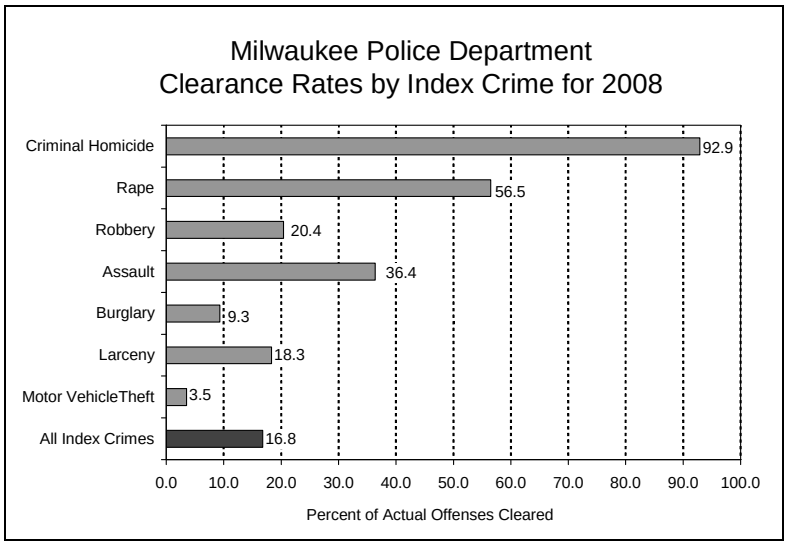
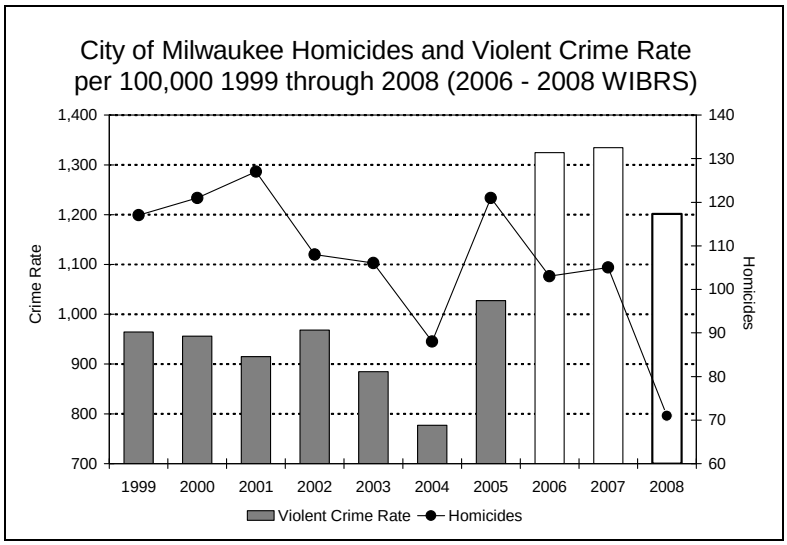


Figure 2



Tracking the percentage change in reported violent crimes per 100,000 residents assists in measuring the effectiveness in preventing, deterring, and suppressing crime. The FBI Violent Crime Index, a uniform national reporting instrument, is composed of reported crimes of homicide, rape, robbery, and aggravated assault.

Measuring the change in violent crime from year-to-year clarifies the city's public safety trend. Figure 2 depicts the number of homicides and the city's violent crime rate per 100,000 residents for the years 1999 through 2008. Since the MPD now reports all crimes data in the Wisconsin Incident Based Reporting System (WIBRS) format, it is no longer comparable to previous Uniform Crime Report (UCR) data (prior to 2006 on chart). While the chart shows a sharp increase in the violent crime rate from 2004, this likely did not occur but is simply a statistical aberration resulting from the change in crime data reporting systems. The continuation of reporting in the new format will enable the city to better compare crime data in the coming years.

The number of homicides, the most serious factor of the Violent Crime Index, has shown a decrease from 1999. In 2008, the city had 71 homicides, compared to 105 in 2007. The department continues to address any controllable factors that lead to homicides and study all homicides to identify additional factors that contribute to their occurrence.

The Milwaukee Police Department's central mission is to reduce crime, fear and disorder in the City of Milwaukee. To achieve this mission, the department relies on a daily "crime analysis" process that examines localized crime trends in detail and holds supervisors accountable for addressing specific trends or concerns. Implementation of quality of life policing has helped officers and supervisors be more proactive than reactive, and focus resources on the tasks, problems, and geographic areas with the largest potential for improving overall safety.

OTHER SERVICE AND BUDGET CHANGES

Optimize Patrol Capacity: The 2010 proposed budget salary funding level will result in fewer sworn officers available for patrol. The MPD will continue to optimize its patrol capacity through various initiatives including:

- Redistricting in 2009 has resulted in a better geographically connected and balanced patrol operation. MPD will continue to monitor the affect of the redistricting and will rebalance personnel if required.
- Continuing to use civilians and other non-sworn personnel in administrative positions.
- Continuing to improve projects such as the Differential Police Response program, to ensure officers are responding to lower priority calls where they can make a positive connection with the public.
- Court Overtime Project, MPD is working closely with the District Attorney and courts to help minimize the amount of valuable time officers spend waiting in court for a case that doesn't go forward.
- Continue to utilize Neighborhood Task Force in "hotspot" areas to curb crime and raise police profile in adversely affected neighborhoods.
- As more squads are equipped with Mobile Data Computers (MDC), officers will spend less time at districts filling out reports. The officers will have the ability to complete this paperwork from their squad, while parked in high profile areas.

Intelligence Led Policing: The Intelligence Fusion Center has advanced to the point where it is now providing actionable intelligence. This will enable the MPD to better utilize its available resources in a more targeted way, ensuring police are dealing with issues not only as they arise, but as they are developing. It has proven that random policing leads to random results, while targeted, intelligent policing leads to less crime and less victimization.

COPS Funded Police Officer Recruit Class: MPD applied for and was awarded a Community Oriented Policing Services (COPS) grant from the United States Department of Justice. This grant will provide three years of base salary and fringe benefits funding to cover the cost of adding 50 officers, beginning in mid-2010. The size of this award, 50 officers, was the maximum award made to any city in the United States, making Milwaukee the smallest jurisdiction to receive this size grant award.

Overtime Management: The overall overtime management program has produced excellent results. In 2010, that program will continue, with the ongoing management and close scrutiny of overtime. In addition, special events will continue to be reviewed for optimum staffing levels and the Court Overtime Project, with the cooperation of the District Attorney, will expand to include more courts. The 2010 proposed budget reflects this management improvement through a $2.2 million reduction in tax levy supported overtime.

Vehicle Purchase Reduction: Vehicle purchases are reduced in the 2010 proposed budget, but are supplemented by a Edward Bryne Memorial Justice Assistance Grant from the 2009 Recovery Act. This grant is providing funds to purchase 34 squad cars, so any budget reduction for squads will be spread out over the next few years to minimize the tax levy impact when grant funding is exhausted. The MPD will also be assessing the department's vehicle and equipment needs with the expected lower strength level.

Furlough Days: All members, sworn and civilian, of MPD will take four furlough days in 2010. In order to least affect operations, the actual days will be spread throughout the year to ensure adequate staffing. The MPD will deal with scheduling these furloughs much like when staff are off for vacations or sick leave.

H1N1: MPD is preparing Continuity Of Operation Plan (COOP) to ensure public safety will not be adversely affected during a potential outbreak of H1N1 this Fall and Winter. Particular attention will be paid not only to patrol functionality, but to the Communications Center, where highly trained call takers and dispatchers are often difficult to replace. The department is taking proactive measures to ensure the safety of its officers above and beyond what is currently required by the Health Department. This, all in an effort to ensure not only continuity of operation, but the savings of overtime, sick time and related costs of a large portion of the workforce being out for extended periods of time.

Reorganization: Although the department underwent a significant reorganization in 2009, additional minor changes are proposed to merge divisions to further reduce costs. It is proposed that the Safety Division, currently staffed with seven people, be dissolved and the School Crossing Guard program be absorbed by the Community Services Division, under Neighborhood Policing. Other changes are reflected in the MPD's line item budget.

CAPITAL PROJECTS

Remodeling Police Administration Building (PAB): The 2010 proposed capital budget continues the department's general PAB remodeling with $1.3 million in funding. The PAB was built in 1970 and until 2001 had not undergone any major remodeling. The electrical and mechanical systems are inadequate to support modern technology needs and current staffing levels. As funding allows, the department plans to completely renovate and remodel the building.

A space needs analysis, complete with abatement schedule and space needs specifications for the next 5, 10 and 15 years is being conducted. Whereas in the past projects were completed on a piece meal basis, this plan will lay the groundwork for strategic completion of each floor over a two year period, including asbestos abatement and replacement of insulation, mechanical upgrades, etc.

The first order of business is to complete two external HVAC shafts to replace the internal shafts that have 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.

Automated Fingerprint Identification System (AFIS) Replacement: Technology is advancing at an alarming rate. Technology in the forensics field is progressing at a rate even faster than most, and "keeping up with the Jones'" in this field can make the difference between putting a criminal in jail, or allowing him or her to continue to terrorize a neighborhood. The MPD AFIS system is no longer compatible with state systems. Its data storage capacity is severely restricted and it has very limited search capabilities.

A new system will be designed to provide fully searchable electronic storage for fingerprints, palm prints, and other identifying characteristics such as tattoos. This would transform the city's capability to search records for MPD's own use and on behalf of other agencies including the State of Wisconsin and the Federal Bureau of Investigation. The system will also include new user end hardware, as the current AFIS hardware is wearing out from extensive field use and becoming more difficult to maintain as parts are no longer made and have become scarce.

District Station Renovation Program: Funding is provided in the 2010 proposed budget to replace the failing HVAC for District Four. Temporary repairs have been made to this system in 2009, emphasizing the need for its replacement in 2010.

Evidence Storage Warehouse: Funding is provided to extend fire suppression from the current fifth floor to all of the remaining floors. Funds are also provided to upgrade elevator controls and the building's security system.

2010 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.	
		2010 Projection
Performance Measures:	Percent of index crimes cleared by arrest.	17.5%
Funding by Source:	Operating Funds	$57.6
	Grants and Reimbursables	$0.8
	Totals	**$58.4**
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.	
		2010 Projection
Performance Measures:	Percent change in reported crimes.	-10.0%
Funding by Source:	Operating Funds	$130.5
	Grants and Reimbursables	$5.8
	Capital Budget	$0.5
	Totals	**$136.8**
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.	
		2010 Projection
Funding by Source:	Operating Funds	$27.6
	Capital Budget	$3.7
	Totals	**$31.3**

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		Finance and Planning Manager	Position created as Auxiliary in 2009 funded in 2010.
1	1.00		Inspector of Police	
-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)	
-1	-1.00		Communications System Manager	Position civilianized in 2009 as per footnote in the Salary Ordinance.
1	1.00		Communications System Manager	
-9	-9.00		Computer Operator II	Positions reclassified approved in CCFN 080129.
9	9.00		Helpdesk Specialist II	
-2	-2.00		Document Examiner	Positions reclassified approved in CCFN 081694.
2	2.00		Forensic Video Examiner	
-1	-1.00		Safety Director	Positions eliminated duties to be assumed by the Community Services Division.
-4	-4.00		Safety Specialist Senior	
-1	-1.00		Office Assistant III	
10		1.61	School Crossing Guard (V)	Grant funded positions approved in CCFN 081065.
-1			Finance and Planning Manager (Aux)	Position created as Auxiliary in 2009 funded in 2010.
	-8.61		DU 1 Overtime	Reduction to meet budget restraints.
	-25.70		DU 1 Personnel Cost Adjustment	
1	1.00		Assistant Police Chief	Positions reclassified approved in CCFN 080925.
-1	-1.00		Deputy Police Chief	
1		1.00	Detective (G)	Human Trafficking grant.
2	2.00		Crime and Intelligence Specialist	Position created as Auxiliary in 2009 funded in 2010.
2		2.00	Police Officer (C)	UASI grant.
-1		-1.00	Captain of Police (K)	HIDTA grant funding change.
-1		-1.00	Detective (K)	
-2			Crime Analyst (Aux)	Position created as Auxiliary in 2009 funded in 2010.
-1			Inspector of Police (Aux)	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-33.59		DU 2 Overtime	Reduction to meet budget restraints.
		11.50	DU 2 Grant OT	
		25.00	Police Officer	COPS grant funded recruit class to commence in mid-2010.
-50			Police Officer	Eliminate long unused position authority.
-50			Police Officer (E)	
	-107.80		Personnel Cost Adjustment	Reduction to meet budget constraints.
-95	**-177.70**	**39.11**	**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 investment.

Enhance intermodal options.

Foster development of agricultural markets.

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

Identify 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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	18.25	22.00	22.00	20.50	-1.50	-1.50
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	35	35	35	36	1	1
EXPENDITURES						
Salaries and Wages	$1,182,486	$1,289,050	$1,295,000	$1,197,006	$-92,044	$-97,994
Fringe Benefits	484,819	528,511	531,000	490,772	-37,739	-40,228
Operating Expenditures	794,314	1,198,950	1,175,000	1,210,000	11,050	35,000
Special Funds	1,396,271	1,778,500	2,084,000	1,934,000	155,500	-150,000
TOTAL	$3,857,890	$4,795,011	$5,085,000	$4,831,778	$36,767	$-253,222
REVENUES						
Charges for Services	$4,946,830	$4,795,011	$5,085,000	$4,831,778	$36,767	$-253,222
TOTAL	$4,946,830	$4,795,011	$5,085,000	$4,831,778	$36,767	$-253,222

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. Nearly 80 jobs have been created within the last few years. These family supporting jobs generate approximately $94 million in wages and salaries.

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 locally. 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 2010

Objective: Increase investment.	
Strategies	**2010 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 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 2010

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.
Identify and capture industries that might benefit from the Port's cargo handling facility.	Create a marketing proposal that details the Port's cost and services advantages. Actively engage target companies to increase Port tonnage by 5% and increase the use of intermodal transportation.
Objective: Enhance transit options.	
Strategies	**2010 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%.
Work to change WisDOT regulations regarding wind energy units that disadvantage the Port.	Change in regulations. Reestablish revenues from these businesses. Set aside and prepare ten acres of land for storage of wind energy units.
Increase marketing for the ferry to Michigan.	Increase ferry ridership by 7%.
Objective: Foster the development of agricultural markets.	
Export Dry Distillery Grains (DDG).	Identify regional areas where farmers use DDG's as cattle food.
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. Begin measuring the Port's impact on duct, air emissions, and water runoff.

Maintain and expand dredging and other environmental cleanup activities.	Complete all scheduled dredging activities.

STRATEGY IMPLEMENTATION

Over 50% of the Port's 2008 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 will generate almost $1.5 million in 2010. The Port transfers any excess revenue to the city's General Fund to ease the property tax burden.

In 2008, the Port generated operating revenue of about $3.8 million. While revenues were down from 2007, 2008 was the eighth consecutive year that Port revenues exceeded expenses. The revenue decrease results from a 12% decrease in tonnage, attributed to a decline in the shipments of road salt, steel and wind energy components.

While the Port's 2008 shipping tonnage and revenues were down, the intermodal yard, the portion of the Port that exports shipments in ocean containers to world markets, experienced a 6% increase in activity. The Port will continue working with importers and exporters to find ways to maximize the Port's movement of goods.

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

Kinnickinnic River Project: The United States Environmental Protection Agency Great Lakes National Program Office and the Wisconsin Department of Natural Resources have collaborated on a $22 million project to remove 170,000 cubic yards of contaminated sediment from Milwaukee's Kinnickinnic River. This project is being funded under the Great Lakes Legacy Act (GLLA). GLLA provides federal money in conjunction with local matching dollars to remove polluted sediment along the shores of the Great Lakes.

The third phase of the Kinnickinnic River Project will be completed in the Fall of 2009:

- The construction of a special cell for the Kinnickinnic River sediment was completed in the Fall of 2008.
- The construction of shoreline features was completed in the Spring of 2009.
- By the end of 2009, sediment will be removed and disposed of in the improved Confined Disposal Facility (CDF).

In addition to the 170,000 cubic yards of contaminated sediment, the project will also remove 1,200 pounds of Polychlorinated Biphenyl (PCBs) and 13,000 pounds of Polycyclic Aromatic Hydrocarbons (PAHs).

During, 2010, the Corps of Engineers will continue to work on the Kinnickinnic River improvements. The Corp will also raise the dikes of the CDF to extend its operating life an additional 15 years.

Invasive Species: During the past two centuries, invasive species have significantly changed the Great Lakes ecosystem. The changes have had broad economic and social effects on people that rely on the ecosystem for food, water, and recreation. An "invasive species" is a plant or animal that is non-native to an ecosystem, and whose introduction is likely to cause economic, human health, or environmental damage. Federal ballast legislation is needed to control the introduction and spread of invasive species in the Great Lakes ecosystems. The Wisconsin Department of Natural Resources (DNR) is currently formulating ship balast water permit rules that will regulate ship water discharge in Wisconsin.

The Port is working with the DNR on an ongoing off ship water ballast treatment feasibility study. As part of the project a land-based barge will be placed at the Port to receive ship ballast water. The ballast water will be treated

on the barge or transferrred to the Milwaukee Metropolitan Sewage District (MMSD) treatment for cleaning. The Port will work with DNR's Bureau of Watershed Management to conduct a barge demonstration project in 2010.

2010 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.	
		2010 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	$4.8
	Grants and Reimbursables	$0.8
	Capital Budget	$1.5
	Totals	**$7.1**

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		Graduate Assistant	Increased marketing and finance needs.
	-2.00		Port Maintenance Technician	Budget constraints.
1	**-1.50**		**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	47.62	50.54	50.54	52.49	1.95	1.95
FTEs - Other	7.05	7.46	7.46	9.26	1.80	1.80
Total Positions Authorized	63	63	63	63	0	0
EXPENDITURES						
Salaries and Wages	$2,813,183	$2,892,687	$2,912,000	$2,932,061	$39,374	$20,061
Fringe Benefits	1,501,720	1,186,001	1,194,000	1,202,000	15,999	8,000
Operating Expenditures	696,922	772,742	714,000	551,000	-221,742	-163,000
Equipment	47,941	39,000	39,000	30,000	-9,000	-9,000
TOTAL	$5,059,766	$4,890,430	$4,859,000	$4,715,061	$-175,369	$-143,939
REVENUES						
Charges for Services	$1,386,087	$1,338,700	$1,310,000	$1,343,400	$4,700	$33,400
Licenses and Permits	1,897,554	1,933,400	1,823,300	1,907,800	-25,600	84,500
TOTAL	$3,283,641	$3,272,100	$3,133,300	$3,251,200	$-20,900	$117,900

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 2010 proposed budget includes $4.7 million in operating funds and $500,000 in capital funds.

Strategies and Milestones for 2010

Objective:	**Provide guidance and support services for DPW in the areas of finance and planning, payroll, employee safety, Call Center and contract management.**
Strategies	**2010 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	**2010 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.

Objective:	**Administer the Emerging Business Enterprise and Residential Preference programs to ensure opportunities for underutilized businesses and residents.**
Strategies	**2010 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 workdays and escalating worker's compensation costs. In 2009, the DPW Safety Section worked closely with the Department of Employee Relations to improve injury data collection and analysis. This involved establishing a system for classifying and investigating injuries in the department. Through this effort, DPW will be able to identify high risk activities and more effectively target safety efforts. As a result of this analysis, DPW is now providing better snow traction gear to employees to reduce slips and falls and is investigating other potential safety improvements. In 2008, DPW Operations recordable injury cases dropped 5.5% from the prior three year average. In 2010, two Driver Training Instructors will be moved to DPW Administration from the Fleet Operations section to improve coordination of safety efforts and accident investigation.

286-CITY: In 2006, DPW implemented *286-CITY*, a single access telephone number to provide the public with an easier method for obtaining city services and information. The purpose of *286-CITY* was to streamline access to city government by providing two telephone numbers: *9-1-1* for emergency calls and *286-CITY (2489)* for non-emergency calls. *286-CITY* was an improvement over the completely decentralized call intake environment that preceded it and often left customers confused and frustrated.

Call Center: The DPW Administration Call Center is one of several DPW call centers and is the center of *286-CITY*. Staff in the Call Center is the first point of contact for customers calling *286-CITY*. In 2009, DPW Administration removed the Integrated Voice Response (IVR) from *286-CITY*, allowing customers to speak directly to a live agent. In 2008, 229,097 calls came through the Call Center and 178,626 were answered by Call Center agents and 40,158 calls were transferred.

The 2010 proposed budget includes the creation of a new Unified Call Center, which would consolidate the DPW Administration call center, the Parking Enforcement call center, Water Works control center, City Hall Operator, and DNS code enforcement call center. In the fourth quarter of 2010, positions in the DPW Call Center will move to the new organization. For more information, please see the section titled *Unified Call Center* in the *2010 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.

In 2010, IT positions from the Infrastructure Services Division and Operations Division have been transferred to DPW Administration to increase staffing flexibility and contract oversight. Through this consolidation, the Engineering Systems Analyst position in the Infrastructure Services Division will be eliminated. DPW Administration will now be responsible for implementation and reporting of the multi-year database consolidation project. Funding of $55,000 for contractor network support will be eliminated through increased coordination with ITMD.

OTHER SERVICE AND BUDGET CHANGES

Capital Projects: The 2010 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	Capital Program Specialist	Position to support the Capital Improvements Committee.
-1	-1.00		Management Accountant	Unneeded vacant position.
2	2.00		Driver Training Instructor	Moved from DPW Operations for improved coordination of safety activities.
2	2.00		Network Analyst Associate	Positions moved from DPW Operations for improved IT staffing flexibility and oversight.
1	0.20	0.80	Engineering Systems Specialist	Positions moved from DPW Infrastructure for improved IT staffing flexibility and oversight.
	-0.25		Customer Services Supervisor	Positions moved to Unified Call Center organization in the 2010 fourth quarter.
	-0.25		Communications Assistant IV	
	-0.75		Communications Assistant III	
-1			Engineer in Charge	Unneeded Auxiliary positions.
-3			Accounting Assistant II	
-1			Communications Assistant III	
0	**1.95**	**1.80**	**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.

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

Retrofit buildings to increase energy efficiency.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	261.75	248.40	265.06	300.34	51.94	35.28
FTEs - Other	231.52	278.86	259.72	296.20	17.34	36.48
Total Positions Authorized	696	707	707	807	100	100
EXPENDITURES						
Salaries and Wages	$13,359,135	$12,927,435	$13,791,000	$15,274,815	$2,347,380	$1,483,815
Fringe Benefits	6,178,273	5,300,248	5,654,000	6,262,673	962,425	608,673
Operating Expenditures	8,326,500	8,045,433	8,586,000	11,940,000	3,894,567	3,354,000
Equipment	66,893	117,800	155,000	167,000	49,200	12,000
Special Funds	0	0	0	12,000	12,000	12,000
TOTAL	$27,930,801	$26,390,916	$28,186,000	$33,656,488	$7,265,572	$5,470,488
REVENUES						
Charges for Services	$4,040,591	$2,994,000	$3,681,000	$3,651,000	$657,000	$-30,000
TOTAL	$4,040,591	$2,994,000	$3,681,000	$3,651,000	$657,000	$-30,000

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 coordinates transportation improvements with other governmental agencies and railroad companies, undertakes engineering studies, and investigates various permits, plans, and easements.

In 2010, the Infrastructure Services Division will use approximately $90.7 million to support its objectives, including $33.7 million in operating funds, $42.1 million in capital funds and $11 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 2010 proposed budget, grant funds constitute 73.2% of the Major Bridge program and 69% 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 2010

Objective: Enhance transit options and existing infrastructure.	
Strategies	**2010 Milestones**
Reduce the local street replacement cycle to 65 years.	Adopt 2010 capital budget and 2010-2016 capital plan.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2010 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 15 city owned buildings based on energy audit recommendations.

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 1,400 miles of freeways, highways, arterials, collectors and local roads. Government agencies other than the City of Milwaukee are responsible for approximately 50 of these miles. Another 450 miles are part of the Federal Aid Transportation System and are eligible for federal, state, and county funding. The remaining 900 miles of streets are the sole responsibility of the City of Milwaukee. The city maintains all its streets under its Resurfacing Reconstruction, Major Street, and Street Maintenance programs.

Major Streets: The city's 450 miles of arterials and collectors 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 $36 million per year has been dedicated to the preservation and reconstruction of these streets. This funding allows the city to reconstruct nearly 7 miles of pavement each year, which provides a 65 year replacement cycle. The 2010 proposed budget includes $15.9 million for the Major Streets program (see Table 1). There are 15 major street reconstruction projects

Table 1

Major Streets

Source of Funds	2008 Budget	2009 Budget	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2010-2015 Average
City Funding (1)	$4,154,566	$4,230,000	$4,730,000	$4,981,000	$5,730,000	$4,024,000	$6,125,000	$4,404,000	$5,865,667
Assessable (2)	$4,033,700	$100	$194,000	$638,000	$609,000	$560,000	$1,798,500	$1,457,800	$876,217
Grant and Aid	$24,460,825	$30,450,000	$10,936,200	$34,552,800	$18,956,800	$15,581,000	$23,801,390	$20,011,000	$20,639,865
Annual Totals	**$32,649,091**	**$34,680,100**	**$15,860,200**	**$40,171,800**	**$25,295,800**	**$20,165,000**	**$31,724,890**	**$25,872,800**	**$26,515,082**

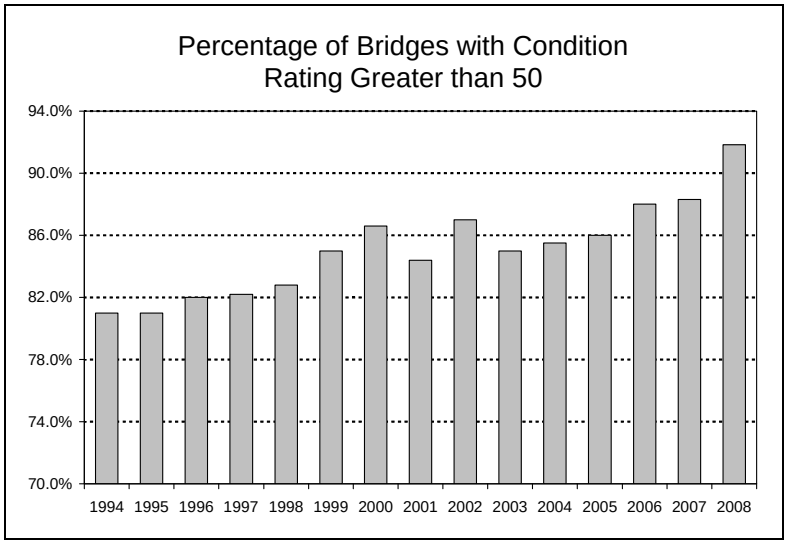
(1) Street portions of projects are no longer assessable.

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

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

scheduled for 2010 in addition to construction of a bike route from Bayview to downtown, streetscaping in the Central Business District and various safety improvements.

Figure 1



Local Streets: Approximately 900 miles of city streets are not eligible for state and federal funding. These streets are maintained, repaired, reconstructed and resurfaced with capital funds budgeted for the Resurfacing Reconstruction program. In 2008, the Common Council adopted a Motor Vehicle Registration Fee and eliminated special assessments for the paving portion of street reconstruction projects.

The 2010 proposed budget provides $12 million for the Resurfacing Reconstruction program, which will resurface or reconstruct approximately 12 miles of local streets. Approximately $2 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 $1.7 million or 16.5% over the 2009 budget. The city is committed to investing and improving its transportation infrastructure.

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 14.3 miles of resurfacing or reconstruction per year. In addition, Infrastructure Services will complete approximately 37 miles of street maintenance annually. The 2010 to 2015 funding plan will produce a 63 year replacement cycle. This represents a significant improvement over the current replacement cycle.

In order to meet budget constraints, the 2010 proposed budget includes the following reductions to requested funding for street maintenance: eliminate one seasonal asphalt crew for savings of $70,000; eliminate six weeks of seasonal maintenance for savings of $529,000; reduce barricade and curb maintenance in dead end streets for savings of $25,000. In addition, there is a shift of $38,000 in salaries from operating to reimbursable work. It is expected that $1.1 million of CDBG funding for crackfilling and the increase to capital maintenance will more than compensate for the change to the request.

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 2010 proposed budget provides total funding of $11.5 million, including $4.5 million in operating and $6.9 million in capital funds. Existing grant funding will be carried over from 2009 to 2010 to supplement the capital funding. Operating funds will be used to provide normal bridge maintenance while the grant and capital funds will provide major repairs, reconstruction or rehabilitation.

Table 2

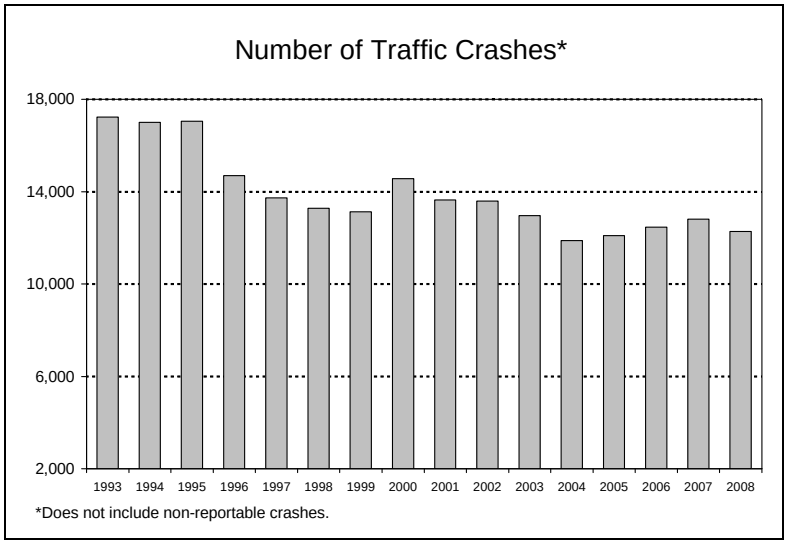
Local Street Resurfacing/Reconstruction Funding 2010-2015 Plan

Source of Funds	2008 Budget	2009 Budget	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2010-2015 Average
City Funding (1)	$4,154,566	$8,300,000	$9,700,000	$9,840,000	$9,660,000	$10,980,000	$10,300,000	$10,300,000	$9,763,333
Assessable (2)	$4,033,700	$100	$1,000	$1,000	$1,000	$300,000	$600,000	$600,000	$250,500
LRIP (3) State Funding	$1,067,445	$0	$1,067,500	$0	$1,067,500	$0	$1,067,500	$0	$533,750
City Match	$533,700	$0	$1,067,500	$0	$1,067,500	$0	$1,067,500	$0	$533,750
Assessable Match	$533,700	$0	$0	$0	$0	$0	$0	$0	$0
Annual Totals	**$10,323,111**	**$8,300,100**	**$11,836,000**	**$9,841,000**	**$11,796,000**	**$11,280,000**	**$13,035,000**	**$10,900,000**	**$11,448,000**
Cost Per Mile	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Expected Miles Completed	12.90	10.38	14.80	12.30	14.75	14.10	16.29	13.63	14.31
Replacement Cycle (years)	**70**	**87**	**61**	**73**	**61**	**64**	**55**	**66**	**63**

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

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 2008, 91.8% of the rated bridges had a sufficiency rating above 50 (see Figure 1). Currently, 12 bridges have sufficiency ratings less than 50. One of these bridges is currently under construction and another eight are included in the six year capital plan. The remaining bridges are safe and operable and will be inspected and monitored so that serious conditions that affect safety do not develop or that necessary repairs are made to the structure.

Figure 2



Street Lighting: The 2010 Street Lighting program includes $15.9 million in capital, grant and operating funding. Approximately $3.9 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 $2 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 $1 million on removing and upgrading series circuits. This program will yield immediate benefits. As a result of the Series Circuitry Upgrade program, electrical maintenance costs and electrical outages will decline. The upgrade will make the city's electrical system more reliable and will allow DPW's maintenance crews to be more responsive.

The 2010 proposed budget includes $358,600 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.

In order to meet budget constraints, the 2010 proposed budget includes the following reductions to requested funding for lighting maintenance: eliminate six weeks of seasonal maintenance for savings of $75,000; eliminate group lamp replacement for savings of $35,000; and reduce by half the alley lighting response effort for savings of $35,000. In addition, there is a shift of $52,000 in salaries from operating to capital work.

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 2010 proposed budget provides $4.1 million for this service including $2.9 million in operating funds and $1.2 million in capital funds. The majority of funding will be used for sign and signal maintenance and replacement. The Traffic Control program has resulted in a reduction in the number of reported traffic crashes by 28.7% since 1993 (see Figure 2).

The department negotiated a signed performance contract agreement with Johnson's Control Inc, (JCI) to install LED traffic control signals at approximately 220 intersections. The 2010 proposed budget reflects savings of $340,000 in electrical energy costs from this project.

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 2010 proposed budget provides approximately $1.3 million in funding for this program, including $128,000 in operating funds and $1.2 million in capital funds. The capital funding includes $1 million for conduit and underground manhole work related to paving projects, including the North South Freeway Project and paving projects scheduled to be funded by the American Recovery and Reinvestment Act. Capital funds of $200,000 are also provided for replacement and repair of underground manholes.

Position Eliminations: In order to meet budget constraints, four vacant positions are eliminated, including an Administrative Assistant II, Assessment Technician II, Engineering Systems Analyst, and Infrastructure Claims Specialist.

Operating Expenditure and Equipment Reductions: In order to meet budget constraints, $162,000 is reduced from the requested level of operating expenditures, requested funding for computer replacement is decreased by $37,750 and requested funding for other equipment replacement is decreased by $7,200.

Increase Cost Recovery from Non-Operating Funds: A total of $183,000 in personnel salaries currently recovered through the operating tax levy will be recovered through increased capital and reimbursable charges.

Transfer of Information Technology Positions: As part of a DPW initiative to consolidate and improve its information technology function, the Engineering Systems Specialist position in the Infrastructure Services Division will transfer to the DPW Administrative Services Division.

Transfer to Unified Call Center: As part of the Unified Call Center initiative, five Communication Assistant IV positions will transfer from the Infrastructure Services Division to the Unified Call Center beginning in the fourth quarter of 2010. For more detail, see the *Unified Call Center* section of the *2010 Proposed Plan and Executive Budget Summary*.

Transfer of Facilities Development and Management Section: In 2010, the Facilities Development and Management Section will transfer from the DPW Operations Division to the DPW Infrastructure Services Division. This will transfer 107 positions, $7.8 million in operating funds, and $6 million in capital funds from Operations to Infrastructure.

Reduce Facility Maintenance: In order to meet budget constraints, the 2010 proposed budget reduces facility maintenance, including the elimination of 11 positions. These reductions include three Custodial Worker II/City Laborer, three Carpenter, one Maintenance Technician II, one Electrical Worker, one Bricklayer, one Methods and Standards Engineer and one Bridges and Public Buildings Inspector. In addition, overtime is reduced by $25,000 and computer equipment is reduced by $12,500.

CAPITAL PROJECTS

City Hall Foundation and Hollow Walk Repairs: The 2010 proposed budget includes $2.7 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 1890's. 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 to commence 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 2010 proposed budget includes $80,000 for remodeling in the City Hall Complex.

Environmental Remediation Program: The 2010 proposed budget includes $100,000 for the city's Environmental Remediation program. This program funds lead and asbestos abatement in city facilities, and soil and groundwater remediation that resulted from leaking underground storage tanks.

ADA Compliance Program: The 2010 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 2010 proposed budget includes $1.4 million for projects to maintain watertight integrity, improve energy efficiency, and provide for safe conditions. Projects include re-roofing the Central Repair Garage, masonry work at the Zeidler Municipal Building and emergency repairs at various sites.

Municipal Garage/Outlying Facility Remodeling: The 2010 proposed budget includes $295,000 for replacement of electrical distribution at the central repair garage.

Facilities Systems Program: The 2010 proposed budget includes $685,000 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 2010 proposed budget includes $388,240 for recreational facilities improvements, including playfield reconstruction to meet ADA standards at 13th and Lapham and 31st and Lloyd; equipment upgrade at Allis Street and 4th and Mineral; and reconstruction of Alcott tennis courts.

Space Planning, Alterations, and Engineering: The 2010 proposed budget includes $160,000 to fund unprogrammed engineering, facilities inspections, and office reorganizations.

Zeidler Municipal Building Lower Parking Floor Restoration: The 2010 proposed budget includes $86,500 to fund engineering and planning for restoration of the floor in the lower parking section of the Zeidler Municipal Building.

2010 Budget by Services (Funding in Millions)

Service	**Streets, Alleys, and Sidewalks**	
Activities:	Street paving, street maintenance, alley resurfacing, reconstruction and maintenance, and sidewalk replacement.	
		2010 Projection
Performance Measures:	Percentage of projects heard by May 1st.	90.0%
	Local street replacement cycle.	6.0
Funding by Source:	Operating Funds	$9.5
	Capital Budget	$19.8
	Grants and Reimbursables	$13.9
	Totals	**$43.2**

Service	**Bridges**	
Activities:	Bridge reconstruction, bridge repair and maintenance, operation of movable and automated bridges.	
		2010 Projection
Performance Measures:	Percentage of bridges with a condition rating above 50.	85.0%
Funding by Source:	Operating Funds	$4.5
	Capital Budget	$6.9
	Grants and Reimbursables	$0.0
	Totals	**$11.4**

Service	**Lighting**	
Activities:	Lighting systems operations, street light repair, circuitry replacement, and capital improvements.	
		2010 Projection
Performance Measures:	Complaints responded to within 30 days.	80.0%
	Streets meeting IES standards.	95.0%
Funding by Source:	Operating Funds	$8.8
	Capital Budget	$7.0
	Grants and Reimbursables	$0.1
	Totals	**$15.9**

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.	
		2010 Projection
Performance Measures:	Complaints responded to in less than 60 days.	75.0%
	Reduce the number of traffic accidents by 5.0%.	13,000
Funding by Source:	Operating Funds	$2.9
	Capital Budget	$1.2
	Totals	**$4.1**

2010 Budget by Services (Funding in Millions)

Service	**Underground Conduit and Manholes**	
Activities:	Install and replace underground communication conduits, maintain and replace electric manholes.	
		2010 Projection
Performance Measures:	Percentage of customers satisfied with communication services.	90.0%
Funding by Source:	Operating Funds	$0.1
	Capital Budget	$1.2
	Grants and Reimbursables	$0.1
	Totals	**$1.4**

Service	**City Facility Maintenance and Development**	
Activities:	Architectural and mechanical design, construction management, building maintenance services, energy management, and facility systems controls.	
		2010 Projection
Performance Measures:	Percentage of DPW buildings with condition assessments.	100.0%
Funding by Source:	Operating Funds	$7.8
	Capital Budget	$6.0
	Grants and Reimbursables	$0.8
	Totals	**$14.6**

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	-0.50	Administrative Assistant II	Reduction needed to meet budget constraints.
-1	-0.10	-0.90	Engineering Systems Analyst	
-1	-0.15	-0.85	Assessment Technician II	
-1	-0.25	-0.75	Infrastructure Claims Specialist	
-1	-0.10	-0.90	Engineering Systems Specialist	Position transferred to DPW Administrative Services Division.
-1	-0.75	-0.13	Infrastructure Repair Crew Leader	Reduce one seasonal asphalt crew to meet budget constraints.
-1	-0.74	-0.13	Infrastructure Repair Worker	
	-8.70	-1.20	Infrastructure Repair Crew Leader	Reduce six weeks of seasonal work to meet budget constraints.
			Infrastructure Repair Worker	
			Cement Finisher Helper	
			City Laborer	
	-1.12	-2.50	Laborer, Electrical Services (0.67 FTE)	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-0.50		Infrastructure Repair Worker	Reduce maintenance in dead end streets to meet budget constraints.
	-0.20	0.20	Various Positions	Eliminate group lamp replacement to meet budget constraints.
	-0.50		Special Laborer, Electrical Services	Reduce alley lighting response by 50% to meet budget constraints.
	11.45	-13.93	Various Positions	Experience adjustments.
1			Buildings and Fleet Superintendent	Positions transferred from the DPW Operations Division to the DPW Infrastructure Services Division.
1			Program Assistant II	
1			Security Operations Manager	
5			Communications Assistant IV	
1			Facilities Manager	
1			Building Services Supervisor II	
4			Custodial Worker III	
16			Custodial Worker II/City Laborer	
1			Operations and Maintenance Manager	
1			Facilities Maintenance Coordinator	
1			Facilities Construction Project Coordinator	
1			Engineering Tech IV	
1			Facilities Control Specialist	
5			Maintenance Technician II	
2			Maintenance Technician III	
2			Electrical Services Supervisor II	
19			Electrical Mechanic	
3			Electrical Worker	
2			Laborer/Electrical Services	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1			Accounting Assistant II	Positions transferred from the DPW Operations Division to the DPW Infrastructure Services Division.
1			Special Laborer E.S.	
1			Carpenter Supervisor	
7			Carpenter	
2			Bricklayer, Buildings	
2			Bridge Laborer II	
1			Infrastructure Repair Crew Leader	
1			Architecture Project Manager	
1			Architect IV	
1			Architect III	
2			Architectural Designer II	
1			Recreational Facilities Coordinator	
1			Mechanical Engineer IV	
1			Mechanical Engineer II	
1			Engineering Drafting Technician IV	
1			Engineering Drafting Tech II	
3			Bridges and Public Buildings Inspector	
10			General Auxiliary Positions	
1			Custodial Worker II/City Laborer	
	54.10	38.93	Various Positions	
100	**51.94**	**17.34**	**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 provisions 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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	805.64	742.08	734.08	614.41	-127.67	-119.67
FTEs - Other	115.31	131.44	138.44	99.46	-31.98	-38.98
Total Positions Authorized	1,596	1,623	1,623	1,453	-170	-170
EXPENDITURES						
Salaries and Wages	$41,350,066	$37,161,982	$37,356,000	$30,648,961	$-6,513,021	$-6,707,039
Fringe Benefits	19,032,104	15,236,414	15,315,000	12,566,074	-2,670,340	-2,748,926
Operating Expenditures	34,256,709	27,354,836	28,726,000	24,310,718	-3,044,118	-4,415,282
Equipment	1,506,438	1,899,460	1,934,000	1,542,000	-357,460	-392,000
Special Funds	721,363	747,000	887,000	875,000	128,000	-12,000
TOTAL	$96,866,680	$82,399,692	$84,218,000	$69,942,753	$-12,456,939	$-14,275,247
REVENUES						
Charges for Services	$42,306,000	$51,121,134	$51,343,100	$59,253,000	$8,131,866	$7,909,900
Miscellaneous	236,700	267,400	252,800	252,800	-14,600	0
TOTAL	$42,542,700	$51,388,534	$51,595,900	$59,505,800	$8,117,266	$7,909,900

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Public Works Operations Division is comprised of the Environmental Section, Fleet Services and Facilities Development. 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 2010 because the State of Wisconsin increased tipping fees by 26% to $34.19 per ton. This change will cost the city as much as $2 million more in tipping fees in 2010. 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 Administration'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.

Facilities Development and Management: The Facilities Development and Management Section manages the city's building facility assets. This entails maintaining the functionality of existing facilities while identifying opportunities to increase the operating efficiency of facilities. The section prioritizes projects that preserve the city's critical building infrastructure. The section provides building services, such as design, construction, and maintenance for city facilities, consisting of 160 of the city owned buildings.

The 2010 proposed budget transfers the Facilities Section to the Infrastructure Services Division. The services provided by the Facilities Section are more in line with the core functions of Infrastructure Services.

Strategies and Milestones for 2010

Objective: Improve neighborhood appearance.	
Strategies	**2010 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%.
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 transit options and existing infrastructure.	
Strategies	**2010 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.

Strategies and Milestones for 2010

Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2010 Milestones**
Purchase more energy efficient vehicles.	Purchase cost effective hybrid or flexible fuel vehicles.
Objective: Facilitate service provision to city residents.	
Strategies	**2010 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

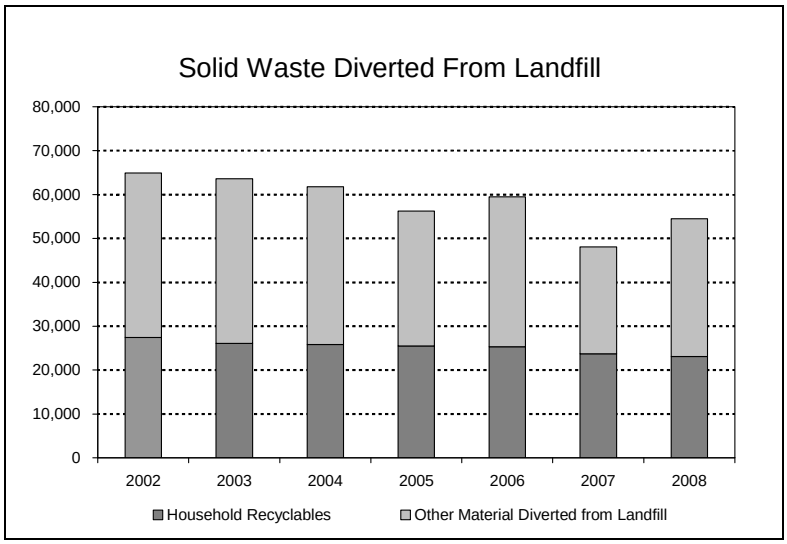
The 2010 proposed budget provides $69.9 million operating funds, utilizes $7.1 million of grant and reimbursable funding and an additional $9.2 million of capital funds to continue DPW Operations Division's provision of services to Milwaukee's residents and businesses.

Solid waste collection and other city cleanliness activities are supported through the Solid Waste Fee. The 2010 proposed budget sets the fee at $32 million or approximately $160 per household. DPW collects waste weekly from about 213,000 households. In 2008, DPW collected over 335,000 tons of garbage from carts, dumpsters, self-help centers and other services. Tonnage increased 5% from 2007, with only 16% the total tonnage collected diverted away from landfills.

Recycling and other solid waste reduction efforts benefit the city through reduced tipping fee expenditures for solid waste deposited into landfills and providing revenue through sale of recycled material. In 2008, DPW collected 23,059 tons of recyclables and 31,459 tons of compost material, a 13% increase over 2007, as shown in Figure 1. The 2010 proposed budget provides $2.9 million in operating funds and $3 million in grant funds for recycling efforts.

While the $3 million in recycling grant funds constitute an $800,000 reduction from 2009, the recycling program's central mission has not changed. The programs mission is to recover an increasing amount of recyclables from the waste stream. 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.

Figure 1



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.

In 2008, Milwaukee experienced one of its most severe winter snowfalls. Nearly 106 inches of snow fell, resulting in 9 plowing and 63 ice control operations. The 2008 budget planned 3 plowing and 24 ice control operations. Expenditures were in excess of $15.78 million for labor, equipment, and de-icing material, including over 93,000 tons of salt.

Snowfall over the past 5 years has averaged 58.1 inches per year, resulting in an average of 5 plowing operations and 37 ice control operations. The 2010 proposed budget includes $6.5 million for snow and ice control operations. The fee represents 84% of the five year average and 88% of the ten year average cost for snow and ice control.

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 a calamitous infestation of Milwaukee's urban forest. Milwaukee has approximately 36,000 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 2007, Fleet Services met its goal of preventative maintenance checks and ensured that fleet vehicles were available 95% of the time.

SERVICE AND BUDGET CHANGES

Saturday Collection Services: The 2010 proposed budget includes funding to support three Saturday garbage collections during the Summer months. Saturday collection service will occur on weekends following holidays. This service enhancement will guarantee weekly garbage collection during the Summer months

Clean and Green: The 2010 proposed budget includes funding for adding a second Clean and Green program. This program will run during the month of October. The second Clean and Green will provide residents with an opportunity to dispose of large items.

Solid Waste Fee: The 2010 proposed Solid Waste Fee will recover 100% of the costs associated with garbage collection and recycling. The fee will increase to $32 million.

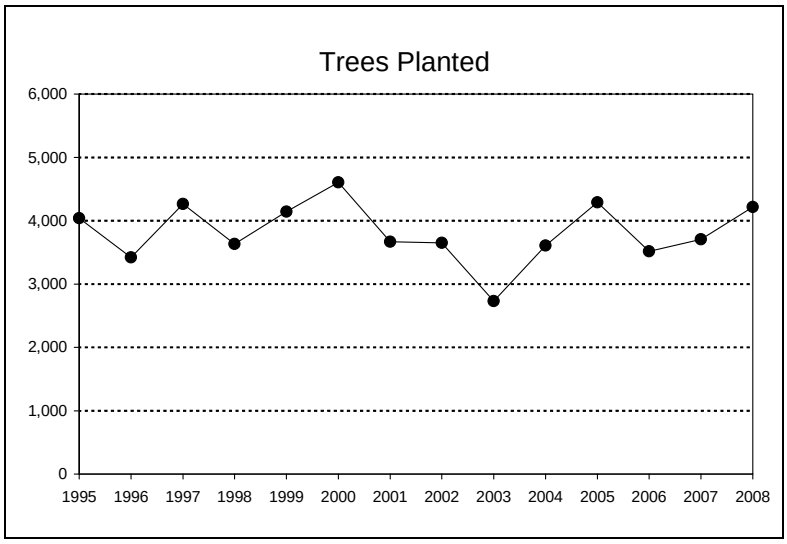
Outside of Cart: An ordinance change will be proposed as part of the 2010 proposed budget to eliminate the collection of items placed outside of garbage carts. Sanitation Services will no longer collect items outside of garbage carts. Items placed outside of the cart will be tagged and residents will 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 $1.4 million. Residents will have the option of taking larger items to the self-help center or disposing of these items during the Clean and Green cycles.

Diversity in Urban Forestry: The Forestry Section has partnered with several major groups to develop the Diversity in Urban Forestry program. This program seeks to increase diversity in urban forestry and to engage people of color in the green economy. The program will:

- Recruit, train and place up to 30 participants in Urban Forestry over a two year period;
- Provide raining in arboriculture, horticulture, landscaping and snow removal operations; and
- Link successful participants to green jobs in the urban forestry profession.

The first recruits for this program will begin training in the Fall of 2009.

Figure 2



Self Help: Currently, 40% of the tonnage at the city's self-help centers comes from construction debris. The 2010 proposed budget will no longer allow the acceptance of construction debris from contractors free of charge. This service change will generate total savings of $552,000. Most of the savings result from reduced tonnage.

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 2010 proposed budget includes a Snow and Ice Fee of $6.5 million or an average of $29.40 per typical property. This represents 84% of actual average costs over the past five years. The fee is charged based on the estimated street frontage for all properties. The 2010 proposed fee will recover 100% of the estimated costs related to snow and ice control costs.

Fleet Reduction and Vehicle Maintenance: DPW continues to use detailed analyses of daily vehicle usage, to identify opportunities for fleet efficiency improvements or reductions. Since 2004, the city has reduced its DPW vehicle fleet by over 300 vehicles. Fleet reductions decrease the workload for the vehicle service staff, which increase the proportion of planned maintenance inspections performed within 30 days of the target date. The "on time" rate increased from 59% in 2006 to 73% in 2007 and 77% in 2008. The Fleet staff has also kept police vehicles and other light weight equipment available for use 95% of the time.

Energy Efficiency Improvements: The Fleet Section has purchased several hybrid automobiles for use by city departments. The cost benefit is increasingly apparent by reduced fuel consumption during this time of fluctuating fuel prices. DPW continues to explore the practicality of other alternative energy propulsion such as compressed natural gas, powered refuse packers, and hybrid medium duty work vehicles. The city's commitment to fleet energy efficiency was recognized by *Government Fleet* magazine with an Environmental Leadership Award for 2009. DPW was one of 20 national award winners.

CAPITAL PROJECTS

Sustainable Boulevard System: The 2010 proposed capital budget provides $580,000 for the third and final year of the sustainable boulevard plan. The completion of the sustainable boulevard program will allow the Forestry Division to realize annual savings of $150,000 from reducing the need for seasonal staffing.

Tree Planting and Production: The 2010 proposed budget provides $1.7 million for the Tree Planting and Production program. The program will fund nursery staff time devoted to tree production and the replacement of 4,625 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 2010 proposed budget provides $462,879 in capital funding for irrigation replacements and landscaping that coordinates with street reconstruction projects. The replacement irrigation systems support planting beds.

The 2010 funds support the replacement of 52 bed only taps. The sustainable boulevard plan will reduce the need for irrigation on connecting boulevards.

Emerald Ash Borer: The proposed 2010 capital budget includes $937,000 for an Emerald Ash Borer Readiness and Response program. Treatable ash trees are injected with a pesticide to protest against the Ash Borer. In addition, ten temporary interns will be hired to disseminate information to residents regarding protecting their trees from the Emerald Ash Borer.

Major Capital Equipment: The 2010 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 2010 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 2010 proposed budget does not include capital funding for this program. However, carryover funding from previous years will be used to implement this program. DPW is also exploring the use of the management Global Positioning System (GPS) capabilities of these radios to improve staff and fleet management.

2010 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.	
		2010 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	$26.3
	Grants and Reimbursables	$0.6
	Totals	**$26.9**
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.	
		2010 Projection
Performance Measures:	Tons diverted from landfill.	60,000
	Tons of recyclables from curbside collections.	25,500
Funding by Source:	Operating Funds	$2.9
	Grants and Reimbursables	$3.2
	Totals	**$6.1**

2010 Budget by Services (Funding in Millions)

Service	**Snow and Ice Control**	
Activities:	Snow plowing operations, salting operations, and special snow cleanup.	
		2010 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.	
		2010 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	$11.6
	Capital Budget	$3.7
	Grants and Reimbursables	$1.3
	Totals	**$16.6**

Service	**Fleet Services and Fleet Support to Other Divisions**	
Activities:	Preventive maintenance and repair of vehicles and equipment, provide vehicles, and equipment operators.	
		2010 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	$22.6
	Capital Budget	$5.5
	Grants and Reimbursables	$2.0
	Totals	**$30.1**

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		Accounting Assistant II	Reclassification.
1	1.00		Program Assistant I	
			Fleet Services	
-1	-1.00		Network Analyst Associate	Position transferred to DPW Administration.
-1	-1.00		Equipment Acquisition and Dispatch Coordinator	Positions eliminated.
-1	-1.00		Automobile Maintenance Mechanic	
-3	-3.00		Garage Attendant	
-1	-1.00		Equipment Parts Assistant	
			Fleet Operations	
-2	-2.00		Driver Trainer	Transferred to DPW Administration.
-2	-2.00		Tractor, Bulldozer, Endloader, or Grade All	Service changes.
-1	-1.00		Tractor Operators (40 hp)	
-12	-12.00		Operations Driver Workers	
			Facility Development	
-1			Buildings and Fleet Superintendent	Positions transferred from the DPW Operations Division to the DPW Infrastructure Services Division.
-1			Program Assistant II	
-1			Security Operations Manager	
-5			Communications Assistant IV	
-1			Facilities Manager	
-1			Building Services Supervisor II	
-4			Custodial Worker III	
-16			Custodial Worker II/City Laborer	
-1			Operations and Maintenance Manager	
-1			Facilities Maintenance Coordinator	
-1			Facilities Construction Project Coordinator	
-1			Engineering Tech IV	
-1			Facilities Control Specialist	
-5			Maintenance Technician II	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-2			Maintenance Technician III	Positions transferred from the DPW Operations Division to the DPW Infrastructure Services Division.
-2			Electrical Services Supervisor II	
-19			Electrical Mechanic	
-3			Electrical Worker	
-2			Laborer/Electrical Services	
-1			Accounting Assistant II	
-1			Special Laborer E.S.	
-1			Carpenter Supervisor	
-7			Carpenter	
-2			Bricklayer, Buildings	
-2			Bridge Laborer II	
-1			Infrastructure Repair Crew Leader	
-1			Architecture Project Manager	
-1			Architect IV	
-1			Architect III	
-2			Architectural Designer II	
-1			Recreational Facilities Coordinator	
-1			Mechanical Engineer IV	
-1			Mechanical Engineer II	
-1			Engineering Drafting Technician IV	
-1			Engineering Drafting Tech II	
-3			Bridges and Public Buildings Inspector	
-10			General Auxiliary Positions	
-1			Custodial Worker II/City Laborer	
	-55.10	**-38.93**	**Facilites Total**	
-1	-1.00		Network Analyst Associate	Transferred to DPW Administration.
	-1.25		Communications Assistant IV	Transferred to Unified Call Center.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-3	-3.00		Custodial Worker II/City Laborer	Positions eliminated to meet budget constraints.
-1	-1.00		Maintenance Technician II	
-1	-1.00		Electrical Worker	
-3	-3.00		Carpenter	
-1	-0.41	-0.59	Bricklayer, Buildings	
-1	-0.20	-0.80	Methods and Standards Engineer	
-1	-0.06	-0.94	Bridges and Public Buildings Inspector	
		-0.22	Various Positions	Miscellaneous adjustments.
			Sanitation	
-11	-11.03		Operations Driver Worker	Service changes.
-3	-3.00		Sanitation Supervisors	Service changes and radio monitoring.
-1	-1.00		Office Assistant IV	Vacancy elimination.
			Forestry	
-1	-1.00		Environmental Services Director	Service changes.
-1	-1.00		Administrative Assistant II	
-1	-1.00		Urban Forestry District Manager	
	-0.02		Urban Forestry Laborer (Seasonal)	
-4	-1.00		Urban Forestry Technician (Auxiliary)	
-5	-9.60	3.40	Urban Forestry Specialist	Funding change.
	-1.00	0.40	Urban Forestry Crew Leader	
-1	-1.00		Site Improvement Specialist	Reclassification.
1	1.00		Forestry Inspector	
		-1.30	Various Positions	Miscellaneous adjustments.
-170	**-119.67**	**-38.98**	**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 2010 proposed budget provides funding of $22.4 million for Miscellaneous Special Purpose Accounts and total funding of $157.1 million for all Special Purpose Accounts. Highlights of the 2010 Miscellaneous Special Purpose Accounts (SPAs) include:

New Accounts

Complete Count for 2010 Census: The 2010 proposed budget includes $50,000 in a special purpose account to support Milwaukee's Complete Count census initiative. The Department of Administration will lead Milwaukee's Complete Count Committee (CCC), consisting of a core group of approximately 50 local government, business and community leaders. The CCC mission is to count every resident for the 2010 census so that our community receives a fair allocation of government resources and accurate legislative representation. Census activities will include:

- An outreach campaign targeted to raise census awareness among all residents; and
- A focused and structured neighbor-to-neighbor initiative designed to maximize the response rate to census questionnaires.

The CCC is responsible for establishing a clearinghouse of census promotional materials for use by all CCC partners and for creating a website for accessing information about the importance of the census. The CCC and its partners will spread the word to every Milwaukee resident that the census is more than a simple count of the U. S. population. A core message will be that the census is safe and private, determines Milwaukee's allocation of millions of dollars of government resources, and generates the number of seats Milwaukee will have in the Wisconsin State Legislature and the U. S. Congress.

Discontinued Accounts

Business Improvement District City Contribution: The City Contribution to Business Improvement Districts (BIDs) has been funded at $187,000 in recent years. This account provides funding to pay for the maintenance of city owned property within 7 of the 30 BIDs. The BIDs issue a special assessment annually and some of this funding pays for some maintenance of these properties. The 2010 proposed budget eliminates funding for this account.

Other Significant Changes

Audit Fund: The 2010 proposed budget increases the Audit Fund by $37,000, a 12% increase. Total funding of $354,000 will pay for the cost of contracting for a private audit of the city's Comprehensive Annual Financial Report, among other audit activities.

Driver License Recovery and Employability Program: This account has provided $75,000 for this program since 2007, in addition to $125,000 in CDBG reprogramming. City funding was provided to help attract funding from other sources, including foundations, the state and federal governments, and the business community. The program anticipates total funding of $1.2 million for 2010 with the city providing $100,000 through a direct CDBG funding allocation, $50,000 through CDBG reprogramming, and $50,000 through this special purpose account. This maintains the city's funding for the program at $200,000. The city remains committed to continuing support of the Driver's License Recovery program. The program is important because a significant percentage of Milwaukee residents have revoked or suspended driver's licenses. 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. More information on this program is included in the *Municipal Court* section of the *2010 Proposed Plan and Executive Budget Summary*.

Graffiti Abatement Fund: The 2010 proposed budget includes $170,000 in the Graffiti Abatement Fund, an increase of $75,000 from the 2009 budget. This increase is made because the city is receiving CDBG funds through the American Recovery and Reinvestment Act (ARRA) for graffiti abatement purposes. The CDBG ARRA grant will fund inspection costs for graffiti abatement that were previously funded in the DNS operating budget, with these operating funds used to increase the Graffiti Abatement Fund. Total funding for graffiti abatement in 2010 includes $150,000 in CDBG ARRA funding, $170,000 in the Graffiti Abatement Fund, $90,000 in the CDBG 2010 funding allocation plan and $50,000 in CDBG reprogramming. More information on this project is included in the *Department of Neighborhood Services* section of the *2010 Proposed Plan and Executive Budget Summary*.

Group Life Insurance Premium: This account funds the city's obligations with respect to life insurance benefits for city employees. The account is decreased by $140,000 to $2.51 million in 2010, reflecting anticipated salary levels.

Insurance Fund: This account provides funding for insurance premiums for city policies. This account is decreased by $240,496 in 2010 for total funding of $229,504, to reflect lower premium payments anticipated for 2010. Savings are the result of a surplus in the Local Government Insurance Property Fund. This surplus enables a premium holiday to occur in 2010 for fund members, including the City of Milwaukee.

Milwaukee Arts Board Projects: This account funds a city match for grants that the Milwaukee Arts Board receives from the state and federal governments, as well as from foundations. The account is decreased by $110,000 to $50,000 in 2010. A minimum of $140,000 must be funded through this account to match the state grant of $25,000. Due to budget constraints, funding $140,000 to receive $25,000 was not cost effective.

Milwaukee Fourth of July Commission: This account funds activities conducted in neighborhood parks to celebrate the Fourth of July, including fireworks, flag displays, and entertainment. The account is decreased by $10,000 to $95,000 in 2010. Efforts will be made to increase private contributions to support these activities.

Razing and Vacant Building Protection Fund: This account provides funding for demolishing condemned properties. The account is increased to $1,050,000 in 2010. The Federal Housing and Economic Recovery Act provided $1.3 million in funding for razing through the Neighborhood Stabilization Program (NSP). The city is applying on a competitive basis for additional NSP dollars for 2010, including $2 million for demolition. If the city's application is successful, there will be additional NSP funding available in 2010; however, these funds are limited to specific geographic areas within the city. The Razing and Vacant Building Protection Fund will provide funding for razing in other areas of the city. This should provide overall funding sufficient for necessary property razings. More information on this project is included in the *Department of Neighborhood Services* section of the *2010 Proposed Plan and Executive Budget Summary*.

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 decreased by $160,000 to $1.44 million in 2010, reflecting anticipated salary settlements, previous expenditures and the decreased salary costs resulting from position reductions in the 2010 proposed budget.

Retirees Benefit Adjustment: This account makes supplemental pension benefits for certain non-employee retirement services retirees. The account is decreased by $16,000 in 2010 for total funding of $186,000, 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 $20,000 in 2010 for total funding of $780,000.

Unemployment Compensation Fund: This account 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 $100,000 to $1.05 million in 2010, reflecting the trend in expenditures and potential layoffs in 2010.

SPECIAL PURPOSE ACCOUNT
WORKER'S COMPENSATION

SUMMARY OF EXPENDITURES

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Worker's Compensation	$13,737,635	$14,383,000	$14,383,000	$14,883,000	$500,000	$500,000
TOTAL	$13,737,635	$14,383,000	$14,383,000	$14,883,000	$500,000	$500,000

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.

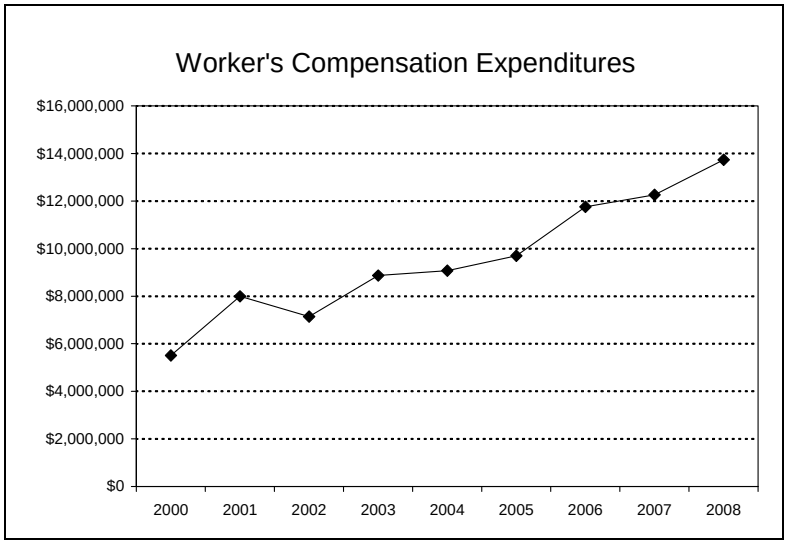
The 2010 proposed budget for the Worker's Compensation account totals approximately $14.9 million, an increase of 3.5% from the 2009 budget. This increase results from annual increases in wage rates, rising medical costs, and sustained injury rates (see Figure 1). DER utilizes medical bill repricing options to reduce worker compensation medical costs. Bill review and repricing generate savings from State fee schedules and negotiated provider discounts. In 2008, medical and hospital discounts resulted in net savings of over $4.6 million. Through July 2009, the city has achieved over $2.4 million in savings.

In an effort to stem increasing worker's compensation costs resulting from workplace injuries, DER has worked with city departments to design and implement a risk management models in 2009. Currently a large disconnect exists between workplace safety at the department level and the impact of those injuries on worker's compensation costs. This is due to several factors including a lack of available safety data, the absence of a framework for information sharing, the structure of the worker's compensation budget, and the implementation of safety efforts within departments.

The risk management model uses prevention strategies that require shared responsibility and accountability for safety and injury reduction with operating departments. There must be an environment where cost containment through prevention and claim management at every level of the organization exists for successful management of worker's compensation costs.

The new claims management system implemented in 2009 by DER serves as the foundation for the identification of safety performance indicators and the development of department specific safety plans. Data and reports documenting the nature, frequency, severity of claims and financial data are distributed to department heads and safety personnel to track and analyze how injuries are occurring. Departments are required to evaluate safety practices, determine effectiveness and establish benchmarks for improvements while working to minimize job hazards and prevent injuries from occurring.

Figure 1



The accountability structure relies on department heads, safety personnel, and front line supervisors to manage safety concerns and reduce accidents. Departments are responsible for expediting the return to work process for injured personnel and collaborating with DER to develop procedures that accommodate each department's unique circumstances. Progress on safety efforts are reported at regular departmental AIM meetings with the Mayor and the Common Council.

SPECIAL PURPOSE ACCOUNT
EMPLOYEE HEALTH CARE BENEFITS

SUMMARY OF EXPENDITURES

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Claims	$27,791,603	$28,750,000	$23,500,000	$22,000,000	$-6,750,000	$-1,500,000
Health Maintenance Organizations	77,112,376	81,018,750	94,300,000	91,325,000	10,306,250	-2,975,000
Dental Insurance	1,997,141	2,200,000	2,200,000	2,200,000	0	0
Administrative Expense	3,317,299	3,000,000	4,000,000	4,000,000	1,000,000	0
TOTAL	$110,218,419	$114,968,750	$124,000,000	$119,525,000	$4,556,250	$-4,475,000

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 2010 employee health care budget is $119.5 million, an increase of 4% from 2009.

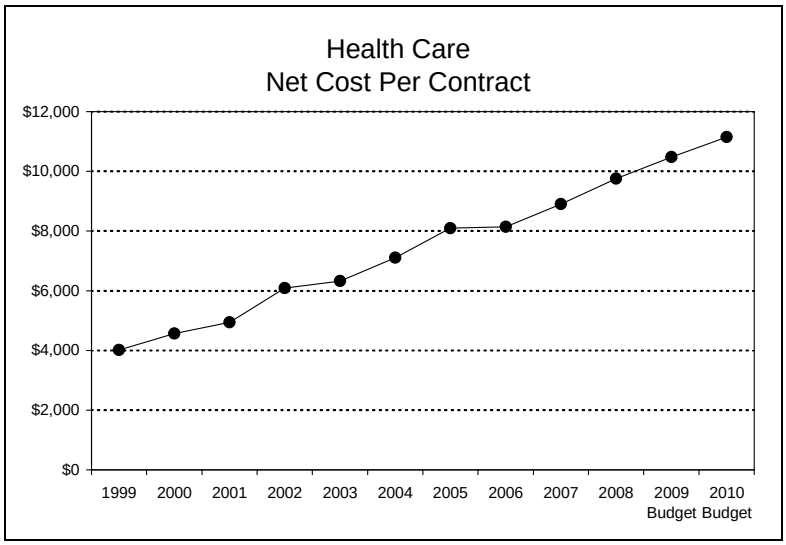
The Basic Plan is administrated by Claim Management Services. Prescription drugs are carved out of this plan and are administered by Navitus. Basic Plan cost per contract is expected to grow 7.3% from the estimated 2009 cost. This growth will increase Basic Plan costs by $1 million in 2010. However, enrollment changes allow the budgeted Basic Plan costs for 2010 to decrease by $5.5 million for a total decrease of $4.5 million.

For 2010, the HMO contract was awarded to United Health Care. HMO rates will increase on average by approximately 20.4% from 2009 to 2010. This rate increase translates into a $8.6 million increase in the HMO budget. Labor contracts with MPA (Police), Local 215 (Fire) and Management employees have introduced an employee premium payment of $20 for single and $40 for family per month. Other changes include prescription drug co-pays of $5 for generic, $17 for formulary name brands and $25 for non-formulary name brands and co-pay changes for emergency room and doctor office visits. The HMO budget was reduced by $1.6 million to reflect these changes. In 2010, the city will continue to carve out prescription drugs from this plan with Navitus administering. Overall, the HMO costs will increase by $1.1 million from the 2009 level to reflect plan enrollment changes and the rate and plan changes.

Due to personal decisions and declining city employee numbers, enrollment has declined by approximately 150 from 2008 levels. The impact of this change has been a savings of $1.3 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 2010 budgets. Figure 1 shows that the cost per contract increases by approximately $2,000 every three years. On a percentage basis, costs from 2002 to 2005 increased 33.1% while costs from 2007 to 2010 are expected to grow 25.2%.

Figure 1



2010 Rates: HMO rates in 2010 for active employees will vary by representation. Employees in MPA (Police), Local 215 (Fire) and Management will have a premium payment of $20 for single coverage and $40 for family coverage. All other active employees will not pay a premium. For the Basic Plan, the share paid by employees varies by the employee representation. All active employees have one Basic Plan option with a fixed payment amount based on contract negotiations.

Health Care Future: The city was able to negotiate a Wellness Program into contracts with MPA (Police), Local 215 (Fire) and Management. The city is seeking the agreement on the Wellness Program with other unions through labor negotiations. The program will not be implemented until all unions have agreed.

The Wellness Program will be developed by a joint management/union committee. It will include a risk assessment, which will include a blood test. Employees who do not participate in the risk assessment will pay a higher portion of the premium cost. Employees who smoke will also pay a higher premium.

Cost of implementing the Wellness Program is estimated at $2 million. The city will agree to cover this cost, which would be covered with the additional premium cost sharing.

SPECIAL PURPOSE ACCOUNT
BOARD OF ZONING APPEALS

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	3.77	3.00	3.00	4.00	1.00	1.00
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	$172,367	$193,296	$196,000	$190,319	$-2,977	$-5,681
Fringe Benefits	23,173	47,745	48,973	48,973	1,228	0
Operating Expenditures	55,845	50,979	50,979	47,656	-3,323	-3,323
Equipment	5,000	0	0	0	0	0
TOTAL	$256,385	$292,020	$295,952	$286,948	$-5,072	$-9,004
REVENUES						
Licenses and Permits	$271,975	$281,000	$281,000	$281,000	$0	$0
TOTAL	$271,975	$281,000	$281,000	$281,000	$0	$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 through 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 2010, BOZA will continue to improve communication with customers and citizens to reduce waiting times for hearings. BOZA heard 720 cases in 2008, and met its goal to hear and decide routine appeals within 4 to 6 weeks and complex appeals within 12 to 24 weeks for 2008. BOZA plans to continue to hear cases within this timeframe for 2010.

2010 Budget by Services (Funding in Millions)

Service	**Zoning Appeals**	
Activities:	Board action on appeals, BOZA hearings, appeals processing and inquiries on appeals.	
		2010 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**

SPECIAL PURPOSE ACCOUNTS SUMMARY

LINE DESCRIPTION	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Special Purpose Accounts Miscellaneous						
Alternative Transportation for City Employees	$129,636	$130,032	$130,032	$125,000	$-5,032	$-5,032
Annual Payment to Department of Natural Resources	7,034	7,100	7,100	7,100	0	0
Audit Fund	275,800	317,000	354,000	354,000	37,000	0
Board of Ethics	27,134	31,000	32,000	32,000	1,000	0
Boards and Commissions Reimbursement Expense	16,949	20,000	20,000	20,000	0	0
Business Improvement District City Contribution	187,000	187,000	187,000	0	-187,000	-187,000
Cable TV Franchise Regulation	0	1	0	0	-1	0
Care of Prisoners Fund	21,125	78,000	71,600	71,600	-6,400	0
City Attorney Collection Contract	804,629	1,000,000	1,000,000	1,000,000	0	0
City Memberships	145,390	137,169	141,215	126,215	-10,954	-15,000
Clerk of Court Witness Fees Fund	7,641	9,000	9,000	9,000	0	0
Complete Count	0	0	0	50,000	50,000	50,000
Contribution Fund General	0	2,100,000	2,400,000	2,400,000	300,000	0
Damages and Claims Fund	3,471,137	1,375,000	1,375,000	1,375,000	0	0
Drivers License Recovery and Employability Program	75,000	75,000	200,000	50,000	-25,000	-150,000
eCivis Grants Locator	25,468	26,741	26,741	26,741	0	0
Economic Development Committee Fund	17,861	30,000	30,000	30,000	0	0
E-Government Payment Systems	44,098	60,000	60,000	60,000	0	0
Employee Training Fund	33,321	25,000	25,000	20,000	-5,000	-5,000
Fire and Police Department Monitoring/Auditing	11,346	0	0	0	0	0
Firemen's Relief Fund	128,988	140,000	140,000	140,000	0	0
Flexible Spending Account	50,000	50,000	50,000	45,000	-5,000	-5,000
Graffiti Abatement Fund	124,556	95,000	140,000	170,000	75,000	30,000
Group Life Insurance Premium	2,540,330	2,650,000	2,710,000	2,510,000	-140,000	-200,000
Insurance Fund	454,432	470,000	470,000	229,504	-240,496	-240,496
Land Management	144,154	200,000	200,000	200,000	0	0
Long Term Disability Insurance	781,688	801,000	800,000	800,000	-1,000	0
Low Interest Mortgage Loan Program	68	1,000	1,000	1,000	0	0
Maintenance of Essential Utility Services	41,563	75,000	75,000	75,000	0	0
Me2 Project Pass Through	0	1,000,000	1,000,000	1,000,000	0	0
Less Recovery from Me2 Project	0	-999,999	-999,999	-999,999	0	0
Milwaukee Arts Board Projects	163,716	160,000	160,000	50,000	-110,000	-110,000
Milwaukee Fourth of July Commission	135,172	105,000	105,000	95,000	-10,000	-10,000
MMSD User Charge	0	42,711,967	51,538,220	51,538,220	8,826,253	0
Less Recover MMSD User Charge	0	-42,711,966	-51,538,219	-51,538,219	-8,826,253	0
Municipal Court Intervention Program	475,098	434,000	434,000	425,320	-8,680	-8,680
Nuisance Abatement Fund	0	25,000	25,000	25,000	0	0
Outside Council/Expert Witness Fund	545,667	430,000	430,000	430,000	0	0
Razing and Vacant Building Protection Fund	1,072,242	360,000	1,200,000	1,050,000	690,000	-150,000
Receivership Fund	222,490	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	963,013	1,000,000	1,000,000	750,000	-250,000	-250,000
Reserve for 27th Payroll	0	1,500,000	1,600,000	1,440,000	-60,000	-160,000
Retirees Benefit Adjustment Fund	206,440	202,000	197,000	186,000	-16,000	-11,000
Tuition Reimbursement Fund	755,402	800,000	800,000	780,000	-20,000	-20,000
Unemployment Compensation Fund	833,086	950,000	950,000	1,050,000	100,000	100,000

LINE DESCRIPTION	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Vacant Lot Maintenance	61,290	0	0	0	0	0
Wages Supplement Fund	0	20,262,000	12,600,000	6,210,000	-14,052,000	-6,390,000
Total Miscellaneous SPAs	$14,999,964	$36,318,046	$30,155,691	$22,418,483	$-13,899,563	$-7,737,208
Board of Zoning Appeals	$256,385	$292,020	$295,952	$286,948	$-5,072	$-9,004
Workers' Compensation Fund	$13,737,635	$14,383,000	$14,383,000	$14,883,000	$500,000	$500,000
Employee Health Care Benefits						
Administration Expenses	$3,317,299	$3,000,000	$4,000,000	$4,000,000	$1,000,000	$0
Claims	27,791,603	28,750,000	23,500,000	22,000,000	-6,750,000	-1,500,000
Dental Insurance	1,997,141	2,200,000	2,200,000	2,200,000	0	0
HMOs	77,112,376	81,018,750	94,300,000	91,325,000	10,306,250	-2,975,000
Total Employee Health Care Benefits	$110,218,419	$114,968,750	$124,000,000	$119,525,000	$4,556,250	$-4,475,000
Grand Total Special Purpose Accounts	$139,212,403	$165,961,816	$168,834,643	$157,113,431	$-8,848,385	$-11,721,212

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	26.94	30.25	30.78	28.25	-2.00	-2.53
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	58	58	59	59	1	0
EXPENDITURES						
Salaries and Wages	$1,536,100	$1,588,972	$1,663,000	$1,563,000	$-25,972	$-100,000
Fringe Benefits	725,750	651,479	682,000	640,830	-10,649	-41,170
Operating Expenditures	647,231	677,255	725,000	713,000	35,745	-12,000
Equipment	5,569	3,500	0	0	-3,500	0
Special Funds	42,344	38,050	41,000	35,000	-3,050	-6,000
TOTAL	$2,956,994	$2,959,256	$3,111,000	$2,951,830	$-7,426	$-159,170
REVENUES						
Charges for Services	$166,561	$126,755	$117,500	$116,400	$-10,355	$-1,100
Licenses and Permits	118,759	79,200	108,700	108,700	29,500	0
Taxes and Payment in Lieu of Taxes	5,974	9,600	6,000	6,000	-3,600	0
Miscellaneous	4,635,756	3,600,000	1,697,000	1,450,000	-2,150,000	-247,000
TOTAL	$4,927,050	$3,815,555	$1,929,200	$1,681,100	$-2,134,455	$-248,100

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 2010 proposed operating budget totals approximately $3 million.

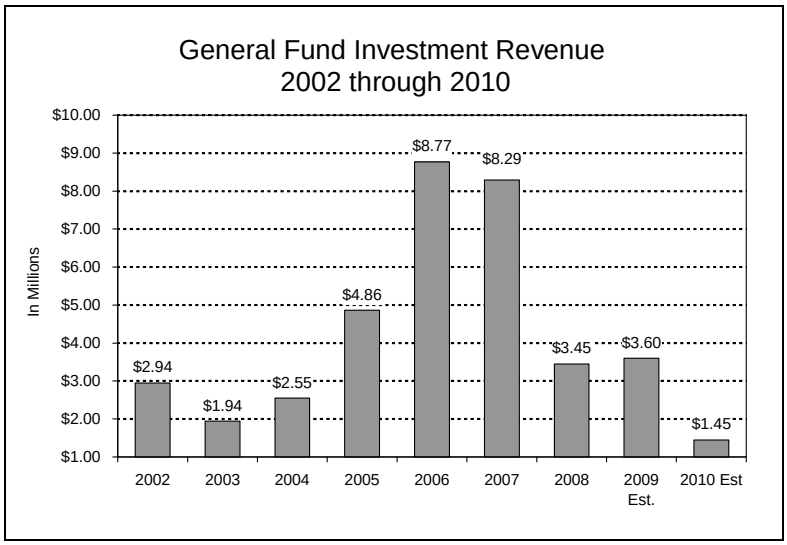
Strategies and Milestones for 2010

Objective: Effective investment of city monies.	
Strategies	**2010 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	**2010 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.

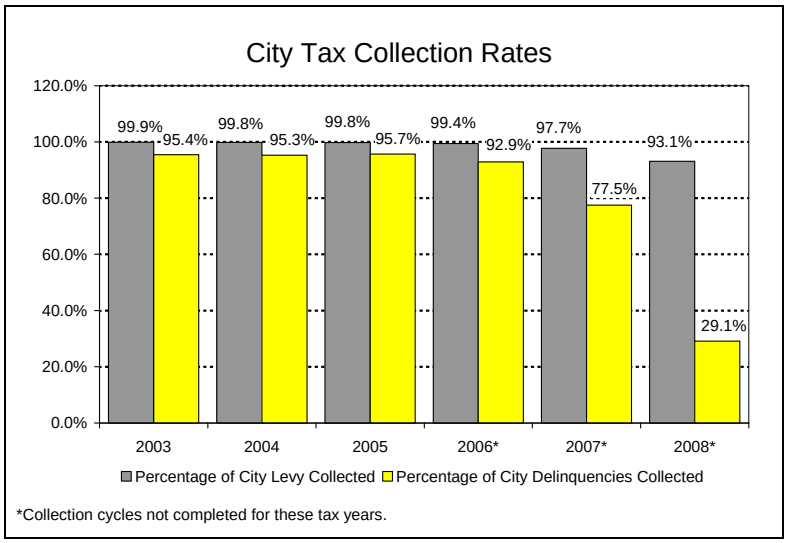
Figure 1



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 1.23% and 5.10% during the period of 2002 to 2008. As shown in Figure 1, this has translated into city General Fund investment revenue of $3.5 million in 2008, a decrease of $4.8 million from the previous year. This decrease was primarily the result of decreased interest rates, with these decreases determined by the actions of the Federal Reserve System. In 2010, the total city investment revenue is projected to be $2.1 million with $1.45 million being credited to the General Fund and approximately $700,000 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



The number of parcels acquired has decreased from 723 in 2001 to 327 in 2009. In 2009, the parcels acquired increased by 143 or 78% from 2008. In addition, foreclosure filings in 2009 increased to 800, or 292 more than 2008, an increase of 57%. The parcels acquired in 2009 are still subject to petitions to vacate judgment so the actual number acquired may decrease. As a result of the recession, the number of tax delinquent parcels acquired through foreclosure has increased and may further increase in 2009. However, the city received $9.2 million in grant funding through the Federal Housing and Economic Recovery Act to address these properties and has applied for an additional $25 million in grant funding.

OTHER SERVICE AND BUDGET CHANGES

Second *In Rem* Foreclosure File: The 2010 proposed budget includes additional funding for a second *In Rem* foreclosure file. Historically, the city has conducted a single *In Rem* foreclosure action each year. There are two reasons for implementing a second file. First, delinquent property taxes and bankruptcy filings are increasing. Second, some property owners attempt to avoid foreclosure by selectively re-filing for bankruptcy, as the city cannot foreclose on a property that is in bankruptcy proceedings. A second file should result in recovering more delinquent property taxes and restoring properties to the tax roll.

New Investments and Financial Services Specialist Position: The 2010 proposed budget adds one Investments and Financial Services Specialist position to the Financial Services Division. The division's tasks include accounting for and depositing all monies received by the city, managing and investing the city's funds, wiring of payments, assuring funding for city obligations, performing account reconciliations, and preparing tax settlements with other taxing jurisdictions. The new position is added to enable the Treasurer to respond to adverse audit findings, to address an increasing workload resulting from changes in various financial rules and regulations and increased use of electronic and credit card payments, and to begin training a qualified individual to provide an effective succession plan for the division. Providing sufficient staff in the division is necessary in order to complete assignments in a timely manner and avoid under investing, fund overdrafts, and payment penalties.

Reduced Customer Services Staffing: Two half-time Customer Service Representative II positions will not be funded in 2010 for savings of $33,781. This reduction is needed to meet overall city budget constraints. This change will also result in longer wait times for customer service by telephone or in person. The Treasurer will reduce the amount of research conducted on refunds in order to reduce the workload for the remaining staff.

Reduced Temporary Staffing: Funding for the Temporary Customer Service Representative I positions decreases by $32,545, from $101,060 to $68,515. The reduction in hours is from 6,588 in 2009 to 4,466 in 2010. This will reduce the amount of temporary staff that provides support for peak work periods and relief for permanent staff sick leave and vacation. This will result in longer wait times for customer service by telephone or in person and in completing daily reports. Some of the impact will be reduced by having the full time Teller position filled and adding a position in the Financial Services Division.

2010 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.	
		2010 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.	0.26%
	Total percentage of delinquent city property taxes collected after two years at the close of the levy.	90.0%
Funding by Source:	Operating Funds	$3.0
	Totals	**$3.0**

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		Investments and Financial Services Specialist	New position to address operating needs.
	-1.06		Customer Service Representative II (0.53 FTE)	Reduction needed to meet budget constraints.
	-1.94		Temporary Customer Service Representative I	
1	**-2.00**	**0.00**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	0.00	0.00	0.00	7.75	7.75	7.75
FTEs - Other	0.00	0.00	0.00	0.50	0.50	0.50
Total Positions Authorized	0	0	0	30	30	30
EXPENDITURES						
Salaries and Wages	$0	$0	$0	$329,810	$329,810	$329,810
Fringe Benefits	0	0	0	135,222	135,222	135,222
Operating Expenditures	0	0	0	75,000	75,000	75,000
Equipment	0	0	0	0	0	0
TOTAL	$0	$0	$0	$540,032	$540,032	$540,032
REVENUES						
Miscellaneous	$0	$0	$0	$397,700	$397,700	$397,700
TOTAL	$0	$0	$0	$397,700	$397,700	$397,700

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 a new organization proposed in the 2010 budget. 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.

In 2005, the Administration discussed the concept of a *311* phone number to be a single point of access for city services. Due to concerns about tariffs associated with *311*, the Department of Public Works implemented *286-CITY*. *286-CITY* utilized interactive voice response (IVR) technology to direct citizens to various departments. The DPW Administration Call Center served as the default "0" option to connect citizens with a live voice. *286-CITY* was an improvement over the completely decentralized call intake environment that preceded it. Communications Assistants in the DPW Call Center could log service requests for a wide variety of DPW services and answer many citizen questions. However, a number of elected officials and community groups expressed dissatisfaction with the IVR system. In 2009, DPW removed the IVR. DPW Communications Assistants now transfer many non-DPW calls to other departments, though they can use the internet and an information binder to answer many citizen questions.

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 proposal will address many of the shortcomings of the *286-CITY* system. Many of these shortcomings became apparent to the Mayor through the Accountability in Management (AIM) program as response to citizen requests were examined in detail. Many existing departmental work order systems do not provide easy-to-use management reports to identify service delivery problems and opportunities for improvements. Compiling data reports is time consuming, and "drilling down" on the data to identify problems is difficult. When apparent problems such as service delays were identified by the AIM analysts, some departmental managers indicated the problem was with the quality of the data, not the underlying performance. Performance data quality and consistency is critical to any accountability initiative. Discussions between the Mayor and department heads should center on improving services to citizens using agreed upon data as the common currency of debate. An advanced work order system and process controls that require departments to close requests electronically will improve data quality.

Additionally, AIM analysts in consultation with field managers and elected officials outlined a number of other shortcomings of the existing city work order systems. First, current work order systems do not allow Communications Assistants to easily identify duplicate citizen requests for the same problem in the field. For instance, when two citizens report the same street light outage, the requests often result in duplicate work orders, leading to wasted time for repair crews in the field. When calls were identified as duplicative, field crews often

marked the duplicate call as "resolved". This led to citizen frustration when their call for service was marked as "resolved" while the underlying condition in the field was clearly not.

Further, several service request types require resolution from multiple departments. Because departments all have their own work order systems, the service request response cannot easily be tracked electronically. Entering the same service requests into two work order systems also requires duplicative data entry. For example, nuisance litter complaints are investigated by the Department of Neighborhood Services, but in many cases are referred to DPW for cleanup. DNS currently delivers hard copies of these cleanup orders to DPW, wasting staff time and making it difficult to track cases from citizen request to final cleanup. The Department of City Development implemented an e-Permit system for contractors to file for certain permits online; but these orders are ultimately printed on paper and hand entered into the DNS system for inspection.

The Department of Public Works Call Center application is good at logging service requests that have one step resolution, such as filling potholes. However, it does not provide a clear picture for service request types with multiple phases of resolution, such as electrical service calls. These calls may require field inspection to diagnose the problem and a subsequent series of field actions to resolve the problem, such as correcting underground work. More robust off-the-shelf IT systems allow for transparent tracking through the multiple phases of resolution.

The Unified Call Center will resolve the shortcomings of these 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. This will also give citizens consistent answers to their questions, rather than getting different answers from different city employees. The knowledge base will evolve over time. If a citizen asks a question that is not adequately answered in the database, the call center management will continually update the database so that it can answer these additional questions.

- **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. The call scripting feature will also allow the call takers to answer common topical questions. For example, during an H1N1 flu outbreak, the Milwaukee Health Department could write a script to help call takers answer many common questions. This will reduce the workload on the Health Department by allowing Public Health Nurses to only focus on the calls that the Call Center Communication Assistants cannot answer.

- **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. This functionality is critical to creating a legal record of the city's response to a call. It is especially critical for calls that require several steps before the call can be considered "resolved". This is

especially important for the DNS code enforcement, for which a clear record of city actions is needed to support legal actions against non-compliant property owners.

- **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. Savings will come from eliminating current staff from temporary agencies totaling $270,000 annually when the system is fully implemented.

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. For example, the Department of Neighborhood Services dated NSS system requires about $305,000 in annual O&M support and will eventually need to be replaced; DPW has several existing call centers and total support costs exceed $100,000 annually. DCD has spent over $1.2 million since 2005 for a variety of applications, including the e-Permit application.

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. In many cases, productivity can be improved simply by allowing field inspectors to close out service requests using laptops, PDAs, or other mobile devices. Currently, many field inspectors document service calls on paper and later use office staff to re-enter the information into a computer system.

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 2010

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	**2010 Milestones**
Implement Phase I of a new Customer Relationship Management (CRM) IT solution.	Complete RFP process and have vendor under contract by March 2010. Hire a qualified Call Center Director by January 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 late 2010.

STRATEGY IMPLEMENTATION

Due to the complexity of the project, the Unified Call Center will be implemented in Phases. In late 2009, the Department of Administration will issue an RFP for a CRM solution. By getting a qualified vendor under contract by March of 2010, the city can expect the system to go live in late 2010.

The city will hire a qualified Call Center Director to coordinate project management with the vendor, the CIO, 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 2010, the Unified Call Center will consolidate the following existing city call centers:

- 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 in late 2010. At that time, they will move to the new Unified Call Center organization. The Unified Call Center reflects three months of funding for the new positions, while the departments will retain nine months of funding in 2010. For 2011, the positions will be funded in the Unified Call Center for the whole year. Phone bills for the call center remain with original departments in 2010. In 2011, these costs will be shifted from the departments to the new call center.

The Call Center Director and Chief Information Officer will provide regular status reports to the Mayor and Common Council on project implementation. The Call Center Director will be a regular participant in the Mayor's Accountability In Management program to ensure that departments successfully and cooperatively make the transition to the new CRM solution.

Subsequent phases of the project in 2011 and beyond could incorporate the HACM call centers, police non-emergency calls, and a wide variety of other departmental services. In later phases, departments may have the opportunity to use the new CRM solution to track services that are not driven by customer calls, such as periodic DNS inspections of properties or preventative street maintenance.

The 2010 proposed capital budget includes $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.

2010 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.	
		2010 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:	Capital Budget	$1.0
	Operating Funds	$0.5
	Totals	**$1.5**

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
1	1.00		Call Center Director (Y)	Project management.
1	0.25		Customer Services Supervisor	Consolidated from existing positions in Department of Public Works and Neighborhood Services.
12	2.83	0.17	Communications Assistant IV	
16	3.67	0.33	Communications Assistant III	
30	**7.75**	**0.50**	**Totals**	

FRINGE BENEFIT OFFSET

BUDGET SUMMARY

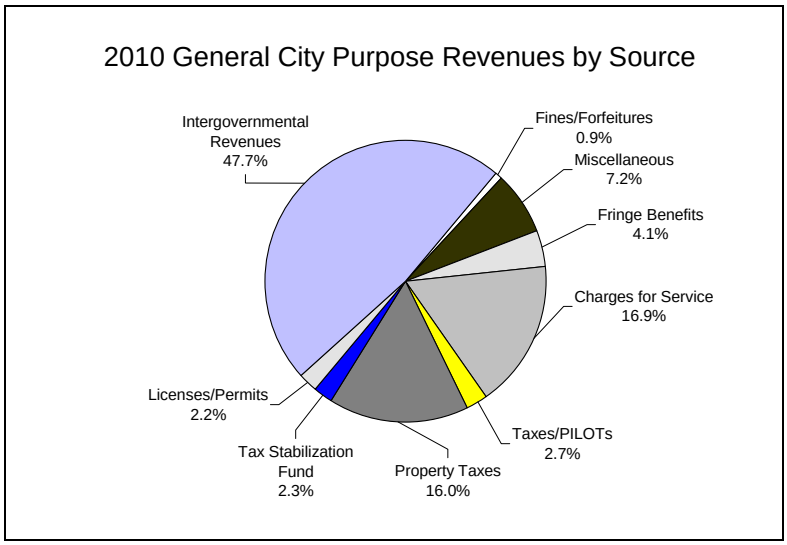
	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Fringe Benefit Offset	$-134,143,935	$-124,461,875	$-126,442,973	$-116,695,727	$7,766,148	$9,747,246
TOTAL	$-134,143,935	$-124,461,875	$-126,442,973	$-116,695,727	$7,766,148	$9,747,246

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 2010 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 2010 amounts to approximately $116.7 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 2010, the city anticipates it will generate approximately $566.5 million in revenue for general city purposes. Figure 1 provides a breakdown of these revenues by major category.

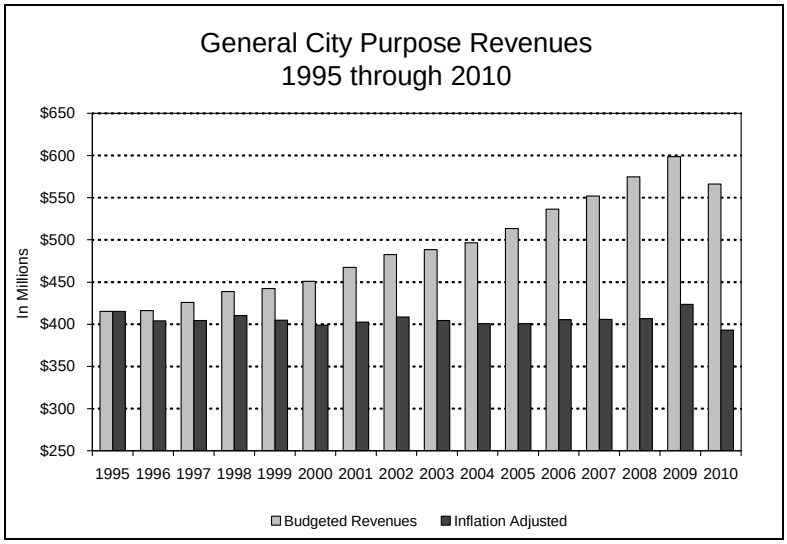
Figure 1



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 1995 adjusted for inflation equaled $415 million and 2010 inflation adjusted revenues will be $393 million. This is a loss of 5.3% since 1995.

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 2010 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 47.7% in 2010.

Over the same time period, the city's reliance on property taxes increased from 10.6% to 16.0% 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 16.9%.

Intergovernmental revenues have remained flat from 1995 to 2010. However, from 2003 to 2010, intergovernmental revenues decreased from $284.6 million to $270.3 million. This is shown in Figure 4 along with the inflation adjusted amounts.

The 2010 property tax levy of $90.6 million for general city purposes is part of the total property tax levy of $247.4 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 $95.6 million in 2010. This trend is also evident in Figure 3, where charges for service revenues increased from 4.3% of revenues to 16.9% 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.

Figure 3

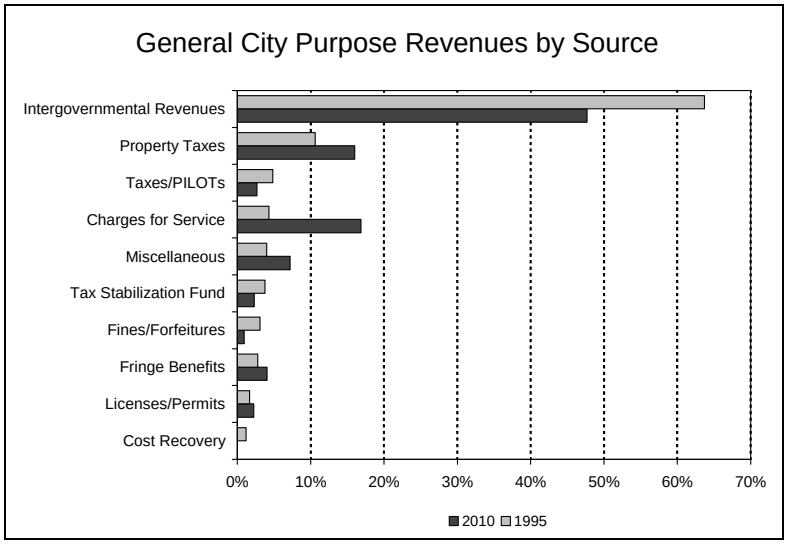
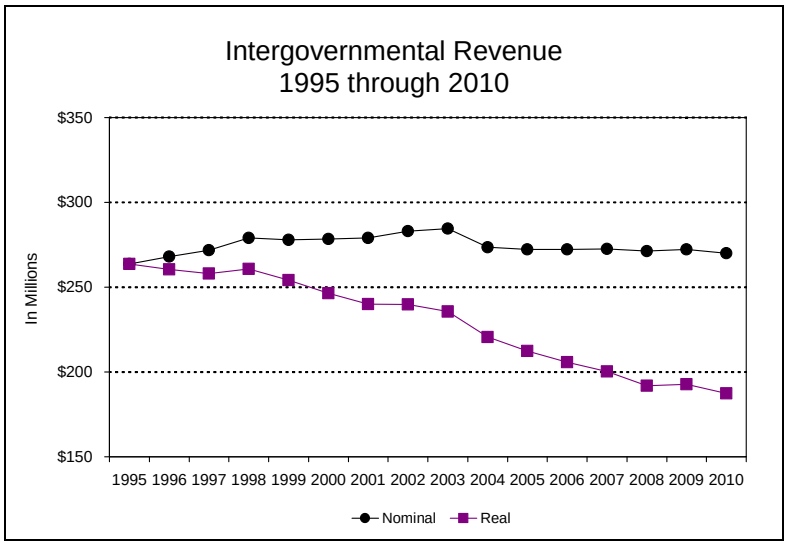


Figure 4



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 2010 budget, intergovernmental revenues total $270.3 million. The city anticipates an overall decrease in state aids of $2 million from 2009 to 2010.

The largest amount of state aids received by the city comes in the form of State Shared Revenue. In 2010, the city expects to receive $228.3 million of shared revenue. This is a $2.5 million decrease from the 2009 budget due a 3.5% cut in the shared revenue program by the state.

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 $76 million decrease in "real" intergovernmental aids since 1995 as shown in Figure 4.

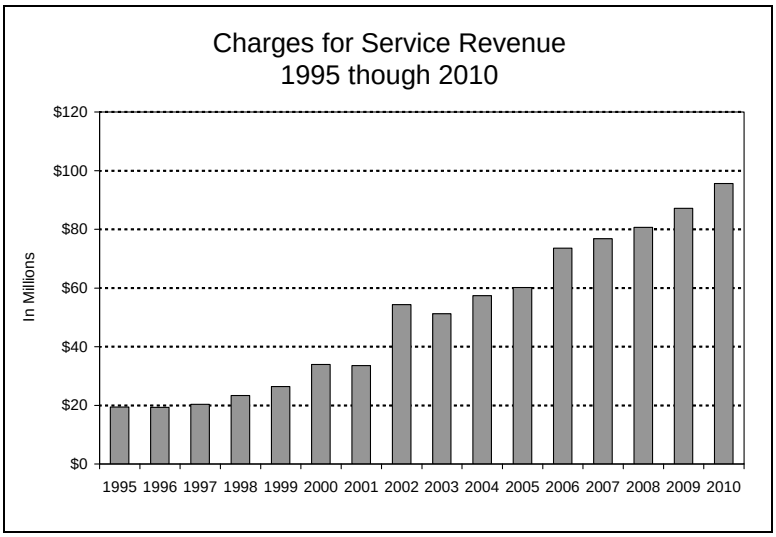
The state transportation aids are determined by the amount that is spent in specific transportation related accounts and the funds made available in the state budget for this purpose. This program is in direct opposition to expenditure control initiatives that are in other parts of the state budget because higher expenses result in more revenue received. These aids total $27.3 million in 2010, nearly equal to the 2009 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 fall from an actual $9 million in 2007 to $7.9 million for 2010. This is a 12.2% or $1.1 million drop from 2007.

Property Taxes: The property tax levy will provide $90.6 million in revenue for the general city purposes budget in 2010. The total city tax levy increased from $237 million in 2009 to $247.4 million in 2010 or a $10.4 million increase.

Figure 5



Taxes and Payments in Lieu of Taxes: The 2010 budget includes an estimated $15.2 million in revenue attributable to Taxes and Payments in Lieu of Taxes (PILOTs), an increase of $1.1 million from 2009. 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 2010 budget includes $95.6 million in revenue from charges for services, an increase of $8.5 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. The Solid Waste Fee is increasing by $4.95 per quarter or $19.80 annually. The Solid Waste Fee will grow from $150.48 to $170.28 per year for residential units and will generate $32.3 million.

The Snow and Ice Fee will decrease from its current amended rate of $0.8156 per foot of property frontage to an annual rate of $0.6917 per foot of property frontage. The fee will generate a total of $6.5 million in 2010.

The above increases in the Snow and Ice Control Fee and the Solid Waste Fee assume the approval of these fee increases by the Common Council. It is the Comptroller's policy to recognize revenue generated from proposed fee increases upon adoption by the Common Council. Given the significant fiscal constraints facing the city, and in order to allow the Mayor to propose a realistic 2010 city budget, the following amounts are recognized as an exception to policy. Should Common Council not adopt the fee increases necessary to generate the following amounts, the requisite spending cuts or tax levy increase will be required.

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 $12.2 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 2010, these revenues are expected to total $40.8 million.

The increase of $3.2 million in miscellaneous revenues is primarily due to the new revenue expected from the transfer of the Water Works surplus ($3 million), and a $3.4 million increase in the transfer from the Parking Fund, and the loss of interest earnings from a decrease in the interest rate ($-2.2 million) and the loss of a one time revenue from New Berlin ($-1.5 million) water deal.

Interest earnings will decrease by $2.2 million from a 2009 level of $3.6 million to the 2010 estimate of $1.45 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 2010, a 0.75% rate of return on unrestricted investments of approximately $275 million is assumed.

Fines and Forfeitures: Revenue of $5.3 million related to fines and forfeitures is included in the 2010 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 2010 is estimated at $12.7 million, a decrease of $0.4 million from 2009. These funds include charges administered by various departments for legal permission to engage in a business, occupation, or other regulated activity. An adjustment was made to numerous licenses and permits as a means to continue revenue diversification. Several licenses and permits were increased that are estimated to generate $650,000.

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 $23 million in 2010.

Cost Recovery: Cost Recovery Funds do not represent actual revenue to the city. They offset Tax Levy Funds included in departmental equipment rental accounts to pay the depreciation portion of internal service agency charges.

Tax Stabilization Fund (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 $3.1 million lapsed into the Fund at the end of 2008 bringing the balance in the Fund (as of April 15, 2009) to $25.5 million.

The 2010 withdrawal will be $13 million and will be 50% of the fund balance. After the 2010 withdrawal and anticipated regeneration at the end of 2009, the TSF should have a fund balance of approximately $28.5 million.

2. SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2007 ACTUAL EXPENDITURES	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
Taxes and Payments in Lieu of Taxes					
Housing Authority	$924,305	$760,509	$875,000	$725,000	$-150,000
Parking	1,028,054	1,158,505	1,019,900	1,230,000	210,100
Water Services Division	7,766,748	8,696,137	8,017,600	9,250,000	1,232,400
Trailer Park Taxes	105,887	107,940	105,000	105,000	0
Occupational Taxes	9,580	5,974	9,600	6,000	-3,600
Payment in Lieu of Taxes Other	436,536	230,575	427,000	325,000	-102,000
Interest/Penalties on Taxes	2,043,047	2,679,936	2,177,900	2,101,000	-76,900
TID Excess Revenue	745,502	-21,529	359,000	600,000	241,000
Other Taxes	1,045,970	1,075,814	1,150,000	906,500	-243,500
Total Taxes	$14,105,629	$14,693,861	$14,141,000	$15,248,500	$1,107,500
Licenses and Permits					
Licenses					
Amusement Dance/Music	$592,939	$593,553	$539,900	$565,000	$25,100
Dog and Cat	158,445	118,759	79,200	108,700	29,500
Food Health Department	1,663,390	1,649,143	1,867,790	2,018,600	150,810
Health Department Non-Food	59,336	42,109	61,400	58,600	-2,800
Liquor and Malt	1,041,752	1,131,111	1,030,075	1,082,200	52,125
Scales	272,526	288,481	329,635	428,700	99,065
Miscellaneous City Clerk	460,916	453,430	584,175	446,400	-137,775
Miscellaneous Neighborhood Services	405,331	373,623	374,200	372,500	-1,700
Miscellaneous Department Public Works Administration	17,918	13,422	16,500	15,300	-1,200
Permits					
Board of Zoning Appeals	$275,580	$259,514	$223,000	$245,000	$22,000
Zoning Change Fees	96,910	80,415	58,000	63,000	5,000
Building	2,807,041	2,472,591	2,613,400	2,181,000	-432,400
Building Code Compliance	162,125	200,050	160,000	227,400	67,400
Curb Space Special Privilege	25,935	96,705	29,125	117,630	88,505
Electrical	846,335	768,799	800,000	692,000	-108,000
Elevator	171,799	218,628	130,000	142,440	12,440
Occupancy	289,253	264,315	304,000	270,000	-34,000
Plumbing	734,519	695,388	700,000	665,250	-34,750
Miscellaneous Neighborhood Services	114,497	103,956	109,100	92,200	-16,900
Sign and Billboard	110,814	103,755	102,900	105,000	2,100
Special Events	198,511	211,844	185,000	185,000	0
Miscellaneous Department of Public Works	604,355	456,934	551,900	517,500	-34,400
Special Privilege Miscellaneous City Clerk	22,355	19,250	23,300	10,000	-13,300
Special Privilege Miscellaneous Neighborhood Services	412,054	378,095	385,000	385,000	0
Sprinkler Inspection	68,068	68,175	67,500	65,000	-2,500
Use of Streets Excavating	1,307,143	1,215,354	1,180,000	1,190,000	10,000
Plan Exam Department of City Development	778,152	632,332	632,800	460,000	-172,800
Total Licenses and Permits	$13,697,999	$12,909,731	$13,137,900	$12,709,420	$-428,480
Intergovernmental Revenue					
Fire Insurance Premium	$999,584	$1,007,509	$1,040,000	$1,005,000	$-35,000
Local Street Aids	25,995,055	26,367,013	27,269,000	27,290,000	21,000
Payment for Municipal Services	2,341,015	2,226,352	2,225,000	1,975,000	-250,000
State Payments Police	874,820	990,938	979,900	981,600	1,700
State Shared Revenue (General)	230,601,451	230,605,773	230,857,500	228,250,000	-2,607,500
Other State Payments	7,034	7,034	7,000	7,000	0

	2007 ACTUAL EXPENDITURES	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
Expenditure Restraint Aid	9,041,200	7,090,559	7,624,000	7,963,000	339,000
Computer Exemption Aid	2,678,881	2,802,599	2,250,000	2,800,000	550,000
Total Intergovernmental Revenue	$272,539,040	$271,097,777	$272,252,400	$270,271,600	$-1,980,800
Charges for Services - General Government					
City Attorney	$663,846	$596,415	$876,000	$635,700	$-240,300
Department of Employee Relations	258,012	174,022	195,000	194,000	-1,000
City Treasurer	134,601	165,200	126,755	116,400	-10,355
Common Council City Clerk	167,443	174,759	141,395	136,200	-5,195
Cable Franchise Fee	3,997,409	4,231,051	3,925,000	4,200,000	275,000
Comptroller	249,070	297,645	254,100	250,000	-4,100
Election Commission	0	0	500	800	300
Municipal Court	1,700,345	1,614,344	1,710,100	1,613,600	-96,500
Assessor	478,210	369,760	476,500	351,500	-125,000
Department of City Development	424,937	387,843	462,000	341,000	-121,000
Department of Administration	80,902	118,346	155,350	106,000	-49,350
Milwaukee Public School Service Charges	3,864,000	3,988,700	0	0	0
Fire Department	5,585,343	7,969,211	7,182,900	6,432,700	-750,200
Police Department	730,444	1,268,543	647,500	112,100	-535,400
Department of Neighborhood Services	6,114,379	6,889,533	5,578,830	6,926,325	1,347,495
Building Razing	1,257,045	1,270,825	1,008,500	1,108,200	99,700
Fire Prevention Inspections	1,355,566	1,382,993	1,250,000	1,550,000	300,000
Essential Services	78,429	68,572	80,000	80,000	0
Department of Public Works Operations Buildings and Fleet	4,240,404	5,644,834	3,905,000	3,750,000	-155,000
Department of Public Works Infrastructure Division	3,156,791	4,044,381	2,994,000	3,651,000	657,000
Department of Public Works Operations Division Forestry	160,359	153,799	120,000	130,000	10,000
Harbor Commission	4,921,715	3,838,346	4,795,011	4,831,778	36,767
Department of Public Works Administrative Services	1,491,238	1,386,087	1,338,700	1,345,400	6,700
Department of Public Works Operations Division Sanitation	738,739	3,024,217	808,000	2,225,000	1,417,000
Solid Waste Fee	24,996,994	25,142,926	28,500,000	32,250,000	3,750,000
Snow and Ice Control Fee	2,653,893	6,234,321	4,965,204	6,500,000	1,534,796
Street Sweeping and Leaf Collection	4,600,000	5,000,000	10,097,930	12,190,000	2,092,070
Apartment Garbage Pickup	1,075,866	1,243,018	1,475,000	1,558,000	83,000
Health Department	797,917	644,230	1,421,165	872,600	-548,565
Public Library	490,261	530,577	473,000	537,000	64,000
County Federated System	1,397,387	912,487	940,900	970,000	29,100
Recycling Contract	1,330,910	1,474,018	1,250,000	650,000	-600,000
Total Charges for Services	$79,192,455	$90,241,003	$87,154,340	$95,615,303	$8,460,963
Fines and Forfeitures					
Municipal Court	$5,783,973	$5,250,348	$5,593,000	$5,255,000	$-338,000
Total Fines and Forfeitures	$5,783,973	$5,250,348	$5,593,000	$5,255,000	$-338,000
Miscellaneous Revenue					
Transfer from Other Funds	$15,800,000	$17,000,000	$21,432,150	$21,537,000	$104,850
Interest on Investment	8,708,599	3,452,602	3,600,000	1,450,000	-2,150,000
Contributions	2,237,186	1,787,956	2,100,000	2,400,000	300,000
Department of Administration Property Sales	835,020	355,600	677,000	378,000	-299,000
Department of City Development Property Sales	370,434	389,318	250,000	200,000	-50,000
Department of Public Works Operations Division Rent	17,901	273,976	267,400	252,800	-14,600

	2007 ACTUAL EXPENDITURES	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 PROPOSED BUDGET	CHANGE 2010 PROPOSED VERSUS 2009 ADOPTED
Comptroller Rent	160,580	162,358	159,300	159,200	-100
Department of City Development Rent	0	1	0	0	0
Other Miscellaneous	1,339,551	568,549	800,200	813,700	13,500
Insurance Recovery	111,623	386,455	181,525	239,000	57,475
Potawatomi	4,824,648	5,065,195	5,400,000	5,550,000	150,000
Midtown/LIMP Revenues	-21,219	41,155	30,000	30,000	0
Harbor Commission Transfer	1,095,000	1,108,483	1,166,700	1,472,000	305,300
New Berlin Contract	0	0	1,500,000	0	-1,500,000
Vehicle Registration Fee	0	0	0	3,300,000	3,300,000
Water Works Surplus Transfer	0	0	0	3,000,000	3,000,000
Total Miscellaneous Revenue	$35,479,323	$30,591,648	$37,564,275	$40,781,700	$3,217,425
Fringe Benefits					
Fringe Benefit Offset	$22,386,775	$24,098,921	$22,650,000	$23,000,000	$350,000
Total Fringe Benefits	$22,386,775	$24,098,921	$22,650,000	$23,000,000	$350,000
Cost Recovery					
Sewer Maintenance	$0	$0	$10,000	$10,000	$0
Total Cost Recovery	$0	$0	$10,000	$10,000	$0
Total General Fund Revenue	$443,185,194	$448,883,289	$452,502,915	$462,891,523	$10,388,608
Amount to be Raised Pursuant to 18-02-6	$119,157,881	$133,532,230	$146,119,257	$103,625,456	$-42,493,801
Less:					
Tax Stabilization Fund Withdrawal (Sustainable)	$23,175,000	$29,457,500	$22,378,500	$13,000,000	$-9,378,500
Property Tax Levy	$95,982,881	$104,074,730	$123,740,757	$90,625,456	$-33,115,301
Total Sources of Fund for General City Purposes	$562,343,075	$582,415,519	$598,622,172	$566,516,979	$-32,105,193

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Firemen's Pension Fund						
Employer's Pension Contribution	$106,036	$125,000	$71,000	$71,000	$-54,000	$0
Lump Sum Supplement Contribution	244,196	200,000	150,000	150,000	-50,000	0
Subtotal	$350,232	$325,000	$221,000	$221,000	$-104,000	$0
Policemen's Pension Fund						
Employer's Pension Contribution	$56,972	$41,423	$41,423	$321,277	$279,854	$279,854
Subtotal	$56,972	$41,423	$41,423	$321,277	$279,854	$279,854
Employees' Retirement Fund						
Employer's Pension Contribution	$0	$0	$0	$49,904,730	$49,904,730	$49,904,730
Administration	19,002,182	24,364,000	24,577,000	24,191,584	-172,416	-385,416
Annuity Contribution Tax Levy	23,639,683	18,249,000	25,080,000	16,979,005	-1,269,995	-8,100,995
Annuity Contribution - Employers' Reserve Fund*	0	5,581,000	0	6,800,000	1,219,000	6,800,000
Subtotal	$42,641,865	$48,194,000	$49,657,000	$97,875,319	$49,681,319	$48,218,319
Social Security Tax	$17,971,473	$18,090,000	$19,050,000	$17,157,000	$-933,000	$-1,893,000
Former Town of Lake Employees' Fund						
Employer's Pension Contribution	$7,273	$7,300	$7,300	$7,300	$0	$0
Subtotal	$7,273	$7,300	$7,300	$7,300	$0	$0
Deferred Compensation Plan	$1,068,888	$1,560,711	$1,564,025	$1,558,787	$-1,924	$-5,238
Total	$62,096,703	$68,218,434	$70,540,748	$117,140,683	$48,922,249	$46,599,935
Revenues						
Fringe Benefits Pensions	$976,185	$1,067,000	$1,068,000	$1,041,500	$-25,500	$-26,500
Charges for Service Employees' Retirement System	19,968,080	24,037,530	24,269,320	23,883,904	-153,626	-385,416
Charges to Other Governmental Units	0	0	0	1,965,279	1,965,279	1,965,279
Charges for Service Deferred Compensation	1,068,888	1,560,711	1,564,025	1,558,787	-1,924	-5,238
Property Tax Levy	40,188,093	35,888,093	43,556,403	81,808,213	45,920,120	38,251,810
Employers' Reserve Fund	0	5,581,000	0	6,800,000	1,219,000	6,800,000
Miscellaneous Employees' Retirement System	69,503	84,100	83,000	83,000	-1,100	0
Total	$62,270,749	$68,218,434	$70,540,748	$117,140,683	$48,922,249	$46,599,935

* Use of $5.6 million from the Employers' Reserve Fund in accordance with the City Charter Ordinance 36-08-8.

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 26,806 members in the system as of December 31, 2008.

The Policemen's Annuity and Benefit Fund (PABF) administers pensions for city Police Officers employed prior to 1947. There were 126 members as of August 2008.

Funds in the Firemen's Pension Fund are provided for retired Fire Fighters who were employed prior to 1947. This fund had 118 members as of August 2008, 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

Annuity Contribution/Employer Share: For the first time in nearly 15 years, the city is facing an employer pension contribution. The funding ratio based on an actuarial value fell from 131.2% as of January 1, 2008 to 99.1% as of January 1, 2009. With the ratio falling below 100%, the city is required to fund the normal cost (actuarially calculated value of annually earned future pension benefits by active employees) which is estimated to be $41.7 million. Another $8.2 million is required to cover the unfunded liability that is amortized over 25 years.

Unfortunately, this will not be a one time impact to the city budget. The employer share of the annuity contribution is expected to increase to $65.9 million in 2011 and $85.5 million in 2012. These estimates are based on actuarial assumptions and are subject to changes in the rate of return on investment and employment levels.

Actuarial Methodology: On August 27, 2009, the 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 very 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 2010 proposed budget provides $17 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). An additional $7 million will be provided from the employers' pension reserve fund to the Annuity Contribution - Employers' Reserve Fund payment in accordance with City Charter Ordinance 36-08-8. The 2010 proposed budget reflects the elimination of over 300 positions from the 2009 budget.

Social Security Payments: In the 2010 proposed budget, $17.2 million is provided for Social Security payments. The 2010 proposed budget reflects the elimination of over 300 positions from the 2009 budget.
Administration: In the 2010 proposed budget, ERS administrative costs are $24.2 million.

Pension Reserve Fund: The 2010 proposed budget includes the use of $6.8 million from the Pension Reserve Fund. For the first time in nearly 15 years, the city is facing an employer pension contribution. The use of these funds will reduce the impact to the city tax levy from the approximately $50 million new contribution. As of January 1, 2009, the Pension Fund was funded at 99.1% based on an actuarial basis and 82.1% on market value basis. There is a balance of over $17.3 million in the reserve fund as of January 1, 2009. The estimated available balance for 2011 is $8.9 million.

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 2010 proposed budget.

Employer's Pension Contribution (PABF): The 2010 proposed budget includes a $321,277 contribution for the former PABF.

Lump Sum Contribution for Firemen's Annuity and Benefit Fund (FABF): A total of $150,000 is provided in the 2010 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 2009.

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	35.18	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	52	51	58	52	1	-6
EXPENDITURES						
Salaries and Wages	$2,149,065	$2,603,000	$2,606,000	$2,501,084	$-101,916	$-104,916
Fringe Benefits	976,185	1,067,000	1,068,000	1,041,500	-25,500	-26,500
Operating Expenditures	14,190,069	20,543,000	20,797,000	20,543,000	0	-254,000
Equipment	92,850	151,000	106,000	106,000	-45,000	0
Special Funds	1,594,013	0	0	0	0	0
TOTAL	$19,002,182	$24,364,000	$24,577,000	$24,191,584	$-172,416	$-385,416
REVENUES						
Charges for Services	$24,030,899	$24,037,530	$24,269,320	$23,883,904	$-153,626	$-385,416
Miscellaneous	69,203	84,100	83,000	83,000	-1,100	0
TOTAL	$24,100,102	$24,121,630	$24,352,320	$23,966,904	$-154,726	$-385,416

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 August 2009, there were 26,795 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 2010

Objective:	**Safeguard the funds of the Employes' Retirement System by investing them in a fiscally responsible and prudent manner.**
Strategies	**2010 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 2011. Rate of return exceeding blended benchmark index.

STRATEGY IMPLEMENTATION

ERS ended 2007 as the second best funded public pension plan. The severe drop in the stock market in 2008 decreased the market value of assets in the ERS Pension Fund by over 30% from $5.2 billion at the end of 2007 to $3.4 billion at the end of 2008 (see Figure 2). Despite this drop, ERS paid out over $220 million in retirement benefits to employees in 2008, and is projected to stay in the top 10% in funding 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 contribution of $49.9 million to the ERS Pension Fund is included in the 2010 proposed budget.

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%.

Figure 1

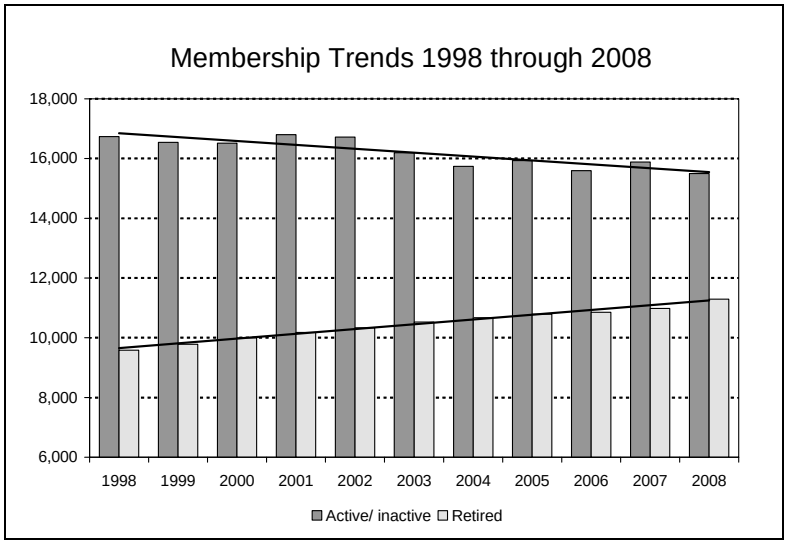
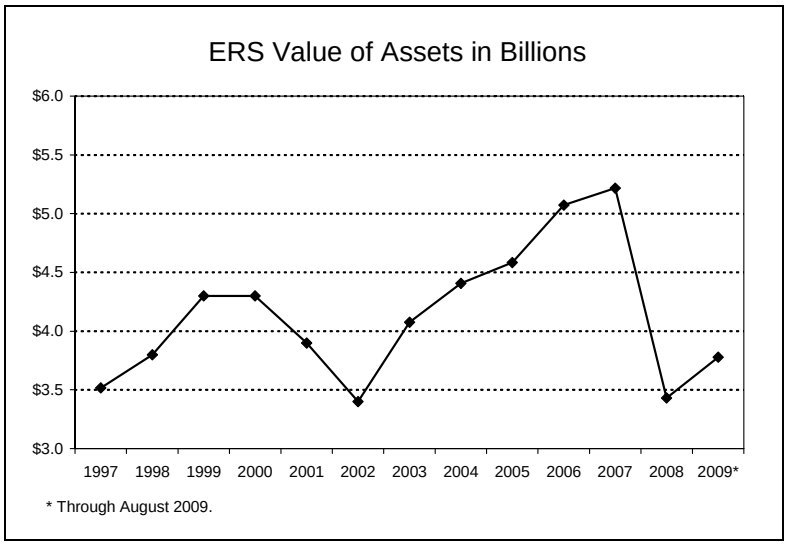
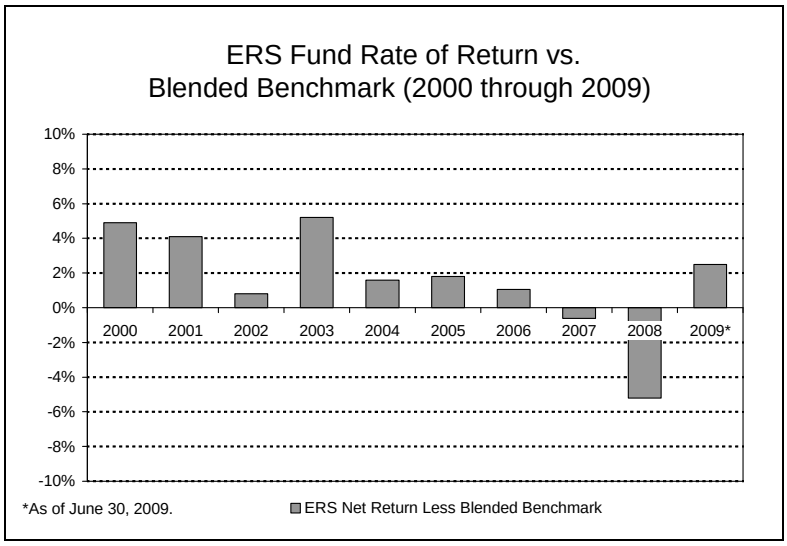


Figure 2



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 2.5% in the first half of 2009. In 2008, the Fund's net rate of return was -30.8%, but it has rebounded in 2009, increasing by 16.5% by late August 2009. If the increased market values continue, it will improve the city's funded ratio in future years.

Figure 3



Customer Service: ERS customer service is enhanced 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. Thousands of letters are generated to 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 by 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 2008, with customer satisfaction approaching 100% for retirement counseling and pre-retirement seminars.

OTHER SERVICE AND BUDGET CHANGES

The MERITS Line-of-Business Computer System implementation, including Member Self-Service and Configuration Management Modules, was completed in 2007. The post implementation support phase of the MERITS Line-of-Business project is underway and will continue throughout the life of the system. Implementation of MERITS is currently being used in regular business operations, and will improve pension administration by producing consistent and accurate calculations for the numerous types of retirement plans in ERS, making it possible for ERS to sustain a high level of accuracy of detail over every account, and keeping its liability figures up-to-date. This improves the vital duty of financial control for both ERS and the Annuity and Pension Board, while reducing the need for manual processing and possible human error, and it eliminates the chances of lost data by reducing storage and backup of paper records of members' information.

The 2010 proposed budget includes approximately $141,000 for MERITS' software and hardware upgrades, as well as funding for a Request for Proposal on the next generation of MERITS type systems for the ERS' IT resources. This next generation computer system is projected to start its implementation process in 2011.

2010 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.	
		2010 Projection
Performance Measures:	Exceed the gross rate of return of the blended benchmark index.	0.5%
Funding by Source:	Operating Funds	$13.3
	Totals	**$13.3**
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.	
		2010 Projection
Performance Measures:	Exceed 95.0% favorable rating on customer satisfaction surveys.	95.0%
Funding by Source:	Operating Funds	$5.7
	Totals	**$5.7**
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.	
		2010 Projection
Funding by Source:	Operating Funds	$5.2
	Totals	**$5.2**

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	-1.00		Office Assistant II	Attrition through expected vacancy reallocation of position to improve service efficiency.
1	1.00		Records Technician II	Reallocation of Office Assistant II position to improve service efficiency.
-1			ERS Financial Officer (Aux)	Unfunded Auxiliary position no longer needed as funded ERS Financial Officer position has now been filled.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1			Pension Accounting Specialist (Aux)	Unfunded Auxiliary position to maintain adequate service to possible increased number of retirees and replace funded Pension Accounting Specialist that is retiring.
1			Pension Specialist Senior (Aux)	Unfunded Auxiliary position to maintain adequate service to possible increased number of retirees and replace funded Pension Specialist that is retiring.
1	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	1.19	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	$134,334	$139,316	$130,000	$126,072	$-13,244	$-3,928
Fringe Benefits	55,077	57,120	53,000	51,690	-5,430	-1,310
Operating Expenditures	1,189,931	1,289,275	1,306,025	1,306,025	16,750	0
Equipment	0	0	0	0	0	0
Special Funds	75,000	75,000	75,000	75,000	0	0
TOTAL	$1,454,342	$1,560,711	$1,564,025	$1,558,787	$-1,924	$-5,238
REVENUES						
Charges for Services	$1,454,342	$1,560,711	$1,564,025	$1,558,787	$-1,924	$-5,238
TOTAL	$1,454,342	$1,560,711	$1,564,025	$1,558,787	$-1,924	$-5,238

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 6,962 active and retired participants including assets of $509.5 million as of June 30, 2009. The Deferred Compensation Plan is self-sustaining and does not impact the city's property tax levy.

Strategies and Milestones for 2010

Objective: Efficient and effective administration of the Deferred Compensation Plan.	
Strategies	**2010 Milestones**
Increase employee participation and plan assets.	Increase active employee participation to 75%.
Increase participant understanding of post retirement options.	Provide three post retirement sponsored educational sessions.
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 2009.

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 2008, 5,379 employees were deferring an average of $519 per month. The number of employees making deferrals fell to 5,098 during the second quarter of 2009. The average monthly deferral also fell to $489. The fall in the number of employees making deferrals and average monthly deferrals are the plan's participants' reaction to the plan's recent performance.

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. In addition, information on deferred compensation is provided at new employee orientations.

2010 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.	
		2010 Projection
Performance Measures:	Increase active employee participation by 3.0%.	71.0%
	Increase average participant deferred by 4.0%.	$6,100
Funding by Source:	Operating Funds	$1.6
	Totals	**$1.6**

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: Prepare a six year capital improvements plan to identify long range capital needs and to establish spending, debt, and tax levy goals.

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 reformed Capital Improvements Committee for the preparation of the 2010-2015 Capital Improvements Plan and the 2011 budget process.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The 2010 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 2010-2015 Capital Improvements Plan will set borrowing levels to a point where the amount of borrowing will approximate the amount of debt retired.

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 2010 general city capital improvements budget totals $117.8 million, a decrease of $1.4 million, or 1.2% from the 2009 budget of $119.2 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 $78 million. Tax levy cash resources will decrease $1.0 million from $1.8 million in 2009 to $818,000 in 2010; however this does not include a $2.7 million cash transfer from the Sewer Maintenance Fund for two Forestry programs. This transfer, supported by the Stormwater Management Fee, is used as cash for these projects (no borrowing or debt service payments), but is represented as a cash revenue in the line-item budget. For discussion purposes, this payment is included as cash in Figure 3 and Figure 4 on the proceeding pages.

The city's long term goal is to provide tax levy supported borrowing authorizations that match tax levy debt retirements in order to limit 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 2010

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 2001 to 2010. From 2001 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 2010 capital budget is also significantly impacted by the continuing policy of full, upfront TID funding that began in 2006. Levy supported GO borrowing is about $77.2 million for city purposes, slightly up from $75 million in 2003.

The 2010 GO borrowing amount of $77.2 million includes $7 million for purchase and redevelopment of the former Tower site. This project was originally spread out over multiple years in the 2009-2014 Capital Improvements Plan. Since the amount will be fully funded in 2010, subsequent capital budgets will include reduced borrowing amounts to compensate for this change.

Figure 1

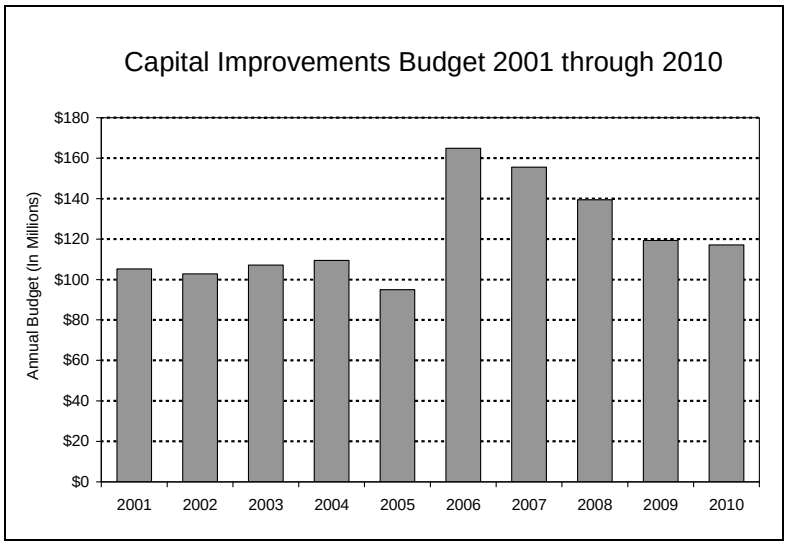
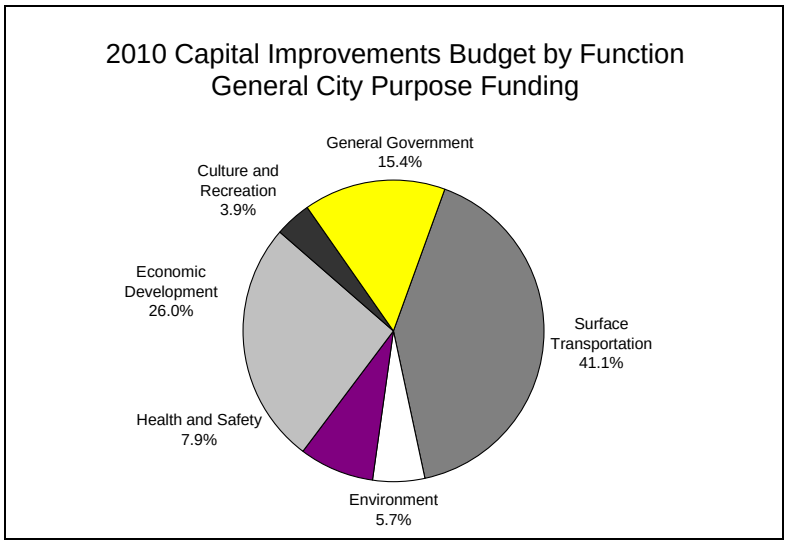


Figure 2



Functional Categories: Projects included in the 2010 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 41.1% of the general city funded capital budget or $47.2 million. This area experiences a continuing significant increase of city funding for streets, bridges, and street lighting projects, however grant and aides funding has dropped from previous years.

Economic Development projects is the second largest capital functional area at 26.0% of the general city funded capital budget. Tax Incremental Districts (TIDs) amount to $27.5 million or 91.9% of funding for economic development projects.

The General Government project category constitutes the third largest functional area, with $17.6 million, or 15.3% provided for this purpose. This is an increase from 2009 and includes significant funding of $2.7 million for the

City Hall Foundation and Hollow Walk Project and $2.3 million for the start of renovating the eighth floor of City Hall for the City Attorneys' offices.

The Health and Safety projects and Environment projects functional categories comprise a total of about 7.9% of the 2010 general city funded capital budget. Health and Safety has funding of $9.1 million and Environment has funding of $6.5 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 $4.5 million, or 3.9% of the city funded capital budget. Within this category, central and neighborhood libraries capital projects funding totals $4.1 million.

Funding Sources: The 2010 proposed 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 2010 city funded capital budget (excluding grant and aids).

For 2010, the largest funding source is tax levy supported debt financing, which is approximately $77.2 million or 65.3% of total funding. This is an increase from 2009. Given the life expectancy of the facilities to be constructed or equipment to be purchased, borrowing is an appropriate funding mechanism.

Figure 3

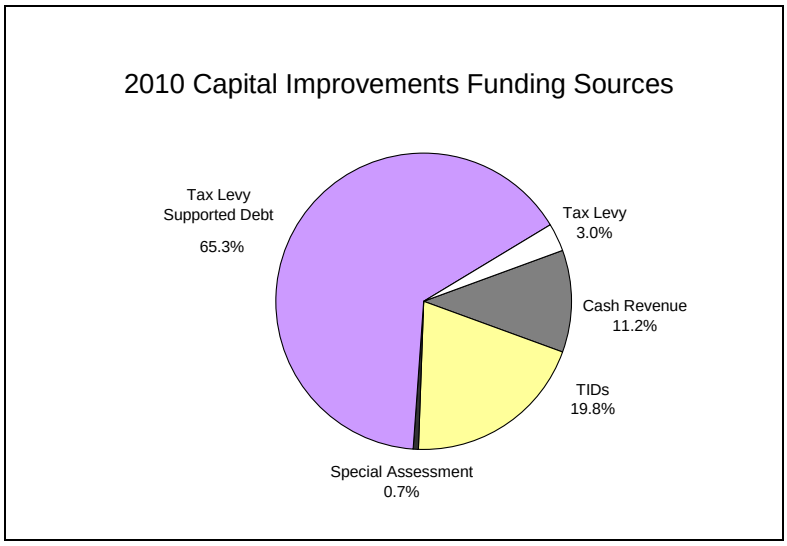
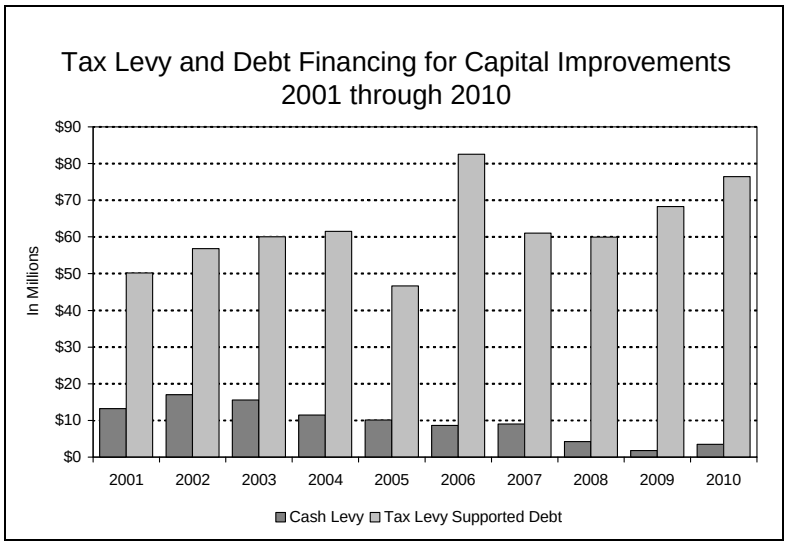


Figure 4



The second largest source of funding for capital projects is Tax Incremental District borrowing, with $23.2 million, or 19.8%, 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 $13.2 million of cash revenues, which is 10.7% of the total, and $770,000 of special assessments, which represent 0.6% of the total. Not included in Figure 3 are capital grant and aids, which are anticipated to be $12.2 million in 2010.

In addition to tax levy supported debt, cash tax levy is the other non-self supporting funding source for capital. In 2010, cash supported capital totals $3.5 million (including the $2.7 million cash revenue from the Sewer

Maintenance Fund), or 3.0% of all funding sources. Figure 4 shows cash and debt financing trends for capital improvements from 2000 to 2009. As shown, tax levy cash financing, while it has fluctuated somewhat, has generally declined from the peak of $17 million in 2002 to $1.8 million in 2009. As previously mentioned, for 2010, the cash portion of the capital budget is partially represented by a $2.7 million transfer from the Sewer Maintenance Fund, financed by the Stormwater Management Fee. Without this transfer, the tax levy cash portion of the capital budget is $818,000.

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 2010 the draw is $5.4 million. At the end of 2009, fund assets will be used to prepay a portion of the principal and interest on city debt due in 2010, which will result in a reduction in the debt levy portion of the 2010 city debt budget.

2010 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 2010, the Fire Department will use $3.6 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 2010 capital budget includes $2.7 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 the maintaining of the city's tree canopy and brush collection was moved from the tax levy to the Stormwater Management Fee. This was done as transfer payment from the Sewer Maintenance Fund to the General Fund. This policy is expanded for 2010 by having a similar $2.7 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 2010 capital budget includes $40.7 million of funding ($23.2 million self supported borrowing and $4.3 million cash revenues) to promote economic development and job growth through tax increment financing.

Housing Infrastructure Preservation Fund: The 2010 capital budget includes a new initiative to protect the city's housing assets. As a result of the housing crisis and resulting foreclosures, the city has added approximately 300 *in rem* properties to its asset inventory. The proposed capital budget provides $600,000 for the Housing Infrastructure Preservation Fund which will enable the city to make critical repairs to these properties to preserve its standing stock of housing assets until the properties can be sold.

City Attorney Office: During the exterior restoration of City Hall, the City Attorney's Office had to vacate the 8th floor so extensive repairs could be made to the roof and dormers. The result of this repair work, the majority of the eight floor is currently uninhabitable for the City Attorney's Office to return. For the 2010 capital budget, $2.3 million is provided to begin renovation work on the eight floor. This project and its funding will be spread out over two years, for a total cost of $4.6 million.

Unified Call Center: The Unified Call Center is a new organization proposed in the 2010 budget and is intended to improve citizen access to city services. The Unified Call Center will address issues of the multiple existing departmental call and service tracking systems by implementing a Citizen Relationship Management (CRM) IT solution. The CRM will be integrated with the city's telephone system and will include five key functions: Electronic Knowledge Base, Call Scripting, Service Request Intake, Case Management, and 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. The 2010 capital budget includes $950,000 for the purchase and implementation of the CRM.

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 2010 by all funding sources associated with the projects, including grant and enterprise funds.

Other capital projects included in the 2010 proposed budget are described in more detail in the departmental operating budget sections of the *2010 Proposed Plan and Executive Budget Summary*. Please refer to these sections for more detail on these projects.

2010 LARGE SCALE PROJECTS FUNDING BY SOURCE

	CITY FUNDED CONSTRUCTION	CONSTRUCTION GRANT FUNDS	SEWER ENTERPRISE	WATER ENTERPRISE	STREET LIGHTING	CONDUIT/ MANHOLES	PROJECT TOTAL
MAJOR BRIDGE PROGRAM							
East Lincoln Viaduct over Union Pacific Railroad	$1,150,000	$4,600,000	$0	$0	$22,000	$0	$5,772,000
South Howell Avenue over Union Pacific Railroad	$276,000	$1,104,000	$0	$0	$10,000	$0	$1,390,000
West County Line Road over Little Menomonee River	$500,000	$500,000	$0	$0	$10,000	$10,000	$1,020,000
South Whitnall Avenue over Union Pacific Railroad	$290,000	$1,160,000	$0	$0	$10,000	$0	$1,460,000
LOCAL BRIDGE PROGRAM							
Juneau Ave Bascule Bridge over Milwaukee River	$6,000,000	$0	$0	$0	$20,000	$350,000	$6,370,000
MAJOR STREETS/ARRA							
S First Street - E Lincoln Ave to S Kinnickinnic Ave	$5,000	$1,675,955	$0	$150,000	$65,000	$350,000	$2,245,955
E Keefe Ave - N Humboldt to N Port Washington Rd*	$105,000	$2,195,058	$4,954,000	$0	$80,000	$20,000	$7,354,058
MAJOR STREETS							
N 27th St - W St Paul Ave to W Highland Blvd**	$310,000	$1,725,000	$1,411,000	$0	$90,000	$370,000	$3,906,000
W Loomis Rd (STH36) - S 51st St to W Fardale Ave	$75,000	$9,500,000	$0	$0	$15,000	$0	$9,590,000
Bayview to Downtown Bike Route	$485,770	$1,943,081	$0	$0	$0	$3,000,000	$5,428,851
Milwaukee CBD Streetscape	$550,000	$2,880,000	$0	$0	$170,000	$0	$3,600,000
SEWERS							
DOJ Mandated work on System #1205	$0	$0	$2,424,000	$0	$0	$0	$2,424,000
2010 Manhole Rehabilitation	$0	$0	$2,500,000	$0	$0	$0	$2,500,000

* Sewer work let in 2009 in order to complete prior to 2010 paving.

** Sewer work connected to this project will increase cost over $2 million.

SUMMARY OF DEPARTMENTAL APPROPRIATIONS
OVERVIEW OF 2010 CAPITAL BUDGET
GENERAL CITY PURPOSES

	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
City Funded					
Special Projects	$15,825,000	$15,825,000	$16,360,000	$535,000	$535,000
Administration, Department of	1,656,920	3,394,400	949,400	-707,520	-2,445,000
Assessor	0	0	0	0	0
City Attorney	0	4,575,000	2,287,500	2,287,500	-2,287,500
City Development, Department of	43,844,614	59,563,193	39,402,543	-4,442,071	-20,160,650
Common Council City Clerk	350,000	0	0	-350,000	0
Election Commission	40,000	0	0	-40,000	0
Fire and Police Commission	150,000	0	0	-150,000	0
Fire Department	2,807,500	21,216,000	4,806,000	1,998,500	-16,410,000
Health Department	864,000	800,000	100,000	-764,000	-700,000
Library	4,144,000	4,115,000	4,075,000	-69,000	-40,000
Neighborhood Services	0	76,141	76,141	76,141	0
Municipal Court	683,645	334,000	334,000	-349,645	0
Police Department	6,664,000	7,388,000	4,188,000	-2,476,000	-3,200,000
Port of Milwaukee	1,500,000	1,925,000	0	-1,500,000	-1,925,000
Public Works, Department of	47,320,300	66,360,664	51,827,944	4,507,644	-14,532,720
Subtotal City Funded	$125,849,979	$185,572,398	$124,406,528	$-1,443,451	$-61,165,870
Grants and Aids Funding					
Library	$50,000	$0	$0	$-50,000	$0
Port of Milwaukee	1,450,000	400,000	400,000	-1,050,000	0
Public Works, Department of	34,886,000	10,936,200	10,936,200	-23,949,800	0
Subtotal Grants and Aids Funding	$36,386,000	$11,336,200	$11,336,200	$-25,049,800	$0
Enterprise Funds					
Parking	$2,936,000	$950,000	$950,000	$-1,986,000	$0
Sewer Maintenance	31,450,000	38,200,000	23,937,000	-7,513,000	-14,263,000
Water	27,096,000	27,500,000	20,030,000	-7,066,000	-7,470,000
Subtotal Enterprise Funds	$61,482,000	$66,650,000	$44,917,000	$-16,565,000	$-21,733,000
Total Capital Plan	$223,717,979	$263,558,598	$180,659,728	$-43,058,251	$-82,898,870

2010 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	$300,000	$0	$0	$8,000,000	$8,300,000	$0	$8,300,000
Carryover	(0)	(1,076,833)	(0)	(0)	(0)	(1,076,833)	(0)	(1,076,833)
Municipal Art Fund								
Budget	25,000	0	0	0	0	25,000	0	25,000
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)	(2,900,000)	(0)	(0)	(0)	(2,900,000)	(0)	(2,900,000)
Energy Challenge Fund								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(913,998)	(0)	(0)	(0)	(913,998)	(0)	(913,998)
Unified Call Center CRM								
Budget	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	3,300,000	0	0	0	0	3,300,000	0	3,300,000
Payment to General Fund	3,300,000	0	0	0	0	3,300,000	0	3,300,000
TOTAL SPECIAL CAPITAL PROJECTS								
Budget	**$6,710,000**	**$1,650,000**	**$0**	**$0**	**$8,000,000**	**$16,360,000**	**$0**	**$16,360,000**
Carryover	**($0)**	**($5,140,831)**	**($0)**	**($0)**	**($0)**	**($5,140,831)**	**($0)**	**($5,140,831)**
DEPARTMENT OF ADMINISTRATION								
Single E-Mail Store								
Carryover	($0)	($243,735)	($0)	($0)	($0)	($243,735)	($0)	($243,735)
Server Consolidation/Storage Area Network								
Carryover	(0)	(24,919)	(0)	(0)	(0)	(24,919)	(0)	(24,919)
FMIS Upgrade								
Budget	0	598,400	0	0	0	598,400	0	598,400
Carryover	(0)	(1,217,600)	(0)	(0)	(0)	(1,217,600)	(0)	(1,217,600)
HRMS Upgrade								
Carryover	(0)	(7)	(0)	(0)	(0)	(7)	(0)	(7)
Web Application Server								
Carryover	(0)	(2,570)	(0)	(0)	(0)	(2,570)	(0)	(2,570)
Cluster Corporate Database Server								
Carryover	(0)	(63,538)	(0)	(0)	(0)	(63,538)	(0)	(63,538)
E-Benefits								
Carryover	(0)	(52,995)	(0)	(0)	(0)	(52,995)	(0)	(52,995)
E-Server Tape Subsystem								
Carryover	(0)	(3,927)	(0)	(0)	(0)	(3,927)	(0)	(3,927)
E-Server Replacement								
Budget	50,000	0	0	0	0	50,000	0	50,000
Backup System Replacement								
Budget	0	161,000	0	0	0	161,000	0	161,000
Microsoft.net Development Environment								
Budget	140,000	0	0	0	0	140,000	0	140,000
TOTAL DEPARTMENT OF ADMINISTRATION								
Budget	**$190,000**	**$759,400**	**$0**	**$0**	**$0**	**$949,400**	**$0**	**$949,400**
Carryover	**($0)**	**($1,609,291)**	**($0)**	**($0)**	**($0)**	**($1,609,291)**	**($0)**	**($1,609,291)**
CITY ATTORNEY'S OFFICE								
City Attorney Office - Planning/Design/Construction								
Budget	$0	$2,287,500	$0	$0	$0	$2,287,500	$0	$2,287,500
TOTAL CITY ATTORNEY'S OFFICE								
Budget	**$0**	**$2,287,500**	**$0**	**$0**	**$0**	**$2,287,500**	**$0**	**$2,287,500**
DEPARTMENT OF CITY DEVELOPMENT								
Advance Planning								
Budget	$175,000	$0	$0	$0	$0	$175,000	$0	$175,000
Neighborhood Commercial District Street Improvement Fund								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(2,075,535)	(0)	(0)	(0)	(2,075,535)	(0)	(2,075,535)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Tax Increment Financed Urban Renewal Projects (Including Grant Funded Projects)								
Budget	0	0	23,222,323	0	4,251,000	27,473,323	0	27,473,323
Carryover	(0)	(0)	(164,578,922)	(0)	(0)	(164,578,922)	(0)	(164,578,922)
Development Fund								
Budget	0	1,050,000	0	0	0	1,050,000	0	1,050,000
Carryover	(0)	(6,438,193)	(0)	(0)	(0)	(6,438,193)	(0)	(6,438,193)
Business Improvement Districts								
Budget	0	1,236,250	0	0	0	1,236,250	0	1,236,250
Carryover	(0)	(1,500,000)	(0)	(0)	(0)	(1,500,000)	(0)	(1,500,000)
809 Building Remodeling								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(161,925)	(0)	(0)	(0)	(161,925)	(0)	(161,925)
30th Street Industrial Corridor								
Budget	0	7,000,000	0	0	0	7,000,000	0	7,000,000
Carryover	(0)	(3,000,000)	(0)	(0)	(0)	(3,000,000)	(0)	(3,000,000)
Healthy Neighborhoods Initiative								
Budget	0	200,000	0	0	0	200,000	0	200,000
ADA Riverwalk Construction								
Budget	0	1,167,970	0	0	0	1,167,970	0	1,167,970
Carryover	(0)	(724,000)	(0)	(0)	(0)	(724,000)	(0)	(724,000)
Housing Infrastructure Preservation Fund								
Budget	0	600,000	0	0	0	600,000	0	600,000
TOTAL DEPARTMENT OF CITY DEVELOPMENT								
Budget	**$175,000**	**$11,754,220**	**$23,222,323**	**$0**	**$4,251,000**	**$39,402,543**	**$0**	**$39,402,543**
Carryover	**($0)**	**($13,899,653)**	**($164,578,922)**	**($0)**	**($0)**	**($178,478,575)**	**($0)**	**($178,478,575)**
COMMON COUNCIL CITY CLERK								
License Management System Requirements Study								
Carryover	($0)	($657,924)	($0)	($0)	($0)	($657,924)	($0)	($657,924)
License Division Remodeling								
Carryover	(0)	(350,000)	(0)	(0)	(0)	(350,000)	(0)	(350,000)
TOTAL COMMON COUNCIL CITY CLERK								
Carryover	**($0)**	**($1,007,924)**	**($0)**	**($0)**	**($0)**	**($1,007,924)**	**($0)**	**($1,007,924)**
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)	($48,167)	($0)	($0)	($0)	($48,167)	($0)	($48,167)
TOTAL DEPARTMENT OF EMPLOYEE RELATIONS								
Carryover	**($0)**	**($48,167)**	**($0)**	**($0)**	**($0)**	**($48,167)**	**($0)**	**($48,167)**
FIRE AND POLICE COMMISSION								
FPC Office Remodeling								
Carryover	($0)	($150,000)	($0)	($0)	($0)	($150,000)	($0)	($150,000)
TOTAL FIRE AND POLICE COMMISSION								
Carryover	**($0)**	**($150,000)**	**($0)**	**($0)**	**($0)**	**($150,000)**	**($0)**	**($150,000)**
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)	(522,384)	(0)	(0)	(0)	(522,384)	(0)	(522,384)
Exterior Building Maintenance								
Carryover	(0)	(315,944)	(0)	(0)	(0)	(315,944)	(0)	(315,944)
Fire Facilities Maintenance Program								
Budget	0	1,125,000	0	0	0	1,125,000	0	1,125,000
Carryover	(0)	(712,500)	(0)	(0)	(0)	(712,500)	(0)	(712,500)
Major Capital Equipment								
Budget	0	3,571,000	0	0	0	3,571,000	0	3,571,000
Carryover	(0)	(2,974,502)	(0)	(0)	(0)	(2,974,502)	(0)	(2,974,502)
Auxiliary Power Supply								
Budget	0	110,000	0	0	0	110,000	0	110,000
Carryover	(0)	(299,336)	(0)	(0)	(0)	(299,336)	(0)	(299,336)
Fire Digital Radio System								
Carryover	(0)	(144,913)	(0)	(0)	(0)	(144,913)	(0)	(144,913)
TOTAL FIRE DEPARTMENT								
Budget	**$0**	**$4,806,000**	**$0**	**$0**	**$0**	**$4,806,000**	**$0**	**$4,806,000**
Carryover	**($0)**	**($5,219,579)**	**($0)**	**($0)**	**($0)**	**($5,219,579)**	**($0)**	**($5,219,579)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
HEALTH DEPARTMENT								
Mechanical Systems Maintenance Program								
Carryover	($0)	($401,000)	($0)	($0)	($0)	($401,000)	($0)	($401,000)
Exterior Building Maintenance Program								
Carryover	(0)	(844,000)	(0)	(0)	(0)	(844,000)	(0)	(844,000)
Interior Building Maintenance Program								
Carryover	(0)	(927,831)	(0)	(0)	(0)	(927,831)	(0)	(927,831)
Public Health Information Network								
Carryover	(0)	(132,991)	(0)	(0)	(0)	(132,991)	(0)	(132,991)
Data Repository								
Budget	50,000	0	0	0	0	50,000	0	50,000
Health Facilities Capital Projects								
Budget	0	50,000	0	0	0	50,000	0	50,000
TOTAL HEALTH DEPARTMENT								
Budget	**$50,000**	**$50,000**	**$0**	**$0**	**$0**	**$100,000**	**$0**	**$100,000**
Carryover	**($0)**	**($2,305,822)**	**($0)**	**($0)**	**($0)**	**($2,305,822)**	**($0)**	**($2,305,822)**
LIBRARY								
CENTRAL LIBRARY								
RFID System								
Budget	$0	$1,500,000	$0	$0	$0	$1,500,000	$0	$1,500,000
Carryover	(0)	(2,000,000)	(0)	(0)	(0)	(2,000,000)	(0)	(2,000,000)
Central Library Improvements Fund								
Budget	0	825,000	0	0	0	825,000	0	825,000
Central Library Improvements Fund Interior								
Budget	0	0	0	0	0	0	0	0
Carryover	(0)	(1,252,916)	(0)	(0)	(0)	(1,252,916)	(0)	(1,252,916)
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)	(950,000)	(0)	(0)	(0)	(950,000)	(0)	(950,000)
NEIGHBORHOOD LIBRARIES								
Neighborhood Library Improvement Fund Interior								
Carryover	(0)	(497,922)	(0)	(0)	(0)	(497,922)	(0)	(497,922)
Villard Library Project								
Budget	0	1,750,000	0	0	0	1,750,000	0	1,750,000
Carryover	(0)	(1,000,000)	(0)	(0)	(0)	(1,000,000)	(0)	(1,000,000)
TOTAL LIBRARY								
Budget	**$0**	**$4,075,000**	**$0**	**$0**	**$0**	**$4,075,000**	**$0**	**$4,075,000**
Carryover	**($0)**	**($5,920,456)**	**($0)**	**($0)**	**($0)**	**($5,920,456)**	**($0)**	**($5,920,456)**
NEIGHBORHOOD SERVICES								
Security Upgrades - Anderson Building								
Budget	$0	$76,141	$0	$0	$0	$76,141	$0	$76,141
TOTAL NEIGHBORHOOD SERVICES								
Budget	**$0**	**$76,141**	**$0**	**$0**	**$0**	**$76,141**	**$0**	**$76,141**
MUNICIPAL COURT								
Court Case Management System								
Budget	$0	$334,000	$0	$0	$0	$334,000	$0	$334,000
Carryover	(0)	(922,843)	(0)	(0)	(0)	(922,843)	(0)	(922,843)
IT Disaster Recovery								
Carryover	(0)	(139,320)	(0)	(0)	(0)	(139,320)	(0)	(139,320)
TOTAL MUNICIPAL COURT								
Budget	**$0**	**$334,000**	**$0**	**$0**	**$0**	**$334,000**	**$0**	**$334,000**
Carryover	**($0)**	**($1,062,163)**	**($0)**	**($0)**	**($0)**	**($1,062,163)**	**($0)**	**($1,062,163)**
POLICE DEPARTMENT								
Evidence Storage Warehouse								
Budget	$0	$295,000	$0	$0	$0	$295,000	$0	$295,000
Carryover	(0)	(343,257)	(0)	(0)	(0)	(343,257)	(0)	(343,257)
Remodel Administration Building Offices								
Budget	0	1,300,000	0	0	0	1,300,000	0	1,300,000
Carryover	(0)	(2,912,226)	(0)	(0)	(0)	(2,912,226)	(0)	(2,912,226)
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)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
District Station Six Repairs								
Carryover	(0)	(1,289)	(0)	(0)	(0)	(1,289)	(0)	(1,289)
District Five HVAC Replacement								
Carryover	(0)	(114,449)	(0)	(0)	(0)	(114,449)	(0)	(114,449)
4715 West Vliet Street Renovation								
Carryover	(0)	(625,752)	(0)	(0)	(0)	(625,752)	(0)	(625,752)
Surveillance Camera Program								
Carryover	(0)	(87,130)	(0)	(0)	(0)	(87,130)	(0)	(87,130)
District Renovation Program								
Budget	180,000	0	0	0	0	180,000	0	180,000
911 System Replacement								
Carryover	(0)	(5,000,000)	(0)	(0)	(0)	(5,000,000)	(0)	(5,000,000)
Radio and Communications Upgrades								
Budget	113,000	0	0	0	0	113,000	0	113,000
Automated Fingerprint Identification System								
Budget	0	2,300,000	0	0	0	2,300,000	0	2,300,000
TOTAL POLICE DEPARTMENT								
Budget	**$293,000**	**$3,895,000**	**$0**	**$0**	**$0**	**$4,188,000**	**$0**	**$4,188,000**
Carryover	**($0)**	**($10,106,396)**	**($0)**	**($0)**	**($0)**	**($10,106,396)**	**($0)**	**($10,106,396)**
PORT OF MILWAUKEE								
Major Maintenance Terminals and Piers								
Carryover	($0)	($134,238)	($0)	($0)	($0)	($134,238)	($0)	($134,238)
Secured Ferry Terminal Parking Facilities								
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
Cargo Handling Equipment								
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
Dockwall Rehabilitation								
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
South Harbor Tract Electrical Service Rehabilitation								
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
Pier Berth and Channel Improvements								
Budget	0	0	0	0	0	0	400,000	400,000
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)	(350,000)	(0)	(0)	(0)	(350,000)	(0)	(350,000)
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**	**$400,000**	**$400,000**
Carryover	**($0)**	**($3,584,238)**	**($0)**	**($0)**	**($0)**	**($3,584,238)**	**($0)**	**($3,584,238)**
DPW ADMINISTRATION								
Public Safety Communications								
Budget	$0	$500,000	$0	$0	$0	$500,000	$0	$500,000
Carryover	(0)	(350,000)	(0)	(0)	(0)	(350,000)	(0)	(350,000)
CSWAN/COMMON Upgrade								
Carryover	(0)	(33,278)	(0)	(0)	(0)	(33,278)	(0)	(33,278)
Hartung Redevelopment Phase I								
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
TOTAL DPW ADMINISTRATION								
Budget	**$0**	**$500,000**	**$0**	**$0**	**$0**	**$500,000**	**$0**	**$500,000**
Carryover	**($0)**	**($583,278)**	**($0)**	**($0)**	**($0)**	**($583,278)**	**($0)**	**($583,278)**
DPW OPERATIONS DIVISION								
BUILDINGS AND FLEET SECTION								
City Hall Complex Remodeling								
Budget	$0	$80,000	$0	$0	$0	$80,000	$0	$80,000
Carryover	(0)	(122,100)	(0)	(0)	(0)	(122,100)	(0)	(122,100)
Space Planning Facilities								
Budget	0	160,000	0	0	0	160,000	0	160,000
Carryover	(0)	(148,554)	(0)	(0)	(0)	(148,554)	(0)	(148,554)
Recreational Facilities Citywide								
Budget	0	388,240	0	0	0	388,240	0	388,240
Carryover	(0)	(300,000)	(0)	(0)	(0)	(300,000)	(0)	(300,000)
Facility Systems Program								
Budget	0	685,000	0	0	0	685,000	0	685,000
Carryover	(0)	(1,500,000)	(0)	(0)	(0)	(1,500,000)	(0)	(1,500,000)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Environmental Remediation Program								
Budget	0	100,000	0	0	0	100,000	0	100,000
Carryover	(0)	(452,034)	(0)	(0)	(0)	(452,034)	(0)	(452,034)
ADA Compliance Program								
Budget	0	95,000	0	0	0	95,000	0	95,000
Carryover	(0)	(409,700)	(0)	(0)	(0)	(409,700)	(0)	(409,700)
Facilities Exterior Upgrades Program								
Budget	0	1,409,700	0	0	0	1,409,700	0	1,409,700
Carryover	(0)	(1,184,873)	(0)	(0)	(0)	(1,184,873)	(0)	(1,184,873)
City Hall Restoration Program								
Carryover	(0)	(3,343,305)	(0)	(0)	(0)	(3,343,305)	(0)	(3,343,305)
City Hall Foundation and Hollow Walk								
Budget	0	2,700,000	0	0	0	2,700,000	0	2,700,000
Carryover	(0)	(2,988,117)	(0)	(0)	(0)	(2,988,117)	(0)	(2,988,117)
Municipal Garages/Outlying Facilities Remodeling								
Budget	0	295,000	0	0	0	295,000	0	295,000
Carryover	(0)	(965,000)	(0)	(0)	(0)	(965,000)	(0)	(965,000)
Two Way Radio Replacement								
Carryover	(0)	(760,000)	(0)	(0)	(0)	(760,000)	(0)	(760,000)
Major Capital Equipment								
Budget	0	5,500,000	0	0	0	5,500,000	0	5,500,000
Carryover	(0)	(8,437,617)	(0)	(0)	(0)	(8,437,617)	(0)	(8,437,617)
Menomonee Valley Facilities Relocation								
Carryover	(0)	(1,830,982)	(0)	(0)	(0)	(1,830,982)	(0)	(1,830,982)
MacArthur Square Plaza Restoration								
Carryover	(0)	(1,033,812)	(0)	(0)	(0)	(1,033,812)	(0)	(1,033,812)
ZMB Lower Parking Floor Restoration								
Budget	0	86,500	0	0	0	86,500	0	86,500
TOTAL BUILDINGS AND FLEET SECTION								
Budget	**$0**	**$11,499,440**	**$0**	**$0**	**$0**	**$11,499,440**	**$0**	**$11,499,440**
Carryover	**($0)**	**($23,476,094)**	**($0)**	**($0)**	**($0)**	**($23,476,094)**	**($0)**	**($23,476,094)**
FORESTRY SECTION								
Concealed Irrigation and General Landscaping								
Budget	$0	$462,879	$0	$0	$0	$462,879	$0	$462,879
Carryover	(0)	(605,770)	(0)	(0)	(0)	(605,770)	(0)	(605,770)
Production and Planting Program								
Budget	0	0	0	0	1,741,125	1,741,125	0	1,741,125
Carryover	(0)	(1,773,465)	(0)	(0)	(0)	(1,773,465)	(0)	(1,773,465)
Boulevard Plan								
Budget	0	580,000	0	0	0	580,000	0	580,000
Carryover	(0)	(525,000)	(0)	(0)	(0)	(525,000)	(0)	(525,000)
Emerald Ash Borer Readiness and Response								
Budget	0	0	0	0	937,000	937,000	0	937,000
Carryover	(0)	(160,000)	(0)	(0)	(0)	(160,000)	(0)	(160,000)
TOTAL FORESTRY SECTION								
Budget	**$0**	**$1,042,879**	**$0**	**$0**	**$2,678,125**	**$3,721,004**	**$0**	**$3,721,004**
Carryover	**($0)**	**($3,064,235)**	**($0)**	**($0)**	**($0)**	**($3,064,235)**	**($0)**	**($3,064,235)**
SANITATION SECTION								
Sanitation Headquarters Modifications (Various Sites)								
Carryover	($0)	($1,547,190)	($0)	($0)	($0)	($1,547,190)	($0)	($1,547,190)
TOTAL SANITATION SECTION								
Carryover	**($0)**	**($1,547,190)**	**($0)**	**($0)**	**($0)**	**($1,547,190)**	**($0)**	**($1,547,190)**
TOTAL DPW OPERATIONS DIVISION								
Budget	**$0**	**$12,542,319**	**$0**	**$0**	**$2,678,125**	**$15,220,444**	**$0**	**$15,220,444**
Carryover	**($0)**	**($28,087,519)**	**($0)**	**($0)**	**($0)**	**($28,087,519)**	**($0)**	**($28,087,519)**
DPW INFRASTRUCTURE SERVICES								
SEWER CONSTRUCTION								
Expansion of Capacity Sewer Program								
Carryover	($0)	($3,460,000)	($0)	($20,829)	($0)	($3,480,829)	($0)	($3,480,829)
TOTAL SEWER CONSTRUCTION								
Carryover	**($0)**	**($3,460,000)**	**($0)**	**($20,829)**	**($0)**	**($3,480,829)**	**($0)**	**($3,480,829)**
BRIDGE CONSTRUCTION								
Bridge State and Federal Funded								
Budget	$0	$0	$0	$0	$500,000	$500,000	$0	$500,000
Carryover	(0)	(6,504,000)	(0)	(0)	(0)	(6,504,000)	(0)	(6,504,000)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Bridge Reconstruction Local								
Budget	0	6,425,000	0	0	0	6,425,000	0	6,425,000
Carryover	(0)	(12,621,000)	(0)	(0)	(0)	(12,621,000)	(0)	(12,621,000)
TOTAL BRIDGE CONSTRUCTION								
Budget	**$0**	**$6,425,000**	**$0**	**$0**	**$500,000**	**$6,925,000**	**$0**	**$6,925,000**
Carryover	**($0)**	**($19,125,000)**	**($0)**	**($0)**	**($0)**	**($19,125,000)**	**($0)**	**($19,125,000)**
STREET/PAVING CONSTRUCTION								
Street Reconstruction City Contribution to State and Federally Aided Projects								
Budget	$0	$4,730,000	$0	$194,000	$0	$4,924,000	$10,936,200	$15,860,200
Carryover	(0)	(22,292,892)	(0)	(3,961,064)	(0)	(26,253,956)	(0)	(26,253,956)
Street Reconstruction or Resurfacing Regular City Program								
Budget	0	12,000,000	0	1,000	0	12,001,000	0	12,001,000
Carryover	(0)	(10,300,000)	(0)	(1,451,587)	(0)	(11,751,587)	(0)	(11,751,587)
Alley Reconstruction Program								
Budget	0	800,000	0	200,000	0	1,000,000	0	1,000,000
Carryover	(0)	(450,000)	(0)	(337,432)	(0)	(787,432)	(0)	(787,432)
New Street Construction Program								
Budget	0	200,000	0	50,000	0	250,000	0	250,000
Carryover	(0)	(600,000)	(0)	(0)	(0)	(600,000)	(0)	(600,000)
New Street Developer								
Budget	0	0	0	0	400,000	400,000	0	400,000
TOTAL STREET/PAVING CONSTRUCTION								
Budget	**$0**	**$17,730,000**	**$0**	**$445,000**	**$400,000**	**$18,575,000**	**$10,936,200**	**$29,511,200**
Carryover	**($0)**	**($33,642,892)**	**($0)**	**($5,750,083)**	**($0)**	**($39,392,975)**	**($0)**	**($39,392,975)**
Street Improvements Sidewalk Driveway and Gutter Replacement								
Budget	$0	$900,000	$0	$325,000	$0	$1,225,000	$0	$1,225,000
Carryover	(0)	(1,023,590)	(0)	(1,811,580)	(0)	(2,835,170)	(0)	(2,835,170)
Street Improvements Street Lighting								
Budget	0	7,000,000	0	0	0	7,000,000	0	7,000,000
Carryover	(0)	(7,850,000)	(0)	(1,000,000)	(0)	(8,850,000)	(0)	(8,850,000)
Street Improvements Traffic Control Facilities								
Budget	0	1,182,500	0	0	0	1,182,500	0	1,182,500
Carryover	(0)	(990,000)	(0)	(0)	(0)	(990,000)	(0)	(990,000)
Street Improvements Underground Conduit and Manholes								
Budget	0	1,000,000	0	0	0	1,000,000	0	1,000,000
Carryover	(0)	(400,000)	(0)	(0)	(0)	(400,000)	(0)	(400,000)
Underground Electrical Manhole Reconstruction								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(495,000)	(0)	(0)	(0)	(495,000)	(0)	(495,000)
TOTAL DPW INFRASTRUCTURE SERVICES								
Budget	**$0**	**$34,437,500**	**$0**	**$770,000**	**$900,000**	**$36,107,500**	**$10,936,200**	**$47,043,700**
Carryover	**($0)**	**($66,986,482)**	**($0)**	**($8,582,492)**	**($0)**	**($75,568,974)**	**($0)**	**($75,568,974)**
TOTAL DEPARTMENT OF PUBLIC WORKS								
Budget	**$0**	**$47,479,819**	**$0**	**$770,000**	**$3,578,125**	**$51,827,944**	**$10,936,200**	**$62,764,144**
Carryover	**($0)**	**($95,657,279)**	**($0)**	**($8,582,492)**	**($0)**	**($104,239,771)**	**($0)**	**($104,239,771)**
TOTAL PROJECTS								
Budget	**$7,418,000**	**$77,167,080**	**$23,222,323**	**$770,000**	**$15,829,125**	**$124,406,528**	**$11,336,200**	**$135,742,728**
Carryover	**($0)**	**($145,751,799)**	**($164,578,922)**	**($8,582,492)**	**($0)**	**($318,913,213)**	**($0)**	**($318,913,213)**

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, in its 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 2010 debt expenditure needs total $280.6 million, an increase of $21.5 million from 2009. There is an increase of $11.9 million for Revenue Anticipation Notes (RAN). The remaining debt increased by $9.6 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	$53,538	Moderate
Taxpayer Concentration (Top Ten Taxpayers)	5.0%	Diverse
Financial		
Unreserved Debt Reserve Balance	10.7%	N/A
Unreserved General Fund Balance	4.3%	Near 5% goal
Debt		
Direct Debt Per Capita	$1,302	Moderate
Direct Debt Percent of Market Value	2.4%	Moderate
Debt Maturing Within Ten Years	87.0%	Standard is 50.0%

Table 2

CITY DEBT EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Self Supporting Debt					
Brewer MEDC Loan	$1,063,339	$1,063,339	$1,063,339	$0	$0
Delinquent Tax Financing	20,418,502	24,409,994	24,409,994	3,991,492	0
Industrial Land Bank	28,803	15,787	15,787	-13,016	0
MPS Loans, ADA and Information System	1,005,349	1,231,756	1,231,756	226,407	0
Parking	1,926,037	2,130,725	2,130,725	204,688	0
Sewer Maintenance Fund	10,421,333	8,321,297	8,321,297	-2,100,036	0
Special Assessments	2,297,220	1,949,617	1,949,617	-347,603	0
Tax Increment Districts	18,356,692	26,189,852	26,189,852	7,833,160	0
Water Works	2,839,635	3,269,050	3,269,050	429,415	0
Subtotal	$58,356,910	$68,581,417	$68,581,417	$10,224,507	$0
Tax Levy Debt					
General City	$70,612,222	$67,131,343	$67,131,343	$-3,480,879	$0
RANs City and MPS	125,612,500	138,080,000	137,540,000	11,927,500	-540,000
Schools	13,031,484	12,893,929	12,893,929	-137,555	0
Subtotal	$209,256,206	$218,105,272	$217,565,272	$8,309,066	$-540,000
Total Debt Needs	$267,613,116	$286,686,689	$286,146,689	$18,533,573	$-540,000
Fees and Issuance Costs	$1,400,000	$1,400,000	$1,400,000	$0	$0
Deduction for PDAF Prepayment	-6,500,000	-5,000,000	-5,400,000	1,100,000	-400,000
Deduction for Segregated S.A.	-3,850,301	-1,949,620	-1,949,620	1,900,681	0
Total	$258,662,815	$281,137,069	$280,197,069	$21,534,254	$-940,000

Table 3

CITY DEBT SOURCE OF FUNDS	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Self Supporting Debt					
Brewer MEDC Loan	$1,063,339	$1,063,339	$1,063,339	$0	$0
Delinquent Tax Financing	17,269,003	23,659,994	23,659,994	6,390,991	0
Industrial Land Bank	0	0	0	0	0
MPS Loans, ADA and Information System	1,005,349	1,223,881	1,223,881	218,532	0
Parking	1,926,037	2,130,725	2,130,725	204,688	0
Sewer Maintenance Fund	11,933,333	9,021,297	9,021,297	-2,912,036	0
Tax Increment Districts	22,869,085	24,429,873	23,829,873	960,788	-600,000
Water Works	4,139,635	4,569,050	4,569,050	429,415	0
Subtotal	$60,205,781	$66,098,159	$65,498,159	$5,292,378	$-600,000
General Obligation Debt Financing					
Fees and Issuance Costs	$1,400,000	$1,400,000	$1,400,000	$0	$0
Other Revenues	126,451,224	140,659,680	144,119,680	17,668,456	3,460,000
Tax Levy	70,605,810	72,979,230	69,179,230	-1,426,580	-3,800,000
Subtotal	$198,457,034	$215,038,910	$214,698,910	$16,241,876	$-340,000
Total Debt Needs	$258,662,815	$281,137,069	$280,197,069	$21,534,254	$-940,000

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 $67.1 million in 2010, a decrease of $3.5 million from 2009. The property tax levy for debt service is $69.2 million, a decrease of $1.4 million from 2009.

Milwaukee Public Schools (MPS): The tax levy debt cost for school borrowing will be $12.9 million in 2010, a decrease of $0.1 million from 2009. 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 2010 budget, debt service for Tax Incremental Districts is $26.2 million while revenues are $23.8 million.

Delinquent Taxes: The 2010 budget includes $24.4 million to finance delinquent tax borrowing which is $4.0 million greater than 2009. Estimates of sources of funds from the collection of delinquent taxes and interest penalties are $23.7 million in 2010, an increase of $6.4 million from 2009.

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 2010 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 2010 debt budget includes approximately $1.9 million to finance debt service costs associated with special assessment borrowing.

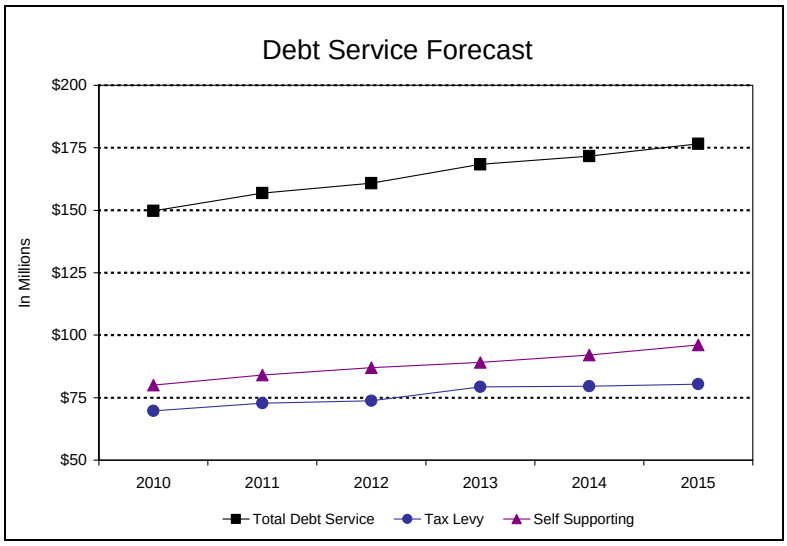
Water Works: The 2010 debt budget includes $3.3 million for Water Works' debt service costs. Debt service costs for Water Works are paid from Water Works' annual earnings.

Sewer Maintenance: Approximately $9.0 million in debt service for 2010 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 2010 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 2010, the rental payment is $2.1 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 $60 million to $65 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 2010 at roughly $70 million. Total debt service will continue to grow at a relatively slow rate to a total of $176.5 million by 2015.

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.

Figure 2

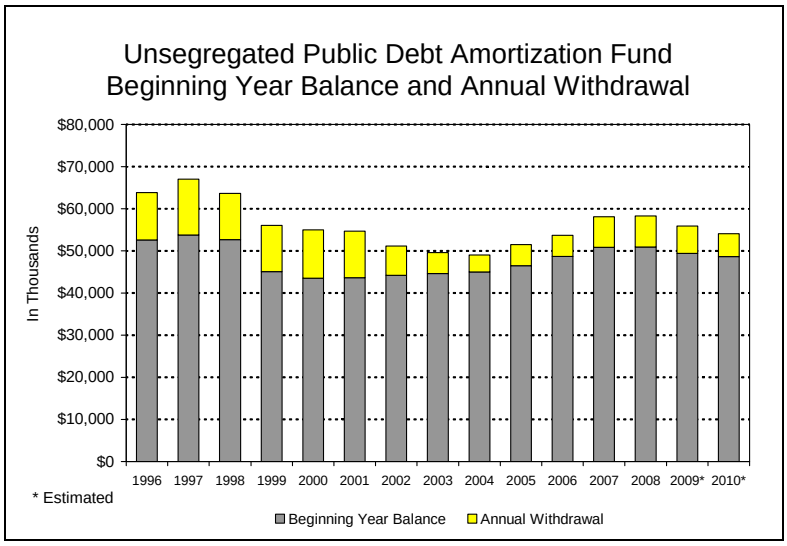
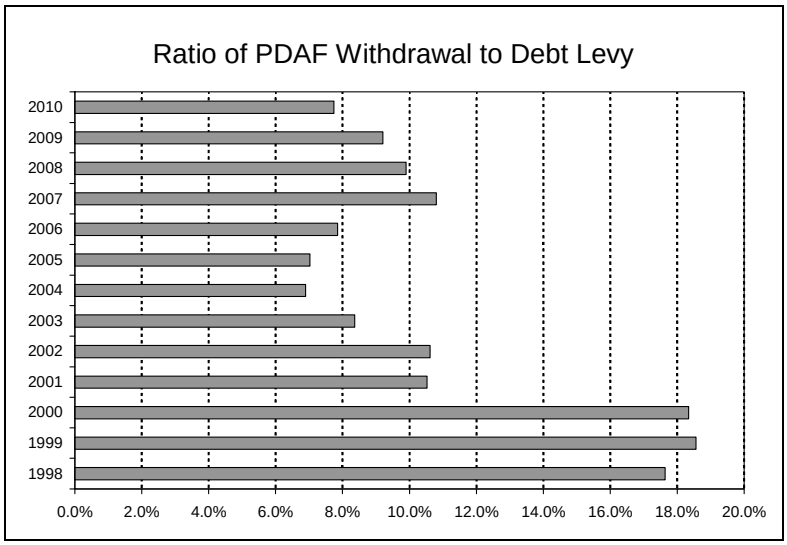


Figure 3



The PDAF withdrawal for the 2010 budget is $5.4 million. The 2008 fund balance is $50.9 million or $0.1 million more than the 2007 balance of $50.8 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 $50.9 million.

The 2010 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 7.7% ratio will exist for 2010 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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Common Council Contingent Fund	$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

SOURCE OF FUNDS

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 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.

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Parking Fund	$45,137,420	$52,620,313	$52,733,000	$55,892,216	$3,271,903	$3,159,216
Grant and Aid Project Fund	55,500,463	78,370,351	69,576,383	76,117,944	-2,252,407	6,541,561
Economic Development Fund	6,482,610	7,142,523	6,938,787	8,538,787	1,396,264	1,600,000
Water Works	101,962,174	124,800,475	133,145,000	122,462,804	-2,337,671	-10,682,196
Sewer Maintenance Fund	62,574,746	76,348,343	80,497,000	73,810,755	-2,537,588	-6,686,245
Delinquent County Taxes Fund	14,396,282	15,000,000	15,000,000	15,000,000	0	0
TOTAL	$286,053,695	$354,282,005	$357,890,170	$351,822,506	$-2,459,499	$-6,067,664

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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	117.82	126.75	127.75	122.50	-4.25	-5.25
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	129	129	130	130	1	0
EXPENDITURES						
Salaries and Wages	$4,960,582	$5,167,442	$5,271,000	$4,881,990	$-285,452	$-389,010
Fringe Benefits	2,444,460	2,583,721	2,592,000	2,467,610	-116,111	-124,390
Operating Expenditures	14,691,736	13,876,000	15,027,000	14,783,000	907,000	-244,000
Equipment	188,106	180,000	182,000	182,000	2,000	0
Special Funds	4,467,344	4,745,000	5,411,000	6,090,616	1,345,616	679,616
Transfer to General Fund	17,000,000	18,132,150	18,300,000	21,537,000	3,404,850	3,237,000
TOTAL OPERATING	$43,752,228	$44,684,313	$46,783,000	$49,942,216	$5,257,903	$3,159,216
Capital Projects	$7,700,000	$7,936,000	$950,000	$950,000	$-6,986,000	$0
TOTAL BUDGET	$51,452,228	$52,620,313	$47,733,000	$50,892,216	$-1,728,097	$3,159,216

STATEMENT OF REVENUES

	2008 ACTUAL REVENUES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
OPERATING REVENUES						
Structures	$7,817,964	$7,090,384	$7,238,000	$7,238,000	$147,616	$0
Meters	3,802,976	4,555,000	4,546,000	5,406,245	851,245	860,245
Permits	3,014,129	2,914,000	3,012,000	3,012,000	98,000	0
Towing	4,183,417	3,800,000	3,700,000	3,962,500	162,500	262,500
Lots	23,827	22,000	24,000	24,000	2,000	0
Parking Citation Revenue	22,222,538	19,632,150	21,500,000	22,000,000	2,367,850	500,000
Miscellaneous	353,794	275,000	400,000	400,000	125,000	0
Vehicle Disposal	2,541,946	2,200,000	2,200,000	2,200,000	0	0
Sale of Real Property	16,148	0	0	0	0	0
Withdrawal From Reserves	0	4,195,779	4,163,000	5,699,471	1,503,692	1,536,471
TOTAL OPERATING	$43,976,739	$44,684,313	$46,783,000	$49,942,216	$5,257,903	$3,159,216
CAPITAL EXPENDITURES						
Structures	$2,700,000	$7,936,000	$950,000	$950,000	$-6,986,000	$0
TOTAL EXPENDITURES	$2,700,000	$7,936,000	$950,000	$950,000	$-6,986,000	$0
CAPITAL FINANCING						
Proceeds from Borrowing	$2,700,000	$2,936,000	$950,000	$950,000	$-1,986,000	$0
Retained Earnings	5,000,000	5,000,000	5,000,000	5,000,000	0	0
Carryover Borrowing (Informational Purposes Only)	(0)	(4,098,064)	(4,439,064)	(4,439,064)	(341,000)	(0)
TOTAL FINANCING	$7,700,000	$7,936,000	$5,950,000	$5,950,000	$-1,986,000	$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 6,250 parking spaces throughout the city; manages approximately 50 parking lots; issues nearly 900,000 parking citations each year; tows approximately 36,000 illegally parked and abandoned vehicles per year to the city's tow lot; and works with the Police Department to issue approximately 180,000 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 2010

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	**2010 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.	Finish the third phase of installation of multi-space parking meters.
Continue efforts to improve parking services and collections.	Improve self-serve kiosks for night parking permits, and allow for residents to purchase night parking permits online.
Use transfer to General Fund to improve city's financial status and increase ability to maintain services.	Citation fines and parking meter rates increased. Parking transfer to General Fund increased to $21.3 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 2008, the Fund exceeded this level, at a 5.7:1 ratio, and is projected to be at 4.75:1 at the end of 2009 (see Figure 1). General obligation debt payable has been cut by more than half since 2004, from $3.7 million to $1.8 million, and other current liabilities have remained relatively constant over the last six years. As of December 31, 2008 the Parking Fund had $60.6 million in total assets and $13.4 million in total liabilities, most of which is for outstanding debt.

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 $22 million in 2008 and is slated to generate a similar amount of revenue for 2010.

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.

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, provided for 40 more in 2009, and approximately 49 additional multi-space meters are scheduled for installation in 2010. 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. In 2009, multi-space meters

regulated 2,219 parking spaces in the city, and the Third Ward is slated to receive approximately 30 multi-space meters in the Fall of 2009, replacing its current coin operated, single space meters.

Customer service kiosks that sell and dispense night parking permits and accept payments for parking citations are installed at six District Police Stations. In 2008, over 126,000 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 70% of all permits are now sold through the kiosks, more than double the amount manually sold at the Violations Bureau Payment Centers, the tow lot, and at Police District One. 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, DPW plans to decrease 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 current three month permits, meaning non-annual permits will only have to be bought three times in one year. A new, convenient feature will be added in 2010 to allow night parking permits to be bought online using a MasterCard or Visa debit or credit card. This will give residents the ability to order, pay for, and receive a permit at their homes without having to take a trip to a police station.

Figure 1

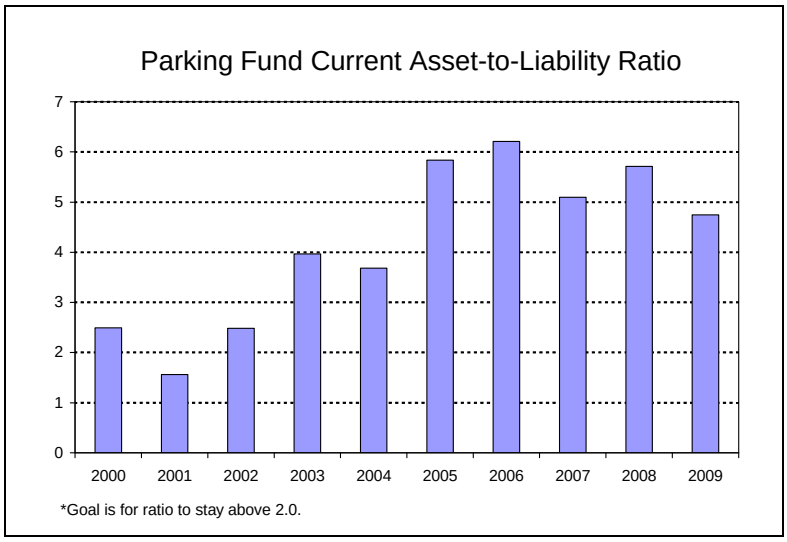
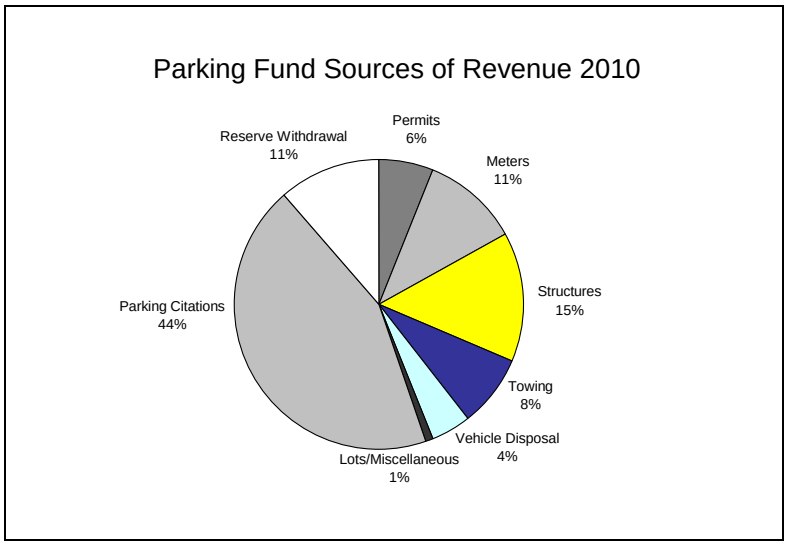


Figure 2



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 citation processing and management agreement with Duncan Solutions that became effective January 1, 2009. Among the enhancements of this new contract include reducing citation processing and collection fees by nearly 20% per citation, providing an account based citation processing system to support better access to citation and towing records, and enhancing and automating many aspects of the tow management system. In addition, DPW Parking and Duncan Solutions are working on features that will provide for wireless communication that integrates with multi-space meters, provides digital camera images as well as audio recordings from multi-space meters, and implements a payment plan module to create installment plans.
- **Tax Revenue Intercept Program (TRIP):** The city began participating in the TRIP program in 2002. Beginning in 2007, all persons with unpaid parking citation balances exceeding $45 are registered with the Wisconsin

Department of Revenue (DOR). TRIP is the primary reason for the 17.2% increase in parking citation revenue from 2007 to 2008.

- **Bundling Vehicle Registration Holds:** In 2007, the DOT modified the Traffic Violation and Registration program relating to electronic batching of outstanding parking citations. This allowed the city to bundle all overdue citations under one registration hold at a cost of $2.50 per hold. As a result, all outstanding parking citations have to be paid before a vehicle registration hold is released. Citations incurred after the case has been submitted cannot be added to the existing batch. This allows the city to place a hold on all outstanding parking citations, instead of being only placed on the oldest citation, significantly reducing vehicle registration hold costs.
- **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. Booting legislation was not part of the 2009-2011 State Budget, but DPW will work for its reintroduction in the current 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: DPW negotiated an agreement to continue to lease parking spaces in the Fourth and Highland parking structure to the Journal Sentinel Company in late 2008. The agreement provides for a total of 220 spaces to be reserved during work hours for Journal Sentinel employees, and in return the Parking Fund will receive a projected $2.7 million in revenue over the ten years of the agreement. The agreement will last until the end of 2018, with an option for another ten year agreement after that.

OTHER SERVICE AND BUDGET CHANGES

Transfer to the General Fund: The 2010 proposed budget includes a transfer of $21.5 million to the General Fund which is a $3.4 million increase over the amount budgeted in 2009. In order to reach this transfer amount, 25 and 50 cent parking meter rates as well as parking fines will be increased, and $5.7 million will be withdrawn from Parking Fund reserves.

Capital Projects: Funding of $550,000 is provided for maintenance at the Fourth and Highland parking structure. The parking structure needs recaulking in all levels in order to remain in adequate condition, and this project has been reduced from its original two year schedule in order to be completed in 2010. A total of $400,000 is set aside for regular parking maintenance, partly to recover costs associated with installing the new permit kiosks ahead of schedule in 2009. The Tow Lot Office remodeling will be finished in late 2009, enabling more service windows for customers and an improved work environment.

2010 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.	
		2010 Projection
Performance Measures:	Number of multi-space meters in service.	257
	Number of multi-space meter transactions.	1,500,000
	Number of citations issued.	900,000
	Number of citations paid.	545,000
Funding by Source:	Operating Funds	$13.0
	Capital Budget*	$0.0
	Totals	**$13.0**

Service	**Towing Operations**	
Activities:	Towing and tow lot management, citation processing and release of vehicles.	
		2010 Projection
Performance Measures:	Number of vehicles towed.	35,000
	Percentage of towed vehicles returned to owners.	80.0%
	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.	
		2010 Projection
Performance Measures:	Revenue from city owned parking structures.	$7.2
	Transfer of excess funds from Parking Fund to General Fund.	$21.5
	Asset-to-liability ratio.	4.8
Funding by Source:	Operating Funds	$32.1
	Capital Budget*	$1.0
	Totals	**$33.1**

* 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
1	1.00		Parking Meter Technician	Added as Auxiliary position in file 081620. Needed as a permanent position due to high workload and increased meter rates.
	-1.25		Communication Assistant IV	Staff reallocated to Unified Call Center.
	-4.00		Communication Assistant III	
1	**-4.25**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Grantor Share (Non-City)	$55,500,463	$78,370,351	$69,576,383	$76,117,944	$-2,252,407	$6,541,561
TOTAL	$55,500,463	$78,370,351	$69,576,383	$76,117,944	$-2,252,407	$6,541,561

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 2010 proposed grant and aid budget of $76.1 million reflects a decrease in anticipated grant funding of $2.3 million (2.9%) from the 2009 budget (see Table 1). However, this does not reflect grant funding anticipated through the American Recovery and Reinvestment Act of 2009 because the majority of these grant funds should be received by the city in 2009, making these 2009 grants.

Community Development Grants Administration (CDGA): The Community Development Grants Administration anticipates receiving approximately $25.9 million in grant funds. This is an increase of $1.5 million or 6.3% from the 2009 budget. Approximately $16.9 million of this anticipated funding is through the Community Development Block Grant (CDBG) program, a funding increase of $900,000, or 5.6% from the 2009 budget. CDBG funds support neighborhood strategic planning efforts that target the city's block grant allocation toward city neighborhood priorities and needs.

The 2010 proposed budget includes a total of $100,000 in CDBG reprogramming funds for the following projects:

- $50,000 for the Drivers License Recovery and Employability Project; and
- $50,000 for Graffiti Abatement.

Other grant changes include an increase in the HOME Program grant (an increase of $700,000 or 11.3%) and elimination of the American Dream Down Payment Initiative (a decrease of $42,427).

Department of City Development grant funding stays constant at $1,235,000. The 2010 proposed budget includes the same grants and funding amounts as in the 2009 budget. The one change is that the Historic Preservation grant is shifting to the City Clerk's Office. This shift occurs because the Historic Preservation program and staff are transferring from DCD to the City Clerk's Office as provided by Common Council File Number 090276. Funding for the grant in 2009 was $5,000 and anticipated funding for 2010 is $10,000.

Table 1

Comparison of Projected Grant Activity
(Grantor Share)

Department	2009	2010	Difference
Administration	$24,367,358	$25,910,997	$1,543,639
City Clerk	0	10,000	10,000
City Development	1,240,000	1,235,000	-5,000
Fire	1,245,000	1,303,000	58,000
Health	16,748,550	8,158,750	-8,589,800
Library	1,054,800	1,084,700	29,900
Police	12,012,109	11,833,912	-178,197
Public Works	3,702,534	3,581,585	-120,949
Unanticipated	18,000,000	23,000,000	5,000,000
Totals	$78,370,351	$76,117,944	$-2,252,407

Fire Department grant funding increases by $58,000 (4.7%) to $1.3 million, primarily as a result of an anticipated increase of $90,000 for the Metropolitan Medical Response System grant.

Health Department grant funding decreases by $8.6 million (51.3%) to $8.2 million. While this appears to be a large decrease, the 2009 funding included a large amount of grant funding that actually extends over multiple years. For example, in 2009 the department anticipated $4 million in the Lead Demonstration Project grant, $3 million in the Lead Hazard Reduction grant, and $1 million for the Healthy Homes Demonstration grant. This total of $8 million, while received in 2009, extends through 2011. In addition, the department anticipated $500,000 in funding for the Intensive Home Visiting grant for 2009, but the actual funding award was $85,000 and there is no funding in 2010. A more accurate comparison of the 2010 and 2009 budgets, excluding the aforementioned grants, reflects a decrease of only $89,900 or 1.1%. The downturn in the economy has also decreased available funding through foundation grants.

The department has been able to secure additional grants, including:

- Breast and Cervical Cancer Wise Woman grant, with anticipated funding of $150,000;
- Immunization Grant-Robert Wood Johnson Foundation, with anticipated funding of $80,000;
- Milwaukee Adolescent Pregnancy Prevention Partnership grant, with anticipated funding of $15,000;
- Mayor's Against Guns Violence grant, with anticipated funding of $75,000; and
- STD Dual Protection Program grant, with anticipated funding of $160,000.

There are changes, both increases and decreases, in various other Health Department grants.

Library grant funding increases by $29,900 (2.8%) to $1.1 million, primarily the result of a $27,800 increase in the Wisconsin Regional Library for the Blind and Physically Handicapped grant.

Police Department grant funding decreases by $178,200 (1.5%) to $11.8 million. Most of this change is a result of the 2009 Bradley Center Program grant ($162,000) extending over two years. While no funding is reflected in 2010, this is a result of the timing of the grant award and does not reflect an actual decrease in grant funding. Some new grants are anticipated in 2010, including Homicide Review Project (+$100,000), Human Trafficking Task Force grant (+$136,838) and Transit Security (+$300,000). One of the grants that is not continuing is the Traffic Mitigation grant ($113,000), which ended when construction of the Marquette Interchange was completed.

Department of Public Works grant funding decreases by $121,000 (3.3%) to $3.6 million. This reflects no funding for a one time grant received in 2009 for evaluating and reviewing the city's stormwater analysis. In addition, the state government has decided not to fund the Recycling Efficiency Incentive grant, for which the city received $330,000 in 2009. The regular recycling grant is funded at $3.5 million, an increase from the $3.2 million received in 2009.

Unanticipated grant funding is $23 million.

American Recovery and Reinvestment Act: The American Recovery and Reinvestment Act (ARRA) of 2009 was enacted in February 2009. ARRA will provide 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.

ARRA grant funding is not reflected in either the 2009 adopted or the 2010 proposed grant budgets. The reason is that this funding was not known at the time the 2009 budget was adopted, and most if not all ARRA will be received in 2009. The 2009 and 2010 proposed budget amounts reflect ongoing grant cultivation and funding, while ARRA reflects one time funding that is distinct from this ongoing grant activity. Since ARRA is one time funding, it is better to consider these grants separate from the routine grants generally reflected in the Grant and Aid Fund.

The ARRA program provides both formula and competitive grants. Formula grants allocate a specific funding amount to the city based on specific criteria, generally established through law. Competitive grants allow all eligible applicants to apply for the funds and a federal agency evaluates the applications to determine which applications are funded and at what amount. Competition for ARRA funds is intense, with application amounts far exceeding available grant allocations.

The majority of ARRA grant funding is competitive, making it difficult to estimate how much grant funding the city will receive. Based on known formula grant awards and actual and planned competitive applications, the city could receive more than $330 million in grant funding. Known 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 million in the Byrne Justice Assistance grant
- $8 million in Workforce Investment grants
- $5.8 million in Energy Efficiency Block grant
- $874,000 in Lead Hazard Reduction/Healthy Homes
- $10.3 million in COPS Hiring Recovery Program grant
- $1 million in Youth Build grant
- $15.7 in Surface Transportation funding

Outstanding ARRA grant applications total more than $240 million, including:

- $64 million in STP and Transportation Enhancement project funding
- $57 million in Clean Water Act funds
- $25 million for the Neighborhood Stabilization Program
- $4.6 million for Fire House Construction

Most if not all ARRA grant awards will be received before the end of 2009. 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 will provide 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 *2010 Proposed Plan and Executive Budget Summary*.

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 utilities 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.

Integrate calls for service for main breaks and field problems into the Unified Call Center application and its work order management capability.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	305.04	329.93	335.18	355.43	25.50	20.25
FTEs - Other	10.52	11.89	12.65	12.65	0.76	0.00
Total Positions Authorized	346	348	358	404	56	46
EXPENDITURES						
Salaries and Wages	$16,966,797	$19,443,871	$20,101,000	$19,620,166	$176,295	$-480,834
Fringe Benefits	7,170,309	7,679,504	8,842,000	8,764,638	1,085,134	-77,362
Operating Expenditures	35,464,824	36,692,000	41,391,000	41,512,000	4,820,000	121,000
Equipment	1,436,152	1,898,100	2,239,000	3,488,000	1,589,900	1,249,000
Special Funds	5,127,678	5,295,000	5,972,000	9,418,000	4,123,000	3,446,000
TOTAL	$66,165,760	$71,008,475	$78,545,000	$82,802,804	$11,794,329	$4,257,804

CAPITAL BUDGET SUMMARY

CAPITAL BUDGET						
Main Program	$12,353,980	$16,780,000	$17,000,000	$15,400,000	$-1,380,000	$-1,600,000
Plants and Other	5,770,425	10,316,000	10,500,000	4,630,000	-5,686,000	-5,870,000
TOTAL CAPITAL BUDGET	$18,124,405	$27,096,000	$27,500,000	$20,030,000	$-7,066,000	$-7,470,000
CAPITAL FINANCING						
Retained Earnings	$17,672,549	$26,696,000	$27,100,000	$19,630,000	$-7,066,000	$-7,470,000
Bond Issue	225,000	0	0	0	0	0
Assessments	22,487	100,000	100,000	100,000	0	0
Developer Financed	204,369	300,000	300,000	300,000	0	0
TOTAL CAPITAL FINANCING	$18,124,405	$27,096,000	$27,500,000	$20,030,000	$-7,066,000	$-7,470,000

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
REVENUES						
Operating	$68,414,358	$68,212,700	$67,731,200	$83,000,000	$14,787,300	$15,268,800
Non-Operating	7,098,183	9,837,000	7,462,000	7,462,000	-2,375,000	0
Developer Capital and Assessments	226,856	400,000	400,000	400,000	0	0
Bond Issue	225,000	0	0	0	0	0
Withdrawal From Retained Earnings	8,325,768	19,654,775	30,451,800	11,970,804	-7,683,971	-18,480,996
TOTAL REVENUES	$84,290,165	$98,104,475	$106,045,000	$102,832,804	$4,728,329	$-3,212,196
EXPENDITURE AUTHORIZATIONS						
Operating	$66,165,760	$71,008,475	$78,545,000	$82,802,804	$11,794,329	$4,257,804
Capital Funding	18,124,405	27,096,000	27,500,000	20,030,000	-7,066,000	-7,470,000
Deposit To Retained Earnings	0	0	0	0	0	0
TOTAL AUTHORIZATIONS AND DEPOSITS	$84,290,165	$98,104,475	$106,045,000	$102,832,804	$4,728,329	$-3,212,196

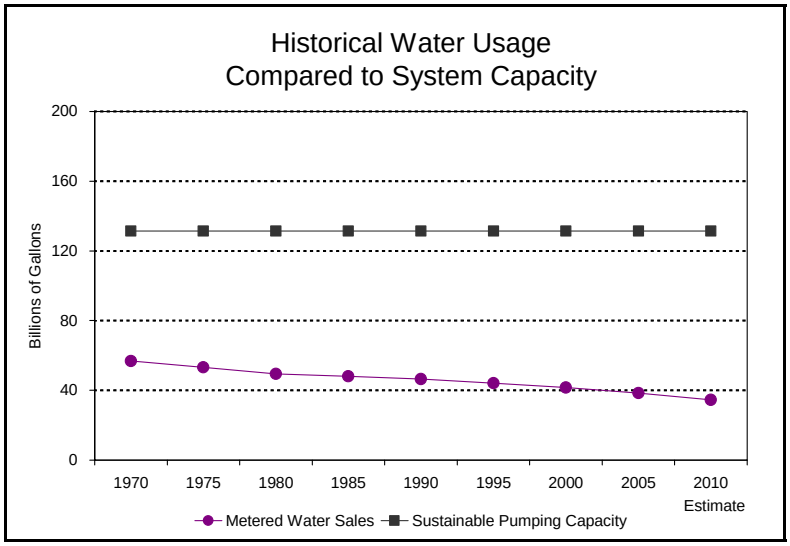
DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

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 waterborne pathogens, a safe supply of drinking water at a reasonable cost 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 41 billion gallons of water annually from Lake Michigan with 34 billion gallons in metered sales. It delivers this water through 1,966 miles of mains to approximately 831,000 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 2008, dropping 2.7% from 2007. Since 2000, metered water sales have declined 18%. Figure 1 shows how the Water Works two treatment plants are now operating at less than one-third of their sustainable pumping capacity.

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, costs the utility $819,000 annually. The cost of treatment chemicals have more than doubled. In 2010, the Water Works will be required to spend an additional $1,069,000 for the normal cost of pensions for its employees and $3 million in surplus earnings will transfer to the General Fund. In 2010, the Water Works will begin a multi-year plan to replace the water meters and batteries in every city residence, $3.7 million is proposed for this project in 2010.

In 2009, the Water Works received Common Council approval to pursue a two part plan to increase Water Works revenue. This plan will stabilize the utility finances, preserve enough positive cash flow to transfer $3 million of surplus earnings to the city General Fund, while keeping water rates highly competitive. 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. At the end of 2008, the Milwaukee Water Works posted a rate of return of 0.97%, which is the ratio of net operating income to the value of Water Works' assets.

The second rate case contemplates increasing the overall rate of return of 5.4%, which would provide the utility with enough revenue to maintain existing operations, fund and adequate capital improvements plan, and provide surplus earnings of $3 million, which will be transferred to the city General Fund. In order to achieve the overall 5.4% increase, the Water Works is asking for a rate of return of 5.0% on water sold to city and suburban retail customers and 6.5% rate of return on wholesale water sales. Water Works projects that a 5.0% rate of return would lead to a 28% rate increase to retail water sales. Ensuring the ongoing sustainability of the transfer to the General Fund will require routine and less volatile rate increases starting in 2011.

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 2010

Objective: Provide a reliable supply of water to customers.	
Strategies	**2010 Milestones**
Integrate calls for service for main breaks and field problems into the Unified Call Center application and its work order management capability.	Repair main breaks within 24 hours 95% of the time. Improve "first call resolution" of Water Works calls for service by migrating to the Unified Call Center IT system. 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	**2010 Milestones**
Continue to invest in treatment plants and pumps to maintain reliable operation of the multiple barrier treatment process.	Complete procurement of the Riverside backup power generator. Install a new switchgear at the Howard Avenue Treatment Plant. Achieve 730 days in compliance for the two treatment plants.
Objective: Leverage the Water Works as an asset to the community to attract business and support general city operations.	
Strategies	**2010 Milestones**
Improve the utilities 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. The Water Works will transfer $3 million from its surplus earnings to the city's General Fund.
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 2008, Water Works repaired 94% of main breaks within 24 hours and the average time that customers were without water was 4.3 hours. Water mains are replaced primarily according to the frequency of main breaks. In 2008, Water Works installed 16.7 miles of water mains, about 2.2 miles above projections. The 2010 proposed budget funds the water main program to replace 12.5 miles.

In 2008, 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

Automatic Meter Reading (AMR) Project: In 2010, the Water Works will begin a multi-year program to replace water meters in about 160,000 city residences. In 1994, the Water Works began its Automatic Meter Reading (AMR) 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 these 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 proposed budget includes $3.7 million, which includes funding an additional 49 positions starting in July of 2010. It also funds the purchase of 34 trucks and vans, computers, and meters to facilitate this field work. Water Works would use $1.2 million in existing capital funds to renovate the now vacant field office on Cameron Avenue to accommodate the additional employees. The Water Works could then eventually sell its current Meter Shop on Kinnickinnic Avenue.

CIS Upgrade: The 2010 proposed budget includes an additional $563,000 to upgrade the Water Works's Customer Information System (CIS) that controls customer billing and information. The upgrades are needed since the vendor is no longer supporting the older version. Water Works will include ITMD in the review of the upgrades.

Debt Service: An additional $600,000 in debt service is included in the 2010 proposed budget for debt service on the Phase One of the backup power project. This is partially offset by a reduction of $495,000 in debt payments required from older projects.

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 earnings to the city's General Fund. To facilitate this transfer while keeping rates competitive, a revision to the city's charter will be proposed to reduce the amount of reserves the Water Works must keep before making the transfer.

Unified Call Center: The 2010 proposed budget unifies several city call centers. The Water Works maintains two call centers one for customer billing in the Business Section and one for field problems in the Distribution Section. The latter is operated 24 hours a day, 7 days a week. The Unified Call Center would take service requests from the customer and refer these requests to the field rather than transferring callers. The Water Works will make a $60,000 transfer to the General Fund to support this effort and reduce one FTE out of nine staff due to efficiencies in the first year of the plan.

Furlough and Management Pay Freeze: The 2010 proposed budget includes a four day furlough for all Water Works staff, saving approximately $276,000 in salaries. The proposed budget also reduces management salaries by $203,000 from the requested budget to reflect a no cost of living increase or step increases in 2010.

CAPITAL PROJECTS

The 2010 Water Works capital budget totals $20,030,000. Due to increased capital investment in the utility over the last four years, the Administration will closely monitor the Water Works capital program through the AIM process. Water Works capital projects have a long lead time. Many projects funded in 2008 and 2009 have not proceeded past the design phase at this writing.

Water Main Replacement Program: In 2010, the Water Main Replacement program increases to address the problem of an aging distribution system. Funding of $14.4 million will add 12.5 miles of water mains. This

includes $12 million for replacement distribution mains, hydrants and valves, $3 million for the Feeder Main program, $300,000 for developer financed mains, and $100,000 for assessable main replacements.

Linnwood Plant Building and Treatment Improvements: The 2010 proposed budget allocates $350,000 for continuation of the Motor Control Center project that distributes secondary power to plants and electrical panels.

Howard Plant Building and Treatment Improvements: The 2010 proposed budget allocates $130,000 for structural analysis of the ozone building walls and roof. The exterior building wall shows evidence of horizontal joint separation and the roof shows signs of cracking but no leaks. A request for more funding in 2011 may be needed pending the findings of these analysis.

Pump Facility Improvements: The 2010 proposed budget allocates $3.6 million for pump facility improvements, including $3 million to replace the substation switchgear, a critical component of the electrical power infrastructure at Howard. The existing switchgear is past its useful life, and the new switchgear will be housed in a secured enclosure. The project is timed to coordinate with a We Energies plan to change voltage settings to the Howard Plant. Funding of $300,000 has been included for HVAC dehumidification equipment and upgraded digital controls, these upgrades will prevent corrosion and extend the useful life of the new switchgear. Additional funding of $50,000 is included for design of new pumps at the Texas Pumping Stations, and $100,000 is included for energy monitoring equipment and software needed to record baseline energy usage and analyze opportunities to improve energy efficiency. Funding of $150,000 is included for security upgrades including alarm systems and security cameras at outlying facilities.

Storage Facility Improvements: The 2010 proposed budget allocates $100,000 for deign work of an elevated storage tank. This tank, located on the northwest side would help regulate water pressure. This will reduce the risk of main breaks and reduce the need for pump starts and stops that can reduce the useful life of that equipment.

Backup Power Generation: Following the 2003 blackouts in the northeastern part of the country, the Water Works commissioned a consultant to study the reliability of their electric power supply. The study was completed in 2006, and a report issued to the Common Council in File 061500. The study examined the risk of a similar blackout occurring in the Milwaukee region, its implications for the Water Works, and measures the utility could take to ensure a reliable supply of water in the event of a blackout. While the probability of a blackout is low, the consequences of not having backup electric power are high. The Water Works is critical to the regional economy and this project will ensure a reliable water supply for fire fighting, sanitation and drinking. Maintaining adequate water pressure in the distribution system during a blackout scenario is also critical to reduce the risk of main breaks and water contamination. Providing backup power at five critical Water Works locations will cost an estimated $24 million over six years. The 2008 budget provided $12.5 million for backup power at the Riverside Pumping Station. The 2009 budget provides $500,000 to design the Florist Pumping Station system. The 2010 proposed budget includes $450,000 for design of the Linnwood Treatment Plant. This project has experienced some scheduling delays; at this writing, the Florist design work has not yet begun.

2010 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.	
		2010 Projection
Performance Measures:	Percentage of main breaks in service within 24 hours.	95.0%
	Miles of mains installed or replaced.	12.5
	Rank of residential water rate in Southeastern Wisconsin.	19
Funding by Source:	Capital Budget	$15.5
	Operating Funds	$53.9
	Totals	**$69.4**

Service	**Drinking Water Supply and Treatment**	
Activities:	Water pumping, water treatment, water quality monitoring, plant operation and maintenance.	
		2010 Projection
Performance Measures:	Percent compliance with Safe Drinking Water Act standards.	100.0%
	Substantiated water quality complaints.	<5
Funding by Source:	Capital Budget	$4.5
	Operating Budget	$28.9
	Totals	**$33.4**

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
4	1.00		College Interns	Position authority for four positions for the Water Industry Internship program each funded at 0.25 FTEs.
1	0.50		AMR Meter Service Manager (X)	Automatic Meter Reading program positions funded for six months beginning in July, 2010.
2	1.00		Meter Field Supervisor (X)	
1	0.50		Program Assistant I	
2	1.00		Customer Service Representative III	
1	0.50		Office Assistant IV	
2	1.00		Office Assistant III	
1	0.50		Water Meter Investigator	
35	17.50		Water Meter Technician II	
1	0.50		Meter Shop Utility Worker	
1	0.25		AMR Meter Service Manager (Aux)	
2	0.00		Meter Field Supervisor (X) (Aux)	
1	0.24	0.76	Engineering Drafting Technician II	Position to addressing increasing CIP program and to replace temporary employee.
	0.01		Various	Miscellaneous adjustment.
-1	-1.00		Machinist I	Unneeded vacant positions.
-1	-1.00		Water Laboratory Technician	
4	4.00		Water Distribution Repair Worker I	To address increased paving program in DPW Infrastructure Division.
-2	-2.00		Hydrant Service Worker (X)	Move full time positions to Auxiliary to reflect seasonal program hiring.
3	2.00		Hydrant Service Worker (X) (Aux)	
1	1.00		Water Quality Operations Manager (X)	Positions reclassification.
-1	-1.00		Water Research Chemist (X)	
-1	-1.00		Energy Efficiency Specialist	Position created in 2008 budget was never filled.
56	**25.50**	**0.76**	**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 into sanitary sewer basins that the State of Wisconsin and Milwaukee Metropolitan Sewerage District have stipulated for correction.

Work with the DNR and other regional partners to develop a cost effective program of best management practices for reducing polluted stormwater runoff.

Continue to develop and implement a Capacity, Management, Operations, and Maintenance (CMOM) program to govern operations.

BUDGET SUMMARY

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	97.71	106.54	105.52	107.52	0.98	2.00
FTEs - Other	25.11	27.60	28.49	25.49	-2.11	-3.00
Total Positions Authorized	179	172	172	164	-8	-8
EXPENDITURES						
Salaries and Wages	$4,951,277	$4,831,447	$5,008,000	$5,002,568	$171,121	$-5,432
Fringe Benefits	2,638,517	2,222,466	2,610,000	2,641,187	418,721	31,187
Operating Expenditures	6,738,369	5,262,000	5,696,000	5,671,000	409,000	-25,000
Equipment	153,423	215,500	160,000	160,000	-55,500	0
Special Funds	21,153,232	32,366,930	28,823,000	36,399,000	4,032,070	7,576,000
TOTAL	$35,634,818	$44,898,343	$42,297,000	$49,873,755	$4,975,412	$7,576,755
Capital Projects	$26,939,928	$31,450,000	$38,200,000	$23,937,000	$-7,513,000	$-14,263,000
TOTAL	$62,574,746	$76,348,343	$80,497,000	$73,810,755	$-2,537,588	$-6,686,245
REVENUES						
Sewer Maintenance Fee	$26,358,869	$26,617,000	$28,233,000	$28,591,500	$1,974,500	$358,500
Stormwater Maintenance Fee	12,756,516	18,720,330	19,191,000	22,316,000	3,595,670	3,125,000
Charges for Services	1,608,929	1,200,000	1,286,000	1,286,000	86,000	0
Interest Revenue	309,453	370,300	258,000	258,000	-112,300	0
Miscellaneous Revenue		0	0	0	0	0
Proceeds from Borrowing	24,778,791	28,550,000	31,500,000	21,337,000	-7,213,000	-10,163,000
Retained Earnings (-Deposit/+Withdrawal)	-3,237,812	890,713	29,000	22,255	-868,458	-6,745
TOTAL	$62,574,746	$76,348,343	$80,497,000	$73,810,755	$-2,537,588	$-6,686,245

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 preventing flooding in the city. Additionally, new state regulations are placing more responsibility on municipalities for reducing pollution in stormwater.

Strategies and Milestones for 2010

Objective:	**Improve surface water quality by eliminating sanitary sewer overflows while reducing the risk of property damage due to flooding and basement backups.**
Strategies	**2010 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 4,600 manholes for leaks and rehabilitate manholes as required by stipulation. Reduce or store excess flow in seven broken sewersheds between 2009 and 2013. Program at least 20% of the 2009 Relief and Relay Sewer program to stipulation, MMSD, or Lincoln Creek sewersheds. Develop a program for reducing clear water infiltration into the sanitary sewer system from private sewer laterals.
Work with the DNR and other regional partners to develop a cost effective program of best management practices for reducing polluted stormwater runoff.	Develop green infrastructure in the 30th Street industrial corridor. Convert vegetated median strips into stormwater detention facilities. Identify and prepare sites to construct two wet detention ponds. Work with the DNR or State Legislature to revise implementation of Administrative Rule NR 151.13 to allow more cost effective strategies for improving water quality.
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. Utilize enhanced work order management functionality of the proposed Unified Call Center system to improve data collection and analysis.

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, a variety of mandates to make additional improvements is presenting additional challenges to Milwaukee and municipalities around the state.

The core purpose of a traditional sewer system is to deliver all sanitary sewer flows to treatment plants, eliminate surface flooding, and eliminate the risk of basement backups in homes. However, no sewer system, including Milwaukee's, is perfect. 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 and combined sewer system it must discharge stormwater and sewage (known as Sanitary System Overflows or SSOs) or basement backups will result.

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 2010 capital budget includes $6.35 million to conduct 4,600 inspections of manholes and repair or replace 2,500 manholes and line servers to reduce infiltration and inflow.

In addition to the State Stipulation Agreement, MMSD recently completed its 2020 Facilities Plan. This plan also identifies other sewer basins in Milwaukee that require corrective action to reduce the infiltration and inflow (I&I) of stormwater.

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. Because of the extreme wet weather, the system experienced 31 SSOs, and 7,235 citizen complaints of street flooding. The DPW Call Center recorded 3,383 citizen complaints regarding backwaters (basement backups). In those cases, DPW investigates the complaint to determine whether the sewer backup was caused by a problem with the sewer main or whether the problem is internal to the property or its lateral. In all but 47 cases, DPW determined that the flow of the sewer main was satisfactory and that the problem must have been internal. If the sewer main is blocked, city crews may dispatch a cleaning grew to remove grease or other blockage.

In 2008, the Mayor's Accountability In Management (AIM) process identified a concentration of sewer backup calls in the Lincoln Creek watershed from these storms. That area of the city received more rain than other parts. The Administration has directed DPW to examine approaches for reducing the risk of basement backups in that area, including targeting its capital relay program in part to that area. This area does have some overlap with the sewersheds identified by MMSD for corrective action. In 2010, at least 20% of the $15.16 million Relief and Relay Sewer program and $6.35 million I&I reduction program is directed to stipulation, MMSD, and Lincoln Creek sewersheds. The remainder will replace failing sewers throughout the city. Property owners also have an important role in reducing the risk of sewer overflows and basement backups by properly maintaining their sewer laterals.

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 2010 capital budget includes $500,000 for rehabilitation of five bypass pumps.

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. Preliminary indications from the DNR board suggest that they may revise the rules to extend the compliance timeline. Additionally, the City of Milwaukee has asked that the DNR 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 and should be included in the calculation of the city's overall stormwater pollution removal.

The 2010 Sewer Maintenance Fund includes $1.9 million to fund Best Management Practices (BMPs) to reduce stormwater pollution. DPW will construct two wet detention ponds on county land that will treat stormwater from city streets. The 2009 capital budget included $2.7 million for BMPs, including rain gardens at Destiny High School and inline stormwater treatment devices. The Destiny High School parking lot has experienced approval delays from the DNR, as a portion of the property is a brownfield site. DPW has installed a small number of stormwater treatment devices, but these devices are not cost effective at reducing stormwater pollution using the DNR methodology. DPW also used $50,000 to stabilize the Kinnickinnic River banks between South 43rd Street and South 60th Street as part of a joint venture with MMSD to reduce sediment and erosion into the river. This project will improve water quality and protect adjacent neighborhoods but receives no credit under the NR 151 methodology.

FINANCING CHANGES

Stormwater Management Fee: In 2010, the Stormwater Management Fee will increase from $11.82 per quarter per Equivalent Residential Unit (ERU) to $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).

Sewer Maintenance Fee: In 2010, the rate will increase to $1.167 per one hundred cubic feet of water (CCF). As a result, the average residential bill, including the Stormwater Management Fee, will increase by approximately 10%.

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.

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 were prepared to receive its maximum eligible share by having projects designed and "shovel ready". In order to receive the maximum funding, the city accelerated $16 million in projected 2010 projects to 2009. This approach was successful in winning the city $2 million in grants and $36.25 million in low interest loans.

Debt Fund Transfer: The 2010 proposed budget includes a $8.3 million transfer from the Sewer Maintenance Fund to the Debt Fund for sewer related GO debt service. The debt transfer is partially financed using retained earnings from prior years. Retained earnings will be gradually used over several years to reduce the need to increase sewer rates. In the interim, the Sewer Maintenance Fund will make changes to both revenues and expenditures to ensure the fund's long term sustainability.

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 2010 proposed budget will transfer $12.19 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. This transfer also includes $50,000 to support the Unified Call Center, which will take sewer related calls and provide a modern work order management system for sewer related service calls. An amount of $2,678,000 will be transferred to the capital fund to support the tree planting capital program and emerald ash borer prevention program.

2010 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.	
		2010 Projection
Performance Measures:	Total sewerage system miles.	2,446
	Miles replacement sewers installed or lined.	15.52
	Sanitary sewer overflows.	0.0
	Miles of sanitary and combined sewers cleaned.	547
Funding by Source:	Sewer Maintenance Fund	$49.9
	Capital Budget	$23.9
	Totals	**$73.8**

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	Management Civil Engineer Senior	Unneeded vacant management position.
	0.98	-0.98	Various Engineers	Shift to O&M funding due to reduced capital program.
		-0.13	Various Positions	Miscellaneous adjustments.
-1			Sewer Operations Supervisor	Unneeded and unfunded Auxiliary position authority.
-1			Sewer Repair Crew Leader	
-1			Sewer Crew Leader II	
-2			Sewer Field Investigator	
-2			Sewer Examiner II	
-8	**0.98**	**-2.11**	**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

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
Purchase of Delinquent County Taxes	$14,396,282	$15,000,000	$15,000,000	$15,000,000	$0	$0
TOTAL	$14,396,282	$15,000,000	$15,000,000	$15,000,000	$0	$0

SOURCE OF FUNDS

	2008 ACTUAL EXPENDITURES	2009 ADOPTED BUDGET	2010 REQUESTED BUDGET	2010 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2009 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2010 REQUESTED
County Delinquent Taxes Collected	$14,396,282	$15,000,000	$15,000,000	$15,000,000	$0	$0
TOTAL	$14,396,282	$15,000,000	$15,000,000	$15,000,000	$0	$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. PROPOSED BORROWING AUTHORIZATIONS

General Obligation Bonds or Short Term Notes

		Reauthorization of 2009 Authority (1)(2)	New 2010 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).	$300,000	$300,000	$600,000
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).	$400,000	$400,000	$800,000
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.	$2,349,000	$11,254,220	$13,603,220
C.	**Public Improvements**			
1.	Public buildings for housing machinery and equipment.	$15,361,245	$15,568,241	$30,929,486
2.	Harbor improvements.	1,500,000	0	1,500,000
3.	Parking facility improvements.	2,936,000	950,000	3,886,000
4.	Purchase of sites for and construction of engine houses, fire stations reconstruction, remodeling, planning, design and site acquisition.	2,807,500	4,806,000	7,613,500
5.	Police Department facility construction.	6,504,000	3,895,000	10,399,000
6.	Bridge and viaduct.	6,037,000	6,425,000	12,462,000
7.	Sewage disposal, sewer improvement and construction.	0	0	0
8.	Street improvements and construction.	25,807,000	29,012,500	54,819,500
9.	Parks and public grounds.	3,067,000	1,431,119	4,498,119
10.	Library improvements authorized under section 229.11 and 229.17.	4,144,000	4,075,000	8,219,000
	Subtotal General Obligation Bonds or Short Term Notes (Sections A through C).	$71,212,745	$78,117,080	$149,329,825
D.	**Contingent Borrowing**			
	Borrowing for a public purpose not contemplated at the time the budget was adopted.			
	Contingent borrowing.	$130,000,000	$130,000,000	$260,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$130,000,000	$130,000,000	$260,000,000
E.	**School Board Borrowing**			
1.	School purposes (A).	$2,000,000	$2,000,000	$4,000,000
2.	For school purposes authorized under section 119.498 and/or 66.1333.	0	0	0
	Subtotal General Obligation Bonds or Short Term Notes.	$2,000,000	$2,000,000	$4,000,000

		Reauthorization of 2009 Authority (1)(2)	New 2010 Authority	Total
F.	**Borrowing for Special Assessments**			
1.	To finance public improvements in anticipation of special assessments levied against property.			
2.	General city.	$150,300	$770,000	$920,300
	Subtotal General Obligation Bonds or Local Improvements Bonds.	$150,300	$770,000	$920,300
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).	$36,268,614	$23,222,323	$59,490,937
	Subtotal General Obligation Bonds, Short Term Notes or Revenue Bonds.	$36,268,614	$23,222,323	$59,490,937
H.	**Borrowing for Delinquent Taxes**			
	To finance general city purposes for anticipated delinquent taxes.	$21,000,000	$24,000,000	$45,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$21,000,000	$24,000,000	$45,000,000
I.	**Revenue Anticipation Borrowing**			
	To borrow in anticipation of revenue in accordance with section 67.12 of the Wisconsin State Statutes.	$350,000,000	$400,000,000	$750,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$350,000,000	$400,000,000	$750,000,000
J.	**Water Works Borrowing**			
	Water Works mortgage revenue bonds or general obligation bonds.	$0	$0	$0
	Subtotal Revenue Bonds or General Obligation Bonds.	$0	$0	$0
K.	**Sewer Maintenance Fund Borrowing**			
	Sewer Maintenance Fund revenue bonds or general obligation bonds including prior years.	$28,550,000	$21,337,000	$49,887,000
	Subtotal Revenue Bonds or General Obligation Bonds.	$28,550,000	$21,337,000	$49,887,000
	Total General Obligation Bonds or Short Term Notes	$639,181,659	$679,446,403	$1,318,628,062

(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 July 17, 2009: $27,798,171,548

Tax Rate Per $1,000 of Assessed Valuation	Levy Change	Levy Change	Tax Rate Per $1,000 of Assessed Valuation
$0.01	$277,982	$5,000	$0.00
$0.05	$1,389,909	$10,000	$0.00
$0.10	$2,779,817	$50,000	$0.00
$0.25	$6,949,543	$100,000	$0.00
$0.50	$13,899,086	$500,000	$0.02
$1.00	$27,798,172	$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