

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 14, 2012

To: Chris Abele, County Executive
Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Willie Johnson, Jr., & David Cullen, Co-Chairman,
Committee on Finance, Personnel and Audit

From: Brian L. Peterson, M.D., Medical Examiner

Subject: 2012 Revenue Deficit – Medical Examiner

As required by Milwaukee County Ordinance 56.02, the Medical Examiner's Office is reporting a revenue deficit of approximately \$150,000 for 2012.

The revenue deficit is caused primarily by the following factors:

- Death certificate, cremation permit, and body conveyance fees are approximately 10 percent less than budgeted amounts.
- Due to competition, private autopsy requests have decreased significantly from prior years.
- Waived fees due to the indigency status of decedents have increased significantly from previous years.

To offset the revenue reduction, an Assistant Medical Examiner position is being left vacant.



Brian L. Peterson, M.D.
Medical Examiner

cc: Patrick Farley, Director, Department of Administrative Services
Steve Cady, Fiscal and Budget Analyst, County Board of Supervisors
Carol Mueller, Chief Committee Clerk, County Board of Supervisors
Josh Fudge, Fiscal Management Analyst, Department of Administrative Services



Date: November 28, 2012

To: Chairwoman M. Dimitrijevic
Supervisor W. Johnson, Jr.
Supervisor G. Broderick

CC: Jay Williams

**Subject: Report from the Milwaukee Public Museum
Fiscal 2012 –Financial Update**

Summary

The continuing purpose of the museum is to educate, explore, discover and preserve the world and its people. MPM's mission, across time and cultures, is to be a world class museum that focuses on the intersections between people and the environment and the impact each has on the other.

MPM had a difficult financial year, the main drivers of which are described below. In spite of these financial impacts, the museum achieved a number of successes in support of its mission.

- The Museum received a grant of \$588,467 from NASA to develop and implement an out-of-school program on planetary science for underserved high school students. MPM will partner with Boys & Girls Clubs of Greater Milwaukee to introduce students to planetary science by immersing them in the process of producing a planetary show – from researching topics to writing script to production of 4 5-minute videos that will be seamed together into a show. Those students will become mentors, presenting their products to peers and younger students as well as their families.
- MPM, in conjunction with MPS Foundation, received a 3-year grant (\$150,000) from the Helen Bader Foundation to bring every MPS third grade student to the museum to immerse them in targeted programming on planetary and earth sciences. This programming will directly link to the learning objectives outlined by the district.
- 220 youth from underserved communities in Milwaukee took part in the Museum's Summer Urban Academy, a series of 4 programs that were designed around the installation and impact of the Museum's 7th floor green roof and work to build a greater understanding of the scientific process and the improvement of overall science literacy. Museum educators also conducted outreach education to community clubs in order to bring dynamic, inquiry-based programming to an additional 100 youth. The third component was the opportunity for each family to receive a Family Summer Exploration Pass, enabling the youth to share with their family their experiences through visits to the museum.

Milwaukee Public Museum

- The Museum's SPARK program, free programming for caregivers and their loved ones suffering from beginning to mid-level Alzheimer's disease and other forms of dementia, received high praise. The Helen Bader Foundation, which sponsored the initial program, is very thrilled with the success we are having at MPM and has asked MPM to host the training and management of the consortium.
- The Museum hosted two traveling exhibits this past year, *Cleopatra: the Search for the Last Queen of Egypt* (closed on April 30, 2012); *Art and the Animal* (May 26 – September 3, 2012).
- MPM received an IMLS grant for \$146,382 to partner with The Field Museum of Natural History to convert the institutions' 31,000 handwritten, paper-based catalog records of its Silurian fossil invertebrate collections to electronic form in the KE Emu Collections Management System. The project will improve access to the collections and make information about them more accurate, engaging, and widely available to diverse audiences of research scientists, the general public, and students of all ages.
- The MPM's world famous typewriter collection is now making its way around the world electronically. http://oztypewriter.blogspot.com/2012/11/on-this-day-in-typewriter-history_7335.html
- The Museum has eight emeritus curators and nine adjunct curators as well as two honorary curators.
- In the past year, the museum has benefited from more than 23,600 hours of donated time from volunteers in the areas of docent tours, special events, collection help, and many other areas.

Financial Results (Audited)

Fiscal 2012 was a financially difficult year for the museum despite increasing attendance numbers for the museum. Base museum attendance, excluding the traveling exhibition, was up 15% over the prior year while the theater/planetarium was slightly down (1.4%). MPM's average annual attendance for the past ten years is 703,000. As has been previously reported, attendance for the Cleopatra Exhibition was well below expectations and the financial impact of that shortfall was significant, generating a (\$0.9 million) loss within the fiscal 2012 results.

Attached are audited financial statements for fiscal 2012. MPM is showing a total loss of (\$3.5 million) for the fiscal year. What caused this decrease? The primary reason was the expensing of \$3.4 million related to Pension and Retiree Medical obligations of a defined benefit plan. The \$3.4 million is made up of \$667,325 in cash payments to the plan and a \$2.7 million (non-cash) increase in the actuarially determined liability. This obligation relates to retiree benefits for certain employees inherited from Milwaukee County when the museum incorporated in 1992. The value of the pension plan assets contributed by MPM is \$5.7 million as of 9/30/12.

Without this expense our decrease in net assets would have been \$107,223. This reflects that our loss from the traveling exhibit was partially offset by new gifts to our capital campaign and investment income.

Similar to other institutions across the country with a defined benefit plan for retirees, MPM faces the challenge of the growth in this liability. It should be noted that no one has been added to this plan since 1992.

Milwaukee Public Museum

Museum management took actions to change the structure of the museum and reduce the dependence on the financial success of traveling exhibits. These actions have positioned MPM for a more sustainable financial future.

As reflected in the County Budget, MPM continues to work to revise the existing Lease and Management Agreement (LMA) by the first quarter of 2013.

Looking Forward

We continue to work on our infrastructure and permanent exhibits to improve the museum-going experience for our visitors. “*Real Pirates*” opens to the public on December 14th. The exhibition will run through May 27, 2013.

Please contact me if you have any questions or concerns with the enclosed materials.

Sincerely,

Michael A. Bernatz

Michael A. Bernatz
Chief Financial Officer
Milwaukee Public Museum

Milwaukee Public Museum

MPM Consolidated Statement of Activities for the Year Ended 8/31/12					
	Yearend	Yearend		Prior Year	Prior Year
	<u>Actual</u>	<u>Budget</u>	<u>Dev</u>	<u>Actual</u>	<u>Change</u>
Revenue:					
Contributions and Membership	3,269,607	3,400,975	(131,368)	3,247,404	22,202
Special Event Revenue	555,902	479,550	76,352	401,665	154,237
Public Support	3,502,376	3,502,376	0	3,502,376	0
Admissions	2,874,678	6,023,487	(3,148,809)	2,086,432	788,246
IMAX/Planetarium	772,299	963,928	(191,629)	850,583	(78,285)
Programs	157,376	187,395	(30,020)	188,441	(31,065)
Contributed Services	312,192	0	312,192	288,824	23,368
Restaurant and Facility Rental	266,761	403,764	(137,003)	388,947	(122,186)
Retail	567,074	744,557	(177,483)	740,594	(173,520)
Other income	201,382	103,345	98,037	117,861	83,522
Net assets released from restrictions	1,708,017	951,904	756,113	1,119,365	588,652
Total Unrestricted Revenue	14,187,664	16,761,280	(2,573,615)	12,932,492	1,255,172
Operating Expenses:					
Curatorial	1,261,436	1,173,528	87,908	1,266,901	(5,465)
Exhibits	3,523,118	4,403,409	(880,291)	1,019,556	2,503,562
Special Events	253,111	203,000	50,111	169,977	83,134
Imax/Planetarium	624,176	652,106	(27,931)	736,414	(112,238)
Programs	529,158	522,996	6,162	571,632	(42,474)
Contributed Services	312,192	0	312,192	288,824	23,368
Restaurant and Facility Rental	64,889	53,841	11,048	90,260	(25,371)
Retail	507,646	580,729	(73,083)	638,205	(130,559)
Fundraising	1,179,566	1,196,168	(16,602)	1,034,695	144,871
Administrative	2,216,986	2,862,729	(645,744)	2,264,790	(47,804)
Facilities	3,273,197	3,005,802	267,395	3,144,645	128,552
Interest	217,810	215,400	2,411	249,893	(32,082)
Marketing	598,177	507,634	90,542	589,807	8,370
Depreciation	1,415,410	1,309,421	105,989	1,510,418	(95,008)
Total Operating Expenses	15,976,869	16,686,763	(709,893)	13,576,015	2,400,855
Inc (dec) in unrestricted net assets before non operating items	(1,789,205)	74,517	(1,863,722)	(643,522)	(1,145,683)
Non Operating Items:					
Pension & Post Retirement Benefits Expense	(3,417,852)	(744,000)	(2,673,852)	(494,872)	(2,922,980)
Investment Earnings	157,998	0	157,998	237,981	(79,983)
Gain on Refinancing	0	0	0	10,853,676	(10,853,676)
Loss on interest rate swap liability	(11,530)	0	(11,530)	(273,014)	261,485
Total Non Operating Items	(3,271,383)	(744,000)	(2,527,383)	10,323,770	(13,595,154)
Inc (dec) in unrestricted net assets	(5,060,589)	(669,483)	(4,391,106)	9,680,248	(14,740,837)
Changes in Temporarily Restricted Net Assets:					
Contributions	2,936,825	5,135,295	(2,198,470)	1,810,932	1,125,893
Investment Earnings	296,056	0	296,056	415,677	(119,621)
Net assets released from restrictions for operations	(1,708,017)	(951,904)	(756,113)	(1,119,365)	(588,652)
Inc (dec) in temporarily restricted net assets	1,524,864	4,183,391	(2,658,527)	1,107,244	417,620
Changes in Permanently Restricted Net Assets:					
Contributions	3,500	3,000,000	(2,996,500)	105,027	(101,527)
Investment Earnings	7,153	0	7,153	9,905	(2,752)
Net assets released from restrictions for operations	0	0	0	0	0
Inc (dec) in permanently restricted net assets	10,653	3,000,000	(2,989,347)	114,932	(104,279)
Inc (dec) in Net Assets	(3,525,071)	6,513,908	(10,038,979)	10,902,424	(14,427,496)
Total Net Assets at Beginning of Period	12,674,712	12,674,712	0	1,772,288	10,902,424
Total Net Assets at End of Period	9,149,641	19,188,620	(10,038,979)	12,674,712	(3,525,072)

Milwaukee Public Museum

MPM Consolidated Statement of Financial Position as of 8/31/12			
	Consolidated	Consolidated	
	<u>8/31/12</u>	<u>8/31/11</u>	<u>Change</u>
Assets:			
Cash and cash equivalents	1,656,825	2,294,845	(638,020)
Investments	279,247	289,934	(10,687)
Accounts Receivable	66,151	59,918	6,233
Contributions Receivable - Current	1,017,451	999,612	17,839
Inventories, net	23,411	29,043	(5,632)
Prepaid Expenses	247,780	387,031	(139,251)
Total Current Assets	3,290,865	4,060,383	(769,518)
Other Assets:			
Cash and investments held for endowment	6,462,411	6,936,255	(473,844)
Contributions Receivable - Long Term	2,228,892	946,907	1,281,985
Total Other Assets	8,691,303	7,883,162	808,141
Property & Equipment:			
Construction in Progress	117,792	50,753	67,039
Building Additions	19,310,494	19,221,371	89,123
Furniture, equipment and other improvements	10,607,954	10,459,037	148,917
Gross Property & Equipment	30,036,241	29,731,161	305,080
Less-Accumulated depreciation	(15,035,232)	(13,742,303)	(1,292,929)
Net Property & Equipment	15,001,008	15,988,858	(987,850)
Total Assets	26,983,176	27,932,403	(949,227)
Liabilities and Net Assets:			
Accounts Payable	894,676	503,920	390,756
Accrued Payroll & Benefits	531,990	670,803	(138,813)
Deferred Revenue	1,216,537	1,093,213	123,324
Interest Payable	17,852	18,867	(1,015)
Accrued Postretirement Benefits - Current	118,166	102,548	15,618
Notes Payable - Current	262,000	262,000	0
Total Current Liabilities	3,041,221	2,651,351	389,870
Accrued Postretirement Benefits	10,162,770	7,726,326	2,436,444
Interest Rate Swap Liability	284,544	273,014	11,530
Notes Payable	4,345,000	4,607,000	(262,000)
Total Liabilities	17,833,535	15,257,691	2,575,844
Net Assets:			
Unrestricted	48,302	5,108,891	(5,060,589)
Temporarily Restricted	5,271,460	3,746,596	1,524,864
Permanently Restricted	3,829,878	3,819,225	10,653
Total Net Assets	9,149,641	12,674,712	(3,525,071)
Total Liabilities and Net Assets	26,983,176	27,932,403	(949,227)

FPA 3
Judiciary

**COUNTY OF MILWAUKEE
INTER-OFFICE MEMORANDUM**

Referred

NOV 30 2012

County Board
Chair

DATE: November 26, 2012

FILE NO. 12-958

TO: Supervisor Marina Dimitrijevic, County Board Chairwoman

FROM: John Barrett, Clerk of Circuit Court/Register in Probate

SUBJECT: Legal Aid Society GAL Contract

Request

The Clerk of Circuit Court is requesting authorization to enter into a contract with the Legal Aid Society, a non-profit organization in the amount of \$1,814,400 in 2013, \$1,834,000 in 2014 and \$1,859,200 in 2015. This contract allows legal staff from the Legal Aid Society to represent indigent parties in Milwaukee County Family and Children's court cases as appointed by the Courts. This contract is the result of a Request for Proposal process and is also a continuation of a long-standing and successful relationship between the Courts and the Society.

There are sufficient funds in the budget to cover the cost of the contract.

Fiscal

The cost of this contract is \$1,814,400 in 2013, \$1,834,000 in 2014 and \$1,859,200 in 2015. There are sufficient funds in the Combined Courts Related Operations budget to cover these costs.

John Barrett

smg

- cc: Supervisor Willie Johnson, Jr., Co-Chair, Finance, Personnel and Audit Committee
- Supervisor David Cullen, Co-Chair, Finance, Personnel and Audit Committee
- Supervisor Mark Borkowski, Chair, Judiciary, Safety & General Services Committee



COMMUNITY BUSINESS DEVELOPMENT PARTNERS MILWAUKEE COUNTY

DBE Participation Recommendation - Professional Services

County Contract/Project Manager: _____ David P. Ehlinger, CPA _____ Date: _____ 11/20/12 _____
 Building: _____ Courthouse _____ Room No.: _____ 104-I _____ Phone: _____ 414-278-4635 _____
 Fund: _____ 0001 _____ Agency: _____ 200 _____ Org No. _____ 2821 & 2861 _____ Project No.: _____ n/a _____
 Project Name: _____ Guardian ad Litem services _____
 Work/Project Description (Scope): _____ Guardian ad Litem services as required by judicial appointment _____

Government Funding (State, Federal)? Yes _____ No XX If Yes, Type/Dept. _____
 [State or Federal (i.e. UMTA, DOT, FAA, etc.)]

Is Project/Contract: New ___ Existing ___ Amendment ___ Continuing XX Extension ___ Non-Profit Y/N ___
 (If Non-profit, please provide confirmation of Non-Profit Agency)

<u>Estimated Amount</u>	<u>Recommended DBE Participation (*)</u>
\$ <u>1,814,400 (2013)</u>	<u>Zero</u> _____ %

Contracting Opportunities (List SIC/NAICS codes - see DBD-012PS A form) _____

8111	561110	Legal Services
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RFP will be used (Yes/No) ___ Yes ___ Advertising Date: _____ 7/30/12 _____ Proposal Due Date: _____ 9/14/12 _____
 County Board Approval ___ Pending ___ County Board Committee: ___ (a) Finance and (b) Judiciary _____

(*) A Zero (0%) percent total requires a WAIVER. If a Waiver is requested, please provide a detailed explanation, the completed Waiver Request (DBE-07) form, and have the Department/Division Head sign below.

Efficiencies are obtained both in the Clerk of Circuit Court's office as well as by judicial review by having one vendor performing the majority of Guardian ad Litem Services. The Legal Aid Society of Milwaukee is the only local law firm large enough to handle the case volume of the contracted 2,800 cases per year.

 John Barrett, Clerk of Circuit Court / Register in Probate
 Department/Division Administrator

=====

(CBDP USE ONLY) Indicate Determination and Return Copy to Writer

Concur with Recommendation: _____, or provide the following goal: _____ %

The contract is exempt from the DBE goal: Yes _____ No _____

Approved: _____ Date: _____



COMMUNITY BUSINESS DEVELOPMENT PARTNERS
MILWAUKEE COUNTY

WAIVER REQUEST FORM

Completion of this form is required before a request for a DBE waiver can be approved.¹

Upon completion, please return to DBE Liaison Officer.

Please complete the following information:

Department Requesting Waiver: _____ **Clerk of Circuit Court**

Department Contact Person & Phone Number:

David P. Ehlinger, Fiscal Operations Administrator – Courts, 414-278-4635

Type of Contract Service (Service being provided & name of vendor/provider):

Legal Aid Society of Milwaukee

Guardian ad Litem services to represent indigent parties in Milwaukee County court cases as appointed by the Courts.

Contract Amount and Term: Each contract year is for 2,800 cases per year. Calendar year 2013 = \$4,814,400, calendar year 2014 = \$1,834,000, and calendar year 2015 = \$1,859,200

Rationale for Waiver Request (Why you are recommending no DBE participation?):

Within the Request for Proposal (RFP) process, only two firms submitted a proposal. The Legal Aid Society was the only firm to submit a proposal covering both Family Division and Children’s Division cases. Efficiencies are obtained both for the Clerk of Circuit Court’s office as well as judicial review by having one vendor performing the majority of Guardian ad Litem services. The Legal Aid Society is the only local organization large enough to handle the case volume.

Request for additional information:

A) What do you recommend directly or indirectly to include DBE participation?

B) If DBE participation is not possible, is there a way to improve equal employment opportunities?

The Legal Aid Society is one of the nation’s oldest, continuously operating public interest law firms. One of the goals of the firm, accomplished through this contract, is to provide free legal services to Milwaukee County’s most vulnerable residents who are too poor to afford legal counsel. More information can be found on their website, www.iasmilwaukee.com.

C) Can DBE participation be included for the contractor in other areas related or unrelated to this project?

No, the services provided are legal services.

¹ Authority to grant DBE waivers is vested in CBDP, in accordance with Federal regulations, 49 CFR, Part 26, and Milwaukee County Ordinances, Chapters 42.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/20/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Execution of Contract

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		1,814,400
	Revenue		
	Net Cost		1,814,400
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The proposed contract for 2013 through 2015 will allow the legal staff of the Legal Aid Society, a non-profit organization, the ability to represent indigent parties in Milwaukee County court cases as appointed by the Courts.

B. The contract provides for 2,800 cases each year as per the following schedule:

<u>Calendar year 2013</u>	<u>2,800 cases @ \$648/case = \$1,814,400</u>
<u>Calendar year 2014</u>	<u>2,800 cases @ \$655/case = \$1,834,000</u>
<u>Calendar year 2015</u>	<u>2,800 cases @ \$664/case = \$1,859,200</u>

C. There are sufficient funds to cover the cost of the contract in within A/C 0001-200-2821-6108 (Family Division) and A/C 0001-200-2861-6108 (Children's Division)

D. The contract between Milwaukee County and the Legal Aid Society is a renewal of an on-going contract.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By David P. Ehlinger, CPA

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

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(ITEM *) From the Clerk of Circuit Court requesting authorization to enter into a contract with the Legal Aid Society.

A RESOLUTION

WHEREAS, the Clerk of Circuit Court is requesting permission to enter into a three-year contract with the Legal Aid Society. The amount for the first year of the contract, from January 1 through December 31, 2013 will be \$1,814,400, the second year, from January 1 through December 31, 2014 will be \$1,834,000, and the third year, from January 1 through December 31, 2015 will be \$1,859,200;
And

WHEREAS, this contract allows legal staff from the Legal Aid Society to act as Guardians ad litem in Milwaukee County court cases involving indigent parties, as appointed by the Courts; and

WHEREAS, this contract is the result of a Request for Proposal process and also is the continuation of a long-standing and successful relationship between the Courts and the Society;

WHEREAS, there are sufficient funds in the budget to cover the cost of this contract; now, therefore

BE IT RESOLVED, that the contract between Milwaukee County and the Legal Aid Society is authorized to allow legal staff to act as Guardians ad litem in Milwaukee County Family and Children's court cases involving indigent parties, as approved by the courts.

Fiscal
The cost of the contract is \$1,814,400 in 2013, \$1,834,000 in 2014 and \$1,859,200 in 2015. There are sufficient funds in the Combined Courts Related Operational budget to cover these costs within accounts 0001-200-2821-6108 (Professional Services Recurring) and 0001-200-2861-6108 (Professional Services Recurring).

**GUARDIAN AD LITEM SERVICES FEE AGREEMENT BETWEEN
LEGAL AID SOCIETY OF MILWAUKEE, INC.
AND MILWAUKEE COUNTY**

Milwaukee County, a municipal body corporate in the State of Wisconsin, and the Legal Aid Society of Milwaukee, Inc., a Wisconsin non-profit corporation, hereinafter respectively described as "County" and "Society," agree as follows:

PREAMBLE

Milwaukee County and the Legal Aid Society of Milwaukee aspire to create a guardian ad litem office modeled on the *Best Practice Guidelines of the National Association of Counsel for Children*. The parties recognize that current economic realities facing Milwaukee County government preclude adequate funding to achieve the recommended caseload and other standards contained therein. Nonetheless, the County and the Society pledge their cooperation to work towards achieving their common aspiration, including but not limited to seeking outside funding for the guardian ad litem office.

I. PURPOSE.

Milwaukee County may be required by Wisconsin law or by order of a court to provide payment for services of guardians ad litem when authorized by the court. Guardians ad litem are allowed reasonable compensation for their services, which services are dependent upon court determination and review. The participating court-appointed counsel or guardians ad litem, whether as a law firm or as individuals, act as independent agents and are required to meet the professional standards of the courts, statutes, Rules of Professional Conduct for Attorneys, and legal community. Milwaukee County acts as a fiscal agent in cases where payment is authorized by the court to be made by the County for reasonable compensation for services. The purpose of this agreement is to set forth the fiscal procedures and proper use and fee schedule for payment.

II. SOCIETY.

The Society agrees to and understands the following:

- A. The Society shall provide legal representation to indigent minors and incompetents in all Milwaukee County Circuit Court branches as duly appointed guardians ad litem or other

court-appointed counsel. The staff for this representation shall be sufficient to provide the services required by this agreement, as determined by the Society, including lawyers, investigative social workers, and support staff.

- B. The Society shall provide administrative, supervisory, and consultant services necessary for efficient operations and fulfillment of obligations assumed by it herein.
- C. The Society and its personnel shall comply with all federal, state and local laws and regulations and shall maintain in good standing all licenses and certifications relating to the services provided pursuant to this agreement. GALs shall meet face to face with wards before all contested final hearings.
- D. Legal representation shall consist of providing guardian ad litem services or other court-appointed counsel in 2,800 cases per year from January 1, 2013 through December 31, 2015. A "case" for this purpose shall be defined as (1) each new petition, which shall include the first Permanency Plan hearing; (2) each subsequent Permanency Plan Review on a TPR or CHIPS case where no other petition is pending; (3) each new petition for a sibling where an existing order exists; (4) each objection to a notice of change in placement, each counting as one case; (5) each case with a jury trial demand, where discovery has been completed and the case prepared for trial, shall count as an additional separate case; (6) each *Machner* hearing in which the GAL acts as appellate counsel shall count as an additional separate case; (7) each Court of Appeals or Supreme Court proceeding in which a Notice of Appeal is served on the GAL shall count as an additional separate case; (8) each Family Court matter in which a paternity case is filed against a third party after the husband defeats the marital presumption shall count as an additional separate case; (9) each Children's Court case in which a parent enters Phase II of the Family Drug Treatment Court shall count as an additional separate case.
- E. The Society may elect to accept appointments from the Milwaukee County Circuit Court to provide representation in more cases than required by paragraph II-D, *supra*. In the event that such additional cases are accepted by the Society, Milwaukee County shall compensate the Society for each case in the amount of \$648 for cases in excess of 2,800 accepted in calendar year 2013, \$655 for cases accepted in 2014, and \$664 for cases accepted in 2015. Such compensation shall be made within fifteen (15) days of the Office of the Clerk of Court's receiving an affidavit from the Executive Director of the

Society, attesting to the number of cases to which the Society has been appointed in excess of the amount provided for in paragraph II-D of this agreement. This affidavit may be submitted as soon as an appointment by the Court is accepted by the Society or at any time thereafter.

- F. Annually, the Society shall submit a certified audit report of its income and disbursements. The audit report shall include:
- 1) Explicit assurance that, on the basis of normal tests, documentation of expenditures charged to the County is adequate in terms of criteria generally applied for income tax purposes, and that the expenditures are consistent in nature with the intent of the County's appropriations and with normal County expenditure limitations.
 - 2) Representatives of Milwaukee County shall have the right of access to financial and other records of the Society as may be necessary to evaluate or confirm the Society's charges for services performed under the contract.
- G. The Society shall prepare, when requested upon reasonable notice, monthly statistical data (including case number and type) demonstrating the nature and volume of work performed in each area of service in a requested month, in compliance with statutory reporting requirements.

III. COUNTY.

The County agrees to and understands the following:

- A. Milwaukee County shall continue to provide the Society with suitable furnished office space, as well as providing office furniture and machines, telephone services, interface with the Circuit Court's computerized case calendaring and case management system, file storage space, heat, light, maintenance and janitorial service at the Milwaukee County Children's Court Center. The Society shall continue to provide office space at its downtown office for Society staff serving the branches of the Milwaukee County Circuit Court located at 901 North Ninth Street, Milwaukee, Wisconsin.
- B. Payment totaling \$1,814,400 (=2,800 x \$648) shall be remitted in twelve monthly installments of \$151,200 during the 2013 calendar year. Payment totaling \$1,834,000 (=2,800 x \$655) shall be remitted in twelve monthly installments of \$152,833.33 during

the 2014 calendar year. Payment totaling \$1,859,200 (=2,800 x \$664) shall be remitted in twelve monthly installments of \$154,933.33 during the 2015 calendar year.

- C. The Society shall receive reimbursement at Milwaukee County's standard rate for out-of-county home visits that take place more than 50 miles from Milwaukee County. GALs in Family Court cases shall not be required to prepare orders, findings, and judgments in cases where at least one party is represented by private counsel.
- D. In the event that the County determines, based on the statistical data submitted pursuant to sec. II-G, *supra*, or through other accurate information, that the Society is unlikely to accept the number of appointments required by this fee agreement as provided in sec. II-D, *supra*, the County may prorate the monthly payments required by sec. II-B, *supra*, so that the total of the payments corresponds to the fraction of cases accepted as compared to the case levels set forth in sec. II-D, *supra*. If, at the end of this contractual term, the Society has accepted payments that exceed the multiplied product of the number of cases accepted times the average cost per case provided herein for the applicable calendar year, it shall refund to the County the amount that exceeds this product.

IV. **ADDITIONAL PROVISIONS.**

- A. Subject to prior approval of the Milwaukee County Board of Supervisors, this contract may be extended upon mutual consent with payments hereunder continuing on a monthly basis for the period of such extension.
- B. The Society shall notify the County in writing whenever it is unable to provide the required quality or quantity of services. Upon such notification, the parties shall mutually determine whether such inability will require a revision or termination of this agreement.
- C. The Society is, at all times, acting and performing as an independent contractor, duly authorized to perform the acts hereunder. The Society's staff are not employees of Milwaukee County.
- D. Indemnity: Except for acts done or taken at the direction of, or pursuant to County policy, procedures or personnel, or injuries occurring on County property allegedly due to property condition or maintenance, the Society shall indemnify, to the fullest extent permitted by the law, the County and its agents, officers and employees, from and against all loss or expense, including costs and attorneys' fees by reason of liability for damages,

including suits at law or in equity, caused solely, or, if in part then to that extent, by an wrongful, intentional or negligent act or omission of the Society or its agents, which may arise out of, or are in any manner connected with, the activities inherent in this agreement. It is not intended by this provision that the Society shall be obligated to defend or indemnify the County as a consequence of any claim wherein there are allegations, claims and/or findings against the County because of County policies, procedures, acts or omissions of County employees or directions given by County personnel to the Society or its personnel. The Society understands and agrees that financial responsibility for such claims or damages for bodily injury or property damage, including loss of use to any person or the Society's employees and agents, shall rest with the Society to the extent herein provided. The Society shall effect or maintain any insurance coverage, including but not limited to, Wisconsin Worker's compensation, Employer's Liability, and General, Professional and Automobile Liability, to support such financial obligations. This indemnification obligation shall not be reduced in any way by limitation on the amount or type of damages, compensation, or benefits payable under Worker's Compensation Acts or insurance provisions.

E. Non-Discrimination, Equal Employment Opportunity and Affirmative Action.

- 1) No eligible client shall be denied services or be subject to discrimination because of age, race, religion, color, sex, national origin, sexual orientation, handicap, physical condition, or other developmental disability.
- 2) The Society agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, sex, national origin, sexual orientation, handicap, physical condition, or other developmental disability as defined in sec. 51.01, Wis.Stats.
- 3) The Society agrees to comply with the provisions of sec. 56.15, Milwaukee County General Ordinances, Equal Employment Opportunity Certificate for Milwaukee County, which is incorporated herein by reference.

F. The Legal Aid Society shall comply with rules of the First Judicial Administrative District as published by the Chief Judge, reserving, however, its right to exercise independent professional discretion in representing the rights of its clients, consistent with the Rules of Professional Conduct for Attorneys.

- G. The validity, legality, and all matters relating to the interpretation and effect of this agreement, including any rider thereto, shall be governed by the laws of the State of Wisconsin and United States Constitution.
- H. This contract may be terminated by either party providing 120 days written notice to the other party. In the event of such termination, all property of Milwaukee County shall be returned.
- I. This agreement shall commence January 1, 2013, and terminate December 31, 2015.
Dated and executed this 25th day of November, 2012.

MILWAUKEE COUNTY

LEGAL AID SOCIETY
OF MILWAUKEE, INC.

Clerk of Circuit Court/Register in Probate

Executive Director
(No corporate seal)

Approved as to Form, Independent Contractor Status, and Risk Management:

Corporation Counsel

Department of Administration
(Risk Management)

Approved on behalf of the Judiciary of the Milwaukee County Circuit Court:

Chief Judge, Milwaukee County Circuit Court

County of Milwaukee
Inter-Office Communication

Date: October 22, 2012

To: Willie Johnson, Jr., Co-Chair, Finance, Personnel, & Audit Committee
David Cullen, Co-Chair, Finance, Personnel, & Audit Committee

From: John Barrett, Clerk of Circuit Court / Register in Probate 

Subject: Projected revenue deficits

As per Milwaukee County Ordinance 56.02, the Milwaukee County Combined Courts Related Operations is reporting projected line item revenue deficits for the following accounts:

Account Number	Account Description	Projected (deficit) as per	
		June 2012 ledger	Sept 2012 ledger
1322	Forfeitures - bail	(557,965)	(522,126)
3160	General action large claims	(88,172)	(158,531)

With the success of the Alternatives to Incarceration Program, fewer individuals are being put on bail which results in less potential forfeitures to occur. The requested budget for 2013 has already lowered the projected revenue by \$200,000. In regards to General Action Large Claims, the revenue has been trending downward since the beginning of the year. A large contributing factor is the slow economy which affects collection rates.

These shortfalls are projected to be offset by other departmental savings. The September fiscal projection is for a small departmental surplus of \$29,452.

John Barrett
Clerk of Circuit Court / Register in Probate

/dpe

C: Chris Abele, County Executive
Marina Dimitrijevic, County Board Chair
Mark Borkowski, Chair, Judiciary, Safety, & General Services Committee
Scott Manske, Controller
Steve Cady, County Board Fiscal and Budget Analyst
Patrick Farley, Administrator, Department of Administrative Services
Josh Fudge, Fiscal Management Analyst, Department of Administrative Services
Jeffrey A. Kremers, Chief Judge
Bruce Harvey, District Court Administrator
James J. Smith, Chief Deputy, Milwaukee County Clerk of Circuit Court
David P. Ehlinger, CPA, Fiscal Operations Administrator – Courts

County of Milwaukee
Inter-Office Communication

Date: October 30, 2012

To: Willie Johnson, Jr., Co-Chair, Finance, Personnel, & Audit Committee
David Cullen, Co-Chair, Finance, Personnel, & Audit Committee

From: John Barrett, Clerk of Circuit Court / Register in Probate 

Subject: Foreclosure mediation project extension, October 2012 through December 2013

The Milwaukee County Clerk of Circuit Court's Office is requesting the extension of the partnership with our department, the Wisconsin Department of Justice, and the Metro Milwaukee Mediation Services, Inc. to extend the foreclosure mediation project through December 2013.

This successful program works to create an effective foreclosure intervention strategy to keep families in their homes that otherwise would have been displaced by foreclosure. Since 2009, 85% of families assisted have been within Milwaukee County. In addition, services are being expanded to bring foreclosure mediation services to regional centers in the State of Wisconsin with significant concentrations of foreclosure filings not presently being served.

I am respectfully requesting that your committee support this program extension at your December regular meeting and thus forward the resolution to the County Board for approval.

Signed,



John Barrett
Clerk of Circuit Court / Register in Probate

/dpe

C: Mark Borkowski, Chair, Judiciary, Safety, & General Services Committee
Jeffrey A. Kremers, Chief Judge
Debra Tuttle, Program Director, Metro Milwaukee Mediation Services, Inc.
James J. Smith, Chief Deputy, Milwaukee County Clerk of Circuit Court
David P. Ehlinger, CPA, Fiscal Operations Administrator – Courts



**COMMUNITY BUSINESS DEVELOPMENT PARTNERS
MILWAUKEE COUNTY**

DBE Participation Recommendation - Professional Services

County Contract/Project Manager: _____ David P. Ehlinger _____ Date: 10/24/12
 Building: _____ Courthouse _____ Room No.: 104 Phone: 414-278-4635
 Fund: _____ 0001 _____ Agency: _____ 200 _____ Org No. 2806 Project No.: _____
 Project Name: _____ Foreclosure mediation _____

Work/Project Description (Scope):

Legal services to perform mediation between lending institutions and homeowners in an attempt to keep homeowners in their homes and prevent foreclosures.

Government Funding (State, Federal)? Yes 100% No _____ If Yes, Type/Dept. Federal passed through Wisc DOJ
 [State or Federal (i.e. UMTA, DOT, FAA, etc.)]

Is Project/Contract: New ___ Existing X Amendment _____ Continuing _____ Extension X Non-Profit Yes
 (If Non-profit, please provide confirmation of Non-Profit Agency) Articles of Incorporation received and reviewed.

_____ Estimated Amount _____	_____ Recommended DBE Participation (*) _____
\$ <u>458,550</u>	<u>Zero</u> _____ %

Contracting Opportunities (List SIC/NAICS codes - see DBD-012PS A form) _____

8111	561110	Legal Services
------	--------	----------------

RFP will be used (Yes/No) No Advertising Date: _____ n/a _____ Proposal Due Date: _____
 County Board Approval _____ County Board Committee: _____ Finance, Personnel & Audit _____

(*) A Zero (0%) percent total requires a WAIVER. If a Waiver is requested, please provide a detailed explanation, the completed Waiver Request (DBE-07) form, and have the Department/Division Head sign below.

Mediation services between financial institutions and homeowners to keep home owners in their homes.

 John Barlett, Clerk of Circuit Courts
 Department/Division Administrator

=====

(CBDP USE ONLY) Indicate Determination and Return Copy to Writer

Concur with Recommendation: _____ X _____, or provide the following goal: _____ %
 The contract is exempt from the DBE goal: Yes _____ No X _____

Approved: _____
 Date: 10/29/2012

DBE-12PS (02/01/12) Previous Editions Obsolete



COMMUNITY BUSINESS DEVELOPMENT PARTNERS
MILWAUKEE COUNTY

WAIVER REQUEST FORM

Completion of this form is required before a request for a DBE waiver can be approved.¹

Upon completion, please return to DBE Liaison Officer,

Please complete the following information:

Department Requesting Waiver: Combined Courts Operations

Department Contact Person & Phone Number:

David P. Ehlinger, CPA 414-278-4635

Type of Contract Service (Service being provided & name of vendor/provider):

Metro Milwaukee Foreclosure Mediation Services, Inc. (Vendor 72125)

Mediation services between financial institutions and banks attempting to prevent foreclosures and allow the homeowner to remain in their home.

Contract Amount and Term: \$458,550 October 2012 through December 2013

Rationale for Waiver Request (Why you are recommending no DBE participation?):

This is an extension of a Memorandum of Understanding between Milwaukee County and the Wisconsin Department of Justice.

The vendor listed above began performing the work for the County in March 2012.

Request for additional information:

A) What do you recommend directly or indirectly to include DBE participation?

This is a Wisconsin non-stock corporation that believes their activities qualify for 501(c) tax exempt status. The corporation is managed by females.

B) If DBE participation is not possible, is there a way to improve equal employment opportunities?

This is a female managed business.

C) Can DBE participation be included for the contractor in other areas related or unrelated to this project?

No, this is for legal services.

¹ Authority to grant DBE waivers is vested in CBDP, in accordance with Federal regulations, 49 CFR, Part 26, and Milwaukee County Ordinances, Chapters 42.

SECOND MEMORANDUM OF AGREEMENT

BETWEEN THE WISCONSIN DEPARTMENT OF JUSTICE AND MILWAUKEE COUNTY

For October 1, 2012 through December 31, 2013

I. PURPOSE

This Agreement is entered into between the Wisconsin Department of Justice (DOJ) and Milwaukee County, a Wisconsin Municipal Corporation, by the Clerk of Circuit Court, (Milwaukee County) for the purpose of providing financial support to Milwaukee County for costs related to (1) the Metro Milwaukee Foreclosure Mediation Program (MMFMP) for the period beginning January 1, 2013 and ending December 31, 2013 and (2) to support related foreclosure activities throughout the state under the program to be known as the Wisconsin Foreclosure Mediation Network, all as operated by the Metro Milwaukee Mediation Services, Inc., (MMMS) for the period beginning October 1, 2012 through December 31, 2013.

There is a related Agreement between the parties entered into on February 22, 2012. This Agreement does not alter, amend or disturb this prior Agreement.

There is a separate Service Contract between Milwaukee County and Metro Milwaukee Mediation Services, Inc., regarding the operation of MMFMP and the Wisconsin Foreclosure Mediation Network. In recognition of MMMS's undertaking to perform these services, MMMS is a signatory to this Agreement.

This Agreement shall become effective only upon an authorizing resolution passed by the Milwaukee County Board.

II. FUNDING

In 2012, DOJ secured funding pursuant to a Joint State-Federal Mortgage Servicing Settlement with the nation's five largest mortgage servicers. Under the settlement, each State's Attorney General is empowered to designate the use of such funds for various purposes, including, but not limited to: state and local foreclosure mediation programs, foreclosure assistance hotlines, housing counselors, and legal assistance.

DOJ hereby allocates the total sum of \$458,550 for the expansion and continuation of foreclosure mediation services consisting of:

1. \$230,000 for the purpose of continuing the services provided by the Metro Milwaukee Foreclosure Mediation Program, ("MMFMP") through Metro Milwaukee Mediation Services, Inc., during the period beginning January 1,

2013 and ending December 31, 2013, as set forth in the proposed MMFMP 2013 budget.¹

2. For the remainder of the 2012 calendar year, and retroactive to July 1, 2012, DOJ hereby allocates the sum of \$20,000 for the procurement of legal services, through a subcontract arrangement with a legal service provider selected by Metro Milwaukee Mediation Services, Inc., to assist Metro Milwaukee homeowner Program participants.
3. For the remainder of the 2012 calendar year, DOJ hereby allocates the sum of \$77,550 to procure the services of the Metro Milwaukee Mediation Services, Inc., for (1) the development, expansion and support, through sub-awards, of five Wisconsin regional foreclosure mediation administrative centers, (2) recruitment and training of mediators to serve on rosters throughout the state, and (3) to defray cost incurred in working with counties outside Milwaukee to enhance their existing mediation programs.
4. For the 2013 calendar year, DOJ hereby allocates the sum of \$131,000 to procure the services of Metro Milwaukee Mediation Services, Inc., for supporting the Wisconsin Foreclosure Mediation Network, including but not limited to ongoing mediator recruitment, training and mentoring, a part-time staff position to provide administrative support to the regional centers, a sub grant to support the delivery of ala carte legal services ancillary to the mediation process to homeowner participants, and a sub grant to procure services to assist homeowners prepare complete applications for mortgage assistance where such services are not otherwise available.

During the third quarter of 2013, DOJ will make a determination regarding funding for the 2014 calendar year for the Wisconsin Foreclosure Mediation Network and the Metro Milwaukee Foreclosure Mediation Program giving consideration to the level of demand for such services as well as the measured effectiveness of the programs during the first two quarters of the 2013.

III. PAYMENT DISTRIBUTION AND REPORTING

Funds provided to Milwaukee County Clerk of Courts under this Agreement shall be distributed on a quarterly basis beginning on October 1, 2012, or as soon thereafter as possible depending upon when the Milwaukee County Board adopts an authorizing Resolution, with such quarterly payments continuing until the later of October 1, 2013 or when grant funds are depleted. The Clerk of Courts shall send invoices prior to each quarterly distribution to:

¹ A copy of the proposed MMFMP budget is attached hereto and incorporated herein by reference. Funding is limited to the total allocation, but DOJ grants discretion to Metro Milwaukee Mediation Services, Inc., to make necessary reallocations within the budget as approved by their Board of Directors, provided that the reallocations are consistent with the operation of the MMFMP as described in its request for funding to DOJ.

John M. Martin
Bureau of Budget and Finance
Wisconsin Department of Justice
P.O. Box 7857
Madison, WI 53707-7857

The Clerk of Courts shall provide the DOJ liaison with periodic reports of the mediation program, and the activities of the positions to be funded under this MOA, and shall include in such reports information on program implementation, program structure, volume of requests and cases, program revenue, and other information requested by DOJ, all as furnished by Metro Milwaukee Mediation Services, Inc.

IV. LIAISONS

Liaison between DOJ and the Milwaukee County Clerk of Courts shall be made through the following contacts:

Steven P. Means
Executive Assistant
Division of Legal Services
Department of Justice

John Barrett
Milwaukee County Clerk of Courts

V. DURATION

This agreement shall cover the period from the date of execution by all parties and ending when grant funds are exhausted, projected to be December 31, 2013.

WISCONSIN DEPARTMENT OF JUSTICE²

By: Steve P. Means

Dated: 10-24-12

MILWAUKEE COUNTY CLERK OF COURT³

By: John Barrett

Dated 10-29-12

METRO MILWAUKEE MEDIATION SERVICES, INC

By: Debra Tuttle

Date: 10-21-12

² Agreement is same form as approved by Steve Means on September 9, 2012

³ Agreement in same form as approved by Attorney Paul Kuglitsch via email of October 5, 2012

11:21 AM
 09/17/12
 Cash Basis

Grant II - Metro Milwaukee Mediation Services, Inc.
Profit & Loss Budget Overview
 September through December 2012

	<u>Sep 12</u>	<u>Oct 12</u>	<u>Nov 12</u>	<u>Dec 12</u>	<u>TOTAL</u> <u>Sep - Dec 12</u>
Ordinary Income/Expense					
Income					
1000 · Non Profit Income		48,775.00		48,775.00	97,550.00
1100 · Services		750.00	750.00		1,500.00
Total Income		<u>49,525.00</u>	<u>750.00</u>	<u>48,775.00</u>	<u>99,050.00</u>
Gross Profit		49,525.00	750.00	48,775.00	99,050.00
Expense					
2000 · Salaries & Wages		2,408.00	2,408.00	2,408.00	7,224.00
2100*OE · Payroll Taxes & Insurance		425.00	425.00	425.00	1,275.00
2300 · Online Software		3,125.00	3,125.00	3,125.00	9,375.00
2500 · Utilities		75.00	75.00	75.00	225.00
2800 · Other Professional Fees	800.00	5,425.00	1,300.00		7,525.00
3000*OE · Office Expenses	350.00	350.00		400.00	1,100.00
3300 · Travel	275.00	275.00	275.00	275.00	1,100.00
3500 · Promotional		500.00	1,100.00		1,600.00
3600 · Meals and Entertainment	350.00	350.00			700.00
3900*OE · Sub-awards		17,917.00	11,250.00	11,248.00	40,415.00
4010 · Regional Center EC		3,000.00	1,000.00	1,000.00	5,000.00
4020 · Regional Center SW		3,000.00	1,000.00	1,000.00	5,000.00
4030 · Regional Center NW		3,000.00	1,000.00	1,000.00	5,000.00
4040 · Regional Center NE		3,000.00	1,000.00	1,000.00	5,000.00
4050 · Regional Center Central		3,000.00	1,000.00	1,000.00	5,000.00
Total Expense	<u>1,775.00</u>	<u>45,850.00</u>	<u>24,958.00</u>	<u>22,956.00</u>	<u>95,539.00</u>
Net Ordinary Income	<u>-1,775.00</u>	<u>3,675.00</u>	<u>-24,208.00</u>	<u>25,819.00</u>	<u>3,511.00</u>
Net Income	<u>-1,775.00</u>	<u>3,675.00</u>	<u>-24,208.00</u>	<u>25,819.00</u>	<u>3,511.00</u>

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 Cash Basis

Metro Milwaukee Mediation Services, Inc.
Profit & Loss Budget Overview
 January through December 2013

	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13
Ordinary Income/Expense						
Income						
1000 · Non Profit Income	90,250.00			90,250.00		
1100 · Services	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
1110 · Refunds	300.00	300.00	300.00	300.00	300.00	300.00
Total Income	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>
Gross Profit	97,550.00	7,300.00	7,300.00	97,550.00	7,300.00	7,300.00
Expense						
Rent or Lease	0.00	0.00	0.00	0.00	0.00	0.00
2000 · Salaries & Wages	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31
2100*OE · Payroll Taxes & Insurance	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00
2200 · Dues & Subscriptions	275.00		245.00		1,000.00	250.00
2300 · Online Software	1,175.00	975.00	975.00	975.00	975.00	975.00
2400 · Insurance	3,488.00					
2500 · Utilities	620.00	620.00	620.00	620.00	620.00	620.00
2600 · Legal & Professional Fees	310.00	310.00	310.00	310.00	310.00	310.00
2700 · Bank Charges	100.00	100.00	100.00	100.00	100.00	100.00
2800 · Other Professional Fees	400.00	150.00	150.00	150.00	150.00	150.00
3000*OE · Office Expenses	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00
3100 · Licenses & Regulatory Fees	100.00					
3200 · Purchases	2,000.00					
3300 · Travel	415.00	415.00	415.00	415.00	415.00	415.00
3400 · Travel Meals	30.00	30.00	30.00	30.00	30.00	30.00
3600 · Meals and Entertainment	430.00	30.00	30.00	780.00	30.00	30.00
3700 · Advertising	100.00	100.00	100.00	100.00	100.00	100.00
3800 · Tuition or Conference Fees	200.00	200.00	200.00	200.00	200.00	200.00
3900*OE · Sub-awards	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00
Total Expense	<u>42,118.31</u>	<u>35,405.31</u>	<u>35,650.31</u>	<u>36,155.31</u>	<u>36,405.31</u>	<u>35,655.31</u>
Net Ordinary Income	55,431.69	-28,105.31	-28,350.31	61,394.69	-29,105.31	-28,355.31
Net Income	<u><u>55,431.69</u></u>	<u><u>-28,105.31</u></u>	<u><u>-28,350.31</u></u>	<u><u>61,394.69</u></u>	<u><u>-29,105.31</u></u>	<u><u>-28,355.31</u></u>

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 09/17/12
 Cash Basis

Metro Milwaukee Mediation Services, Inc.
Profit & Loss Budget Overview
 January through December 2013

	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13
Ordinary Income/Expense						
Income						
1000 · Non Profit Income	90,250.00			90,250.00		
1100 · Services	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
1110 · Refunds	300.00	300.00	300.00	300.00	300.00	300.00
Total Income	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>
Gross Profit	97,550.00	7,300.00	7,300.00	97,550.00	7,300.00	7,300.00
Expense						
Rent or Lease	0.00	0.00	0.00	0.00	0.00	0.00
2000 · Salaries & Wages	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31
2100*OE · Payroll Taxes & Insurance	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00
2200 · Dues & Subscriptions						
2300 · Online Software	975.00	975.00	975.00	975.00	975.00	975.00
2400 · Insurance						
2500 · Utilities	620.00	620.00	620.00	620.00	620.00	620.00
2600 · Legal & Professional Fees	310.00	310.00	310.00	310.00	5,810.00	310.00
2700 · Bank Charges	100.00	100.00	100.00	100.00	100.00	100.00
2800 · Other Professional Fees	150.00	150.00	150.00	150.00	150.00	150.00
3000*OE · Office Expenses	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00
3100 · Licenses & Regulatory Fees						
3200 · Purchases						
3300 · Travel	415.00	415.00	415.00	415.00	415.00	415.00
3400 · Travel Meals	30.00	30.00	30.00	30.00	30.00	30.00
3600 · Meals and Entertainment	30.00	30.00	30.00	780.00	30.00	30.00
3700 · Advertising	100.00	100.00	100.00	100.00	100.00	100.00
3800 · Tuition or Conference Fees	200.00	200.00	200.00	200.00	200.00	200.00
3900*OE · Sub-awards	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00
Total Expense	<u>35,405.31</u>	<u>35,405.31</u>	<u>35,405.31</u>	<u>36,155.31</u>	<u>40,905.31</u>	<u>35,405.31</u>
Net Ordinary Income	62,144.69	-28,105.31	-28,105.31	61,394.69	-33,605.31	-28,105.31
Net Income	<u>62,144.69</u>	<u>-28,105.31</u>	<u>-28,105.31</u>	<u>61,394.69</u>	<u>-33,605.31</u>	<u>-28,105.31</u>

11:29 AM
09/17/12
Cash Basis

Metro Milwaukee Mediation Services, Inc.
Profit & Loss Budget Overview
January through December 2013

	<u>TOTAL</u>
	<u>Jan - Dec 13</u>
Ordinary Income/Expense	
Income	
1000 · Non Profit Income	361,000.00
1100 · Services	84,000.00
1110 · Refunds	3,600.00
Total Income	<u>448,600.00</u>
Gross Profit	448,600.00
Expense	
Rent or Lease	0.00
2000 · Salaries & Wages	210,615.72
2100*OE · Payroll Taxes & Insurance	28,452.00
2200 · Dues & Subscriptions	1,770.00
2300 · Online Software	11,900.00
2400 · Insurance	3,488.00
2500 · Utilities	7,440.00
2600 · Legal & Professional Fees	9,220.00
2700 · Bank Charges	1,200.00
2800 · Other Professional Fees	2,050.00
3000*OE · Office Expenses	14,460.00
3100 · Licenses & Regulatory Fees	100.00
3200 · Purchases	2,000.00
3300 · Travel	4,980.00
3400 · Travel Meals	360.00
3600 · Meals and Entertainment	2,260.00
3700 · Advertising	1,200.00
3800 · Tuition or Conference Fees	2,400.00
3900*OE · Sub-awards	136,176.00
Total Expense	<u>440,071.72</u>
Net Ordinary Income	<u>8,528.28</u>
Net Income	<u><u>8,528.28</u></u>

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(ITEM *) From the Clerk of Circuit Court requesting permission to receive not more than \$475,000 in funding from the Wisconsin Department of Justice (DOJ) pursuant to a Joint State-Federal Mortgage Servicing Settlement with the nation's five largest mortgage services, and to execute a professional service contract with Metro Milwaukee Mediation Services, Inc., allowing for expenditures of these funds within the existing Metro Milwaukee Foreclosure Mediation Program (MMFMP) and the Wisconsin Foreclosure Mediation Network, (WFMN) beginning upon receipt of funds as early as October 1, 2012 and continuing until funds are depleted, December 31, 2013, or later.

A RESOLUTION

WHEREAS, since 2009, the Metro Milwaukee Foreclosure Mediation Program (MMFMP) has been an effective foreclosure intervention strategy, keeping over 500 families in their homes that otherwise would have been displaced by foreclosure (85% in Milwaukee County). Further, the Program has generally served over 3500 homeowners in the metropolitan Milwaukee area. MMFMP key staff includes Chief Mediator/Executive Director Attorney Debra Tuttle and Program Director of Operations Attorney Amy Koltz, who are assisted by two full-time support people, and a roster of volunteer attorney mediators and law students. By order of the Chief Judge of Milwaukee County Circuit Court, lenders and loan servicers who seek a foreclosure judgment are required to provide notice of and application to the Program. If both parties choose to participate, a specially trained and insured mediator conducts a mediation session to discuss loan workouts or graceful exit plans. MMFMP is currently administered through the Milwaukee County Clerk of Circuit Courts, and is funded through December 2012.

WHEREAS, the need for the MMFMP is expected to continue into 2013. The annual rate of residential foreclosures in Milwaukee County exceeds 5,500, more than double the historical average of 1700 for the base year of 2000. In the first six months of 2012, as compared with the first six months of 2011, foreclosure filings in Milwaukee County have increased by 17%. Foreclosure represents a significant financial loss and personal tragedy for families who experience it and has far-reaching adverse impacts for Milwaukee neighborhoods, local governments, property values, the real estate market and the lending industry. Economic indicators continue to suggest that foreclosure filings will not return to normal levels for years to come.

WHEREAS, the need for foreclosure mediation services extends beyond the Metro Milwaukee area, and beyond Southeastern Wisconsin and MMMS has developed a toolkit

41 and technology to assist with the expansion of foreclosure mediation services in the State of
42 Wisconsin;

43

44 WHEREAS, DOJ has allocated funds to support MMFMP for 2013 and the expansion
45 of foreclosure mediation services through the Wisconsin Foreclosure Mediation Network
46 operated by MMMS under the continued administration by the Milwaukee County Clerk of
47 Circuit Courts;

48

49 WHEREAS, the DOJ has established a Second Memorandum of Agreement with the
50 Milwaukee County Clerk of Circuit Court for the purpose of providing financial support to
51 Milwaukee County for costs related to (1) the MMFMP for the period beginning January 1,
52 2012 through December 31, 2013 and (2) to support related foreclosure activities
53 throughout the state under the program to be known as the Wisconsin Foreclosure
54 Mediation Network, all as operated by MMMS for the period beginning October 1, 2012
55 through December 31, 2013.

56

57 WHEREAS, the Milwaukee County Clerk of Circuit Court will amend the existing
58 professional service contract with Metro Mediation Services, Inc., to continue the MMFMP
59 and operate the Wisconsin Foreclosure Mediation Network.

60

61 BE IT RESOLVED, that, based upon the proven success of the MMFMP as a
62 foreclosure intervention strategy, the Milwaukee County Board of Supervisors does hereby
63 authorize the Clerk of Circuit Court to (1) accept not more than \$475,000 in funding from
64 the Wisconsin Department of Justice in support of the Milwaukee Foreclosure Mediation
65 Program and the Wisconsin Foreclosure Mediation Network and (2) to authorize a
66 professional service contract with Metro Milwaukee Mediation Services, Inc., to expend a
67 total amount not to exceed the amount received from the Wisconsin Department of Justice,
68 and not to exceed \$475,000 to operate these two programs.

69

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MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 9/12/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Metro Milwaukee Foreclosure Mediation Program

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input checked="" type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input checked="" type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|--|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	97,550	361,000
	Revenue	97,550	361,000
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

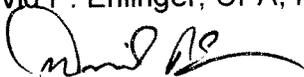
- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

As per the Memorandum of Understanding between the Wisconsin Department of Justice and the Milwaukee County Clerk of Circuit Court's office, an extension of the Metro Milwaukee Foreclosure Mediation Program is requested to be continued through December 31, 2013. The program is 100% grant funded. The vendor that is continued to be used is Metro Milwaukee Mediation Services, Inc.

There is no fiscal impact to Milwaukee County for this program.

Department/Prepared By David P. Ehlinger, CPA, Fiscal Operations Administrator - Courts

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes

No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

County of Milwaukee
Inter-Office Communication

Date: November 2, 2012

To: Willie Johnson, Jr., Co-Chair, Finance, Personnel, & Audit Committee
David Cullen, Co-Chair, Finance, Personnel, & Audit Committee

From: David Ehlinger, Fiscal Operations Administrator -- Courts

Subject: Petty cash within Combined Courts Operations

As part of the normal preparation for year-end, DAS has requested that all departments confirm the amounts of petty cash and/or change funds that each department has. Based upon my assessment of the current needs of our department, I am requesting that our authorized petty cash amounts as per Milwaukee County Code 15.17 be increased as follows:

Current Code Description	Municipal Code	Current Authorized	Proposed amounts		
			Description	Amount	Increase
Register in probate	15.17(2)(h)	100.00	Clerk of Circuit Court - Probate	200.00	100.00
Clerk of circuit court	15.17(2)(i)	300.00	Clerk of Circuit Court - Admin	700.00	400.00
Clerk of courts - C/M/T	15.17(2)(j)	500.00	Clerk of Circuit Court - Criminal	500.00	0.00
Clerk of civil court	15.17(2)(k)	300.00	Clerk of Circuit Court - Civil	1,150.00	850.00
Children's court center	15.17(2)(x)	250.00	Clerk of Circuit Court - Children	250.00	0.00
Total		1,450.00		2,800.00	1,350.00

Thank you in advance for your consideration.

Signed,



David P. Ehlinger, CPA

C: John Barrett, Clerk of Circuit Court / Register in Probate
James Smith, Chief Deputy Clerk of Circuit Court
Aimee Funck, Accountant III

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(ITEM) From the Clerk of Circuit Court, requesting an amendment to the Milwaukee County Code of General Ordinances to increase the department’s Imprest Fund by \$1,350, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the current amount authorized in the Clerk of Circuit Court’s Office Imprest Fund is \$1,450; and

WHEREAS, the Clerk of Circuit Court uses Imprest Funds for (a) cashier drawer daily starting funds, (b) change funds within coin-operated copy machines, and (c) petty cash reimbursements; and

WHEREAS, the Clerk of Circuit Court’s Office has identified a need to increase the departmental Imprest Fund based upon number of cashier drawers in usage as well as the installation of a coin-operated copy machine; and

WHEREAS, the Clerk of Circuit Court’s Office is requesting approval to increase the amount authorized in their Imprest Fund by \$1,350 for a total of \$2,800 within the department to properly and efficiently manage demands for Imprest Funds; and

WHEREAS, the increase in the departmental Imprest Funds will not affect department expenditures and will help to maintain efficiencies within the department; now, therefore

BE IT RESOLVED, that Milwaukee County General Ordinance Section 15.17(2)(h) is hereby amended to allow for an amount of \$200, which is an increase of \$100; and

BE IT FURTHER RESOLVED, that Milwaukee County General Ordinance Section 15.17(2)(i) is hereby amended to allow for an amount of \$700, which is an increase of \$400; and

BE IT FURTHER RESOLVED, that Milwaukee County General Ordinance Section 15.17(2)(k) is hereby amended to allow for an amount of \$1,150, which is an increase of \$850; and

BE IT FURTHER RESOLVED, that the Department of Administrative Services is hereby authorized to process an appropriation transfer to increase the expenditure authority for the Clerk of Circuit Court’s Imprest Fund; and

BE IT FURTHER RESOLVED, that the Milwaukee County Board of Supervisors does hereby approve the following amendment to the ordinance, accordingly,

AN ORDINANCE

To amend Section 15.17(2) of the Milwaukee County General Ordinances to reflect current needs for usage of the Clerk of Circuit Court’s Imprest Fund, accordingly,

The County Board of Supervisors of the County of Milwaukee does ordain as follows:

SECTION 1. Section 15.17(2) of the General Ordinances of Milwaukee County, is amended as follows:

15.17. Departmental imprest fund.

(1) Departmental imprest funds may be created from time to time by resolution of the county board for the purpose of enabling county departments to make direct disbursements in cases where such disbursements cannot be handled in the regularly prescribed manner. Expenditures from such departmental imprest funds shall be vouchered periodically by the respective department heads so that the imprest fund will be reimbursed for disbursements made. The sum of the unreimbursed items and cash on hand or in bank shall at all times equal the authorized imprest fund. It shall be the policy of the county to limit disbursements from the respective departmental imprest funds to only those items that cannot be paid in the regularly prescribed manner as, for example, postage, express charges, emergency relief grants, etc., except as specified in section 46.03 for the imprest fund of the department of health and human services.

(2) The following is a schedule of authorized imprest funds. Any part of such imprest funds authorized to be deposited in a public depository as indicated in each subsection of this section, may be withdrawn by check signed by the highest ranking official of each department or by an incumbent of a position so designated by such departmental official.

TABLE INSET:

		Amount	Bankable
h)	Register in probate	100 <u>200</u>	yes
(i)	Clerk of circuit court Clerk of circuit court - <u>Adm</u>	300 <u>700</u>	yes
(j)	Clerk of courts — C/M/T Clerk of circuit court - <u>Criminal</u>	500	yes
(k)	Clerk of civil court Clerk of circuit court - <u>Civil</u>	300 <u>1,150</u>	Yes
(x)	Children’s court center Clerk of circuit court - <u>Children</u>	<u>250</u>	Yes

78

79 **SECTION 2.** The provisions of this ordinance shall be effective upon passage and
80 publication.

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MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/3/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Clerk of Circuit Courts impress fund

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Clerk of Circuit Court's office is requesting an increase in impress funds from \$1,450 to \$2,800 for an increase of \$1,350. These funds are used for (1) cashier drawer daily starting funds, (2) change funds within coin-operated copy machines, and (3) petty cash reimbursements.

B. No additional cash outlay will be required by Milwaukee County, as required funds already exist within the Clerk of Circuit Court's office. The required journal entry will result in an increase to operating revenues of \$1,350 for A/C 0001-200-2811-4985 (cash short/over).

C. Any budgetary impact will be minimal as a result of the small unbudgeted revenue amount of \$1,350.

D. The request is being made as a result of the DAS requested verification of petty cash (impress funds) as of October 31, 2012.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By David P. Ehlinger, CPA

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Action Required

Finance Committee
County Board (2/3 Vote)

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2012 appropriations of the respective listed departments:

	<u>From</u>	<u>To</u>
1) <u>6435- AODA- Milwaukee Child Welfare</u>		
8135 – Vendor #5 Payments		\$250,000
2299 – Other St Grants & Reimbursement	\$250,000	

An appropriation transfer of \$250,000 is requested by the Director of the Department of Health and Human Services to receive revenue and establish expenditure authority within the Behavioral Health Division (BHD).

BHD and the Bureau of Milwaukee Child Welfare (BMCW) have entered an agreement to work together to administer a portion of BMCW ‘s Substance Abuse and Prevention Block Grant. BHD will coordinate care for clients that are involved with BMCW that have been identified as having substance use disorders as well as serve these clients through the Wiser Choice of Families provider network. In addition, BHD has expertise in providing quality AODA services as well as providing the appropriate client outcome data as required by the grant. As part of this agreement, BMCW has agreed to pay up to \$250,000 to BHD for services provided.

This transfer would allow the department to recognize revenue and to establish expenditure authority.

Approval of this transfer would result in a \$0 tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
2) <u>6443- Psychiatric Crisis Services</u>		
7770 - Drugs		\$260,000
6148 - Professional Services- Recurring Oper		250,000
8164 - Purchase of Service 81.52	\$250,000	
 <u>6373- Acute Adult Inpatient Serv.</u>		
7770 - Drugs		260,000
3713 - Rev Patient Services- Hospital	520,000	
 <u>6532- Facilities Maint. Admin</u>		
7170 - Electrical Materials		100,000
7199 - Other Building and Roadway Materials		42,000
8502 - Major Maint Building	142,000	

An appropriation transfer of \$912,000 is requested by the Director of the Department of Health and Human Services to receive revenue, establish expenditure authority and realign accounts within the Behavioral Health Division.

BHD has been working to increase patient revenue by increased focus on billing, follow-up on denied claims, and new contract agreements with private insurers. The department has also experienced a consistent census which also helps with revenue. As a result, revenue is increased by \$520,000, which is offset by an increase in expenditures to cover the deficit in pharmacy services.

In addition, the department has been proactive in resolving physical plant issues in an effort to prevent future citations, resulting in increased expenditures of \$142,000. This increase is offset by under spending in the major maintenance account of \$142,000.

The 2012 Budget includes \$250,000 in purchase of service expenditures for a contract to provide technical assistance with the implementation of recommendations from the Mental Health Redesign Task Force. In July of 2012, the board approved the contract with Zia partners to provide this service. As a result, \$250,000 is being transferred from purchase of services to professional services to better reflect the type of service being provided.

This transfer will allow the department to receive revenue, establish expenditure authority and realign accounts accordingly.

Approval of this transfer would result in a \$0 tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
3) <u>WP143011 and WP143012 Mitchell Park Greenhouse</u>		
#		
6146 – Prof. Serv-CAP/Major Maintenance		\$1,190,000
9706 – Prof Serv Div Services		\$285,000
8509 – Other Building Improvement- (CAP)		\$13,000,000
2299 – Other State Grants and Reimbursement	\$14,375,000	
4905 – Sale of Capital Assets	\$100,000	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$14,475,000 is requested by the Director of the Department of Parks, Recreation, and Culture to increase expenditure authority and revenue for Project WP143 Mitchell Park Greenhouse.

The Wisconsin Department of Transportation (WisDOT) is currently preparing the design for the Zoo Interchange Reconstruction. The property that the greenhouse at the County Grounds occupies will be acquired by WisDOT for the interchange improvements. The existing greenhouse will be demolished creating the need for a new greenhouse to support the specialized plant needs of the Mitchell Park

Conservatory. The cost for relocation of the greenhouse will be paid by WisDOT as part of the Zoo Interchange project.

In May 2012, a memorandum of understanding (MOU) between WisDOT and Milwaukee County was submitted by the Milwaukee County Department of Transportation (MCDOT) and approved by the County Board and County Executive. The MOU provides the County with state funds for the functional replacement of the existing greenhouse. Functional Replacement provides restoration of the status quo of the facility being displaced and does not include any increase in capacity or betterment. In addition to the approval of the MOU, an appropriation transfer was also approved that created expenditure authority and revenue for the Mitchell Park Greenhouse project. The scope of work associated with the \$350,000 transfer included the design work and construction document preparation aspects of the project.

In August 2012, pursuant to Section 5(h) of the MOU, Milwaukee County provided two bids for the construction of the new greenhouse facility. Pursuant to Section 5(l), WisDOT rejected both bids due to unusually high costs likely resulting from much of the construction time occurring over the winter season.

Since the initial bids were rejected, Milwaukee County staff has successfully negotiated with WisDOT a First Amendment to the MOU (Amendment) that extends the construction completion date to ease the difficulty of scheduling the many components of the construction and limit construction during the winter season. The Amendment includes \$100,000 of betterments beyond functional replacement of the existing greenhouse facility. The betterments include going from a chain linked fence to a metal shepherds hook fence around the facility and utilizing stone cladding instead of block concrete in some locations to improve the aesthetics of the facility. Various other sundry improvements are also being made. Financing for the betterments will be provided from future land sales and/or easement agreements between the County and WisDOT as part of the Zoo Interchange Project. A resolution is being submitted for the December County Board cycle by the MCDOT seeking approval of the Amendment.

This appropriation transfer will increase expenditure authority for the design phase of the project and create expenditure authority for the construction phase of the project. It will also cover other sundry costs eligible for reimbursement from WisDOT. Excluding the \$100,000 betterment included in the Amendment, all other eligible project costs for replacement of the greenhouse facility are anticipated to be reimbursed by WisDOT.

Construction bids are to be submitted to the County by November 28, 2012 and qualified bids will be delivered to WisDOT by November 30, 2012. Construction is anticipated to begin as soon as possible. Milwaukee County will need to vacate the current greenhouse facility by June 1, 2013. The County is expected to be able to occupy the new facility by August 31, 2013.

Approval of this transfer will result in a \$0 tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

Action Required
 Finance Committee
 County Board (Majority Vote)

WHEREAS, your committee has received from the Department of Administrative Services, Fiscal Affairs, departmental requests for transfer to the 2012 capital improvement accounts and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2012 capital improvement appropriations:

	<u>From</u>	<u>To</u>
1) <u>WA175021 C Concourse Checkpoint Expansion #</u>		
6146 – Prof. Serv- Cap/Major Mtce		\$150,000
0774 – Airport Development Fund	\$150,000	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$150,000 is requested by the Interim Director of the Department of Transportation and the Airport Director to increase expenditure authority for Project WA175021 C Concourse Checkpoint Expansion.

A July 2011 appropriation transfer created expenditure authority and revenue of \$472,000 in order to remodel the C Concourse Transportation Security Administration (TSA) checkpoint to allow for a 5th checkpoint lane. The construction of the checkpoint lane was completed in November 2011.

Southwest Airlines purchased AirTran Airways in 2011. Southwest is consolidating its operations from two gates on D Concourse to AirTran Airways' eight gates on C Concourse. In addition, US Airways will swap their two gates on C Concourse with Southwest Airlines' two gates on D Concourse, which will give Southwest ten gates on C Concourse. Other airlines on C Concourse are American Airlines (two gates) and United Airlines (two gates). United has merged with Continental and will be consolidating their operations onto the E Concourse.

The Southwest/AirTran schedule shows 58 departures per day. Importantly, most of these departures are with Boeing 737 aircraft with 143 seats. AirTran Airways flew approximately 52 departures per day with a combination of Boeing 737 (137 seats), Boeing 717 (117 seats) and regional jet aircraft (50 seats). Because of the Southwest activity, and particularly because of the larger aircraft, the C Concourse will be handling an estimated 35% of the total seats at GMIA and this number is expected to increase. Airport and Airline staff met with TSA officials on September 17, and determined that the TSA wait times will become unacceptable during peak periods and will not provide sufficient capacity for additional Southwest flight activity. This is unacceptable to Southwest, the other airlines on the C Concourse, and the airport operator, Milwaukee County. It appears that an eastward expansion of the checkpoint is most feasible.

This appropriation transfer will change the scope of the C Concourse Checkpoint Expansion project to increase the number of checkpoint lanes from five to eight. The appropriation transfer will also increase expenditure authority for the project by \$150,000 in order to provide funding for design services related to the expansion of the C Concourse checkpoint area. Financing will be provided from the Airport Development Fund (ADF) account. Upon completion of the design, airport staff will submit a fund transfer for project construction.

This fund transfer has no tax levy impact

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
2) <u>WG012012 1000 MG Waterspheroid Tank #</u>		
8527 – Land Improvements- (CAP)	\$52,855	
<u>WJ042012 HOC Shower Ventilation #</u>		
8509 – Other Building Improvement- (CAP)		\$52,855

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$52,855 is requested by the Director of the Department of Administrative Services (DAS) to decrease expenditure authority for Project WG012 1000 MG Waterspheroid Tank and to increase expenditure authority for Project WJ042 HOC Shower Ventilation.

The 2009 Adopted Capital Improvements Budget included an appropriation of \$309,400 for shower ventilation improvements at the County Correctional Facility South (CCFS). The CCFS had implemented various techniques to decrease the amount of moisture that is generated in the shower area at the CCFS including shower timers to prevent showers from running continuously. In spite of this and other efforts, there were still problems with moisture in the dorms. This moisture can create mold which can pose a health risk to inmates and create sanitation problem within the facility. The 20 dorms that are located in the South facility were built in 1999 and the piping has not been replaced since that time. A January 2011 appropriation transfer included an additional appropriation of \$312,500 in order to cover expenses that were not included in the original project scope. These additional expenses included the cost for placing sealant on the walls to provide insulation and the costs for providing Energy Recovery Units. In August 2012, the project was completed. This December 2012 appropriation transfer will be used to offset a \$52,855 shortfall in the project. This shortfall was primarily the result of the additional staffing costs that were incurred due to the rebidding of the project and extension of the project timeframe subsequent to the approval of the January 2011 appropriation transfer.

The 2009 Adopted Capital Improvements Budget and a 2009 appropriation transfer provided total expenditure authority of \$3,394,840 for the construction of a million gallon Waterspheroid (190' TCL) Tank on the Milwaukee County Grounds. Prior to the beginning of the project, an analysis indicated that shortly after 2010 the projected averaged daily demand would exceed the current 1.5 MG elevated storage, due to the increasing build out at the Milwaukee County Grounds. The construction on the project is complete except for minor punch list work. The project will be closed out by early 2013 and a surplus is projected that is able to be reallocated to the CCFS Shower Ventilation Project.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
3) <u>WO141011 Zoo Interchange #</u>		
6148 – Prof. Serv- Recurring Operations		\$120,976
2299 – Other State Grants and Reimbursements	\$120,976	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$120,976 is requested by the Interim Director of the Department of Transportation to increase expenditure authority and revenue for Project WO141 Zoo Interchange.

In May 2012, the County Board and County Executive approved a Memorandum of Understanding (MOU) between Milwaukee County and Wisconsin Department of Transportation (WisDOT) for the functional replacement of the County owned greenhouse facility. Pursuant to provisions of the MOU, WisDOT purchased the needed property interests on the 8.156-acre greenhouse property.

A July 2012 appropriation transfer created the Zoo Interchange project and provided an appropriation of \$240,687. The appropriation transfer used land sale proceeds to cover costs for legal services related to the Zoo Interchange project and perform a Fleet Maintenance facilities study. The Fleet Maintenance facilities study took into account how the operations are currently conducted over the course of a year, how those operations will be impacted by the WisDOT takings and what it may cost the County to make adjustments to the remaining properties to continue to provide cost effective services.

This December 2012 appropriation transfer will provide additional expenditure authority and state reimbursement revenue to finance the costs of the Fleet Maintenance facilities study. By approving this appropriation transfer, more funding will be available in the project to finance legal expenses related to the Zoo Interchange project.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
4) <u>WP090142 Washington Park Pool Improvements #</u>		
8527 – Land Improvements- (CAP)		\$52,500
6146 – Prof Serv- Cap/Major Maintenance		\$5,000
9706 – Professional Division Services		\$3,905
<u>WP090162 Kosciuszko Pool Improvements #</u>		
<u>(2010C Bonds)</u>		
8527 – Land Improvements- (CAP)	\$40,867	
<u>WP171011 McCarty Pool Liner #</u>		
<u>(2010C Bonds)</u>		
6030 – Advertising	\$100	
6050 – Contract Personal Services- Short	\$1,000	
6080 – Postage	\$100	
6146 – Prof Serv- Cap/Major Maintenance	\$13,238	
7930 – Photo, Prtg, Repro, & Bindg	\$100	
9706 – Professional Division Services	\$6,000	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$61,406 is requested by the Director of the Department of Parks, Recreation, and Culture and the Director of the Department of Administrative Services (DAS) to decrease expenditure authority for Project WP09016 Kosciuszko Pool Improvements and Project WP17101 McCarty Pool Liner and to increase expenditure authority for Project WP09014 Washington Park Pool Improvements.

The 2010 Adopted Capital Improvements Budget included an appropriation of \$184,800 for improvements to the heating system for the Kosciuszko. A new pool heater has been ordered and preparation for installation is 75% complete. Construction is anticipated to be complete by June 2013 and it is projected that surplus funds are available.

The 2010 Adopted Capital Improvements Budget included an appropriation of \$242,000 for the replacement of the pool liner at McCarty Park. A polyvinyl chloride (PVC) liner was needed to protect

the concrete structure of the pool from corrosion by chlorinated water. A similar PVC liner was installed at Wilson Park pool. The useful life of a PVC liner is 25 to 50 years. The liner was replaced with a PVC liner and the project has surplus funds available.

The 2010 Adopted Capital Improvements Budget included an appropriation of \$228,000 for the replacement of the pool liner at the Washington Park Pool. The original scope of the project was limited to the replacement of the existing pool liner with a polyvinyl chloride (PVC) liner in order to protect the concrete structure of the pool from corrosion by chlorinated water. During fall pool inspections, it was noted that other pool deficiencies were present in the pool equipment mechanical room. This appropriation transfer will provide additional expenditure authority to replace aged and corroded electrical service and distribution system components that are beyond their useful life. The additional funding will also be used retain a structural engineering consultant and replace a corroded beam and column. The beam supports the entire first floor system above the filter room and the column supports the men’s shower room floor. These improvements will be completed during the winter and spring and are needed to ensure proper operation of Washington Park Pool during the 2013 pool season.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
5) <u>WP281012 Scout Lake Pavilion Roof Replacement *</u>		
8527 – Land Improvements- (CAP)		\$34,367
<u>WP198012 Oakwood Golf Course Service Building</u>		
<u>Roof #</u>		
<u>(2010A Bonds)</u>		
8509 – Other Building Improvement- (CAP)	\$24,322	
9706 – Professional Division Services	\$6,000	
<u>WP172162 Vogel Park Pavilion HVAC #</u>		
<u>(2009E Bonds)</u>		
6146 – Prof Serv- Cap/Major Maintenance	\$4,045	
# Existing Project, + Included in 5-Year Plan, * New Project		

An appropriation transfer of \$34,367 is requested by the Director of the Department of Parks, Recreation, and Culture and the Director of the Department of Administrative Services (DAS) to decrease expenditure authority for Project WP19801 Oakwood Golf Course Service Building Roof and Project WP17216 Vogel Park Pavilion HVAC and to create Project WP28101 Scout Lake Pavilion Roof Replacement.

The Scout Lake Pavilion was originally constructed in 1967. The Scout Lake Pavilion roof is original to the structure and is extremely deteriorated with numerous soft spots. This appropriation transfer will provide expenditure authority so that the shingle roof can be replaced and so that additional work can be done. The additional work will include replacement of a section of the decking with new plywood, installation of a new lead pipe flashing, installation of a new wall vent, removal of debris, and other punch list items.

An October 2011 appropriation transfer included an appropriation of \$46,000 for the replacement of the Oakwood Golf Course Service Building roof. The building was originally constructed in the 1970's and the roof had exceeded the end of its useful life. The replacement of the roof has been completed and surplus funds are available to be reallocated to another project.

An October 2009 appropriation transfer included an appropriation of \$59,000 for the replacement of the furnace at Vogel Park Pavilion. The furnace has been installed and surplus funds are available to be reallocated to another project.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
6) <u>WZ110014 Penguin Chiller Replacement *</u>		
8551 – Mach & Equip-Repl>\$2,500		\$65,000
<u>WZ093012 Zoo Storm Drains and Manholes #</u>		
<u>(2010A Bonds)</u>		
8527 – Land Improvements- (CAP)	\$65,000	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$65,000 is requested by the Director of the Milwaukee County Zoo and the Director of the Department of Administrative Services (DAS) to increase expenditure authority to create Project WZ110 Penguin Chiller Replacement and to decrease expenditure authority for Project WZ093 Zoo Storm Drains and Manholes.

The chiller located in the Aviary Building stopped working due to a failure in the heat exchanger copper tubing. The chiller maintains water temperatures at 45 degrees for the indoor penguin exhibit. The failed chiller was built in 1990 and used a watering cooling system with three major components; a 20-horse power 460 volt electric motor, a four cylinder compressor and a heat exchanger. After researching chillers for animal exhibits, it was determined that animal waste corrodes copper tubes. Zoo staff looked at a number of options to fix or replace the chiller. In both the short-term and long-term, it was determined to be cheaper to replace the chiller than to perform repairs. The new chiller will be air cooled, located outside of the building and have a number of energy saving features. This appropriation transfer will reallocate \$65,000 from the Zoo Storm Drain and Manhole project in order to replace the chiller at the Zoo Aviary Building.

In the Spring of 2011, a survey was conducted of the Zoo's catch basins and manholes. The manholes and catch basin that are in paved areas all show some degree of breakdown. The degradation of these areas resulted in crumbling pavement in some areas and even sink holes. An October 2011 appropriation transfer included an appropriation of \$296,700 to rehabilitate the 25 worst manholes/catch basins at the Zoo. The work on the project is complete and a surplus is available to be reallocated to other projects. Closeout of the project will occur during the 1st quarter of 2013.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

Action Required
 Finance Committee
 County Board (Majority Vote)

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2012 appropriations of the respective listed departments:

	<u>From</u>	<u>To</u>
1) <u>0901- DAS Midwest Air Lease Trust</u>		
8923 - Return of State Reserve		\$143,636
0890 - Bal Sheet (State Reserve for Midwest)	\$143,636	

A transfer of \$143,636 is requested by the Comptroller to make a payment to the State of Wisconsin and Racine County based on the terms of a 2003 agreement that funded construction of hangars for Midwest and Skyway Airlines.

The agreement, adopted by the County in 2003 (Board File 03-265) created an interest-bearing reserve account that provides backing for Industrial Revenue Development Bonds (IRDBs) that were used to finance the construction of hangars for Midwest and Skyway Airlines at General Mitchell International Airport. The reserve account is funded with proceeds from the State of Wisconsin Department of Commerce and from Community Development Block Grant funds from Racine County.

Under the terms of the agreement, whenever Midwest/Skyway Airlines (now Republic Airlines) makes a principal payment on the IRDBs, the County must refund the State of Wisconsin and Racine County for the share of principal paid, with an equal share of the reserve account balance (including interest earned). To date Republic Airlines, on behalf of Midwest/Skyway Airlines, has repaid 2.97 percent of

the original principal, therefore the County must refund to the State of Wisconsin and Racine County 2.97 of the accrued balance of the reserve fund, which at the time of the request was \$4,830,419.

This transfer would provide the expenditure authority to make the required repayment out of the reserve fund.

This transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

Action Required
Finance Committee

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2012 appropriations of the respective listed departments:

	<u>From</u>	<u>To</u>
1) <u>1140 – Human Resources</u>		
5199 – Salaries and Wages	\$83,500	
7973 – Minor Office Equipment		13,000
7915 – Computer Software		3,000
7186 – Painting Materials		2,000
9731 – Engineering Bldg Maint		10,500
7178 – Hardware & Other Material		8,000
8502 – Major Maint Bldg-(Exp)		47,000

An appropriation transfer of \$83,000 is requested by the Director of Human Resources (DHR) to realign expenditure authority from Personal Services for various one-time expenditures.

- \$16,000 is requested to replace 25 computers which have outlived their useful life. These machines have been in service for up to nine years, while the normal replacement cycle is five years. This request includes \$3,000 to bring all users to current versions of Microsoft Office software.
- \$10,000 is requested to build two small offices to relocate staff internally. The work will be performed by the Facilities Maintenance Division.
- \$10,500 is requested to re-paint existing building space to maintain a professional and consistent appearance. The work will be performed by the Facilities Maintenance Division.

- \$47,000 is requested for re-carpeting to maintain a professional and consistent appearance. The work will be performed by an outside vendor.

In order to fund costs associated with this request, DHR proposes to shift \$76,000 in salary and wages from the Personal Services appropriation unit. Funds are available in this series due to salary savings from funded positions remaining vacant.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
2) <u>1152 – DAS Procurement</u>		
6149 – Prof Serv – Nonrecur Oper		\$46,500
5199 - Salaries and Wages	\$46,500	

Request

An appropriation transfer of \$46,500 is requested by the Director of Administrative Services to increase expenditure authority in the contractual services series and decrease expenditure authority in the personal services series. The appropriation transfer request provides for a consultant to aid in modifying Milwaukee County’s procurement process.

The Procurement Division has had several vacancies throughout the year due to resignation and retirement, as well as during recruitment of new positions. Procurement is requesting to use these savings for upgrading and enhancing their processes. One of the tools under consideration is a web-based procurement system for handling for bids/RFPS. This includes provision of vendor self-registration, vendor identification, and collection of vendor specific-data (quote/bid/RFP development and publication; solicitation and analysis; communications tool; historical and auditing capabilities). This will also enable Procurement to provide bidders with easier and more efficient access to the County’s procurement process.

This appropriation transfer request realigns \$46,500 from the personal services expenditure series to the contractual services series.

No tax levy impact results from approval of this appropriation transfer request as the increase in contractual services is completely offset by a decrease in the personal services series.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
3) <u>113 – Corporation Counsel</u>		
6050 – Contract Pers Svcs - Short		\$30,000
5199 – Salaries and Wages	\$27,705	
5312 – Social Security	\$2,295	

Request

An appropriation transfer of \$30,000 is requested by the Office of Corporation Counsel to increase expenditure authority in the contractual services series and decrease expenditure authority in the personal services series. The appropriation transfer request provides for temporary staffing assistance.

Corporation Counsel has multiple permanent County employees who are on active military leave. Due to the military leave status of these employees, their permanent positions must be held vacant. To cover the staffing shortage created by the employees on leave, Corporation Counsel’s Office is currently purchasing temporary staffing services from an external vendor in order to ensure that services are provided in a timely fashion. Therefore, the Office of Corporation Counsel is requesting to realign expenditure authority in the amount of \$30,000 from Salaries and Social Security to Contract Services – Short Term to ensure sufficient funds are available to cover expected costs for temporary staffing through the end of the year.

This appropriation transfer request realigns \$30,000 from the personal services expenditure series to the contractual services series.

No tax levy impact results from approval of this appropriation transfer request as the increase in contractual services is completely offset by a decrease in the personal services series.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
4) <u>1905 – Ethics Board</u>		
6148 – Prof. Serv-Recurring Oper	\$13,680	
8557 – Computer Equipment-New >\$500		\$11,560
7915 – Computer Software		\$2,120

An appropriation transfer of \$13,680 is requested by the Ethics Board Executive Director to realign expenditure authority for a one-time purchase of laptop computers for Personnel Review Board (PRB) and Ethics Board members and staff.

The Ethics Board requests the use of laptop computers at its meetings. The proposed transfer establishes budget authority for the purchase of laptops for Board members and support staff. Approval of the request will increase meeting efficiency, allow board members to access information during meetings, and allow staff to complete administrative tasks while present at meetings. The 2012 Adopted Budget does not contain appropriations for computer equipment or software for the Ethics Board. Due to the shared staffing model used by the PRB and Ethics Board, the computer equipment will also be available for use by PRB members.

In order to fund costs associated with this request, the Ethics Board proposes to shift \$13,680 in professional services costs from the Services appropriation unit in the Ethics Board. Funds are available in this series due to staff performing ethics training in-house rather than utilizing an outside firm.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

	<u>From</u>	<u>To</u>
5) <u>5300 – Fleet</u>		
7840 – Automotive Repair Parts		\$200,000
6333 – Heat	\$100,000	
6692 – Outside Services	\$100,000	

A fund transfer of \$200,000 is requested by the (interim) Director of Transportation to realign expenditure authority with Heat (object 6333) and Outside Services (object 6692) to Automotive Repair Parts (object 7840) in the Fleet Division (Fleet). Without this fund transfer, Fleet staff anticipates a \$200,000 deficit in the Automotive Repair Parts account.

Fleet has exceeded its expenditure authority by approximately \$80,000 in the Automotive Repair Parts account and does not have sufficient expenditure authority within its Commodities Appropriation unit (i.e. 7000 series) to absorb the anticipated additional Automotive Repair Parts costs to properly repair and maintain vehicles and equipment through the remainder of the year.

Fleet staff has indicated that it has available funds to cover Heat and Outside Service costs after this transfer for the remainder of 2012. If approved, Fleet will manage within its budgeted expenditure authority in order to sustain itself throughout the remainder of the year.

This request transfers expenditure authority of \$100,000 from Heat (object 6333) and \$100,000 from Outside Services (object 6692) to Automotive Repair Parts (object 7840) in order to offset a projected expenditure deficit of \$200,000.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

		<u>From</u>	<u>To</u>
6)	<u>7981- CMCS Administration</u>		
6509	Building and Space Rental	\$83,000	
6699	Other Rep and Maintenance	11,000	
6080	Postage	3,000	
6640	R/M Office Equipment	10,000	
6148	Prof. Serv. Recurring Operation	225,000	
7920	Books and Periodicals Films	1,730	
7973	Minor Office Equipment	6,000	
	<u>7985- Care Managed Services</u>		
3726	A6CC CMO Capitation- Comprehensive		\$4,762,604
3727	A6CS CMO Client Share Revenue-Cost Share		160,682
3727	A6RB CMO Client Share Rev- Room & Board		294,618
3727	A6SP CMO Client Share Rev-Spend Down		31,843
8127	A6CM Trng/Best Practices- Care Mgr Svcs.	424,675	
8126	A6DM CMO Svcs.- Durable Medical Equipment	448,525	
8126	A6DS CMO Svcs.- Disposable Medical Supplies	672,788	
8126	A6NH CMO Svcs.- Nursing Home	1,121,313	
8126	A6RC CMO Svcs.- Residential Services	1,569,838	
8126	A6SD CMO Svcs.- Self-Directed Support	672,788	

The Director of the Department of Family Care is requesting a transfer of \$5,249,747 to realign revenues and expenditures.

In June 2012, the County Board approved a fund transfer submitted by the Department of Family Care for \$5,962,577 related to the provision of the Family Care benefit in Racine and Kenosha County. At that time, the department projected that it would serve approximately 225 members by the end of 2012. However, the growth of enrollment has been slow and the department is now projecting that they will serve 47 members in 2012, resulting in decreased revenue of \$5,249,747 (capitation revenue- \$4,762,604 and Client Share Revenue- \$487,143).

This reduction is completely offset by expenditure reductions in member service costs and MCO administrative costs. The member service expenses are decreased by \$4,485,252 and include the following expenses:

Durable Medical Supplies	\$ (448,525)
Disposable Medical Supplies	\$ (672,788)
Nursing Home Care	\$ (1,121,313)
Residential Care	\$ (1,569,838)
Self-Directed Support	\$ (672,788)

MCO administrative costs are decreased by \$764,495 and include the following expenses:

Building and Space Rental	\$ (83,000)
Other Repairs and Maintenance	\$ (11,000)
Postage	\$ (3,000)
R/M Office Equipment	\$ (10,000)
Professional Services- Recurring Operation	\$ (225,000)
Books and Periodicals Films	\$ (1,730)
Minor Office Equipment	\$ (6,000)
Care Management- External	\$ (424,765)

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE DECEMBER 4, 2012.

2012 BUDGETED CONTINGENCY APPROPRIATION SUMMARY

2012 Budgeted Contingency Appropriation Budget	\$1,550,000
Approved Transfers from Budget through November 26, 2012	
1000 - Membership in the Wisconsin Counties Association for the remainder of 2012	\$ (21,115)
3010 - Additional cost due to 2012 Recall elections	\$ (540,000)
Unallocated Contingency Balance November 26, 2012	<u>\$988,885</u>
Transfers Pending in Finance, Personnel & Audit Committee through November 26, 2012	
Total Transfers Pending in Finance, Personnel & Audit Committee	\$ -
Net Balance	<u>\$ 988,885</u>

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COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: October 26, 2012

TO: Supervisor Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Kerry Mitchell, Director, Department of Human Resources

FROM: Héctor Colón, Director, Department of Health & Human Services
Prepared by: Paula Lucey, Administrator, Behavioral Health Division

SUBJECT: **From the Director, Department of Health and Human Services, Requesting Authorization to Create one position of RN 2 and one position of Behavioral Health Emergency Service Clinician for the Crisis Mobile Team at the Behavioral Health Division**

Issue

The Director, Department of Health and Human Services (DHHS) and the Administrator, Behavioral Health Division (BHD), are requesting authorization to create one position of RN2 and one position of Behavioral Health Emergency Service Clinician (BHESC) for the Crisis Mobile Team at BHD. The 2012 BHD Budget included a \$3 million Mental Health Redesign initiative meant to increase community capacity for adult mental health services and reduce the reliance on inpatient hospitalization. One of the initiatives included in the investment was the development of additional community crisis options, specifically an expansion of the Crisis Mobile Team. This request is associated with this initiative.

Background

The Crisis Mobile Team has been in existence for over 15 years in Milwaukee County. The Crisis Mobile Team works exclusively with individuals age 18 and over and their role is to respond to behavioral health crises in the community. A key component to this response is the evaluation of emergency detentions. Currently, the Mobile Crisis Team is comprised of RNs, BHESCs, and a psychologist.

In September 2012, BHD presented a report to the Health and Human Needs Committee outlining a proposed expansion of the Mobile Crisis Team, including a new agreement with the Milwaukee Police Department (MPD). That informational report mentioned that BHD would be returning to the board to create the new positions associated with this initiative. BHD is now requesting the creation of one RN2 who will have two main functions: one is to function as a 3rd shift transfer coordinator to further facilitate transfers to private hospitals; and two the position will respond to private hospital emergency rooms for Emergency Detention

evaluations, extending the Mobile Crisis Team response capability to 3rd shift. BHD is also requesting the creation of one BHESC who will be assigned to the Mobile Crisis team and will work together with the MPD officer to respond to needs in the community. This new team will be first responders to calls that are behavioral health emergencies. A clinical presence in these types of situations is a standard practice throughout the country. Wisconsin is one of very few remaining states where the decision to detain is made exclusively by law enforcement.

Recommendation

To assist BHD in fully implementing the Mental Health Redesign initiative through the development of additional community crisis options, including the expansion of the Mobile Crisis Team the Director, Department of Health and Human Services, or his designee, to create two positions beginning on January 1, 2013, as follows:

Position Description	Pay Range	FTE	2012 Fiscal Impact	2013 Annual Impact
Create				
RN 2	18N	1.00	\$0	\$ 83,767
BHESC	24	1.00	\$0	\$ 74,340
Total Cost of Positions			\$0	\$ 158,106

Fiscal Impact

The recommended position actions contained in this report have been included in the 2013 Recommended Budget related to the Mental Health Redesign initiative, therefore no additional tax levy is needed.



Héctor Colón, Director
Department of Health & Human Services

- cc: County Executive Chris Abele
Tia Torhorst, Legislative Affairs Director, County Executive’s Office
Kelly Bablich, Chief of Staff, County Board
Patrick Farley, Director, DAS
Craig Kamholz, Fiscal & Budget Administrator, DAS
CJ Pahl, Assistant Fiscal & Budget Administrator, DAS
Ara Garcia, DHHS Human Resources Manager
Antionette Thomas-Bailey, Fiscal & Management Analyst
Steve Cady, County Board Analyst
Carol Mueller, Committee Clerk

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: November 15, 2012

To: Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

From: Craig Kammholz, Fiscal and Budget Administrator, DAS – Fiscal

Subject: Request to create 1.0 FTE RN 2 (Title Code 00044700, Pay Range 18N) and 1.0 FTE Behavioral Health Emergency Service Clinician (Title Code 00059025, Pay Range 24)

REQUEST

The Department of Health and Human Services is requesting to create 1.0 FTE RN 2 (Title Code 00044700, Pay Range 18N) and 1.0 FTE Behavioral Health Emergency Service Clinician (Title Code 00059025, Pay Range 24) within the Crisis Services Division of BHD.

BACKGROUND/ANALYSIS

The Mobile Crisis Team is responsible for responding to behavioral health crises in the community that involve individuals ages 18 and older. A key component to this response is the evaluation of emergency detentions.

Currently, when a person is in distress, they call 911 and the Milwaukee Police Department (MPD) is the first responder. MPD can either call the Mobile Crisis Team or determine themselves if psychiatric services are required. If the distressed person agrees that psychiatric services are needed, they are voluntarily admitted to an inpatient psychiatric facility. If they do not agree, then they are involuntarily taken to the Psychiatric Crisis Services/Admission Center (PCS), the emergency room for BHD. In most cases, MPD is making this clinical determination. Wisconsin is one of few remaining states where the decision to detain is made exclusively by law enforcement. Because MPD does not have the proper training to make clinical determinations, Milwaukee County experiences a significantly high number of emergency detentions. As a result, BHD has been working to develop initiatives that will assist with keeping individuals in the community while avoiding involuntary hospitalizations.

An initiative included in the department's 2012 Budget as part of the Mental Health Redesign and Community Resource Investment was the expansion of community crisis options, specifically the Mobile Crisis Team. Expansion of this team will allow for more upfront intervention prior to any contact with PCS, hopefully leading to fewer emergency detentions. As

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a result, BHD is requesting to create 1.0 FTE Behavioral Health Emergency Service Clinician (BHESC) that will work with a police officer from MPD as part of a pilot program. Both the police officer and the BHESC will be the first responders to the call of a distressed person.

The BHESC will primarily work with the Mobile Crisis Team but will also work in six other areas of Crisis Services such as the crisis walk-in clinic, the crisis telephone line, PCS, the observation unit, and crisis respite. The responsibilities of this position are as follows: cover the crisis telephone line; provide psychiatric assessments for clients in the walk-in clinic and PCS; triage and facilitate discharges in the Observation Unit; provide services to patients at the respite houses; provide clinical supervision and consultation to contracted Community Based Residential Facilities (CBRF) agencies and Peer Support Specialists; provide case management to individuals in need of crisis stabilization and linkage services; and provide support to community health service providers.

In addition, the department is requesting to create 1.0 FTE RN2 that will mainly be responsible for coordinating patient transfers on third shift. This position will be responsible for working with the fiscal department to establish a payor source for patients; initiate transfer agreements; work with patient and receiving facility to coordinate transfer; assist in relationship development with private hospitals; resolve issues with problem transfers; help to coordinate standby mobile list; respond to private hospital emergency rooms for ED evaluations; obtain census numbers from all private hospitals daily; and conduct mobile assessments of patients on the standby list that appear to be appropriate for private hospital transfers. Currently, transfers are done by one nurse that performs this function on first and second shift. This new position would expand transfers and the Mobile Crisis Team response capability to third shift.

FISCAL NOTE

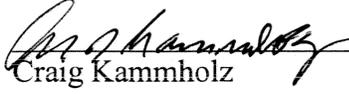
The funding for these positions has been included in the 2013 Adopted Budget as part of the Community Resource Investment funds. As a result, approval of the request to create 1.0 FTE RN 2 and 1.0 FTE Behavioral Health Emergency Service Clinician effective December 20, 2012, will result in no levy impact.

RECOMMENDATION

To assist BHD in the full implementation of the expansion of community crisis options, including the expansion of the Mobile Crisis Team, the Department of Administrative Services, Fiscal Affairs recommends that the request to create 1.0 FTE RN 2 and 1.0 FTE Behavioral Health Emergency Service Clinician, effective December 20, 2012, be approved.

H:\Budget\DOCB DGT\FINANCE\2012\12-December\Memo's, Resolutions, Fiscal Notes \6300 Mobile Crisis Expansion Pos Study.doc

Prepared by:
Antionette Thomas-Bailey
278-4250


Craig Kammholz
Fiscal and Budget Administrator

pc: Chris Abele, County Executive
Kerry Mitchell, Director of Human Resources
Amber Moreen, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, County Board
Jennifer Collins, County Board Fiscal and Budget Analyst
Hector Colon, Director, Department of Health and Human Services

1 From the Committee on, Reporting on:

2

3

File No.

4

5 (ITEM NO.) A resolution requesting to create 1.0 FTE RN 2 (Title Code 00044700, Pay
6 Range 18N) and 1.0 FTE Behavioral Health Emergency Service Clinician (Title Code
7 00059025, Pay Range 24) at the Behavioral Health Division (BHD), effective December
8 20, 2012:

9

10

A RESOLUTION

11

12 WHEREAS, an initiative included in the department's 2012 Budget as part of the
13 Mental Health Redesign and Community Resource Investment was the expansion of
14 community crisis options, specifically the Mobile Crisis Team; and

15

16 WHEREAS, as a result of this initiative, staffing needs to be realigned to better meet
17 the needs of the department; and

18

19 WHEREAS, the Behavioral Health Division requests to create 1.0 FTE RN 2 (Title
20 Code 00044700, Pay Range 18N) and 1.0 FTE Behavioral Health Emergency Service
21 Clinician (Title Code 00059025, Pay Range 24) within the Crisis Services Section; and

22

23 WHEREAS, the Behavioral Health Emergency Service Clinician will primarily work
24 with the mobile crisis team but will also work in other areas of Crisis Services and is
25 responsible for covering the crisis telephone line; providing psychiatric assessments for
26 clients in the walk-in clinic and PCS; triaging and facilitating discharges in the observation
27 unit; providing services to patients at the respite houses; providing clinical supervision and
28 consultation to contracted Community Based Residential Facilities (CBRF) agencies and
29 Peer Support Specialists; providing case management to individuals in need of crisis
30 stabilization and linkage services; and providing support to community health service
31 providers; and

32

33 WHEREAS, the RN 2 will mainly be responsible for coordinating patient transfers on
34 third shift; working with the fiscal department to establish a payor source for patients;
35 initiating transfer agreements; working with patients and receiving facilities to coordinate
36 transfers; assist in relationship development with private hospitals; resolving issues with
37 problem transfers; helping to coordinate standby mobile list; respond to private hospital
38 emergency rooms for ED evaluations; obtaining census numbers from all private hospitals
39 daily; and conducting mobile assessments of patients on the standby list that appear to be
40 appropriate for private hospital transfers.

41

42 WHEREAS, the requested position actions are necessary to assist BHD in the full
43 implementation of the expansion of community crisis options, including the expansion of
44 the mobile crisis team; and

45

46 WHEREAS, the Department of Administrative Services, Fiscal Affairs recommends
47 that the following request effective December 20, 2012, be approved: create 1.0 FTE RN 2
48 (Title Code 00044700, Pay Range 18N) and 1.0 FTE Behavioral Health Emergency Service
49 Clinician (Title Code 00059025, Pay Range 24); and

50

51 BE IT RESOLVED, that the following position actions are approved, for the
52 Behavioral Health Division effective December 20, 2012

53

<u>Action</u>	<u>Title</u>	<u>No. of Positions</u>	<u>Pay Range</u>
54 Create	RN 2	1	18N
55 Create	Behavioral Emergency Service Clinician	1	24

56

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/15/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request to Create 1.0 FTE RN 2 and 1.0 FTE Behavioral Health Emergency Service Clinician at the Behavioral Health Division (BHD)

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Approval of the request would create 1.0 FTE RN 2 and 1.0 FTE Behavioral Health Emergency Service Clinician (BHESC) at the Behavioral Health Division.

There is no fiscal impact related to these position actions. The funding for these positions has been included in the departments 2013 Adopted Budget as part of the Community Resource Investment funding.

Department/Prepared By Antionette Thomas-Bailey

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 13, 2012

To : Committee on Finance, Personnel & Audit

FROM : Kerry Mitchell, Director of Human Resources 

SUBJECT : **Position Creation Under Consideration by the Committee**

A review of the duties to be assigned to the new position requested by the department resulted in the following recommendation:

Org. Unit	Title Code	No. of Positions	Recommended Title	Pay Range	Min/Max of Pay Range
6300	TBD	1	RN 2	18N	\$55,141.01 - \$71,911.63

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 13, 2012

To : Committee on Finance, Personnel & Audit

FROM : Kerry Mitchell, Director of Human Resources 

SUBJECT : **Position Creation Under Consideration by the Committee**

A review of the duties to be assigned to the new position requested by the department resulted in the following recommendation:

Org. Unit	Title Code	No. of Positions	Recommended Title	Pay Range	Min/Max of Pay Range
6300	TBD	1	Emergency Service Clinician	24	\$47,572.30 - \$55,421.39

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: October 26, 2012

TO: Supervisor Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Kerry Mitchell, Director, Department of Human Resources

FROM: Héctor Colón, Director, Department of Health & Human Services
Prepared by: B. Thomas Wanta, Administrator, Delinquency and Court Services Division

SUBJECT: **From the Director, Department of Health and Human Services, Requesting Authorization to Create one position of Administrative Coordinator and one position of Quality Assurance Specialist at the Delinquency and Court Services Division**

Issue

The Director, Department of Health and Human Services (DHHS) and the Administrator, Delinquency and Court Services Division, are requesting authorization to create one position of Administrative Coordinator and one position of Quality Assurance Specialist at the Delinquency and Court Services Division (DCSD). These positions are associated with the implementation of a grant received by DCSD from the U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP), to support improvement of the service delivery system of DCSD.

Background

DCSD requested authorization from the County Board in the October cycle to accept revenue totaling \$725,358 from OJJDP. DCSD was selected by OJJDP as one of three jurisdictions to serve as a demonstration site for the Juvenile Justice Reform and Reinvestment Demonstration Program.

The purpose of the Juvenile Justice Reform and Reinvestment Demonstration Program is to implement and evaluate a systematic protocol of evidence-based and cost-measurement tools with the goal of better juvenile justice outcomes and cost-savings at the local level. This grant opportunity will afford DCSD the tools and the expertise to assess the relative effectiveness of services provided to juvenile justice youth in order to improve services, ensure that youth are appropriately matched with services in accordance with their risk and needs, and inform resource allocation. As a demonstration program, Milwaukee County has the potential to serve as a model for other jurisdictions. This initiative complements other juvenile justice system

reform efforts in Milwaukee County, including the Juvenile Detention Alternatives Initiative through the Annie E. Casey Foundation.

A major component of this grant is to work with the Georgetown University Center for Juvenile Justice Reform and the project evaluator to implement the required evidence-based and cost-measurement tools. This will necessitate dedicated staff to work intensively with DCSD's provider agencies in order to carry out the required tasks. Therefore, the grant budget includes funds for an Administrative Coordinator to manage day-to-day project activities, and a Quality Assurance Specialist to work with service providers to improve services to youth served by DCSD. The positions will be eliminated or funded through other means at the end of the grant period.

One of the conditions of the OJJDP grant is to begin full implementation of the grant by March 1, 2013, including having staff onboard, being prepared to begin training, participating in program meetings at the local site, and actively participating in and complying with all requirements of the evaluation of the demonstration program. Milwaukee County Executive Chris Abele provided a letter of support that was submitted with the grant application agreeing to these requirements.

Recommendation

To assist DCSD in improving the service delivery system through implementing grant activities, DCSD recommends the County Board authorize the Director, Department of Health and Human Services, or his designee, to create two positions for the grant term, as follows:

Position Description	Pay Range	FTE	2012 Fiscal Impact	2013 Annual Impact
Create				
Administrative Coordinator	27M	1.00	\$0	\$64,568
Quality Assurance Specialist	16C	1.00	\$0	\$45,735
Total Cost of Positions*			\$0	\$110,303

** The cost of the positions listed above is fully grant funded.*

Fiscal Impact

The recommended position actions contained in this report have no tax levy impact. The revenue received through the OJJDP grant will cover the full costs for the created positions. There is no local funding match requirement associated with this grant revenue.



Héctor Colón, Director
Department of Health & Human Services

cc: County Executive Chris Abele
Tia Torhorst, Legislative Affairs Director, County Executive's Office
Kelly Bablich, Chief of Staff, County Board
Patrick Farley, Director, DAS
Craig Kammholz, Fiscal & Budget Administrator, DAS
CJ Pahl, Assistant Fiscal & Budget Administrator, DAS
Ara Garcia, DHHS Human Resources Manager
Antionette Thomas-Bailey, Fiscal & Management Analyst
Steve Cady, County Board Analyst
Carol Mueller, Committee Clerk

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

Date: November 2, 2012

To: Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

From: Craig Kammholz, Fiscal and Budget Administrator, DAS – Fiscal

Subject: Request to create 1.0 FTE Administrative Coordinator (Title Code 00011051, Pay Grade 27M) and 1.0 FTE Quality Assurance Specialist (Pay Range, 16C)

REQUEST

The Department of Health and Human Services is requesting to create 1.0 FTE Administrative Coordinator (Title Code 00011051, Pay Grade 27M) and 1.0 FTE Quality Assurance Specialist (Pay Range, 16C) within the Delinquency and Court Services Division (DCSD) of DHHS.

BACKGROUND/ANALYSIS

In September 2012, DCSD was one of three sites to be awarded the Juvenile Justice Reform and Reinvestment Demonstration grant. This grant will help the division to implement and evaluate a systematic protocol of evidence-based and cost measurement tools that will assist agencies in making better decisions regarding its resources and services for youth involved in the juvenile justice system. There are two primary components to the implementation of this initiative: point of service implementation and system level implementation.

Implementation at the point of service includes the use of a risk assessment tool to conduct risk and needs assessments for juveniles that are in the system and local program service options. Currently, DCSD uses the Youth Assessment and Screening Instrument (YASI) to conduct risk and needs assessments. In addition to the YASI, the division will be adopting the Standardized Program Evaluation Protocol (SPEP) that is used for comparing juvenile justice programs to what research has found to be effective. This tool helps to identify programs that are likely to be more effective in reducing recidivism and program improvements for that purpose.

Implementation at the system level includes tracking and assessing costs and outcomes for youth in the juvenile justice system. Scores obtained through the use of SPEP will be integrated with a cost benefit rating to compare the per unit cost to the service type. This will help administrators make better decisions on what programs and services to fund.

H:\Budget\DOCBDGT\FINANCE\2012\12-December\Memo's, Resolutions, Fiscal Notes \8000 Grant Related Pos.doc

DCSD will work with the Georgetown University Center for Juvenile Justice Reform which will provide technical assistance and the Urban Institute, which will serve as the project evaluator to implement the evidence-based and cost measurement tools. Implementing these initiatives will require additional staff that is dedicated specifically to this grant initiative. In addition, a condition of this grant is that DCSD commit to begin full implementation by March 1, 2013. As a result, the department is requesting the creation of 1.0 FTE Administrative Coordinator and 1.0 FTE Quality Assurance Specialist.

This Administrative Coordinator will primarily be responsible for assisting the Grants Coordinator with program coordination; planning, implementing, managing, and monitoring programs and projects as assigned; evaluating projects and developing outcomes; supervision of staff involved in projects; developing necessary documentation to meet grant reporting and other requirements; developing training materials for staff and provider agencies; updating and evaluating administrative procedure & policy manuals; developing and monitoring the Quality Improvement plan; and lead project implementation meetings, provider network meetings, and in-services.

The Quality Assurance Specialist is supervised by the Administrative Coordinator and is primarily responsible for the following: ensuring that all providers demonstrate their intent to provide best practices and evidence-based services; investigating client complaints; assisting with the implementation of the Quality Improvement plan; assisting with the development of policies and procedures for provider networks, ensuring that providers remain in compliance with these policies; assisting in identifying and resolving system barriers; conducting audits and providing technical assistance to providers as needed; conducting scheduled and unscheduled site visits to ensure compliance; follow-up with providers on written reports, corrective action plans and site visits and report findings to supervisor; review with providers and staff any pattern of errors in issuance of services for clients and determine if training is needed; and assisting providers in resolving identified problems.

Allowing the department to create these positions will allow them to fully implement the initiative and possibly see cost savings and better outcomes for the youth served.

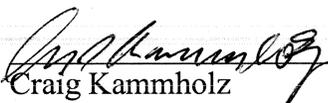
FISCAL NOTE

Approval of the request to create 1.0 FTE Administrative Coordinator and 1.0 FTE Quality Assurance Specialist effective December 20, 2012 will result in a fiscal impact for 2013 of increased expenditures including salary, social security, and active fringe benefits of \$110,374, which is completely funded with grant revenue.

RECOMMENDATION

To assist DCSD in improving the service delivery system through implementing grant activities, the Department of Administrative Services, Fiscal Affairs recommends that the request to create 1.0 FTE Administrative Coordinator and 1.0 FTE Quality Assurance Specialist, effective December 20, 2012, be approved.

Prepared by:
Antionette Thomas-Bailey
278-4250



Craig Kammholz
Fiscal and Budget Administrator

pc: Chris Abele, County Executive
Kerry Mitchell, Director of Human Resources
Amber Moreen, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, County Board
Jennifer Collins, County Board Fiscal and Budget Analyst
Hector Colon, Director, Department of Health and Human Services

1 From the Committee on, Reporting on:
2

3 File No.
4

5 (ITEM NO.) A resolution requesting to create 1.0 FTE Administrative Coordinator (Title
6 Code 00011051, Pay Grade 27M) and 1.0 FTE Quality Assurance Specialist (Pay Range,
7 16C) within the Delinquency and Court Services Division (DCSD) of the Department of
8 Health and Human Services (DHHS), effective December 20, 2012:
9

10 **A RESOLUTION**
11

12 WHEREAS, DCSD was one of three sites to be awarded the Juvenile Justice Reform
13 and Reinvestment Demonstration grant that will help the division to implement and
14 evaluate a systematic protocol of evidence-based and cost measurement tools that will
15 assist agencies in making better decisions regarding its resources and services for youth
16 involved in the juvenile justice system; and
17

18 WHEREAS, a condition of the grant is that the agency receiving the grant commit to
19 begin full implementation by March 1, 2013, and in order to fully implement this initiative,
20 the division will need the appropriate staff to oversee the implementation and coordination
21 of this project; and
22

23 WHEREAS, DHHS requests to create 1.0 FTE Administrative Coordinator (Title Code
24 00011051, Pay Grade 27M) and 1.0 FTE Quality Assurance Specialist (Pay Range, 16C)
25 within DCSD; and
26

27 WHEREAS, the Administrative Coordinator will primarily be responsible for assisting
28 the Grants Coordinator with program coordination; planning, implementing, managing,
29 and monitoring programs and projects as assigned; evaluating projects and developing
30 outcomes; supervising staff involved in projects; developing necessary documentation to
31 meet grant reporting and other requirements; developing training materials for staff and
32 provider agencies; updating and evaluating administrative procedure & policy manuals;
33 developing and monitoring the Quality Improvement plan; and leading project
34 implementation meetings, provider network meetings, and in-services; and
35

36 WHEREAS, the Quality Assurance Specialist is supervised by the Administrative
37 Coordinator and is primarily responsible for ensuring that all providers demonstrate their
38 intent to provide best practices and evidence-based services; investigating client
39 complaints; assisting with the implementation of the Quality Improvement plan; assisting
40 with the development of policies and procedures for provider networks, ensuring that
41 providers remain in compliance with these policies; assisting in identifying and resolving
42 system barriers; conducting audits and providing technical assistance to providers as
43 needed; conducting scheduled and unscheduled site visits to ensure compliance; follow-up
44 with providers on written reports, corrective action plans and site visits and report findings
45 to supervisor; review with providers and staff any pattern of errors in issuance of services

46 for clients and determine if training is needed; and assisting providers in resolving
47 identified problems.

48

49 WHEREAS, the requested position actions are necessary to assist DCSD in
50 improving its service delivery system through implementing grant activities; and

51

52 WHEREAS, the Department of Administrative Services, Fiscal Affairs recommends
53 that the following request effective December 20, 2012, be approved: create 1.0 FTE
54 Administrative Coordinator (Title Code 00011051, Pay Grade 27M) and 1.0 FTE Quality
55 Assurance Specialist (Pay Range, 16C); and

56

57 BE IT RESOLVED, that the following position actions are approved, for the
58 Delinquency and Court Services Division effective December 20, 2012

59

<u>Action</u>	<u>Title</u>	<u>No. of Positions</u>	<u>Pay Range</u>
60 Create	Administrative Coordinator	1	27M
61 Create	Quality Assurance Specialist	1	16C

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/15/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request to Create 1.0 FTE Administrative Coordinator and 1.0 FTE Quality Assurance Specialist in the Delinquency and Court Services Division of the Department of Health and Human Services.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact

<input type="checkbox"/> Existing Staff Time Required

<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)

<input type="checkbox"/> Absorbed Within Agency's Budget

<input type="checkbox"/> Not Absorbed Within Agency's Budget

<input type="checkbox"/> Decrease Operating Expenditures

<input checked="" type="checkbox"/> Increase Operating Revenues

<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures

<input type="checkbox"/> Decrease Capital Expenditures

<input type="checkbox"/> Increase Capital Revenues

<input type="checkbox"/> Decrease Capital Revenues

<input type="checkbox"/> Use of contingent funds |
|--|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	110,374	136,654
	Revenue	110,374	136,654
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Approval of the request would create 1.0 FTE Administrative Coordinator and 1.0 FTE Quality Assurance Specialist in the Delinquency and Court Services Division.

B. The estimated fiscal effect for 2013 related to the creation of 1.0 FTE Administrative Coordinator including salary, social security, and active fringe benefits is \$64,613 and 1.0 FTE Quality Assurance Specialist including salary, social security, and active fringe benefits is \$45,761 for a total of \$110,374. This assumes a start date of February 25, 2013. This cost is 100% offset with grant revenue. The fiscal effect for 2014 reflects the annualized impact and results in an increase of \$26,280, 100% offset with grant revenue.

C. In 2013, the budgetary impact is an increase in expenditures of \$136,654 to reflect the annualized impact of the two positions. This cost will be offset with an increase in revenue of the same amount. In 2014, there will be no budgetary impact as the positions will be included in the department's base budget.

D. The fiscal effect for 2013 will be achieved assuming a start date of February 25, 2013 through December 31, 2013 at an hourly rate of \$25.34 for the Administrative Coordinator and \$16.23 for the Quality Assurance Specialist. In addition, the fringe amounts used to calculate the position costs (\$15,089- Active Health, 15.51%- Active Pension, and 7.65%- Social Security) reflect the active fringe rates included in the 2013 Adopted Budget.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By Antionette Thomas-Bailey

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 13, 2012

To : Committee on Finance, Personnel & Audit

FROM : Kerry Mitchell, Director of Human Resources 

SUBJECT : **Position Creation Under Consideration by the Committee**

A review of the duties to be assigned to the new position requested by the department resulted in the following recommendation:

Org. Unit	Title Code	No. of Positions	Recommended Title	Pay Range	Min/Max of Pay Range
8000	TBD	1	Administrative Coordinator	27M	\$51,987.10 - \$60,232.02

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 13, 2012
To : Committee on Finance, Personnel & Audit
FROM : Kerry Mitchell, Director of Human Resources 
SUBJECT : **Position Creation Under Consideration by the Committee**

A review of the duties to be assigned to the new position requested by the department resulted in the following recommendation:

Org. Unit	Title Code	No. of Positions	Recommended Title	Pay Range	Min/Max of Pay Range
8000	TBD	1	Quality Assurance Specialist	16C	\$33,295.39 - \$53,335.78

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 23rd 2012

To: Supervisor Peggy Romo West, Chair, Health and Human Needs Committee
Supervisor Willie Johnson Jr., Chair, Finance, Personnel and Audit Committee

From: Maria Ledger, Director, Department of Family Care 

Subject: Information Only report on the Milwaukee County Department of Family Care Income Statement for the period January 1 through September 30, 2012

The attached report summarizes the Milwaukee County Department of Family Care (MCDFC) Income Statement of the Managed Care Organization (MCO) for the period January 1, 2012 through September 30, 2012. In addition, it shows the variance of those results to the 2012 adjusted budget.

The actual amounts are preliminary (see the recurring Note on the attached MCDFC-MCO Income Statement for further information). The budget amounts reflect the cumulative monthly budget for the first nine months of the year.

The MCO is showing a preliminary actual Net Loss of (\$392,322) for the first nine months of 2012. Comparing this to the adjusted budgeted Net Loss of (\$2,370,874) creates a positive Net Income Variance of \$1,978,552.

MCO enrollment as of September 30, 2012 was 7,943 members, a net increase of 227 members from the June 30, 2012 enrollment of 7,716 members

If you have questions concerning the attached income statement, please contact Director Ledger at 287-7610

Attachment

cc:

County Executive Chris Abele
Chairwoman Marina Dimitrijevic, County Board
Amber Moreen, Chief of Staff, Office of the County Executive
Raisa Koltun, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board
Patrick Farley, Director, DAS
Craig Kammholz, Fiscal and Budget Administrator, DAS
Toni Bailey-Thomas, Fiscal & Management Analyst, DAS
Steve Cady, Analyst, County Board Staff
Jennifer Collins, Analyst, County Board Staff
Jodi Mapp, Committee Clerk, County Board Staff
Jim Hodson, Chief Financial Officer, MCDFC

MCDFC-MCO Income Statement
For the period of January 1 thru September 30, 2012

Consolidated

<u>Revenues</u>	1/1/2012 - 9/30/2012 Preliminary Actual	1/1/2012 - 9/30/2012 Budget
Capitation Revenues	\$182,976,633 (1)	\$185,820,990
Member Obligation Revenues	\$22,928,075	\$23,639,831
Other Revenues	\$286,873	\$440,818
Total Revenues	<u>\$206,191,582</u>	<u>\$209,901,639</u>
<u>Expenses</u>		
Member Service Expenses	\$197,028,909	\$200,022,376
Administrative Expenses:		
---Labor & Fringes	\$4,502,651	\$5,239,948
---Vendor Contracts	\$3,027,756	\$3,628,055
---Cross Charges/internal transfers	\$937,521	\$925,646
---Other expenses (supplies, mileage, etc.)	\$1,087,067	\$2,456,487
--- Est. contribution to reserve	\$0	\$0
Total Expenses	<u>\$206,583,904</u>	<u>\$212,272,512</u>
 Net Surplus/(Deficit)	 <u><u>(\$392,322)</u></u>	 <u><u>(\$2,370,874)</u></u>

September 2012 MCO Enrollment

Nursing Home (Comprehensive):	
59 and Under	1,753
60 and Over	6,082
Non-Nursing Home (Intermediate):	
59 and Under	71
60 and Over	37
Total Members Served - 9/30/12	7,943

Note (1): The above results does not reflect an accrual to increase capitation revenue for new expansion members (i.e., waiver program) based on an increase in acuity (i.e. members requiring higher care plan needs) as measured by the long-term functional screen. There may be a potential increase in revenues to reflect increased member acuity and associated costs, MCDFC estimates this potential to be as high as approximately \$795,430. An accrual will not be made until MCDFC receives confirmation from the Wisconsin Department of Health Services on MCDFC's estimates.

Note: The above financial summary represent actual results as of the reporting date, however, the results can change due to changes occurring in member service utilization (IBNR), outstanding receivables, internal charges or other regulatory changes. Any change from a prior period is accounted for in the year-to-date aggregate results. Prior period reporting is not restated.

REVISED

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: November 29, 2012

TO: Supervisor Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Supervisor Peggy Romo-West, Chair, Committee on Health and Human Needs
Supervisor Willie Johnson Jr., Chair, Committee on Finance, Personnel and Audit

FROM: Maria Ledger, Director, Department of Family Care 

SUBJECT: Request authorization to execute a contract with the State of Wisconsin Department of Health Services to operate a Managed Care Organization (MCO) to provide the Family Care benefit for the period January 1, 2013 through December 31, 2013, and to accept the funding thereunder.

I respectfully request that the attached resolution be scheduled for consideration by the Committee on Health and Human Needs at its meeting on December 12, 2012 and the Committee on Finance, Personnel and Audit on December 13, 2012.

The State of Wisconsin authorized the long-term care program known as Family Care via enactment of 1999 Wisconsin Act 9. Milwaukee County was one of five pilot counties authorized to provide the family care benefit to eligible residents and Milwaukee County has provided the Family Care benefit to residents of Milwaukee County since July 2000 previously through the Milwaukee County Department on Aging and currently through the Milwaukee County Department of Family Care.

The State of Wisconsin Department of Health Services (DHS) and the legislature authorized the expansion of Family Care to all target groups, including all adults with a developmental disability, physical disability or frailties of aging over the age of 18 who reside in Milwaukee County. The Family Care benefit has been available to eligible and enrolled adult residents of Milwaukee County since November 2009.

The process for awarding contracts to continue to provide the Family Care benefit is set forth at s. 46.284 (2) of the Wisconsin Statutes as follows: "The department may contract with counties, long-term care districts, the governing body of a tribe or band or the Great Lakes inter-tribal council, inc., or under a joint application of any of these, or with a private organization that has no significant connection to an entity that operates a resource center. Proposals for contracts under this subdivision shall be solicited under a competitive sealed proposal process under s. 16.75 (2m) and the department shall

evaluate the proposals primarily as to the quality of care that is proposed to be provided, certify those applicants that meet the requirements specified in sub. (3) (a), select certified applicants for contract and contract with the selected applicants.”

The Director, Department of Family Care requests authorization to execute a contract with the Department of Health Services enabling the Milwaukee County Department of Family Care to serve as a managed care organization (MCO) for the period January 1, 2013 through December 31, 2013 in Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties and to accept the funding provided thereunder.

If you have questions concerning the proposed professional services contract between MCDFC and the State of Wisconsin Department of Health Services, please contact Maria Ledger at 287-7610.

Attachment

Cc:

County Executive Chris Abele
Amber Moreen, Chief of Staff, Office of the County Executive
Raisa Koltun, Office of County Executive
Kelly Bablitch, Chief of Staff, County Board
Patrick Farley, Director, DAS
Toni Thomas-Bailey, Fiscal & Management Analyst, DAS
Steve Cady, Analyst, County Board Staff
Jennifer Collins, Analyst, County Board Staff
Jodi Mapp, Committee Clerk, County Board Staff
Jim Hodson, Chief Financial Officer, MCDFC

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3
4 (ITEM NO. __) From the Department of Family Care (DFC), requesting authorization to
5 execute a contract with the State of Wisconsin Department of Health Services to
6 operate a managed care organization (MCO) to provide the Family Care benefit to
7 residents of Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington,
8 Waukesha and Walworth Counties for the period January 1, 2013 through December
9 31, 2013, and to accept the funding thereunder, by recommending the adoption of the
10 following:

11
12 **A RESOLUTION**

13
14 WHEREAS, the state authorized the long-term care program known as Family
15 Care via enactment of 1999 Wisconsin Act 9; and

16
17 WHEREAS, Milwaukee County was one of five pilot counties authorized to
18 provide the Family Care benefit to eligible residents and Milwaukee County has
19 provided the Family Care benefit to residents of Milwaukee County since July 2000
20 previously through the Milwaukee County Department on Aging and currently through
21 the Milwaukee County Department of Family Care (MCDFC); and

22
23 WHEREAS, the State of Wisconsin Department of Health Services (DHS) and
24 the legislature authorized the expansion of family care to all target groups, including all
25 adults with a developmental disability, physical disability or frailties of aging over the
26 age of 18 who reside in Milwaukee County, and the Family Care benefit has been
27 available to eligible and enrolled adult residents of Milwaukee County since November
28 2009; and

29
30 WHEREAS, the process for awarding contracts to continue to provide the Family
31 Care benefit is set forth at s. 46.284 (2) of the Wisconsin Statutes as follows: "The
32 department may contract with counties, long-term care districts, the governing body of a tribe or
33 band or the Great Lakes inter-tribal council, inc., or under a joint application of any of these, or
34 with a private organization that has no significant connection to an entity that operates a resource
35 center. Proposals for contracts under this subdivision shall be solicited under a competitive
36 sealed proposal process under s. 16.75 (2m) and the department shall evaluate the proposals
37 primarily as to the quality of care that is proposed to be provided, certify those applicants that
38 meet the requirements specified in sub. (3) (a), select certified applicants for contract and
39 contract with the selected applicants."; and

40
41 WHEREAS, in August 2008 the State of Wisconsin issued a Request for
42 Proposals (RFP #1645-DLTC-SM) to provide the Family Care benefit in Milwaukee
43 County consistent with the above-referenced statute; and

44
45 WHEREAS, RFP #1645-DLTC-SM provided in part that "DHS will offer an initial
46 contract for the duration of the calendar year in which the contract begins, with the option for

47 annual one-year renewals, not to exceed five years in total, if the MCO continues to meet
48 performance requirements.”

49 WHEREAS, MCDFC submitted a timely response to RFP #1645-DLTC-SM; and

50
51
52 WHEREAS, following review of the response to the RFP submitted by MCDFC,
53 DHS on February 2, 2009 issued a Letter of Intent to pursue contract negotiations with
54 DFC for Long-Term Managed Care in Milwaukee in 2009 as described in the above-
55 referenced RFP with the option for one year contract renewals for calendar years 2010,
56 2011, 2012 and 2013, therefore,

57
58 WHEREAS, in June 2011 the State of Wisconsin issued a Request for Proposals
59 (RFP #1720-DLTC-JB) to provide the family care benefit in Kenosha and Racine
60 Counties consistent with the above-referenced statute; and

61
62 WHEREAS, RFP #1720-DLTC-JB provided in part that “DHS will offer an initial
63 contract for the duration of the calendar year in which the contract begins, with the option for
64 annual one-year renewals, not to exceed five years in total, if the MCO continues to meet
65 performance requirements.”

66
67 WHEREAS, DFC submitted a timely response to RFP #1720 - DLTC-JB; and

68
69 WHEREAS, following review of the response to the RFP submitted by DFC, DHS
70 on September 2, 2011 issued a Letter of Intent to pursue contract negotiations with DFC
71 for Long-Term Managed Care in Racine and Kenosha in 2012 as described in the
72 above-referenced RFP with the option for one year contract renewals for calendar years
73 2013, 2014, 2015 and 2016, and

74
75 WHEREAS, in August, 2012 the State of Wisconsin issued a Request for
76 Proposals (RFP #1737-DLTC-JB) to provide the Family Care benefit in Sheboygan,
77 Ozaukee, Washington, Waukesha and Walworth Counties consistent with the above-
78 referenced statute; and

79
80 DFC submitted a timely response to RFP # 1737-DLTC-JB- and,

81
82 WHEREAS, following review of the response to the RFP submitted by DFC, DHS
83 on October 26, 2012 issued a Letter of Intent to pursue contract negotiations with DFC
84 for Long-Term Managed Care in Sheboygan, Ozaukee, Washington, Waukesha and
85 Walworth Counties as described in the above-referenced RFP with the option for one
86 year contract renewals for calendar years 2014, 2015, 2016 and 2017, and,

87
88 WHEREAS, an adequate capitation rate to meet the service needs of enrolled members
89 will be based upon the DHS actuarially sound rate-setting methodology applied to the
90 projected enrolled members in this geographic area, therefore,

91
92 BE IT RESOLVED, The Director, Department of Family Care is hereby
93 authorized to execute a contract with the Department of Health Services enabling the

94 Milwaukee County Department of Family Care to serve as a managed care organization
95 (MCO) for the period January 1, 2013 through December 31, 2013 and to accept the
96 funding provided thereunder, and

97
98 BE IT FURTHER RESOLVED, that contract performance by Milwaukee County
99 Department of Family Care shall be contingent upon continued funding from the State of
100 Wisconsin Department of Health Services for administration and delivery of the family
101 care benefit by the Department of Family Care, and

102
103 BE IT FURTHER RESOLVED, further County Board authorization is required for
104 participation by the Department of Family Care as a Managed Care Organization (MCO)
105 for any additional renewal for any date of service after December 31, 2013,

106
107

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/22/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request authorization to execute a contract with the State of Wisconsin Department of Health Services to operate a managed care organization (MCO) to provide the Family Care benefit to residents of Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties for the period January 1, 2013 through December 31, 2013, and to accept the funding thereunder.

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	280,989,792	294,522,931
	Revenue	280,989,792	294,522,931
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

There are no direct costs, savings, anticipated revenues or budgetary impacts associated with the requested action in the current budget year. Any contract executed with DHS will not take effect until 2013. Capitation rates will be determined prior to the execution of the contract.

Department/Prepared By Jim Hodson

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

MILWAUKEE COUNTY
INTEROFFICE COMMUNICATION

DATE: November 20, 2012

TO: Marina Dimitrijevic, Chairwoman, County Board of Supervisors
Supervisor Willie Johnson Jr., Co-chair, Finance, Personnel and Audit Committee
Supervisor David Cullen, Co-chair, Finance, Personnel and Audit Committee

FROM: Cindy VanPelt, Risk Manager

SUBJECT: Request for Proposals-Insurance Purchases – Informational Report

POLICY

Resolution File No. 93-168 approved by the Finance and Audit Committee and adopted by the County Board at its February 18, 1993 meeting requires that Risk Management solicit Requests for Proposals for insurance purchases.

BACKGROUND/ANALYSIS

For policy year 2013, Risk Management solicited RFP's for the following types of insurance:

- 6743 Airport Liability
- 6742 Public Entity Liability
- 6744 Property Insurance
- 6747 Crime/Fidelity
- 6745 Fiduciary (*Employees' Retirement System of the County of Milwaukee*)
- 6746 Energy systems
- 6748 Workers Compensation Excess

RECOMMENDATION

Based on the evaluation of the review team it is recommended that Milwaukee County Risk Management enter into insurance purchase agreements for a period of one year, with an option to renew for an additional two years with the following insurance carriers:

- Airport Liability Insurance should be purchased from ACE,
- Public Entity Liability Insurance should be purchased from BRIT Insurance,
- Property Insurance should be purchased from the Local Government Property Insurance Fund.
- Fidelity insurance be purchased from Great American,
- Fiduciary Insurance should be purchased from Chartis/Chubb/Axis and
- Energy Systems Insurance should be purchased from Travelers.

FISCAL NOTE

Broker/Carrier	Insurance Coverage	2013 Premium
HNI/ACE	Airport Liability	\$ 190,963
Gallagher/Brit	Public Entity Liability	\$ 736,450
LGPIG/ASU	Property Insurance	\$ 563,384
AON/Great American	Fidelity/Crime	\$ 35,937
AON/Chartis/Chubb/Axis	Fiduciary	\$ **319,300
Gallagher/Travelers	Energy Systems	\$ 52,182

** Paid by the Pension Board

Respectfully



Cindy VanPelt
Risk Manager

CC: Chris Abele, County Executive
Pat Farley, Director, Department of Administrative Services
Craig Kammholz, Fiscal and Budget Administrator

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(Journal, December)
(File No.)

(ITEM) From the Milwaukee County Risk Manager requesting authorization to insurance purchase agreements for a period of one year, with an option to renew for an additional two years, as follows:

RESOLUTION

WHEREAS, at its meeting on February 18, 1993, the Milwaukee County Board of Supervisors adopted Resolution File No. 93-168, which specified that the Department of Administrative Services (DAS) shall use RFPs for the solicitation of all insurance services and that County Board approval is required before any coverage is purchased; and

WHEREAS, in accordance with Resolution File No. 93-168 and the modified schedule of insurance purchases, the Risk Manager prepared and solicited RFP's for insurance purchases for Airport Liability Insurance, Public Entity Liability Insurance, Fidelity Insurance, Fiduciary Insurance, Energy Systems Insurance and Property Insurance; and

WHEREAS, requests for markets were received, eight for Airport Liability Insurance, fourteen for Public Entity Liability Insurance, fifteen for Property Insurance, ten for Fidelity Insurance, eight for Energy Systems Insurance and sixteen for Fiduciary Insurance; and

WHEREAS, the responses to the RFP's were evaluated by a review committee; now, therefore,

26 BE IT RESOLVED, that the Milwaukee County Board of Supervisors authorizes
27 and directs the Risk Manager to enter into insurance purchase agreements for a period
28 of one year, with an option to renew for an additional two years as follows:

29	<u>Coverage</u>	<u>Broker</u>	<u>Insurance Company</u>	<u>Premium</u>
30				
31	Airport Liability	HNI	ACE	\$190,963
32	Public Entity Liability	A J Gallagher	BRIT Insurance	\$736,450
33	Property Insurance	ASU	Fund	\$563,384
34	Fidelity Insurance	AON	Great American	\$ 35,937
35	Fiduciary Insurance	AON	Chartis/Chubb/Axis	\$319,300
36	Energy Systems	A J Gallagher	Travelers	\$ 52,182

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/21/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Insurance coverage for 2013, results of RFP, for public entity liability, airport liability, fidelity insurance, property insurance, energy systems insurance.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

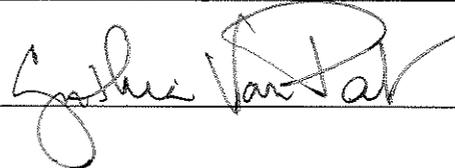
- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The attached resolution states Milwaukee County's intent and agreement to purchase public entity liability insurance, airport liability insurance, fidelity liability insurance, property insurance and energy systems insurance from the carriers noted.

	<u>2013 expenditure</u>
Public Entity Liability	\$736,450
Airport Liability	\$190,963
Property Insurance	\$563,384
Fidelity (crime) insurance	\$ 35,937
Energy systems insurance	\$ 52,182
TOTAL	\$1,578,916

These premiums have been budgeted for 2013.

Department/Prepared By DAS - Risk Management, Cynthia VanPelt

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

DATE : November 26, 2012

TO : Supervisor Marina Dimitrijevic, Chairwoman, Board of Supervisors

FROM : Scott Manske, Comptroller, Comptroller's Office
Brian Taffora, Director, Department of Administrative Services- Economic Development

SUBJECT : Authorization to enter into a trust agreement with the Milwaukee Economic Development Corporation (MEDC) and to enter into negotiations to develop an administrative agreement for the Milwaukee County Economic Development Fund

REQUEST

Approval is requested to enter into a trust agreement with the Milwaukee Economic Development Corporation (MEDC) and to enter into negotiations to develop an administrative agreement for the Milwaukee County Economic Development Fund.

BACKGROUND/ANALYSIS

The 2012 Adopted Capital Improvements Budget included Project WO624 Workforce and Economic Development Fund. The project included language that allocated \$1,000,000 of future land sale revenue for the creation of an Economic Development Fund. The land sale revenue for the Economic Development Fund was to be realized subsequent to \$400,000 being realized in the Department of Administrative Services (DAS-ED) - Economic Development operating budget and \$1,000,000 being realized for the Workforce Development Fund. These amounts excluded the federal share of the proceeds related to the Milwaukee School of Engineering (MSOE) land sale that were to be placed in the Debt Service Budget.

As of November 19, 2012, excluding the federal share of the MSOE land sale proceeds, there is approximately \$2.7 million recorded in land sale revenue in the DAS-ED Budget. This achieves the 2012 budgeted land sale revenue in the DAS-ED operating budget and allows for fully funding of the Workforce Development and the Economic Development Funds. During the July 2012 Board Cycle, budget authority was created in the DAS- ED division operating budget for the Workforce Development Program. The agreement between Milwaukee County and WRTP/BIG STEP to administer the program was executed in August 2012. A separate resolution is being submitted for this cycle that will place the unexpended balance of the WRTP/BIG STEP contract into a trust account so that funds will be available for future years of the contract.

Subsequent to the adoption of the 2012 Capital Improvements Budget, the Comptroller's Office determined that the Economic Development Fund should not have been included in the capital budget, but should have been included in the operating budget. Additionally, State Statute 59.60(11) prohibits the carryover of unexpended operating appropriations from the current budget year into the subsequent budget year. Further, it is anticipated that the funds will not be able to be spent before the end of 2012. A solution to this problem is the creation of a trust agreement that would allow for the carryover of unexpended funds from year to year.

A workgroup consisting of the Comptroller's Office, DAS-ED, DAS-Fiscal Affairs, and Corporation Counsel met to determine how the funds for the Economic Development Fund could be carried over so that the funds were not lapsed at the end of the year. In addition, the workgroup researched and met with economic development agencies to determine the best course of action for Milwaukee County's Economic Development Fund. These agencies included the Racine County Economic Development Corporation (RCEDC), Waukesha County Economic Development Corporation (WCEDC), and the Milwaukee Economic Development Corporation (MEDC).

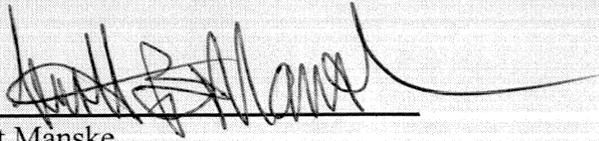
Due to the fact that Milwaukee County has limited staffing resources dedicated to economic development the workgroup concluded that the County should seek external administrative and operating support from a 3rd party agency. This is the model that the Waukesha County has used with the RCEDC. After meeting with the agencies and discussing how they administer and operate their economic development programs, the workgroup concluded that the County should seek permission to enter into a trust agreement with MEDC, as well as an administrative agreement for the operation of the Milwaukee County Economic Development Fund.

The trust agreement will function as a mechanism wherein the budgeted \$1,000,000 for the Economic Development Fund will be transferred to MEDC and held in trust on the County's behalf. The fund will not be able to be used by MEDC until the County approves an administrative agreement that outlines the policies and procedures for the use of the fund. The policies and procedures for the fund will be developed by a County workgroup. The policies and procedures may include types of loans, lending criteria, lending populations, etc. A separate resolution will be submitted to the Economic and Community Development Committee for the approval of a negotiated administrative agreement which will include policies and procedures for the fund.

RECOMMENDATION

The workgroup recommends approval to enter into a trust agreement with Milwaukee Economic Development Corporation (MEDC) and to enter into negotiations to develop an administrative agreement for the Milwaukee County Economic Development Fund. The workgroup also recommends that the DAS- Fiscal Affairs is directed to process an administrative appropriation transfer to realign expenditures and revenues to effectuate the creation of the trust agreement.

Upon completion of the proposed administrative agreement, the workgroup will submit the agreement to the Economic and Community Development Committee for approval.



Scott Manske
Comptroller



Brian Taffora
Director, Department of Administrative Services- Economic Development

- cc:
- Chris Abele, County Executive
 - Amber Moreen, Chief of Staff, County Executive's Office
 - Kelly Bablitch, Chief of Staff, County Board of Supervisors
 - Pat Farley, Director, Department of Administrative Services
 - Craig Kammholz, Fiscal and Budget Administrator, DAS
 - Steve Cady, County Board Fiscal and Budget Analyst
 - Jessica Janz-McKnight, County Board, Policy Analyst
 - Jill Didier, Economic Coordinator, DAS-ED
 - Vincent Masterson, Fiscal and Management Analyst, DAS
 - Justin Rodriguez, Capital Finance Analyst, Comptroller's Office

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3
4 (ITEM *) A resolution to authorize Milwaukee County to enter into a trust agreement with
5 Milwaukee Economic Development Corporation (MEDC) and to enter into negotiations to
6 develop an administrative agreement for the Milwaukee County Economic Development
7 Fund:
8

9 **A RESOLUTION**

10
11 WHEREAS, the 2012 Adopted Capital Improvements Budget included Project
12 WO624 Workforce and Economic Development Fund; and
13

14 WHEREAS, the project included language that allocated \$1,000,000 of future land
15 sale revenue for the creation of an Economic Development Fund; and
16

17 WHEREAS, the land sale revenue for the Economic Development Fund was to be
18 realized subsequent to \$400,000 being realized in the Department of Administrative
19 Services (DAS-ED) - Economic Development operating budget and \$1,000,000 being
20 realized for the Workforce Development Fund; and
21

22 WHEREAS, these amounts excluded the federal share of the proceeds related to the
23 Milwaukee School of Engineering (MSOE) land sale that were to be placed in the Debt
24 Service Budget; and
25

26 WHEREAS, as of November 19, 2012, excluding the federal share of the MSOE land
27 sale proceeds, there is approximately \$2.7 million recorded in land sale revenue in the
28 DAS-ED Budget; and
29

30 WHEREAS, this achieves the 2012 budgeted land sale revenue in the DAS-ED
31 operating budget and allows for fully funding of the Workforce Development and the
32 Economic Development Funds; and
33

34 WHEREAS, subsequent to the adoption of the 2012 Capital Improvements Budget,
35 the Comptroller's Office determined that the Workforce Development Fund and the
36 Economic Development Fund should not have been included in the capital budget, but
37 should have been included in the operating budget; and
38

39 WHEREAS, it is anticipated that the funds will not be able to be spent before the
40 end of 2012; and
41

42 WHEREAS, State Statute 59.60(11) prohibits the carryover of unexpended operating
43 appropriations from the current budget year into the subsequent budget year; and
44

45 WHEREAS, a solution to this problem is the creation of a trust agreement with an
46 outside agency that would allow for the carryover of unexpended funds from year to year;
47 and

48
49 WHEREAS, a workgroup consisting of the Comptroller's Office, DAS-ED, DAS-Fiscal
50 Affairs, and Corporation Counsel met to determine how the funds for the Economic
51 Development Fund could be carried over so that the funds were not lapsed at the end of
52 the year; and

53
54 WHEREAS, the workgroup researched and met with economic development
55 agencies to determine the best course of action for Milwaukee County's Economic
56 Development Fund; and

57
58 WHEREAS, these agencies included the Racine County Economic Development
59 Corporation (RCEDC), Waukesha County Economic Development Corporation (WCEDC),
60 and the Milwaukee Economic Development Corporation (MEDC); and

61
62 WHEREAS, due to the fact that Milwaukee County has limited staffing resources
63 dedicated to economic development the workgroup concluded that the County should
64 seek external administrative and operating support from a 3rd party agency; and

65
66 WHEREAS, this is the model that Waukesha County has used with the RCEDC; and

67
68 WHEREAS, after meeting with the agencies and discussing how they administer and
69 operate their economic development programs, the workgroup concluded that the County
70 should seek permission to enter into a trust agreement with MEDC, as well as an
71 administrative agreement with MEDC for the operation of the Milwaukee County Economic
72 Development Fund; and

73
74 WHEREAS, the trust agreement will function as a mechanism wherein the budgeted
75 \$1,000,000 for the Economic Development Fund will be transferred to MEDC and held in
76 trust on the County's behalf; and

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78 WHEREAS, the fund will not be able to be used by MEDC until the County
79 approves an administrative agreement that outlines the policies and procedures for the
80 fund; and

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82 WHEREAS, the policies and procedures for the fund will be developed by a County
83 workgroup; and

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85 WHEREAS, a separate resolution will be submitted to the Economic and Community
86 Development Committee for the approval of a negotiated administrative agreement which
87 will include policies and procedures for the fund; now, therefore,
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BE IT RESOLVED, that the Department of Administrative Services – Economic Development division shall enter into a trust agreement with Milwaukee Economic Development Corporation (MEDC) for purposes of carrying over this \$1,000,000 for the Milwaukee County Economic Development Fund; and

BE IT FURTHER RESOLVED, that the Department of Administrative Services – Fiscal Affairs is directed to process an administrative appropriation transfer to realign expenditures and revenues to effectuate the creation of the trust agreement; and

BE IT FURTHER RESOLVED, that the Department of Administrative Services – Economic Development division shall enter into negotiations to develop an administrative agreement for the use of this Milwaukee County Economic Development Fund; and

BE IT FURTHER RESOLVED, that the Department of Administrative Services – Economic Development division shall submit for approval an administrative agreement which will include policies and procedures for the Milwaukee County Economic Development Fund to the Economic and Community Development Committee.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/25/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization to enter into a trust agreement with Milwaukee Economic Development Corporation (MEDC) and to enter into negotiations to develop an administrative agreement for the Milwaukee County Economic Development Fund

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact

<input type="checkbox"/> Existing Staff Time Required

<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget

<input type="checkbox"/> Decrease Operating Expenditures

<input type="checkbox"/> Increase Operating Revenues

<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures

<input type="checkbox"/> Decrease Capital Expenditures

<input type="checkbox"/> Increase Capital Revenues

<input type="checkbox"/> Decrease Capital Revenues

<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Approval of the resolution will allow Milwaukee County to enter into a trust agreement with Milwaukee Economic Development Corporation (MEDC) and to enter into negotiations to develop an administrative agreement for the Milwaukee County Economic Development Fund.

B. There are no direct costs, savings or anticipated revenues associated with this request.

C. There are no budgetary impacts associated with this proposed action in the current year or in subsequent years.

D. It is assumed that \$1,000,000 of unbudgeted and realized land sale proceeds in the Department of Administrative Services- Economic Development Division (DAS-ED) will be placed into an expendable trust account in order to effectuate the resolution. Since a Receipt of Revenue appropriation transfer has not yet been approved there is no operating impact associated with creating the expendable trust.

Department/Prepared By Justin Rodriguez

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE : November 26, 2012

TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

FROM : Scott B. Manske, Comptroller

SUBJECT: Fiscal Report 3rd Quarter 2012 for Milwaukee County

Policy Issue

County Ordinance 56.02(2) requires the Comptroller to “report, on a quarterly basis or in a manner determined to be most useful and effective, on the financial condition of the county, which report shall identify all major variances from the adopted budget on a department-by-department basis.” To comply with this ordinance, the Comptroller provides a projection of year-end financial results on a quarterly basis to the County Board and County Executive. This fiscal report is a projection of 2012 financial results based on third quarter financial data. The County’s 2012 fiscal year ends on December 31, 2012. For each fiscal year, the County prepares a balanced budget in which revenues equal expenditures. Therefore, a report of surplus or deficit for the County represents actual results that are in total above (surplus) or below (deficit) net budgeted funds.

Year-end Projection

Based on financial results through September 30, 2012, Milwaukee County’s projected 2012 year-end fiscal status is a surplus of \$ 8.7 million. The projected surplus as of the 2nd quarter of 2012 was \$5.6 million. The projected surplus assumes that the balance of \$1.0 million remaining in the contingency fund as of November 26, 2012 is applied to offset departmental and non-departmental deficits. To the extent the contingency fund is used during the year for departmental funding, the projected surplus will decrease.

This report projects year-end departmental operating surpluses of \$4.9 million in DOT - Transit, \$1.7 million in the Department of Health and Human Services (DHHS) and \$0.3 million in Register of Deeds.

Non-departmental surpluses include: a surplus in projected savings from fringe benefits of \$3.8 million, and sales tax revenue of \$0.6 million. Non-departmental deficits include a (\$1.0) million deficit from the Debt Service Fund due to an anticipated shortfall in the annual Froedtert Lease payment, net of land sale revenue from the Federal government, dedicated to debt service costs.

These surpluses are offset by projected departmental deficits including: Behavioral Health Division (DHHS-BHD) of (\$0.8) million, Sheriff of (\$2.7) million, (\$ 1.2 million) in Department of Family Care (CMO) offset by a \$ 1.2 million contribution from the Family Care Reserve for a net zero impact, and Parks of (\$0.2) million.

The following attachments provide further detail:

- Attachment A: provides the projected surpluses and deficits in excess of \$100,000 by department.
- Attachment B: provides narrative explanations of the amounts reported in Attachment A.
- Attachment C: provides the projected surplus or deficit for 2012 by agency.

2012 Pension Contribution

The 2012 Budget includes an appropriation of \$27.4 million for contributions toward the County's Employee Retirement System (ERS) plan. Based upon the most recent actuarial report for ERS, the County is only required to contribute \$24.9 million to the pension plan in 2012. The required contribution is \$2.5 million less than the amount budgeted. The County Board and County Executive approved the original appropriation to ERS. Therefore, the County Board must approve any change to the pension contribution from the amount included in the budget. The attached projected surplus does not include any savings from a reduced pension contribution for 2012 pending board action

Pending Litigation or Potential Payouts:

The County has various litigation issues that are pending that are at different stages of the legal process. No provision has been made for any of these legal issues against the projected surplus for 2012 since these items are still being litigated.

The County and AFSCME DC-48 are seeking to settle the furlough days that were taken by certain members of this union in 2011. The County Board will be considering this issue during the December 2012 committee cycle. The estimated cost for the settlement would be \$1.18 million.

Overview of Process for Determining County-wide Year End Financial Projections:

The projection of the County's year-end results begins with an analysis of year-to-date actual results by each Department for the most recent quarter that has ended. These actual results become the basis for each department projecting twelve months of actual activity. Departments then submit a report of projected year-end results to the Comptroller. The departmental projections include a fiscal report of budget versus projected actual results by appropriation category, a written report of variances between budgeted and projected actual results, and a written report of any corrective action plan that the department intends to implement to reduce any projected deficit.

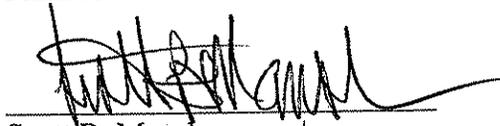
The Comptroller reviews the reports submitted by departments. During the review, questions may arise regarding departmental projections. Discussions will then occur with department personnel on the expected annual results. In rare instances, when the Comptroller projections differ from departmental financial results, the County-wide report will reflect the Comptroller projection, which will be noted in this report.

The Comptroller analyzes and projects financial results for most non-departmental accounts including fringe benefits, sales taxes, delinquent property taxes, investment income, unallocated contingency fund, debt service fund and capital projects fund. In addition, the Comptroller prepares salary projections for each department and compares the results to the salary projections prepared by departments.

The projections by departments and the Comptroller are combined to arrive at a year-end projection of financial results for the County. The fiscal report is then submitted to the County Board and County Executive.

Committee Action

This is an informational report only. This report should be referred to and reviewed by the Finance and Audit Committee.



Scott B. Manske
Comptroller

Attachments

cc: Chris Abele, County Executive
Supervisor Willie Johnson, Jr., Co-Chairman, Finance, Audit and Personnel Committee
Supervisor David Cullen, Co-Chairman, Finance, Audit and Personnel Committee
Finance, Audit and Personnel Committee
Patrick Farley, Director, Department of Administrative Services
Craig Kammholz, Fiscal and Budget Administrator
Stephen Cady, Fiscal and Budget Analyst, County Board
Department Heads

Milwaukee County			
Projection for 2012 - Based on Activity as of September 30, 2012			
Dept	Department Name	30-Sep-12	30-Jun-12
1150	DAS - Risk Management	\$ 115,000	\$ -
1160	Information Management Services Division	-	-
1140	Department of Human Resources	336,400	-
2000	Combined Courts	29,500	159,900
3090	County Treasurer	582,800	-
3400	Register of Deeds	330,200	424,400
4000	Sheriff's Office	(2,546,900)	(1,622,600)
4500	District Attorney	(189,100)	(255,000)
4900	Medical Examiner	64,300	60,000
5300	DOT - Fleet Services	(245,700)	(76,900)
5600	DOT - Transit/Paratransit System	4,926,400	2,935,700
5800	DOT - Administration	146,800	-
6300	Behavioral Health Division	(789,800)	(1,709,100)
7900	Department on Aging	500,000	-
7990	Department of Family Care (CMO)	(1,200,800)	(1,385,200)
7990	Contribution From Family Care Reserve	1,200,800	1,385,200
8000	Department of Health and Human Services	1,671,400	1,289,600
9000	Department of Parks, Recreation and Culture	(236,869)	(475,289)
9500	Zoological Department	(259,200)	-
	Other	58,279	650,483
	Departmental Total	4,493,510	1,382,994
	Capital Projects Funding	-	-
1945	Unallocated Contingency Fund	988,885	989,000
1950	Fringe Benefits	3,803,898	3,803,898
1991	Reserve for Delinquent Property Taxes	-	-
1993	State Shared Revenue	(195,000)	(195,000)
1996	Sales Tax Revenue	600,000	600,000
9960	Debt Service Fund/Froedtert Lease Payment	(1,000,000)	(1,000,000)
	Non-Departmental Total	4,197,783	4,197,898
	Projected County Surplus (Deficit)	\$ 8,691,293	\$ 5,580,892

Description of Significant Surplus and Deficit Projections for 2012:

Note: The County had an additional vacancy and turnover allowance in a non-departmental budget of \$1,785,000 that was assigned but not allocated to departments. Departments were required to include in their projections this reduction to salary appropriations for the 2012 budgeted projections. A fund transfer will have to be made in the next month to align the budget with the projections that were made by departments.

Departmental Surpluses and Deficits:

Combined Court Related Operations (Org 2000) *\$0.1 million surplus*

The Combined Courts is projecting a surplus of \$30,000 for 2012. This includes surplus in expenditures of \$ 946,000 offset by a deficit in revenues of \$917,000. The surplus in expenditures is in contractual services and personal services. The deficit in revenues is in bail forfeitures of \$522,000, state and federal revenue of \$94,000, other revenues of \$252,000 and interest income of \$41,000.

The deficit in bail forfeitures is due to fewer individuals being put on bail resulting in lower forfeiture revenue. The Courts indicate the reason for the reduction in bails is the success of the Alternatives to Incarceration Program. The deficit in Other Revenues includes large claim losses and legal fee recoveries.

County Treasurer (Org 3090) *\$0.6 million surplus*

The County Treasurer is projecting a \$583,000 surplus. The surplus includes \$400,000 of additional interest on delinquent property taxes, and savings in personnel costs.

Register of Deeds (Org 3400) *\$0.3 million surplus*

The Register of Deeds is projecting a surplus of \$330,000 due to increased revenue from transfer fees and document recording fees due to an increase in sales and recordings in 2012. Real estate transfer fee revenue is up 26% for the first nine months of the year over the same period in 2011. Recording fees are up 17% for the first nine months of the year over the same period for 2011.

Sheriff's Department (Org 4000) *(2.7 million) deficit*

The Sheriff's Department is projecting a 2012 deficit of \$ 2.7 million due to a revenue deficit of \$2.5 million and an expenditure deficit of \$0.2 million. The variances are due to surpluses and deficits in a variety of revenue and expenditure categories.

The 2012 Adopted Budget for the Sheriff anticipated a July 1, 2012 takeover of the inmate medical program by DHHS. This takeover did not occur and a fund transfer was approved in October of 2012 restoring expenditure authority to salaries, benefits, contractual services and commodities, offset by decreasing expenditure authority in internal service charges. Prior quarterly reports for the Sheriff noted the impact on expenditures of the pending fund transfer. Now that the transfer has processed, the quarterly report no longer needs to be adjusted.

Personal Services and Fringe Benefits are expected to deficit by \$0.6 million. The adopted 2012 budget included many changes to the staffing and related budget for the department. In addition, the Deputy Sheriff's Association entered into a new contract agreement with the County near the end of 2011, which also had an impact on the costs and the adopted budget for 2012. The Sheriff's office is continuing to try to implement certain of the 2012 personnel budget actions, but has indicated in its report to the Comptroller that several of these actions cannot be completed due to concerns with public safety and the Christensen Consent Decree, which is related to inmates and detention services.

The Sheriff provided a detailed explanation of each 2012 budget action related to personnel services and their department's progress on implementing the budget, or reasons that the action cannot be implemented. The fiscal impact of actions will result in a deficit in salaries for continuing positions, higher overtime to fill staffing needs, and higher unemployment costs due to layoffs of positions.

Contractual services are expected to surplus by \$730,000. This includes a \$125,000 surplus in detention meal services due to fewer average inmates than projected, and a surplus of \$ 700,000 in electronic surveillance costs due to a decision to limit the program. A deficit will occur in electronic surveillance revenue of \$ 457,000 since inmates are being taken off the program, which will offset this service savings. In addition, detention officers will no longer be needed to monitor the surveillance program, which will reduce overtime costs.

Internal service charges and abatements will have a deficit of \$1.3 million for 2012. There is an abatement deficit for Airport Security services due to a reduction in costs of \$700,000.

Revenues of the Sheriff's Office will be in deficit for 2012 due to reduced State, Federal and other governmental reimbursement of \$800,000. The largest deficit is Federal inmate revenue of \$608,000. The 2012 budget estimated that 50 federal prisoners would be housed at the correctional facility, however only 30 on average will be housed by the County.

Another new initiative was for the charging of bomb and SWAT services to outside communities, instead of the tax levy for \$186,000. According to the Sheriff, this new policy has not been implemented, as it awaits further direction from the Board and County Executive.

Concession revenue will also deficit for the year by \$352,000 based on a reduction in the number of inmates, and a poor economy. The Sheriff's office has reduced the number of staff handling this area to due to the reduction in sales. Other revenue will also deficit for the year by \$1,226,000, which includes a \$457,000 deficit in electronic surveillance, as discussed above.

District Attorney (Org 4500)

(\$0.2 million) deficit

The District Attorney is projecting a deficit of \$ 189,000 for 2012. This is primarily due to a deficit in state revenue of \$ 153,000 due to a reduction in the reimbursement rate for the victim/witness program from 51% to approximately 46%. Federal grants will further show a reduction in revenue due to a reduction in expenditures.

The department is showing a surplus in personnel services and contractual services. In the beginning of the year, the department did not believe it could meet its vacancy and turnover budget. However, recent reductions in staff will allow the department to hold 4.5 FTE vacancies, and meet its personnel service budget.

DOT – Airport (Org 5040)

(\$ 0.2 million) deficit

General Mitchell Airport has seen a drop of 20% in passengers and of 20% in landing weight in a comparison of the eight-month period of 2012 with 2011. The drop in passengers and landings is due to the reduction by Frontier Airlines from 80 flights per day to only 7 per day. This loss in air traffic is projected to result in a loss in parking fees and landing fees for 2012 of \$5.3 million. To offset these losses the airport has increased its landing fees and terminal space fees to signatory airlines beginning in June 2012. The airport is also holding expenditures to save approximately \$ 2.3 million in contractual services and \$ 1.0 million in personnel services.

DAS - Utilities (Org 5500)

(\$ 0.9 million) deficit

DAS Utilities is projecting a deficit in revenue of \$919,000. This deficit is the result of a change in billing for fire protection service on the County Grounds. The County is under contract to pay the City of Wauwatosa for the majority of fire services for their station on the County Grounds. The County did not have agreements with County grounds members to share in these costs. The County is now billing these costs through utility rates. Several members are currently evaluating if they will pay these fees. If the fees are not paid, the County could have a deficit for this revenue.

General DOT - Transit/ Paratransit System (Org 5600)

\$4.9 million surplus

The Transit/Paratransit System reported a projected surplus of \$ 4.9 million for 2012. This includes a surplus of \$ 0.2 million in Transit operations, and a surplus in Paratransit operations of \$ 4.7 million. For Transit operations, there is projected to be a slight deficit in passenger revenue, a surplus in fixed route expenses of \$2.4 million, and a deficit in depreciation and asset write-off of \$2.3 million. The number of passengers is expected to be up over last year by less than 1%, however there is a loss in revenue due to a change in the mix of paying passengers.

The Paratransit surplus of \$4.7 million is due to a reduction in the number of trips for Paratransit clients and the resulting reduction in costs and related revenues. The projected number of Paratransit trips will be reduced by 40% from the budgeted estimates, therefore reducing costs by \$9.9 million. The reduced projection of trips will also reduce reimbursement revenue from managed care programs and clients by \$5.2 million.

The surplus in fixed route expenditures includes a surplus in the actuarial estimate of Other Post Employment Benefit (OPEB) costs for Transit of \$1.7 million. The surplus in OPEB costs is based on an updated actuarial report that was received in recent months. The updated OPEB report includes updated contributions, rates of return, and employee benefits, which has reduced the OPEB contribution requirements for 2012.

DHHS – Behavioral Health Division (BHD) (Org 6300) (\$0.8 million deficit)

BHD is projecting a deficit of \$0.8 million for 2012, which consists of a revenue surplus of \$0.6 million and an expenditure deficit of \$1.4 million.

The revenue surplus is projected to occur in patient revenues of \$715,000, WIMCR revenue of \$377,000 and WRAP revenue of \$518,000, offset by deficits in State and federal revenue of \$430,000 and other revenue of \$586,000. Patient revenues have seen a significant improvement from first quarter projections, due to improvements in the census. The first quarter report had predicted a deficit of \$2.3 million in patient revenues. The revenue deficit in State and Federal revenues will be completely offset by a reduction in costs, which have been included in this projection. The net deficit in expenditures consists mostly of a personal services deficit of \$1,100,000, a deficit in commodities of \$786,000 and a deficit in skilled trades cross-charges of \$340,000, offset by a surplus in other charges of \$788,000 and capital outlay of \$143,000. The personnel services deficit is primarily due to a reduction in budgeted salary costs for a centralized Vacancy and Turnover allocation that was included in departmental projections. The deficit in commodities is related to pharmacy services, and the final payment due for 2011 of \$567,000.

**Department of Family Care (CMO) (Org 7990) (\$1.2 million deficit)
Offset by Contribution from Reserve for \$1.2 million**

The Department is projecting a deficit of \$1.2 million in net operations for the year. This deficit would be covered by reserves. The department's deficit cannot be used to reduce the County's projected surplus. The projected deficit would instead be offset by reserves of the Department of Family Care. The deficit of \$1.2 million will be offset by a \$1.2 million contribution from the Family Care Reserves of \$24.3 million.

As indicated above, the department is projecting a net deficit in operations, before a contribution from reserves of \$1.2 million. The deficit consists of a revenue deficit of \$9.0 million and an expenditure surplus of \$7.8 million. The revenue deficit is primarily in health care, due to lower than anticipated enrollment and a decreased capitation rate. This is offset by a surplus in expenditures. The decreased expenditures are projected in Other Expenditures for care management services of \$5.6 million, which is directly related to the lower enrollment. Due to the uncertainty regarding new enrollment, certain departmental costs have been placed on hold to provide additional budgetary savings including personnel services of \$550,000, contractual services of \$895,000 and capital outlay of \$639,000.

Department of Health and Human Services (Org 8000) \$1.7 million surplus

DHHS is projecting a surplus of \$1.7 million for 2012 due to a revenue surplus of \$1.2 million and an expenditure surplus of \$506,000. The projected revenue surplus consists of \$348,000 from Youth Aids due to a reduction in the number of juveniles placed in State institutions, and \$1.4 million in prior year revenue from Children's Long Term Support and Disability Resource Center. Due to a delay in the reconciliation by the State and County in certain programs, the 2011 prior year revenue was not recognized until 2012. These revenues surpluses are offset by a revenue loss of \$455,000 in Economic Support revenue from the State. The expenditure surplus is in various accounts.

Parks Division (Org 9000)

(\$0.2 million) deficit

The Parks Division deficit consists of a revenue deficit of \$1,151,000 and an expenditure surplus of \$914,000. Collected revenue is up \$2.2 million over the same period last year, however, the division does not believe it will be able to achieve the revenue budget of \$19.2 million, based on historical revenue collections for the Parks.

Non - Departmental Surpluses and Deficits:

Unallocated Contingency Fund (Org 1945)

\$1.0 million surplus

The unallocated contingency account was appropriated at \$1.5 million. A fund transfer was done in June and July to use \$561,000 for a payment to a third party and for 2012 election costs. The unallocated contingency fund, for purposes of this report, is being utilized to increase the projected surplus for the County.

Fringe Benefits (Org 1950)

\$3.8 million surplus

Based on analysis performed by the County's Comptroller, fringe benefit costs are currently projected to surplus for 2012. Medical and drug costs are expected to surplus by \$3.0 million for 2012. The County has hired a new actuary to help evaluate fringe benefit costs for 2012 and future budget years. The Comptroller and the Department of Administrative Services will work with the actuary to help monitor and provide any update to the projections for 2012. The actuary believes that the projected health savings will be a breakeven or \$3.8 million less than the Comptroller's projection.

Sales Taxes (Org 1996)

\$0.6 million surplus

The Comptroller is projecting a surplus of \$0.6 million in sales tax revenue for 2012. To date, the County has received the January thru August (October receipt) payments for sales tax. These payments are higher than the anticipated revenues for this period. The Comptroller will continue to monitor sales tax revenue for 2012.

Debt Service Fund / Froedtert Lease Payment (Org 9960)

(\$1.0 million) deficit

Due to a sale in the Park East to Milwaukee School of Engineering, the Federal sales revenue is allocated to the County to offset the cost of demolishing the annex parking structure. The Federal sale revenue is allocated to Debt Service, as an offset against bond costs for the demolition. The federal sale revenue for the Park East MSOE property was an unanticipated surplus of \$1.0 million. Offsetting this surplus is revenue budgeted for the Froedtert Hospital Lease related to the former Doyne Hospital which is also budgeted in Org 9960. The revenue was budgeted at \$6.3 million, and is anticipated to be only \$4.3 million for 2012, or a deficit of \$2.0 million.

Annual Fiscal Report of Surplus/Deficit as of September 30, 2012

	2012 Projected Revenues	2012 Budgeted Net Revenues	Revenue Variance	% Variance	2012 Projected Expenditures	2012 Budgeted Net Expenditures	Expense Variance	% Variance	Surplus (Deficit)	
Legislative, Executive & Staff										
1000	County Board	6,165	6,165	-	0%	6,547,782	6,580,881	33,099	1%	33,099
1001	Department of Audit	-	-	-	N/A	1,340,392	1,340,392	-	0%	-
1040	Disadv Bus Development	45,000	45,000	-	0%	956,158	956,158	-	0%	-
County Executive										
1011	General Office	-	-	-	N/A	1,236,830	1,233,898	(2,932)	0%	(2,932)
1021	Veterans Service	13,000	13,000	-	0%	320,887	320,887	-	0%	-
1110	Civil Service Commission	-	-	-	N/A	13,803	13,821	18	0%	18
1120	Personnel Review Board	-	-	-	N/A	270,155	270,155	-	0%	-
1130	Corporation Counsel	155,000	155,000	-	0%	1,738,808	1,738,808	-	0%	-
1140	Human Resources	1,375,859	1,375,209	650	0%	4,167,837	4,503,564	335,727	7%	336,378
Dept of Administrative Services										
1019	Persons with Disabilities	197,200	142,034	55,166	39%	1,062,571	1,018,338	(44,233)	-4%	10,933
1135	Labor Relations	-	-	-	N/A	395,199	472,680	77,481	16%	77,481
1150	Risk Management	8,199,237	8,199,237	-	0%	8,280,212	8,395,212	115,000	1%	115,000
1151	Fiscal Affairs Division	9,864	38,898	(29,034)	-75%	3,021,035	3,131,452	110,417	4%	81,383
1152	Procurement	-	-	-	N/A	882,041	921,157	39,116	4%	39,116
1160	Information Management Services	16,281,964	16,355,864	(73,900)	0%	17,259,134	17,333,034	73,900	0%	-
1190	Economic Development	3,716,706	3,716,706	-	0%	4,211,262	4,211,262	-	0%	-
3010	Election Commission	80,500	80,500	-	0%	1,563,757	1,563,757	-	0%	-
3090	County Treasurer	3,631,573	3,205,250	426,323	13%	1,391,059	1,547,559	156,500	10%	582,823
3270	County Clerk	470,500	470,500	-	0%	787,057	787,057	-	0%	-
3400	Register of Deeds	5,084,489	4,720,111	364,378	8%	4,595,889	4,561,707	(34,182)	-1%	330,195
3700	Office of the Comptroller	38,500	38,514	(14)	0%	2,608,693	2,808,693	200,000	7%	199,986
	Total Legislative, Executive & Staff	39,305,557	38,561,988	743,569	2%	62,650,561	63,710,472	1,059,911	2%	1,603,494
Courts and Judiciary										
2000	Combined Court Related Operations	8,721,324	9,638,328	(917,004)	-10%	38,068,398	39,014,853	946,455	2%	29,451
2430	Dept. of Child Support Enforcement	19,022,144	19,432,309	(410,165)	-2%	20,479,221	20,887,838	408,617	2%	(1,548)
2900	Courts - Pre-Trial Services	910,785	910,785	-	0%	5,277,073	5,388,012	110,939	2%	110,939
	Total Courts and Judiciary	28,654,253	29,981,422	(1,327,169)	-4%	63,824,692	65,290,703	1,466,010	2%	138,842
Public Safety										
4900	Medical Examiner	1,804,182	1,953,422	(149,240)	-8%	4,448,302	4,661,807	213,505	5%	64,265
4000	Sheriff	17,994,712	18,747,359	(752,647)	-4%	143,792,468	141,998,204	(1,794,264)	-1%	(2,546,911)
4500	District Attorney	6,627,187	7,032,683	(405,496)	-6%	18,394,991	18,611,366	216,375	1%	(189,121)
	Total Public Safety	26,426,081	27,733,464	(1,307,383)	-5%	166,635,761	165,271,377	(1,364,384)	-1%	(2,671,767)
Non-Departmental's										
1945	Contingency	-	-	-	N/A	-	988,885	988,885	100%	988,885
1950	Fringe Benefits	17,790,896	19,452,031	(1,661,135)	-9%	13,075,918	18,540,951	5,465,033	29%	3,803,898
1991	Property Taxes	275,370,837	275,370,837	-	0%	-	-	-	N/A	-
1993	State Shared Revenue	30,695,224	30,890,224	(195,000)	-1%	-	-	-	N/A	(195,000)
1996	Sales Taxes	64,600,880	64,000,880	600,000	1%	-	-	-	N/A	600,000
	Other Non-Departmental	15,936,750	15,936,750	0	0%	943,421	836,228	(107,193)	-13%	(107,193)
1900'S	Total Non-Departmental	406,105,998	407,362,133	(1,256,135)	0%	14,019,339	20,366,064	6,346,725	31%	5,090,590

September 30, 2012 Fiscal Report		2012	2012	Revenue	%	2012	2012	Expense	%	Surplus
		Projected	Budgeted Net	Variance	Variance	Projected	Budgeted Net	Variance	Variance	(Deficit)
		Revenues	Revenues			Expenditures	Expenditures			
Public Works & Development										
5040	DOT - Airport Division	83,159,521	88,731,239	(5,571,718)	-6%	83,348,601	88,920,319	5,571,718	6%	-
5100	DOT - Highway Maintenance	19,204,517	19,034,517	170,000	1%	19,637,615	19,866,115	228,500	1%	398,500
5300	DOT - Fleet Management	11,589,286	11,563,086	26,200	0%	9,859,237	9,587,347	(271,890)	-3%	(245,690)
5600	DOT - Transit/Paratransit System	98,478,677	105,164,880	(6,686,203)	-6%	114,009,239	125,621,868	11,612,629	9%	4,926,426
5800	DOT - Admin Div	250,000	250,000	-	0%	(38,713)	108,094	146,807	136%	146,807
5500	DAS - Utility	3,274,261	4,193,330	(919,069)	-22%	4,686,395	4,686,395	-	0%	(919,069)
5700	DAS - Facilities Mngmnt	28,179,921	28,179,921	-	0%	28,165,026	28,165,026	-	0%	-
Total Public Works & Development		244,136,182	257,116,973	(12,980,791)	-5%	259,667,401	276,955,164	17,287,763	6%	4,306,973
Health & Human Services										
6300	Behavioral Health Division	127,216,386	126,622,504	593,882	0%	193,348,763	191,965,080	(1,383,683)	-1%	(789,801)
7900	Department on Aging	17,796,756	16,510,150	1,286,606	8%	19,305,270	18,518,664	(786,606)	-4%	500,000
7990	Department of Family Care (CMO)	275,011,589	284,026,513	(9,014,924)	-3%	276,209,758	284,023,845	7,814,087	3%	(1,200,837)
8000	Department of Human Services	70,356,061	69,191,311	1,164,750	2%	95,031,429	95,538,101	506,672	1%	1,671,422
Total Health & Human Services		490,380,791	496,350,478	(5,969,687)	-1%	583,895,220	590,045,690	6,150,470	1%	180,783
Parks, Recreation & Culture										
9000	Department of Parks	18,046,450	19,197,559	(1,151,109)	-6%	41,229,368	42,143,608	914,240	2%	(236,869)
9500	Zoological Department	17,932,798	19,683,056	(1,750,258)	-9%	23,499,967	24,991,002	1,491,035	6%	(259,223)
9700	Milwaukee Public Museum	-	-	-	N/A	3,502,376	3,502,376	-	0%	-
9910	University Extension	-	121,080	(121,080)	-100%	-	458,712	458,712	100%	337,632
Total Parks, Recreation & Culture		35,979,248	39,001,695	(3,022,447)	-8%	68,231,711	71,095,698	2,863,987	4%	(158,460)
9960	Debt Retirement and Interest	11,219,792	12,219,792	(1,000,000)	-8%	68,772,393	68,772,393	-	0%	(1,000,000)
1200-1899	Capital Improvements	250,884,140	250,884,140	-	0%	315,751,074	315,751,074	-	0%	-
Expendable Trusts										
FUND 3	Zoo Trust Funds	952,424	952,424	-	0%	958,779	958,779	-	0%	-
FUND 5	Parks Trust Funds	44,051	-	44,051	N/A	200,925	157,632	(43,293)	-27%	758
FUND 6	Office on Handicapped Trust Fund	25,075	25,000	75	0%	27,184	25,000	(2,184)	-9%	(2,109)
FUND 7	Behavioral Health Complex Trust Funds	35,100	35,100	-	0%	35,100	35,100	-	0%	-
FUND 8	Airport PFC	-	-	-	N/A	(300)	-	300	N/A	300
FUND 11	Fleet Facilities Reserve Trust	-	-	-	N/A	-	-	-	N/A	-
Total Expendable Trusts		1,082,027	1,012,524	69,503	7%	1,221,688	1,176,511	(45,177)	-4%	24,326
Projected Surplus (Deficit)		1,534,174,071	1,560,224,609	(26,050,538)	-2%	1,604,669,840	1,638,435,146	33,765,305	2%	7,514,782
Reserves Expendable Trusts										(24,326)
Contribution to Family Care Reserves										1,200,837
Total Projected Surplus (Deficit)										8,691,293

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : December 4, 2012
TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors
FROM : Scott Manske, Comptroller
SUBJECT : **Final Details from the Sale of the General Obligation Refunding Bonds, Series 2012A**

REQUEST

The County Board of Supervisors approved Resolution File No. 12-862 that provided the parameters for the advanced refunding of 2004 and 2005 Corporate Purpose Bond Issues and delegated approval of the sale of the bonds to the Comptroller. The Comptroller's approval was limited to results of the sale that fall within the parameters outlined in the resolution. The resolution also indicated that an informational report would be submitted to the Finance, Personnel and Audit Committee to communicate the final results of the bond sale. The County received bids from 11 firms. The best bid was provided by Robert W. Baird & Co. with a true interest rate of .999111 percent. The section below provides the details from the sale of the General Obligation Refunding Bonds, Series 2012A that occurred on Monday, December 3, 2012.

BOND SALE DETAILS

The parameters for the financing would consist of the following:

- Net present value savings of 3 percent – Net present value is a financing principle that allows for the analysis of costs that are incurred today and savings that occur in the future to be evaluated in today's dollars (time value of money). Positive net present values reflect positive savings. As discussed above the County has established a standard of at least 3 percent of refunded principal. The preliminary analysis resulted in a net present value savings of approximately \$2 million, which represents in excess of 8 percent of refunded principal.

Final Results: The sale resulted in a net present values savings of \$2.5 million which represents 10.27 percent of the refunded principal amount of \$24,790,000. This is 7.27 percentage points above the standard of 3 percent.

- Maximum coupon rate of 5 percent – A coupon rate is the interest rate for each maturity or principal amount.

Final Results: The final coupon rate is 4 percent.

- Maximum true interest costs (TIC) of 2.5 percent – The true interest cost is the actual interest rate paid on bonds, which is expressed as a percentage of the total debt in today's dollars and includes the costs of issuance and other fees.

Final Results: The TIC is 1.0 percent. The actual bid TIC was .999111 percent. The bonds sold at a premium of \$3,466,412.65, which was used to resize the issue. The resizing of the issue reduced the par amount of the bonds from \$24,095,000 to \$23,105,000 and adjusted the TIC to 1.0 percent. The estimated par amount of \$24,095,000 anticipated a premium amount of approximately \$2.5 million. The approximately \$1.0 million difference between the premium and actual premium allowed for a reduction in the par amount from \$24,095,000 to \$23,105,000.

- No call provision – The no call provision indicates that the County will not be able to refund the new bonds prior to maturity. The remaining years of the refunded bonds is 6 years, so it is unlikely that the County would refund the new bonds. In addition, due to the short term of the bonds, a no call provision may be necessary to obtain a low interest rate and encourage investor interest in the bonds.

Final Results: There is no call provision for the refunding bonds.

- Minimum purchase price of 100 percent of the par amount of the bonds – The price of the bond reflects the maximum price an investor would want to pay for the bond based on the coupon rate and the market rate. This is known as the yield or rate of return on the bond. When the coupon rate on the bond is equal to the market rate the purchase price is equal to the principal amount of the bond (par). If the coupon rate is lower than the market rate, the bonds will be purchased at a discount. If the coupon is higher than the market rate, the bonds will be purchased at a premium. If there is a premium paid, the amount of the premium would be used to reduce the amount of the refunding bond issue. Whether or not the bond purchase price is a par, discount or premium is dependent upon market conditions on the day of the sale.

Final Results: The coupon rate exceeds the market rate; therefore, the bonds were sold at a premium. As stated above the premium was \$3,466,413 and was used to resize the issue to \$23,105,000.

RECOMMENDATION

This report is for informational purposes only.



Scott Manske
Comptroller

pc: Chris Abele, County Executive
Supervisor Willie Johnson, Co-Chairman, Finance and Audit Committee
Supervisor David Cullen, Co-Chairman, Finance and Audit Committee
Pat Farley, Director, Department of Administrative Services
Amber Moreen, Chief of Staff
Kelly Bablitch, Chief of Staff, County Board
Pamela Bryant, Capital Finance Manager
Stephen Cady, County Board Fiscal and Management Analyst
Joseph Czarnocki, County Clerk
Daniel Diliberti, County Treasurer
Chuck Jarik, Chapman and Cutler LLP
Emile Banks, Emile Banks and Associates
David Anderson, Public Financial Management
Justin Rodriguez, Fiscal and Management Analyst
Carol Mueller, Finance and Audit Committee Clerk

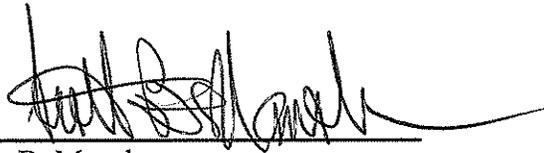
-COUNTY OF MILWAUKEE-
INTEROFFICE COMMUNICATION

DATE : November 27, 2012
TO : Marina Dimitrijevic, Chairwoman, County Board of Supervisors
FROM : Scott B. Manske, Comptroller
SUBJECT : Updated Fiscal Note Form

The 2013 Adopted Budget included a policy directive to modify the Fiscal Note Form currently employed by the County Board for all resolutions as follows:

“...the fiscal note form for any and every Milwaukee County resolution that authorizes entering into a contract for services shall include a box that must be checked to determine if CBDP has reviewed the contract for compliance with disadvantaged business enterprise (DBE) requirements.”

The Office of the Comptroller has updated the form to reflect this directive and a copy of the new form is attached.



Scott B. Manske
Comptroller

cc: Chris Abele, County Executive
Patrick Farley, Director, Department of Administrative Services
Craig Kammholz, Fiscal and Budget Administrator
Amber Moreen, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, Board of Supervisor

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: _____

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: _____

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|--|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Department/Prepared By _____

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 19, 2012

To: Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel & Audit
 Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel & Audit
 Supervisor Michael Mayo, Chair, Committee on Transportation, Public Works & Transit

From: Jerome J. Heer, Director of Audits

Subject: Status Report – Audit of County Preventive Maintenance Program (File No. 10-389)

At its meeting on October 28, 2010, the Committee on Finance and Audit passed a motion to refer our audit report “Milwaukee County Needs to Commit to a Preventive Repair & Maintenance Program to Ensure Public Safety,” to the Committee on Transportation, Public Works and Transit to “read the response from Public Works and develop a plan to move forward.”

At the Committee on Transportation, Public Works and Transit meeting on January 19, 2011, a motion to receive and place the report on file was approved. Additionally, the Committee Chair directed that a report be brought back in six months on the progress of the inspections, recommendations for the 2012 budget, and a list of all 902 County buildings. In response to this directive, the Department of Transportation and Public Works (DTPW) submitted a report dated August 22, 2011, to your respective committees.

Subsequently, two status reports noting the progress made toward implementation of our audit recommendations were submitted to the Committees. Dates the status reports were presented to the Committees, along with any action taken are listed below.

- 09/14/11:** TPW&T Committee – Informational, no action taken.
- 09/22/11:** F&A Committee – Informational, no action taken. However, it was noted that the Audit Department will provide a status report in the March 2012 committee cycle.
- 02/29/12:** TPW&T Committee – Informational, motion passed to receive and place on file.
- 03/08/12:** F&A Committee – Informational, no action taken.

DAS management describes its recent efforts and plans to implement the outstanding recommendations in the current status report, attached for your review. As noted in the report, additional progress will be made regarding the majority of the recommendations with resources made available in the 2013 adopted budget.

However, at this point only one of the seven recommendations has been implemented. Based on our discussions with DAS management, it was expected that the assessment and inspection team initially included in the 2011 Adopted Budget would be tasked with addressing the remaining six recommendations. Creation of this team has been delayed due to fiscal restraints until 2013.

Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel & Audit
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel & Audit
Supervisor Michael Mayo, Chair, Committee on Transportation, Public Works & Transit
November 19, 2012
Page Two

However, the existence of this team is not necessary to address all open recommendations. For example, work could be done currently to address Recommendation No. 6, which calls for all Preventive Maintenance Units to review all outstanding open deficiencies to ensure they are properly classified. Of particular concern at the time the report was issued over two years ago were the 308 deficiencies noted in the computer asset system's Life Safety category as Priority 1 – Currently Critical. This review has yet to be completed.

Given the potential consequences associated with continued delays in implementing this recommendation, we will request quarterly status reports from the Department of Administrative Services.

This status report is informational.



Jerome J. Heer

JJH/PAG/cah

Attachment

cc: Scott Manske, Milwaukee County Comptroller
Finance, Personnel & Audit Committee Members
Transportation, Public Works & Transit Committee Members
Chris Abele, Milwaukee County Executive
Patrick Farley, Director, Department of Administrative Services
Jim Burton, Director, Facilities Management, Dept. of Administrative Services
Greg High, Director, Arch. & Eng. Services, Dept. of Administrative Services
Julie Esch, Budget & Policy Administrator, Dept. of Administrative Services
Kelly Bablitch, Chief of Staff, County Board Staff
Steve Cady, Research Analyst, County Board Staff
Martin Weddle, Research Analyst, County Board Staff
Carol Mueller, Chief Committee Clerk
Jodi Mapp, Committee Clerk, County Board Staff

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Milwaukee County Needs to Commit to a Preventive Maintenance Program to Ensure Public Safety

File no. of Audit Rpt: 10-389

Audit Date: October 2010

Status Report Date: November 19, 2012

Department: Transportation & Public Works

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	

<p>1. Draft a policy, for County Board consideration, establishing minimum standards for assessing, inspecting and maintaining proper building conditions.</p>		X			No	Yes	<p>August 2011 Response: A policy appears to already be in place. Section 56.20 of the County Ordinances states "Administration of all public works projects shall be the function of and centralized in the Department of Transportation and Public Works". Administration is defined to include "establishment of a program for maintaining structural integrity of all capital improvements and routine major maintenance." Based on existing County Ordinance Section 56.20, DTPW staff is developing a DTPW Director mandated county-wide annual building inspection program for "maintaining structural integrity of all capital improvements and routine major maintenance."</p> <p>In the 2011 Adopted Budget 5 skilled trade positions (Inspection Unit) were created in the DTPW Director's Office but not funded for Building Inspections. Once this DTPW inspection team has been assembled, they will visit all County facilities on an annual basis using a recently developed "Inspection Manual for Building Components and Other Structures". The inspections performed by this unit would take into account the VFA data, as well as pending capital requests for each building. The Property Management (PM) Units will be provided a list of deficiencies that the inspectors have found on each building. This notification process would provide a record of current building condition, and highlight the immediate necessary remedies that would make sure public safety is not compromised. Inspection reports will be generated and submitted to the PM Units with the directive to implement any repair or removal of imminent threat to employee or public safety. If, upon revisiting the facilities, the directed repair or removal of imminent threats has not been completed, a report to the County Board will be generated.</p>
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STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Milwaukee County Needs to Commit to a Preventive Maintenance Program to Ensure Public Safety

File no. of Audit Rpt: 10-389

Audit Date: October 2010

Status Report Date: November 19, 2012

Department: Transportation & Public Works

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	

							<p>Concurrently. DTPW recognizes that PM Units will want to be proactive in confirming that the buildings they are responsible for maintaining are in compliance. In January of each year, all PM Units will be required to submit to the Director of DTPW a copy of an inspection checklist that they completed for each appropriate building and/or structure for which they are responsible. A listing of buildings will be established with and for each PM Unit. A similar process will be established for all County buildings leased, operated and maintained by third parties</p> <p><u>February 2012 Response:</u></p> <p>The policy required for establishing minimum standards for assessing, inspecting and maintaining proper building conditions is in place.</p> <p>In the February 2012 committee cycle, the County Board approved revisions to Chapters 44 and 56 of the Code of Ordinances as it pertains to contract of a public works nature based on the provisions of the 2012 Adopted Budget. As a result, based on existing County Ordinance Section 56.20, DAS-Facilities Management Division (DAS-FM) staff is developing a DAS Director mandated county-wide annual building inspection program for "maintaining structural integrity of all capital improvements and routine major maintenance."</p> <p><u>November 2012 Response</u></p> <p>Per the 2013 Adopted Budget for Milwaukee County, a Support Services Section is created in Facilities Management Division that includes the Facilities Assessment Team. The team includes 1.0 FTE Architect.</p>
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STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Milwaukee County Needs to Commit to a Preventive Maintenance Program to Ensure Public Safety

File no. of Audit Rpt: 10-389

Audit Date: October 2010

Status Report Date: November 19, 2012

Department: Transportation & Public Works

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							2.0 FTE Heating and Equipment Mechanic and 1.0 FTE Electrical Mechanic to develop action plans to address overall facilities maintenance/repairs and façade inspections countywide and integration with the VFA database. For 2013, the Team will be funded with one-time capital funding (WO949 – Inventory Assessment) that was approved in a March 2012 fund transfer. Future funding for assessments and inspections will be achieved through a cross-charge methodology to be developed in 2013, based upon the action plans
2. Request sufficient funding to perform proactive, cyclical assessments and inspections of County-owned infrastructure assets.					Yes	No	<p>August 2011 Response: In 2010, DTPW requested and received funding of \$1.6 million in the adopted 2011 Capital Budget to assess the condition of all County facilities that had not yet been included in DTPW's existing Building Inventory and Assessment Program (VFA). \$1.2 million was provided from the UWM land sale revenue and \$400,000 was provided from various airport accounts for airport facilities. Building assessment tasks at the airports are ongoing. All other assessments have been delayed due to a delay in receipt of the funding revenue from land sales.</p> <p>The process of performing assessments and inspections is the first step in understanding the extent of building condition. From the inspection, a determination must be made regarding the severity of the structural condition and the immediacy of the repair. Therefore, in terms of establishing funding for assessments and inspections, the process must be broken down into three parts; building assessment and inspection, cost of repair and the timeframe for repair. This must be done for interior as well as exterior assessments.</p>

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Milwaukee County Needs to Commit to a Preventive Maintenance Program to Ensure Public Safety

File no. of Audit Rpt: 10-389

Audit Date: October 2010

Status Report Date: November 19, 2012

Department: Transportation & Public Works

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	

							<p>DTPW is proposing an Inspection Unit identified earlier. This unit will inevitably refine the inspection and assessment process over time producing better cost estimating for such services. In the mean time, establishing a cost base line for cyclical assessments and inspections will be based on recent work performed by the façade inspections done county owned buildings. Costs for façade evaluations are expected to be \$350,000 to \$400,000 annually based on inspections required by City ordinances. Necessary repairs needed based on inspection findings are difficult to estimate given the variety of building materials and their costs and the extent of the needed repair.</p> <p>Interior evaluations could be performed for a cost of roughly \$150,000 to \$200,000 annually assuming 120 buildings would be inspected once every 5 years. This level of analysis would be done using the expertise of the inspection unit with necessary repair work being the responsibility of the owner department.</p> <p><u>February 2012 Response:</u></p> <p>ORGANIZATIONAL CHANGES BEING IMPLEMENTED</p> <p>In the 2011 Adopted Budget, 5 skilled trade positions (Inspection Unit) were created in the DTPW Director's Office but not funded for Building Inspections. In the 2012 Adopted Budget these positions remain unfunded in the budget of the Director of the Department of Transportation (DOT). These positions will be reallocated to DAS-Facilities Management Division in 2013. Also in the 2012 Adopted Budget certain significant organizational changes within DAS were approved that are currently being implemented. This involves filling newly created positions of the DAS-FM</p>
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STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Milwaukee County Needs to Commit to a Preventive Maintenance Program to Ensure Public Safety

File no. of Audit Rpt: 10-389

Audit Date: October 2010

Status Report Date: November 19, 2012

Department: Transportation & Public Works

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							<p>Director, the Director of the Sustainability Section of DAS-FM and the Manager of the Facilities Maintenance Section of DAS-FM as well as the existing position of Mechanical Services Manager. Some of these positions are in the process of recruitment and others are proceeding through the HR process. Filling of supervisory skilled trade positions now vacant due to retirements is also ongoing but finding qualified candidates is taking significantly more time than anticipated due to several factors including uncertainty of the County's fiscal status and labor relations and competition with the private sector.</p> <p>Anticipating that these leadership positions will be filled by mid-year, the department plans to further formalize the "Inspection Unit" concept that requires visiting all County facilities on an annual basis using a recently developed "Inspection Manual for Building Components and Other Structures". This was described in the 8/22/11 DTPW report and 8/30/12 Audit report to the County Board. These revisions may delay the implementation of this concept but a more centralized and efficient inspection program will result.</p> <p>On a related initiative, per the 2012 Adopted Budget, DAS-FM is in the process of negotiating a contract with consulting firm of CB Richard Ellis to deliver a Comprehensive Facilities Plan for County buildings.</p> <p>Reallocation of existing or additional fiscal resources may be required for further implementation in the 2013 budget .</p> <p>In the interim, DAS-FM is emphasizing to PM Units that they need to be proactive in confirming that the buildings they are responsible for maintaining are in compliance. In January of each year, all PM Units will be required to submit to the</p>

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Audit Title: Milwaukee County Needs to Commit to a Preventive Maintenance Program to Ensure Public Safety

File no. of Audit Rpt: 10-389

Audit Date: October 2010

Status Report Date: November 19, 2012

Department: Transportation & Public Works

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
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							<p>Director of DAS-FM a copy of an inspection checklist that they completed for each appropriate building and/or structure for which they are responsible. A listing of buildings will be established with and for each PM Unit. A similar process will be established for all County buildings leased, operated and maintained by third parties.</p> <p>OUTCOME AND STATUS OF RECENT ASSESSMENTS AND INSPECTIONS OF COUNTY-OWNED INFRASTRUCTURE ASSETS</p> <p>The process of performing assessments and inspections is the first step in understanding the extent of building condition. From the inspection, a determination must be made regarding the severity of the structural condition and the immediacy of the repair. Therefore, in terms of establishing funding for assessments and inspections, the process must be broken down into three parts; building assessment and inspection, cost of repair and the timeframe for repair. This must be done for interior as well as exterior assessments.</p> <p><u>Building Inventory and Assessment Program (VFA)</u></p> <p>In 2010, DTPW requested and received funding of \$1.6 million in the adopted 2011 Capital Budget to assess the condition of all County facilities that had not yet been included in DTPW's existing Building Inventory and Assessment Program (VFA). \$1.2 million was provided from the UWM land sale revenue and \$400,000 was provided from various airport accounts for airport facilities. Building assessment tasks at the airports are ongoing. All other assessments have been delayed due to a delay in receipt of the funding revenue from land sales.</p>
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							<p><u>Annual Budget Allocation</u></p> <p>DAS-FM is proposing an Inspection Unit as identified above. This unit will inevitably refine the inspection and assessment process over time producing better cost estimating for such services. In the mean time, establishing a cost base line for cyclical assessments and inspections will be based on recent work performed by the façade inspections done county owned buildings. Costs for façade evaluations are expected to be \$350,000 to \$400,000 annually based on inspections required by City ordinances. Necessary repairs needed based on inspection findings are difficult to estimate given the variety of building materials and their costs and the extent of the needed repair.</p> <p>Interior evaluations could be performed for a cost of roughly \$150,000 to \$200,000 annually assuming 120 buildings would be inspected once every 5 years. This level of analysis would be done using the expertise of the inspection unit with necessary repair work being the responsibility of the owner department.</p> <p><u>November 2012 Response</u> See Item #1</p>
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3. Draft a framework for consolidating all property management functions within DTPW to ensure focused, streamlined building management in a manner that ensures the safety of the public and County employees.		X			No	Yes	<p><u>August 2011 Response:</u> DTPW agrees that consolidation of all county owned property should be under one property management function as proposed both by an earlier audit report as well as a previous budget request. A stand-alone Department could be created to ensure building management is streamlined and that maintenance of county owned property is prioritized in an unbiased manner with safety as the priority.</p>
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							<p>Dept. of Audit Comment: We reiterate our recommendation that a framework be drafted which consolidates all property management functions Countywide within DTPW to provide the benefits noted in our report.</p> <p><u>February 2012 Response:</u></p> <p>DAS agrees that consolidation of all county owned property should be under one property management function as proposed both by an earlier audit report as well as a previous budget request. As out-lined in the 2012 Adopted Budget and in subsequent informational reports to the County Board, DAS-FM has been created to ensure building management is streamlined and that maintenance of county owned property is prioritized in an unbiased manner with safety as the priority. The adopted budget action creating DAS-FM is the first step in consolidating all property management functions Countywide within DAS to provide the benefits noted in the 2010 Audit report. Subsequent budget initiatives to further consolidate all property management functions Countywide under DAS-FM are anticipated in 2013.</p> <p>On a related initiative, per the 2012 Adopted Budget, DAS-FM is in the process of negotiating a contract with consulting firm of CB Richard Ellis to deliver a Comprehensive Facilities Plan for County buildings and properties. This plan will provide a strategy, timeline and cost estimates to implement the Milwaukee County property management strategic plan.</p> <p><u>November 2012 Response</u></p>

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							The CB Richard Ellis report will be finalized in December of 2012. Facilities Management will then begin the process of assessing the next steps for facility consolidation countywide. This assessment will begin in January of 2013.
4. Establish a protocol that ensures that data concerning repair and maintenance work completed to address identified deficiencies are input into VFA, and that completed work be archived as appropriate.		X			No	Yes	<p>August 2011 Response: For many of the public works capital budget projects, DTPW is already working on inputting data concerning repair and maintenance work completed to address identified deficiencies into VFA, and that completed work be archived as appropriate. For most other public works projects performed for the Owner departments by T&M contractors or by county staff, DTPW still needs to coordinate with the Owner Departments to make the data available to DTPW.</p> <p>DTPW staff is working with all PM Units to develop a process and procedure that ensures data concerning repair and maintenance work completed to address identified deficiencies are input into VFA, and that data on the completed work is archived as appropriate. This will include access and training on the appropriate property management software.</p> <p>February 2012 Response: For many of the public works capital budget projects, DAS-FM staff is already working on inputting data concerning repair and maintenance work completed to address identified deficiencies into VFA, and that completed work be archived as appropriate. For most other public works projects performed for the Owner departments by T&M contractors or by county staff, DAS-FM still needs to coordinate with the Owner Departments to make the data</p>

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							<p>available to DAS-FM.</p> <p>DAS-FM staff is working with all PM Units to develop a process and procedure that ensures data concerning repair and maintenance work completed to address identified deficiencies are input into VFA, and that data on the completed work is archived as appropriate. This will include access and training on the appropriate property management software.</p> <p>November 2012 Response Protocols will be established upon hiring of the Facilities Assessment Team. The Team will work with all PM Units as discussed in the February 2012 response.</p>
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5. Ensure that assessment results are discussed with PM units prior to entering the data into VFA. If disagreement exists, establish a procedure for arbitrating the disagreement, and for subsequently identifying such deficiencies within VFA.		X			No	Yes	<p>August 2011 Response: DTPW staff has put in place a review process allowing for adequate opportunities for PM Unit staff to review and comment on the data collected. A challenge to this process is the lack of staff and resources for the Owner department to allocate time for those with the expertise necessary. A procedure for arbitrating any disagreement between DTPW and the PM Units will be developed that allows subsequent identifying such deficiencies within VFA.</p> <p>February 2012 Response: DAS-FM staff has put in place a review process allowing for adequate opportunities for PM Unit staff to review and comment on the data collected. A challenge to this process is the lack of staff and resources for the Owner department to allocate time for those with the expertise necessary. A procedure for arbitrating any disagreement between DAS-FM and the PM Units will be developed that allows subsequent consensus in identifying building system inventory, condition and deficiencies within the VFA</p>
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							<p>program.</p> <p><u>November 2012 Response</u> Protocols will be established upon hiring of the Facilities Assessment Team. The Team will work with all PM Units as discussed in the February 2012 response.</p>
6. Require PM units to review all open deficiencies and update VFA to reflect their proper status, with emphasis directed toward Priority 1, Life Safety deficiencies initially.		X			No	Yes	<p><u>August 2011 Response:</u> As a part of the DTPW Director mandated county-wide annual building inspection program being worked on by DTPW staff, the PM Units will be required to document their review of the VFA data.</p> <p>DTPW staff will work with all PM Units and DAS fiscal and budget staff to develop a process and procedure that requires PM Units to review all open deficiencies and update VFA to reflect their proper status, with emphasis directed toward budgeting in the operating or capital budget to address Priority 1, Life Safety deficiencies initially. Requested budget submittals will require back up documentation from the VFA database. This will process and procedure will include access and training on the appropriate property management software.</p> <p>A challenge to this process is the lack of staff and resources for the PM Unit to allocate time for those with the expertise necessary.</p> <p>Dept. of Audit Comment: Our recommendation was intended to confirm whether the open deficiency status noted in VFA was current and accurate, with attention focused first on Priority 1, Life Safety deficiencies. Once the status was confirmed, then the response by DTPW to budget for repair costs is an</p>

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							<p>appropriate natural extension of its corrective action.</p> <p>Until then, neither DAS involvement nor limitations with staff's knowledge of VFA functions should restrict PM units' ability to follow up on confirming the status of deficiencies noted as open in VFA as soon as practical.</p> <p><u>February Response:</u></p> <p>As a part of the DAS-FM Director mandated county-wide annual building inspection program being worked on by DAS_FM staff, the PM Units will be required to document their review of the VFA data.</p> <p>DAS-FM staff will work with all PM Units and DAS fiscal and budget staff to develop a process and procedure that requires PM Units to review all open deficiencies and update VFA to reflect their proper status, with emphasis directed toward budgeting in the operating or capital budget to address Priority 1, Life Safety deficiencies initially. Requested budget submittals will require back up documentation from the VFA database. This process and procedure will include access and training on the appropriate property management software.</p> <p>A challenge to this process is the lack of staff and resources for the PM Unit to allocate time for those with the expertise necessary.</p> <p>It is not DAS involvement and/or limitations with staff's knowledge of VFA functions but lack of staff and resources for the PM Unit to allocate time for those with the expertise necessary that restricts PM units' ability to follow up on confirming the status of deficiencies noted as</p>
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							<p>open in VFA as soon as they should.</p> <p><u>November 2012 Response</u> Upon hiring of the Facilities Assessment team and review of the CBRE report, DAS-FM will work with DAS fiscal and budget staff regarding Priority 1, life Safety deficiencies. Some of these Priority 1 projects will be addressed in the 2013 capital improvement program.</p> <p>In the meantime, the Facilities Assessment Coordinator is working routinely with departments' PM units to determine which Priority 1 and other life/safety projects have been completed. Information provided by the departments is then entered directly into the VFA by the Facilities Assessment Coordinator.</p>
7. Develop a strategy and timetable for using existing systems in the County, and/or other available systems, to achieve a comprehensive property management system to become fully operational for preparation of the 2013 County Budget.		X			No	Y Yes	<p><u>August 2011 Response:</u> Based on existing County Ordinance Section 56.20, DTPW staff is developing a DTPW Director mandated county-wide annual building inspection program for "maintaining structural integrity of all capital improvements and routine major maintenance." In the 2011 Adopted Budget 5 skilled trade positions were created but not funded for Building Inspections. Additionally, in 2010 consultants hired by DTPW found approximately \$2.9 million in repairs that were needed in 2011 for the buildings that were inspected in 2010. The money that was earmarked to make those repairs came from the UWM Land Sales. When the land sales were deferred, funding was lost to make the repairs in 2011. In February of 2011 and again in April reports were sent to the County Board highlighting these issues. The County will need to plan for funding in 2012 to make these repairs and fund the inspection team positions. Once the DTPW inspection team has been assembled, they will be visiting all County facilities on an annual basis using a</p>

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							<p>recently developed "Inspection Manual for Building Components and Other Structures". Inspection reports will be generated and submitted to the PM Units with the directive to implement any repair or removal of imminent threat to employee or public safety. If, upon revisiting the facilities, the directed repair or removal of imminent threats has not been completed, a report to the County Board will be generated.</p> <p>A challenge to this process is the lack of staff and resources for the PM Units to allocate time for those with the expertise necessary.</p> <p>While some existing systems may be appropriate for certain activities, newer systems may be available that create a single source for warehousing data, estimating costs, track progress and generating reports for multiple users. Therefore, DPTW staff will perform an analysis of the current county data systems, along with the possible integration of new systems including enterprise GIS, to provide a streamlined approach to building condition and assessment management.</p> <p>February 2012 Response: Based on existing County Ordinance Section 56.20, DAS-FM staff is developing a DAS Director mandated county-wide annual building inspection program for "maintaining structural integrity of all capital improvements and routine major maintenance." In the 2011 Adopted Budget 5 skilled trade positions were created but not funded for Building Inspections. Additionally, in 2010 consultants hired by DTPW found approximately \$2.9 million in repairs that were needed in 2011 for the buildings that were inspected in 2010. The money that was earmarked to make those</p>
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							<p>repairs came from the UWM Land Sales. When the land sales were deferred, funding was lost to make the repairs in 2011. In February of 2011 and again in April reports were sent to the County Board highlighting these issues.</p> <p>In September, 2011 a fund transfer from DAS-Fiscal was approved by the County Board to provide \$1,015,441 in sales tax proceeds to complete façade repairs on buildings in 9 different County Departments. On 9/29/2011, the DTPW Director sent a letter to the impacted department heads and their appropriate staff with a description, budget and timeline for completing these repairs. These repairs are currently ongoing</p> <p>DAS-FM is anticipating a fund transfer in 2012 to provide the remaining funding required to assess the condition of all County buildings that have not yet been included in the VFA Building Inventory and Assessment database.</p> <p>DAS agrees that consolidation of all county owned property should be under one property management function as proposed both by an earlier audit report as well as a previous budget request. As out-lined in the 2012 Adopted Budget and in subsequent informational reports to the County Board, DAS-FM has been created to ensure building management is streamlined and that maintenance of county owned property is prioritized in an unbiased manner with safety as the priority. The adopted budget action creating DAS-FM is the first step in consolidating all property management functions Countywide within DAS to provide the benefits noted in the 2010 Audit report. Subsequent budget initiatives to further consolidate all property management functions Countywide under DAS-FM are anticipated in 2013.</p>
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							<p>On a related initiative, per the 2012 Adopted Budget, DAS-FM is in the process of negotiating a contract with consulting firm of CB Richard Ellis to deliver a Comprehensive Facilities Plan for County buildings and properties. This plan will provide a strategy, timeline and cost estimates to implement the Milwaukee County property management strategic plan</p> <p>Once the DAS-FM inspection team has been assembled, they will be visiting all County facilities on an annual basis using a recently developed "Inspection Manual for Building Components and Other Structures". Inspection reports will be generated and submitted to the PM Units with the directive to implement any repair or removal of imminent threat to employee or public safety. If, upon revisiting the facilities, the directed repair or removal of imminent threats has not been completed, a report to the County Board will be generated.</p> <p>A challenge to this process is the lack of staff and resources for the PM Units to allocate time for those with the expertise necessary.</p> <p>While some existing systems may be appropriate for certain activities, newer systems may be available that create a single source for warehousing data, estimating costs, track progress and generating reports for multiple users. Therefore, DAS-FM staff will perform an analysis of the current county data systems, along with the possible integration of new systems including enterprise GIS, to provide a streamlined approach to building condition and assessment management.</p>

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							<p><u>November 2012 Response</u> Due to the limited resources available in the early part of 2012 and the expected December completion of the CB Richard Ellis comprehensive facilities plan, a comprehensive property management system will not become fully operational until 2013.</p>

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 20, 2012

To: Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel & Audit
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel & Audit

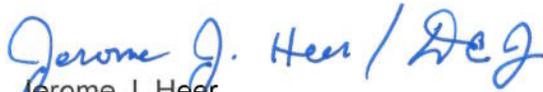
From: Jerome J. Heer, Director of Audits

Subject: Status Report – Audit of ERS Pension Benefit Calculations (File No. 12-318)

At its meeting on May 17, 2012, the Committee on Finance and Audit passed a motion to approve and recommend for adoption the recommendations made in our audit report "Excessive Manual Review and Intervention is Required to Ensure Pension Benefit Calculations from Milwaukee County ERS' Automated V-3 System are Accurate."

The attached status report summarizes the progress made toward implementation of these recommendations. As stated in the report, Human Resources management has completed implementation of ten of the fourteen recommendations. Please note our comments where we state our disagreement with management's approach to Recommendation No. 6 and our plans to review management's efforts regarding Recommendation Nos. 8 and 10 in advance of the next status report.

This status report is informational and we will work with management to provide an updated status report for the June 2013 committee meeting cycle.


Jerome J. Heer

JJH/PAG/cah

Attachment

cc: Scott Manske, Milwaukee County Comptroller
Finance, Personnel & Audit Committee Members
Chris Abele, Milwaukee County Executive
Kerry Mitchell, Executive Director, Department of Human Resources
Kelly Bablitch, Chief of Staff, County Board Staff
Steve Cady, Research Analyst, County Board Staff
Carol Mueller, Chief Committee Clerk

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Excessive Manual Review and Intervention is Required to Ensure Pension Benefit Calculations from Milwaukee County ERS' Automated V-3 System are Accurate

File Number: 12-318

Audit Date: March 2012

Status Report Date: November 16, 2012

Department: Human Resources –
Division of Employee Benefits

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	

1. Develop written protocols defining the number of pay periods used to calculate three-year and five-year Final Average Salary figures, respectively, for determining ERS retiree benefits in compliance with s. 201.24, Section II 2.8 of the Milwaukee County Ordinances. We suggest consistent application of the 78 highest consecutive pay periods for three-year FAS and the 130 highest consecutive pay periods for five-year FAS.					Yes	No	Auditee: ERS agreed with the recommendation and updated the procedure manuals accordingly. This project was completed in May 2012. A Change Order was requested to make the necessary V3 system modification.
2. Continue monitoring COLA adjustments and document efforts to verify reliable application of appropriate COLAs by the V-3 System.					Yes	No	Auditee: Ongoing quality assurance efforts regarding Cost of Living Adjustments (COLA) are in place. A full review of all COLAs is performed monthly. Issues are identified (over/underpayments) and corrective action is taken monthly. As an additional note, the programming issue with COLAs related to backDROPS that was separately identified by ERS was resolved in May 2012.
3. Review and correct all Option 6 cut-off date errors in the V-3 System					Yes	No	Auditee: ERS corrected all known option 6 errors. ERS continues to actively self-audit, and will similarly correct any issue identified in the future.

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4. Work with Corporation Counsel to revise s. 201.24 of the County Ordinances to codify the backDROP cut-off dates.					Yes	No	Auditee: Pension Board Rule 1046 Calculation of Option 6 Benefits with a Backdrop was adopted 6/20/12 to define when the 10 year certain period begins.
5. Develop written procedures regarding the procession of Option 6 pension applications, including measures to ensure cut-off dates for Option 6 members with backDROP dates are entered into V-3 appropriately and to ensure remaining benefits are paid to the estates of members who die without a beneficiary before receiving 120 guaranteed payments.					Yes	No	Auditee: Written procedures regarding option 6 were implemented in July 2012. These procedures address the execution of remaining payments to the estate of retirees who die prior to receiving the guaranteed number of payments.

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Division of Employee Benefits

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6. Create an automatic computer-generated cut-off for Option 6 beneficiary payments once the guaranteed 120 payment requirements have been met.					No	Yes	<p>Auditee: The current system configuration creates a report of Option 6 beneficiary payments that are expiring 2 months in advance of the completion of the 120 day period. This triggers a staff member to send the notice and enter a benefit end date in V-3.</p> <p>ERS remains generally opposed to automating the termination of pension benefits. In lieu of this step, ERS added redundancy to the manual review to ensure benefit end dates are being properly entered.</p> <p>Audit Services Division: <i>We continue to believe that automating this function would be more effective because it would provide a rigid internal control to prevent overpayments as contrasted with the current manual process, which is more susceptible to human error. However, management is responsible for establishing an adequate system of internal control.</i></p>
7. Expedite review of all remaining instances of benefits overpayments and underpayments referred by the Department of Audit during the course of this audit and take appropriate corrective action.					Yes	No	<p>Auditee: ERS completed all corrections prior to July 2012</p>

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8. Conduct a manual review of member accounts in those instances where missing or contradictory information in the V-3 System and/or paper files cast doubt on the accuracy of Option 7 payments. This may require contacting retirees and/or survivors to resolve issues with Option 7 that were not satisfied during this audit.					No	Yes	Auditee: ERS conducted a manual review, however, due to the age of some of these issues, they are not 100% resolved. ERS will continue this effort and resolve all issues to the extent that it is possible. <u>Audit Services Division:</u> <i>Audit Services will assess ERS' manual review ahead of the next status report.</i>
9. Refer the Option 4 (25% Joint and Survivor) case that was processed as Option 7 to Corporation Counsel for a legal review and opinion as to appropriate action, if any.					No	Yes	Auditee: This issue is still pending. Response will be updated to reflect resolution by end of December 2012.
10. Address all data errors in V-3 relating to the Option 7 cases that we have brought to management's attention in the course of this audit.					No	Yes	Auditee: ERS has reviewed all issues that were brought forward. However, the age of the cases and document retention issues has limited our ability to completely resolve all questions. ERS will continue to make all reasonable efforts to ensure data integrity. <u>Audit Services Division:</u> <i>Audit Services will review ERS' efforts in this area in advance of the next status report.</i>

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Division of Employee Benefits

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
11. Continue ongoing problem identification and resolution processes, including manual reviews and intervention to V-3 and correct all system data that is incorrect to make sure the system is a true account of each record.					Yes	No	Auditee: ERS has made, and will continue to make all reasonable quality assurance reviews. Identifying and resolving data integrity issues will remain an ongoing effort. Management has identified issues resulting in compromised data integrity and is addressing these with the V3 system vendor.
12. Revise ERS procedures manual to include the Peer to Peer Review Process.					Yes	No	Auditee: Procedure manuals have been updated to include the peer-to-peer review process. Additionally, the Fiscal office has final review and sign-off of all finals
13. Identify those problems attributable to staff errors and develop additional focused training and reinforcement efforts to improve performance.					Yes	No	Auditee: ERS has filled the Retirement Systems Specialist and ERS Assistant Manager roles, and subsequently increased its use of metrics for tracking and identifying staff errors. Some initial training issues have been addressed, but this will continue to be an ongoing effort. Additional staff development and training initiatives are in planning phase for implementation in 2013.
14. Review the Benefit Division's policy on the retention of records and ensure all documents necessary to recreate and verify retirement benefits calculations are retained in the V-3 System.					Yes	No	The Benefit Division's policy has been reviewed and distributed. Due to staff turnover, monitoring and re-training will be an ongoing effort.

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 26, 2012

To: Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel and Audit
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel and Audit

From: Jerome J. Heer, Director of Audits

Subject: Status Report – Audit of Parks Point of Sale Revenue Controls (File No. 12-369)

At its meeting on May 17, 2012, the Committee on Finance and Audit passed a motion to approve and recommend for adoption the recommendations made in our audit report, "Controls Over Milwaukee County Parks' Point of Sale Revenues are Sound but Timeliness of Reporting and Other Improvements are Possible."

The attached status report summarizes the progress made toward implementation of these recommendations. As indicated in the report, Parks' management has completed implementation of ten of the seventeen recommendations.

This status report is informational and since a number of recommendations are in process at this point, we will work with Parks' management to provide an updated status report for the June 2013 committee meeting cycle.



Jerome J. Heer

JJH/PAG/cah

Attachment

cc: Scott Manske, Milwaukee County Comptroller
Finance, Personnel and Audit Committee Members
Chris Abele, Milwaukee County Executive
James Keegan, Interim Parks Director, Dept. of Parks, Recreation and Culture
Chris Lindberg, Chief Information Officer, Information Management Services
Kelly Bablitch, Chief of Staff, County Board Staff
Steve Cady, Research Analyst, County Board Staff
Carol Mueller, Chief Committee Clerk, County Board Staff

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Controls Over Milwaukee County Parks' Point-of-Sale Revenues are Sound but Timeliness of Reporting and Other Improvements are Possible

File Number: 12-369

Audit Date: April 2012

Status Report Date: 11/21/12

Department: Parks, Recreation and Culture

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
1. Develop protocols, such as retention of appropriate documentation of programming modifications, to ensure the Parks POS/Advantage interface program is maintained with minimal disruption in operations should DAS' contractual relationship with the consultant currently performing that task end.					Yes	No	Auditee: IMSD has process and protocols in place to ensure that application code is secured and appropriate documentation is retained. Team Foundation Server; implemented in mid 2011, currently stores technology code related the Parks POS interface. All code development and periodic changes are managed within Team Foundation Server.
2. Work to modify the current application interface or write a new one to facilitate nightly or semi-weekly batch posting of POS transactions, or a summary of transactions, to the Advantage system.					Yes	No	Auditee: Our current methodology has proven more effective and efficient than use of the existing interface. It has reduced the amount of time to have transactions posted to Advantage. The existing interface has not been updated. It is not an automatic interface, as it requires user pull and push which is time consuming and cumbersome.
3. Develop a computerized tracking methodology to ensure that revenues from all sites are reported as scheduled and that corrective actions are taken when problematic sites are identified.					Yes	No	Auditee: A spreadsheet is used to track the receipt of each cash report per day per site. A "closed/no sales" form is required when the site does not turn in a cash report. An email is regularly sent to sites that are behind or have missing reports. Managers and Chiefs deal with habitual offenders. For sites on POS, reports inform us of the total sales that need to be accounted for. At month end, sales from cash reports are reconciled to both bank and credit card statements to ensure that no sales are unrecorded.

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Controls Over Milwaukee County Parks' Point-of-Sale Revenues are Sound but Timeliness of Reporting and Other Improvements are Possible

File Number: 12-369

Audit Date: April 2012

Status Report Date: 11/21/12

Department: Parks, Recreation and Culture

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
4. Consider installing cameras at all regulation golf/concession registers. At minimum, a camera should be installed at Oakwood Golf course, the third highest golf revenue generating site (approximately \$800,000 in revenues for 2010).					Yes	No	Auditee: A camera system was installed at Oakwood Golf Course in August 2012. Installation of a security system is planned at the Mitchell Park Domes as part of the greenhouse project.
5. Replace combination safes with keypad safes whereby the access-code can be easily changed as often as needed at no additional cost.					No	Yes	Auditee: 32 new keypad safes were purchased and are being installed.
6. Develop timely exception reports to more actively monitor voided and negative transactions. Parks management should devise reports that can be sorted by voided and negative transactions per cashier, per revenue site and per month to help detect patterns of potential abuse.					Yes	No	Auditee: 5 Managers reviewed transaction detail reports for each cash site on a rotating basis. A POS report was created to review negative and voided transactions for sites on POS. Irregularities were documented followed up on.
7. Document management review and analysis of exception reports on a regular basis. The Parks cash handling procedures manual should be updated with this procedure and cashiers should be made aware of the change.					No	Yes	The cash-handling manual will be updated over winter 2012-2013.

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Controls Over Milwaukee County Parks' Point-of-Sale Revenues are Sound but Timeliness of Reporting and Other Improvements are Possible

File Number: 12-369

Audit Date: April 2012

Status Report Date: 11/21/12

Department: Parks, Recreation and Culture

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
8. Implement a policy to conduct and document a minimum number of surprise on-site cash counts per year, take remedial action if necessary, and disseminate this information to all cashiers.					No	No	Parks agreed to audit at least 20 sites in 2012. 23 sites have been done year to date. Results of audits are shared with the appropriate Senior Manager and Chief for follow through. Issues that pertain to all site are shared with sites managers for dissemination.
9. Require all cashiers to punch, deface, or void redeemed gift certificates prior to securing it into the register drawer.					Yes	No	Current policy is for the cashier to deface/void all gift certificates as they are used. This policy will be reinforced with cashiers.
10. Establish regular reconciliation of tickets ordered, issued and redeemed to identify gaps in serial numbers and/or possible indications of unauthorized duplicates being redeemed. Link this process with ticket ordering to prevent erroneous orders of tickets with duplicate serial numbers.					Yes	No	Ticket usage has been discontinued a most pools as it was a superfluous control. New orders numbers will begin with the number after the last batch ordered and will only be ordered by Accounting. Total ticket inventory sent to pools are tracked and usage verified by ending inventory.
11. Destroy and document any duplicate tickets that are ordered and/or printed in error.					Yes	No	Duplicate tickets will be destroyed.
12. Establish a procedure to generate request to applicable vendors for a copy of required Certificates of Insurance for each contract year at least 60 days prior to the expiration date of the copy on file and ensure that a valid copy is acquired and retained.					No	Yes	Parks purchased the Contract Insight software program earlier this year. We are currently in the process of uploading our open contracts into Contract Insight. Contract Insight includes features tracking devices related to our contracts, including a metric that tells us when a contractor's certificate of insurance is 60 days from expiration. Parks expects to be fully functional in 6 months.

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Controls Over Milwaukee County Parks' Point-of-Sale Revenues are Sound but Timeliness of Reporting and Other Improvements are Possible

File Number: 12-369

Audit Date: April 2012

Status Report Date: 11/21/12

Department: Parks, Recreation and Culture

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
13. Work with IMSD to develop an access control policy for its POS system and ensure that password change requests, revocations, and assignments are properly authorized and documented. Such a policy should be consistent with Milwaukee County IMSD standards and documented in Parks' policy and procedures manual.					No	Yes	The Parks Department is still evaluating this observation to determine what options need to be implemented.
14. Work with IMSD to develop a change control policy to manage changes to application interface program(s) interfacing with Advantage. Such a policy should be consistent with Milwaukee County IMSD standards, documented in Parks' policy and procedures manual.					No	Yes	IMSD has a change control process in place. IMSD will work with Parks and the POS supplier to ensure vendor compliance.
15. Work with Parks to ensure that POS data restoration plans are tested and documented.					No	Yes	This task is substantially complete. IMSD back-up and restore processes were applied to the Parks POS system at the time of its implementation and are currently tested on an ad hoc basis. IMSD will continue to work with Parks to formalize a reoccurring schedule for future tests and enhance documentation.
16. Take steps to move the server within the same room away from the window to an area of the room where it is less visible and susceptible to water damage, or to a more secure area altogether.					Yes	No	-Increased security precautions have been put in place since this initial audit. -Re-enforced deadbolt doors have been installed as well as high security metal screens have been installed on the windows.

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Controls Over Milwaukee County Parks' Point-of-Sale Revenues are Sound but Timeliness of Reporting and Other Improvements are Possible

File Number: 12-369

Audit Date: April 2012

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Department: Parks, Recreation and Culture

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
17. Replace the existing external entry door containing a window with a more secure door.					Yes	No	Increased security precautions have been put in place since this initial audit. Re-enforced deadbolt doors have been installed as well as high security metal screens have been installed on the windows.

**Improved Recordkeeping Practices
are Needed to Ensure Accountability
Over Inmate Trust Funds**

October 2012

**Milwaukee County Office of the Comptroller
Audit Services Division**

**Scott B. Manske
Milwaukee County Comptroller**



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- Milwaukee County Comptroller
- Director of Audits
- Deputy Director of Audits

October 18, 2012

To the Honorable Chairwoman
of the Board of Supervisors
of the County of Milwaukee

We have completed an audit of the Milwaukee County Office of the Sheriff's administration of inmate trust account funds. As described in the attached audit report, Office of the Sheriff internal records for inmate trust accounts cannot be reconciled to bank account balances. In its current state, short of performing a transaction-by-transaction reconstruction of account activity potentially extending back several years, the Office of the Sheriff inmate trust accounts are virtually unauditible.

Further, during our review, it came to our attention that the Office of the Sheriff is not in compliance with Wisconsin State Statute s. 59.66, governing the administration of unclaimed funds. Data confirms that unclaimed inmate trust balances under \$25 were retained in the Office of the Sheriff's general operations fund, rather than reported to the County Treasurer in accordance with State law.

The report provides recommendations to address specific issues noted during the audit.

A response from the Office of the Sheriff is included as **Exhibit 2**. We appreciate the cooperation extended by Office of the Sheriff management and staff during the course of this audit.

Please refer this report to the Committee on Finance, Personnel and Audit.

Jerome J. Heer
Director of Audits

JJH/DCJ/cah

Attachment

cc: Scott B. Manske, Milwaukee County Comptroller
Milwaukee County Board of Supervisors
Chris Abele, Milwaukee County Executive
Patrick Farley, Director, Department of Administrative Services
Kelly Bablitch, Chief of Staff, County Board Staff
Craig Kammholz, Fiscal & Budget Administrator, DAS
Steve Cady, Fiscal & Budget Analyst, County Board Staff
Carol Mueller, Chief Committee Clerk, County Board Staff

Improved Recordkeeping Practices are Needed to Ensure Accountability Over Inmate Trust Funds

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Summary

The Detention Services Bureau of the Milwaukee County Office of the Sheriff operates two secure detention facilities, County Correctional Facility–Central (CCF–Central) and County Correctional Facility–South (CCF–South). The Office of the Sheriff administers a trust account function to hold and account for funds belonging to inmates. These funds are available for miscellaneous inmate purchases at the correctional facilities and payment of certain fees imposed during incarceration, including charges associated with participation in the Huber program.

We initiated this review of the Office of the Sheriff’s inmate trust account administration due to a repeated recommendation by the County’s external audit firm to strengthen internal controls in this area and additional concerns regarding internal controls identified as a result of our monthly bank reconciliation process.

Office of the Sheriff internal records for inmate trust accounts cannot be reconciled to bank account balances.

The County’s external audit firm of Baker Tilly Virchow Krause, LLP (Baker Tilly) commented specifically in its annual Report on Internal Control that for each of the years 2007–2009, and generally in 2010, that activity associated with inmate trust accounts was not regularly posted or reconciled to the County’s financial accounting system (Advantage). Our independent bank reconciliation process identified ‘red flags’ with the recording of inmate trust account transactions. In particular, we noted that for an extended period of time, Office of the Sheriff fiscal staff was not recording bank deposit activity on transaction registers (the equivalent of personal checkbook registers). Office of the Sheriff fiscal staff were notified by the Audit Services Division, on a monthly basis, of the growing level of unrecorded deposits. Yet unrecorded deposits exceeded \$1.8 million at one point. It was apparent that the Office of Sheriff’s fiscal staff was not properly monitoring the bank balance because the account was overdrawn on two occasions—in the amount of \$16,219 in one instance and by \$135,535 in another.

Individual inmates’ subsidiary records are not reconciled to the County’s accounting system or to the overall bank account balance.

The detailed accounting required to keep track of individual inmate financial transactions and balances is performed using a specialized software system developed by the firm of Correctional Computers of Wisconsin (CCW). Prior to February 2012, three checking accounts, one each for

CCF–Central, CCF–South and the Huber work release program, along with corresponding separate CCW system databases, were used in the administration of the inmate trust account function.

Subsequent to the consolidation of the multiple bank accounts and CCW databases earlier this year, the Office of the Sheriff began providing timely and complete transaction registers. However, current Office of the Sheriff fiscal staff could not locate any documentation of, nor recall any instances when, the detailed (subsidiary) inmate records maintained on the CCW system were reconciled to either the County’s Advantage system or to the trust account bank balances. The individual inmate balances on the CCW system contain the detailed transactions that should, in aggregate, agree with the Advantage system and bank balances. The absence of a reconciliation verifying this agreement presents the opportunity for errors, omissions and abuses to occur without detection.

We attempted to perform a ‘high level’ reconciliation (i.e., reconciling various categories of transactions as opposed to individual transactions) as of March 7, 2012, and initially found that the bank balance was approximately \$420,000 more than what the records in the CCW system indicated it should be. However, we subsequently learned that approximately \$962,000 in account balances recorded as belonging to inmates prior to 2010 were not retained when separate databases for CCF–Central inmates and CCF–South inmates were merged earlier this year. It is currently unclear to what extent the \$962,000 represents legitimate demands on the \$420,000 discrepancy (an apparent cash surplus) we initially identified. A detailed review of all these accounts will have to be undertaken to resolve this matter.

We also found that a number of checks written to transfer funds from the inmate trust account to the Office of the Sheriff’s operating revenue account were not issued until substantial periods of time after the corresponding fees were recorded as having been collected from inmates. For instance, payment to the Office of the Sheriff’s general account covering inmate phone card purchases for all of 2011 was made with a single check issued in March 2012 and there were delays of up to four months in writing checks for board and electronic surveillance fees after collection from inmates. These delays suggest that an accounting backlog is a contributing factor to the discrepancy. We also noted that a number of these checks and others, while issued in June 2011, were not deposited in the Office of the Sheriff’s operating revenue account until up to six months later.

Although our reconciliation initially showed the bank balance appeared to be significantly higher than the supporting records indicate, this should not be viewed as a positive condition. Rather, the apparent 'surplus' of funds is an indication that:

- Money from non-trust related sources was inadvertently deposited to the account;
- Inmate deposits have not been properly recorded in the CCW system;
- Money owed from the trust account has not been properly deducted; or
- Other errors, omissions or potential abuses are buried within the detail of the records.

Because of these concerns, we identified a strategy for uncovering errors and instances of misappropriation of Inmate Trust funds. However, our efforts were significantly limited due to missing data elements, typically included in data files, that would electronically link inmates with payee names and addresses. Further, we noted that information fields used for storing names and addresses did not utilize standard formatting criteria, compounding the issue. As a result, we were unable to conduct meaningful searches for suspicious transactions, except for our review of unusually large transactions, where no signs of errors or misappropriation were detected.

Additional opportunities for strengthening internal controls and improving efficiency.

We identified a few ancillary issues that if addressed, would strengthen internal controls and provide opportunities for efficiencies. These include:

- Lack of a policy and procedures manual that covers all material aspects of administering the inmate trust account.
- Limitations in standard reports generated by the CCW system. They do not allow for querying and sorting historical transaction level detail that would be useful for performing electronic searches to identify and analyze unusual transactions and potential errors.
- Poor attention to controls designed to restrict the number of individuals authorized to execute transactions from the inmate trust accounts. Of the 25 individuals authorized to sign checks and/or execute wire transfers, seven are no longer employed by Milwaukee County; one now works in the Department of Transportation; and two have undergone name changes.
- A policy of refunding inmate trust balances owed to former inmates upon release solely by check, regardless of the amount owed. Among checks written during the months of March, April and May 2012, a total of 356 checks were issued for less than \$10. Within this group, 115 checks were issued for amounts under \$1, including 19 checks for 10 cents or less and in one instance, a check was written for two cents. This requires administrative resources for tracking the high proportion of nominal checks that are never cashed.

The Office of the Sheriff is not in compliance with state law governing unclaimed funds.

During our review, it came to our attention that the Office of the Sheriff is not in compliance with Wisconsin State Statute s. 59.66, governing the administration of unclaimed funds. Data confirms that unclaimed inmate trust balances under \$25 were retained in the Office of the Sheriff's general operations fund, rather than reported to the County Treasurer in accordance with State law. The County Treasurer's Office identified this problem and corrective measures were taken for unclaimed funds in amounts of \$10 or more. However, apparently based on a misreading of s. 59.66, the Office of the Sheriff has retained unclaimed inmate trust funds in amount of less than \$10. Further, we learned that during the period 2002 through 2009 no unclaimed inmate trust fund balances of any size on record at the CCF—Central were reported or transferred from the Office of the Sheriff to the County Treasurer's Office.

This report contains recommendations to address each of the issues identified. A management response from the Office of the Sheriff is included as **Exhibit 2**. We wish to acknowledge the cooperation of the Office of the Sheriff management and staff during this audit.

Background

The Detention Services Bureau of the Milwaukee County Office of the Sheriff operates two secure detention facilities. County Correctional Facility–Central (CCF–Central), with a 960 bed capacity, is utilized for holding accused offenders until they are released on a pretrial basis or adjudicated, and a small number of sentenced offenders awaiting transfers or hearings on new charges. County Correctional Facility–South (CCF–South), with a 2,340 bed capacity, maintains custody of all sentenced inmates in Milwaukee County committed for periods not exceeding one year and from other jurisdictions as authorized by County ordinance. The Sheriff has the authority to transfer inmates between the two institutions in order to maximize the use of available beds.

The Bureau’s Electronic Monitoring Unit (EMU) also oversees the Huber work-release program (Huber program) housed at CCF–South and a home detention program for inmates.

The 2012 budget for the Detention Services Bureau includes 962 funded positions, with expenditures of \$110.6 million, revenue of \$10.1 million and tax levy support of about \$100.5 million. These budget figures are based on a total inmate population of 2,850, with projected average daily inmate censuses of 900 inmates at CCF–Central, 1,700 at CCF–South and 250 on home detention.

Among the multitude of responsibilities involved with operation of the correctional facilities, the Office of the Sheriff administers a trust account function to hold and account for funds belonging to inmates. These funds are available for miscellaneous inmate purchases at the correctional facilities and payment of certain fees imposed during incarceration, including charges associated with participation in the Huber program.

We initiated this review of the Office of the Sheriff’s inmate trust account administration due to a recommendation, repeated annually by the County’s external audit firm, to strengthen internal controls in this area and additional concerns regarding internal controls identified as a result of our monthly bank reconciliation process.

Overview of the Inmate Trust Account Function

The Office of the Sheriff maintains a congregate checking account to hold inmate owned funds in trust. All deposit and expenditure transactions involving inmate funds flow through this bank account. Sources of inmate funds include money deposited by a family member or friend of an

inmate on-site at either the CCF–C or CCF–S, or with an electronic funds transfer using a third party fiscal agent. Other sources of deposits include money found in possession of an inmate at time of arrest as well as funds from inmates transferred from other correctional facilities.

Inmates are able to use available funds to acquire items at the canteen, purchase phone credits, post bail, etc. Inmate funds are also used for payment of certain fees charged during incarceration, such as medical co-pays, electronic monitoring, and room and board for inmates held under the Huber program.

The detailed accounting required to keep track of individual inmate financial transactions and balances is performed using a specialized software system developed by the firm of Correctional Computers of Wisconsin (CCW). Since administration of the inmate trust account is a function within the Office of the Sheriff Fiscal and Budget Office, staff time devoted to the function is not segregated from other fiscal duties. Until recently, a total of seven Office of the Sheriff fiscal staff at the CCF–South spent a significant portion of their time (estimated to total approximately five Full Time Equivalent positions) administering inmate trust account funds on a regular basis. Currently, five fiscal staff (estimated to total approximately four Full Time Equivalent positions) assumes this workload and the Office of the Sheriff is actively recruiting to fill an additional full time position for this purpose. In addition, six cashiers at the CCF–Central spend a portion of their time receipting and recording deposits into the inmate trust account on an around-the-clock basis.

Section 1: Office of the Sheriff internal records for inmate trust funds cannot be reconciled to bank account balances.

The County's external audit firm commented that for each of the years 2007-2010 activity associated with inmate trust accounts was not regularly posted or reconciled to the Advantage accounting system.

The County's external audit firm of Baker Tilly Virchow Krause, LLP (Baker Tilly) commented specifically in its annual Report on Internal Control that for each of the years 2007–2009, and generally in 2010, that activity associated with inmate trust accounts was not regularly posted or reconciled to the Advantage accounting system. Baker Tilly's standing recommendation for these years was that this should be done by the Office of the Sheriff on a monthly or quarterly basis to ensure accurate reporting of cash on hand.

In the second half of 2011, the Central Accounting Division (formerly part of the Department of Administrative Services and now under the Office of the Comptroller) assisted the Office of the Sheriff fiscal staff with developing procedures to facilitate monthly posting of inmate trust account activity to update the Advantage system. However, activity associated with one of the three bank accounts was being incorrectly posted to an unrelated cash account on the Advantage system. Office of the Sheriff fiscal staff was made aware of this problem and we were told that necessary corrections will be made.

Implementation of these corrections should bring the cash balances reported on the Advantage system into agreement with the corresponding trust account bank balances. However, we learned that no reconciliation of the Office of the Sheriff's detailed subsidiary accounting records supporting inmate account balances is performed, discussed later in this report.

Our independent bank reconciliation process identified 'red flags' with the recording of inmate trust account transactions.

In the course of our bank reconciliation process, we identified a number of concerns in regard to the handling of inmate account transactions by the Office of the Sheriff.

In concert with the necessity for the Office of the Sheriff to regularly post and reconcile account activity to the Advantage system, our office performs routine monthly bank reconciliations of the inmate trust account, as well as all other bank accounts held by Milwaukee County. The objective of performing bank reconciliations of the inmate trust account is to identify variances between transactions initiated by the Office of the Sheriff with those processed by the bank. Office of the Sheriff staff and bank representatives are informed of errors and other reconciling items requiring adjustment or correction. Ultimately, this process helps safeguard against fraud, errors and other unauthorized transactions.

While bank records reflected the fact that monies totaling more than \$1.8 million were in fact deposited into the Huber bank account, the Office of the Sheriff's internal accounting records did not reflect those deposits.

In the course of our bank reconciliation process, we identified a number of concerns regarding the handling of inmate account transactions by the Office of the Sheriff. In particular, we noted that for an extended period of time, Office of the Sheriff fiscal staff was not recording bank deposit activity on transaction registers (the equivalent of personal checkbook registers) associated with a bank account used for inmates on the Huber work release program. Office of the Sheriff fiscal staff was notified by the Audit Services Division, on a monthly basis, of the growing level of unrecorded deposits. Yet unrecorded deposits exceeded \$1.8 million at one point. Therefore, while bank records reflected the fact that monies totaling more than \$1.8 million at one point were in fact deposited into the Huber bank account, the Office of the Sheriff's internal accounting records did not reflect those deposits. It was apparent that the Office of the Sheriff fiscal staff was not properly monitoring the bank balance because the account was overdrawn on two occasions—in the amount of \$16,219 in one instance and by \$135,535 in another.

We initially met with Office of the Sheriff fiscal staff at the end of March 2011 to discuss our concerns with administration of the inmate trust accounts. According to Office of the Sheriff

management, there were a number of reasons that led to this problem, including staffing issues and the need to deploy fiscal resources to assist with the consolidation of inmate trust transactions into one bank account and the merging of two inmate databases. Prior to February 2012, three checking accounts, one each for CCF–Central, CCF–South and the Huber work release program, along with corresponding separate CCW system databases, were used in the administration of the inmate trust account function. This was a carryover since before the House of Correction (now the CCF–South) was merged into the Office of the Sheriff in 2009.

Office of the Sheriff fiscal staff explained that the overdrawn accounts occurred when staff stopped separating inmate trust account deposits into separate accounts for the CCF–Central and CCF–South inmates, respectively. While it was intended that the separate accounts would be merged, deposits were being placed in one account, while checks continued to be drawn from three accounts. Office of the Sheriff fiscal staff indicated the accounts and the CCW system databases were being merged, and requested time to complete and test the merged system before we conducted a review. We agreed with this approach and postponed a formal review until earlier this year.

Individual inmates’ subsidiary records are not reconciled to the County’s Advantage accounting system or to the overall bank account balance.

Subsequent to the merger of the multiple bank accounts and CCW databases earlier this year, the Office of the Sheriff began providing timely and complete transaction registers to the Audit Services Division’s Bank Reconciliation unit. However, current Office of the Sheriff fiscal staff could not locate any documentation of, nor recall any instances when, the detailed (subsidiary) inmate records maintained on the CCW system were reconciled to either the County’s Advantage system or to the trust fund bank balances. The individual inmate accounts maintained on the CCW system contain the detailed transactions

that should, in aggregate, agree with the Advantage system and bank balances. The absence of a reconciliation verifying this agreement presents the opportunity for errors, omissions and abuses to occur without detection.

There were other factors that exacerbated the risk of fraud and/or undetected errors regarding the inmate funds and that eventually led to the creation of a significant discrepancy between the detailed accounting records and the bank account. These include the combination of delays in posting transactions, instances of overdrawn bank balances, and processing of inmate trust account transactions in an environment where reconciliations aren't performed between the detailed accounting records and the bank account.

We performed a 'high level' reconciliation as of March 7, 2012, and initially found that the bank balance was approximately \$420,000 more than what the records in the CCW system indicate it should be.

To determine the magnitude of this discrepancy we performed a 'high level' reconciliation (i.e., reconciling various categories of transactions as opposed to individual transactions) as of March 7, 2012, and initially found that the bank balance was approximately \$420,000 more than what the records in the CCW system indicate it should be.

However, we subsequently learned that approximately \$962,000 in account balances recorded as belonging to inmates prior to 2010 were not retained when separate databases for CCF-Central inmates and CCF-South inmates were merged earlier this year. *[Note: See page 15 of this report for additional details on this matter.]* It is currently unclear to what extent the \$962,000 represents legitimate demands on the \$420,000 discrepancy (an apparent cash surplus) we initially identified.

In late September of this year, the former Fiscal Administrator for the Office of the Sheriff provided the following explanation for the discrepancy:

“The Sheriff’s fiscal office is in the process of switching from two separate inmate trust accounts to a single combined trust account. The transition has taken much longer than expected due to competing priorities and retirements. [*There were actually three separate inmate trust accounts that were combined.]*

Previously, the responsibility of all trust accounting resided with the Accountant 3 in the Safety Building fiscal office. After this individual retired, we became aware that complete reconciliations of the trust accounts were not being performed.

We have now separated the responsibility for trust accounting between two Accountant 3 positions. Inmate trust accounting is now assigned to the Accountant 3 at the CCFS and other trust accounting is now assigned to the Accountant 3 at the Safety Building.

In addition, there has been a significant amount of turnover in the staff assigned to Huber and home detention inmate trust accounting. This has resulted in staff not understanding the calculations required for determining the amount of inmate board revenue that should be turned over to the County Treasurer each month. (Inmates in these programs are charged each day whether they have funds or not. If the inmate had funds, the revenue was correctly identified but if an inmate did not initially have funds but later funds were collected, the revenue was not correctly calculated. In addition, credit entries which were actually adjustments to receivables were subtracted from revenue in error.)

The result of the under reporting of revenue is excess funds in the inmate trust account.”

We concluded that there are likely additional explanations for the large discrepancy, including:

- A backlog in payment of items already deducted from inmate accounts on the CCW system.
- The accounting associated with the inmate trust accounts have been in such a state of disarray that fiscal staff has lost track of transaction items that should have been recorded long ago.
- Data integrity issues within the CCW system existing prior to, or occurring coincident with, the merger of the individual systems. Since there were no reconciliations of this type

performed prior to or after the merger, there is no assurance that the system data correctly accounted for all inmate funds at any given time. *[Note: See page 15 of this report for additional information on this issue.]*

A number of checks written to transfer funds from the inmate trust account to the Office of the Sheriff's operating revenue account were not issued until long after the corresponding fees had been collected from inmates.

In fact, we identified a number of checks written to transfer inmate fee revenue from the inmate trust account to the Office of the Sheriff general operations account that were not issued until long after the corresponding fees had been collected from inmates. For instance, payment to the Sheriff's operating revenue account covering inmate phone card purchases for all of 2011 was made with a single check issued in March 2012 and there were delays of up to four months in writing checks for Huber board and electronic surveillance fees after collection from inmates. These delays suggest that an accounting backlog is a contributing factor to the discrepancy. We also noted that a number of these checks and others, while issued in June 2011, were not deposited in the Office of the Sheriff's operating revenue account until up to six months later.

Aside from increasing the risk of theft and errors, significant delays in the issuance and deposit of checks and recording of transactions distorts the true balance of the Sheriff's revenue accounts, which when compared with budgetary figures, may lead to the false conclusion that there is a surplus or deficit anticipated in a given account.

It is also important to note that, although our reconciliation initially showed the bank balance appeared to be significantly higher than the supporting records indicate, this should not be viewed as a positive condition. Rather, the apparent 'surplus' of funds can also be an indication that:

- Money from non-trust related sources was inadvertently deposited to the account;
- Inmate deposits have not been properly recorded in the CCW system;

- Money owed from the trust account has not been properly deducted; or
- Other errors, omissions or potential abuses are buried within the detail of the records.

Recognizing the increased susceptibility of inmate funds to errors and misappropriation, we selected inmate trust account disbursement transactions occurring during 2011 and through August 24, 2012 to test for indications of this type of activity.

Because of these concerns, we identified a strategy generally used for uncovering errors and instances of misappropriation in this area involves the analysis of electronic disbursement data, sorted to highlight instances where multiple payments were made to the same individual or mailed to the same address, as well as payments for unusually large amounts. Any suspicious cases would be investigated by reviewing associated documentation to determine whether or not the transactions were legitimate and properly authorized by inmates.

However, our efforts were significantly limited due to missing data elements, typically included in data files, that would electronically link inmates with payee names and addresses. Further, we noted that information fields used for storing names and addresses did not utilize standard formatting criteria, compounding the issue. As a result, we were unable to conduct meaningful searches for suspicious transactions, except for our review of unusually large transactions, where no signs of errors or misappropriation were detected.

We also compared the names and addresses of all 25 individuals shown by bank records as being authorized to sign checks or execute electronic fund transfers associated with inmate trust bank accounts to payee data. The comparison was to determine if payments were made directly to any of the authorized signors. We found no matches as a result of these

tests. However, we did note that of the 25 authorized individuals:

- Seven are no longer employed by Milwaukee County.
- One now works in the Department of Transportation.
- Two have undergone name changes.

Authorization to execute bank transactions should be cancelled for any individuals who no longer work in the Office of the Sheriff to prevent access to funds. Additionally, authorizations should be updated to reflect employee name changes.

Further, in reviewing the bank documents for authorized signors, we discovered that the individual currently executing wire transfers between the inmate trust bank accounts has not been formally authorized to do so. This reflects poorly on the bank's adherence to its own internal control protocols. The bank has acknowledged this error and taken corrective measures.

We also noted that only one authorizing signature is required to execute bank transactions related to inmate trust accounts, regardless of the size of the transaction. For instance, individual checks of \$400,000, \$450,000 and \$500,000 were processed with only one authorizing signature. Establishing a dollar threshold at which a dual-signature requirement is employed is a common and effective control to deter misappropriations of funds.

Additionally, based on the nature of positions held by employees authorized to sign checks or execute electronic fund transfers, we are concerned that at least some of these individuals may also be performing accounting associated with the inmate trust accounts. This scenario places staff members in the position of having access to inmate trust funds and also being able to conceal instances of theft by falsifying accounting records.

Additional administrative effort is necessary to resolve the discrepancy between the Inmate Trust Fund bank balance and subsidiary inmate accounts.

Certain factors limit our ability to identify the origin(s) of the initial \$420,000 discrepancy between the bank balance and CCW subsidiary ledger total for the inmate trust account. One factor is the lack of a definitive starting point from which to trace account activity. Since current Office of the Sheriff fiscal staff could not locate any document indicating a reconciliation of the inmate trust account at the subsidiary level has ever been performed, no prior period can be identified when the account was known to be in balance.

Records associated with inmate balances totaling approximately \$962,000 were not included in the merger of CCW databases earlier this year.

Further, after persistent inquiries regarding the basis and supporting documentation for two checks in large, round-dollar amounts (\$500,000 and \$450,000), we were informed that records associated with inmate balances totaling approximately \$962,000 were not included in the merger of CCW databases earlier this year. According to the Office of the Sheriff's newly hired Accounting Manager, his preliminary analysis indicates these records are associated with inmates released prior to 2010. He speculated that it is likely a substantial portion of the \$962,000 had been paid out to former inmates but not posted to the accounting records. This speculation is based on the fact that since the balances shown for about 270 of the individuals are for amounts of at least \$500, it seems likely that a number of complaints would have been voiced had the payments not been made. Despite this assumption, a detailed review of all these accounts will have to be undertaken to resolve this matter.

Depending on the extent that individual balances included in the \$962,000 represent funds still owed to former inmates, the discrepancy between the bank balance and the total of the detailed inmate balances could instead indicate a significant shortage of cash.

In its current state, short of performing a transaction-by-transaction reconstruction of account activity potentially extending back several years, the Office of the Sheriff inmate trust accounts are virtually unauditable.

Recommendations

To maintain proper accounting, budgetary management and internal controls associated with the inmate trust account, we recommend that Office of the Sheriff management implement procedures to:

1. *Process all accounting transactions, including issuance of checks to transfer funds to Office of the Treasurer accounts, as well as the deposit of cash receipts, in a timely manner. Such transactions should be processed at least monthly.*
2. *Correctly post inmate trust account activity to the Advantage accounting system and perform reconciliations between the CCW system and Advantage monthly.*
3. *Establish a dollar threshold for employing a dual-signature requirement to authorize inmate trust fund transactions.*
4. *Segregate responsibilities among staff for signing checks and/or executing electronic fund transfers from those involved with the accounting/recording of these transactions. Provide the banks with updated authorizations which reflect only those individuals that should be signing checks and executing electronic transfers and, going forward, update the applicable bank(s) concurrent with changes.*
5. *Perform a detailed reconciliation between the CCW system and the inmate trust bank account to identify and analyze the factors underlying the large discrepancy and ultimately, make the adjusting entries necessary to bring the two back into balance.*

Office of the Sheriff fiscal staff indicated that they are working diligently to reconstruct and reconcile inmate trust account activity with the bank account balance, as well as with the Advantage system, in the near future.

Section 2: Additional opportunities for strengthening internal controls and improving efficiency.

In the course of reviewing the internal control issues that prompted us to initiate this audit, we identified a few ancillary issues that if addressed, would strengthen internal controls and provide opportunities for efficiencies.

Below is a brief description of each of these issues, followed by a list of our recommendations.

There is no policies and procedures manual associated with inmate trust account administration.

Policies and Procedures Manual

In our discussions with Office of the Sheriff fiscal staff, we learned there is no policies and procedures (P&P) manual associated with inmate trust account administration. Generally, the compilation of policies and procedures contained in a P&P manual would provide the basis and direction for carrying out the various responsibilities associated with any organizational unit, function, or program.

As such, the P&P manual serves as management's framework of internal control, setting forth what is required to be done, as well as describing how, when and by whom, various responsibilities and duties should be performed. The P&P manual is key in providing guidance, and in the training and cross-training of staff.

CCW System Limitations

To assist in our reconciliation of the inmate balances maintained on the CCW system to the bank account balance, we requested a download of detailed transactional data from the CCW system. According to Office of the Sheriff fiscal staff, a CCW representative indicated that detailed historical data is not readily available without initiating program changes. Instead, we were advised to use a standard report of inmates' account balances, which provides a snapshot of individual balances.

We were not able to perform any electronic searches to identify and analyze unusual transactions and potential errors.

Although the summarized data contained in the standard report was sufficient for the purpose of performing our reconciliation, the reports do not contain transaction level detail. Consequently, we were not able to perform any electronic searches to identify and analyze unusual transactions and potential errors.

Beyond the lack of detailed electronic CCW system data in regard to our review, the availability of the transaction level data could prove helpful in performing the previously recommended monthly account reconciliations of the CCW system, and to flag potential errors, irregularities and problems with the data.

Payout of Inmate Funds Subsequent to Release

We noticed that among the payout checks several were written for nominal amounts.

According to Office of the Sheriff fiscal staff, all payouts of inmate funds are made by mailing checks within two weeks following release. We noticed that among the payout checks several were written for nominal amounts. Among checks written during the months of March, April and May 2012, a total of 356 checks were issued for less than \$10. Within this group, 115 checks were issued for amounts under \$1, including 19 checks for 10 cents or less and in one instance, a check was written for two cents.

While we did not develop a formal estimate of the costs associated with issuing the checks, it is clear that check stock, envelopes and postage are required. In addition, administrative resources are expended on tracking the high proportion of nominal checks that are never cashed.

Office of the Sheriff fiscal staff informed us that prior to 2012 the practice was to make payouts in cash if the amount owed to the former inmate was less than \$25. With proper disbursement controls, this process would appear to be more administratively efficient in the long run.

During our review, it came to our attention that the Office of the Sheriff is not in compliance with Wisconsin State Statute s. 59.66, which requires that all funds not claimed for at least one year be reported to the County Treasurer on or before January 10 of every odd-numbered year. We noted the following instances of non-compliance:

- \$93,150 in unclaimed funds from former inmates at the CCF—South during the years 2000 through 2007 were not reported to the County Treasurer’s Office timely. The Office of the Sheriff reported and transferred unclaimed funds in the amounts of \$25 and greater to the Treasurer in January 2011. However, upon receipt of the list of unclaimed funds \$25 and greater, the County Treasurer informed the Office of the Sheriff that all funds greater than \$10 needed to be published. As a result, the Office of the Sheriff provided a list of unclaimed funds in accounts of at least \$10 up to \$25 and transferred the funds to the County Treasurer’s Office in April 2011. The Office of the Sheriff retained unclaimed inmate trust funds in amounts less than \$10. It should be noted that according to s. 59.66 of the Wisconsin Statutes, the County Treasurer is not required to publish unclaimed funds under \$10, but the statute clearly states that all amounts, including those under \$10, are to be reported and ultimately transferred to the County Treasurer's Office.

According to a former Office of the Sheriff fiscal staff member, the practice of retaining unclaimed funds less than \$25 was initiated after consulting with the current County Treasurer’s predecessor some years ago. The former fiscal staff member said it was decided not to invest the time and resources necessary to identify the thousands of unclaimed funds less than \$25.

- Other than the April 2011 transfer of funds of at least \$10 up to \$25, the Office of the Sheriff has not reported or transferred any unclaimed funds of less than \$25 for many years. For example, the Office of the Sheriff transferred \$57,738 of unclaimed funds (ranging from \$0.01 to \$24.99) to its revenue account in September 2009 and \$10,523 in December 2010. These funds have been retained by the Office of the Sheriff as revenue.
- \$71,406 in unclaimed funds from former inmates at the CCF—Central during the years 2002 through 2009 have not been reported nor transferred to the County Treasurer’s Office as of this writing. During this period, no unclaimed

inmate trust fund balances of any size on record at the CCF—Central were reported or transferred from the Office of the Sheriff to the County Treasurer's Office.

Recommendations

To improve internal controls and efficiencies associated with inmate trust account administration and to comply with state law regarding unclaimed funds, we recommend Office of the Sheriff management:

6. *Develop a written policies and procedures manual that covers all material aspects of administering the inmate trust account function.*
7. *Work with the CCW system vendor to develop the ability to extract detailed historical data from the system for use in performing monthly reconciliations and to flag potential errors and irregularities.*
8. *Consider resumption of cash payouts of inmate trust balances below \$25, or some other reasonable dollar threshold, at the time of release and return of other personal property to inmates.*
9. *Report and transfer all unclaimed funds, regardless of the dollar amount, from inmate trust fund balances at both the CCF—South and CCF—Central facilities to the County Treasurer's Office on a timely basis.*
10. *Consult with Corporation Counsel as to whether past unclaimed funds of at least \$10 and up to \$25 that have not previously been reported to the Office of the County Treasurer and published must now be published.*

Audit Scope

This audit was conducted as part of the Office of the Comptroller's efforts to monitor and improve Milwaukee County's system of internal controls. The objective of this audit was to review internal controls relating to the Office of the Sheriff's inmate trust account administration.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We limited our review to the areas specified in this Scope Section. During the course of the audit, we:

- Reviewed inmate trust account balances, bank accounts, and financial transactions relating to these accounts, including unclaimed inmate trust funds.
- Interviewed current and former Milwaukee County Office of the Sheriff staff.
- Interviewed Office of the Treasurer staff.
- Reviewed staff procedures related to collection of funds for deposit to inmate trust accounts.
- Conducted internet research related to internal control over inmate funds.
- Performed tests to determine whether inmate cash on hand reported on the Advantage accounting system agreed with the amount of available cash in the inmate trust bank account.
- Attempted to reconcile the total of inmates' balances maintained on the CCW system to the inmate trust bank account.
- Reviewed Wisconsin Statute s. 59.66 pertaining to unclaimed funds.
- Examined bank records showing individuals authorized to sign checks or execute electronic funds transactions involving Office of the Sheriff inmate trust accounts.

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David A. Clarke Jr.
Sheriff

County of Milwaukee
Office of the Sheriff

DATE: October 17, 2012

TO: Jerome J. Heer, Director of Audits

FROM: Edward H. Bailey, Inspector, Milwaukee County Office of the Sheriff

SUBJECT: **Response to the Milwaukee County Office of the Comptroller Audit Services Division's review of Milwaukee County Office of the Sheriff's Recordkeeping Practices Over Inmate Trust Funds**

The Office of the Sheriff has reviewed the Milwaukee County Office of the Sheriff's Recordkeeping Practices Over Inmate Trust Funds document as prepared by the Milwaukee County Office of the Comptroller Audit Services Division and has included responses to recommendations by the Audit Services Division below.

Recommendation #1 – Process all accounting transactions, including issuance of checks to transfer funds to Office of the Treasurer accounts, as well as the deposit of cash receipts, in a timely manner. Such transactions should be processed at least monthly.

The Office of the Sheriff will comply. Previously there were three inmate trust account systems, each with its own checking account. Due to a significant amount of staff turnover assigned to Huber and Home Detention trust accounting the checkbook registers were not maintained as current as required. In February 2012 the three inmate trusts were merged into one and all accounting transactions including issuance of checks to transfer funds and the deposit of cash receipts are now being recorded and processed in a timely manner.

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Recommendation #2 – Correctly post inmate trust account activity to the Advantage accounting system and perform reconciliations between the CCW system and Advantage monthly.

The Office of the Sheriff will comply. Responsibility for trust accounting has been separated between two Accountant 3 positions. Inmate trust accounting including detention, Huber and electronic monitoring has been assigned to the Accountant 3 at the CCF-S and the other trust accounting assigned to the Accountant 3 at the Safety Building. Each individual is responsible for and is posting inmate trust account activity to the Advantage system monthly. As the recommendations of this report are implemented, monthly reconciliation of the CCW system to Advantage will be implemented.

Recommendation #3 – Establish a dollar threshold for employing a dual-signature requirement to authorize inmate trust fund transactions.

The Office of the Sheriff will comply. All checks over a designated amount to be determined will require dual signatures and future check stock orders will include two signature lines.

Recommendation #4 – Segregate responsibilities among staff for signing checks and/or executing electronic fund transfers from those involved with the accounting/recordkeeping of these transactions. Provide the banks with updated authorizations which reflect only those individuals that should be signing checks and executing electronic transfers and, going forward, update the applicable bank(s) concurrent with changes.

The Office of the Sheriff will comply. An updated check signature card was submitted to the depository bank on October 10, 2012. This identifies only those individuals authorized to sign checks and execute electronic transfers. As responsibilities of the employees maintaining the inmate trust system are reviewed and refined this will provide a clear separation of duties between accounting/recordkeeping and check signing. All future changes will be immediately communicated to the bank. Only specific employees will be authorized to execute electronic fund transfers, who will be clearly identified to our banks.

Recommendation #5 – Perform a detailed reconciliation between the CCW system and the inmate trust bank account to identify and analyze the factors underlying the large discrepancy and ultimately, make the adjusting entries necessary to bring the two back into balance.

The Office of the Sheriff will comply. As of September 1, 2012 a daily reconciliation of all activity in the CCW system is being performed. This includes all daily deposits, transfers and credits into the system and all charges to the trust account comprised of Huber room and board, commissary, health, indigent hygiene, haircut fees, phone credit sales, self bails, etc. With this starting point, a detailed reconciliation of each preceding month up to the database merge will be performed to identify, analyze all discrepancies and make necessary adjusting entries and balance the two systems.

Recommendation #6 – Develop a written policies and procedures manual that covers all material aspects of administering the inmate trust account function.

The Office of the Sheriff will comply and prepare a policies and procedures manual covering all material aspects of administering the inmate trust account function. Currently there are policies and procedures in place within certain functions of CCW (CCF-C Cashiers) and other areas have begun preparation (CCF-S Huber).

Recommendation #7 – Work with the CCW system vendor to develop the ability to extract detailed historical data from the system for use in performing monthly reconciliations and to flag potential errors and irregularities.

The license for the CCW system is owned and maintained by IMCS (Inmate Money Consulting & Software, Inc.) since January 2012. IMCS was instrumental in the merging of the three systems and databases on February 7, 2012. Since the initial efforts to perform monthly reconciliations of CCW to Advantage and the bank account after the merging into a single database, IMCS has been providing professional services to establish readily accessible historical records and reconcilable balances. The Office of the Sheriff Fiscal Staff will continue to work with IMCS to improve the functionality of CCW and develop the ability to extract desired historical data.

Recommendation #8 – Consider resumption of cash payouts of inmate trust balances below \$25, or some other reasonable dollar threshold, at the time of release and return of other personal property to inmates.

On August 24, 2012, the Office of the Sheriff resumed cash payouts to inmates at the time of their release. Inmates with balances in their accounts less than \$30 are refunded the entire amount in cash. Inmates with balances in their accounts of \$30 or more are refunded \$25 upon release and the balance refunded by check. This eliminates the need to issue checks for less than \$5.

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Recommendation #9 – Report and transfer all unclaimed funds, regardless of the dollar amount, from inmate trust fund balances at both the CCF-South and CCF-Central facilities to the County Treasurer’s Office on a timely basis.

The Office of the Sheriff will comply.

Recommendation #10 – Consult with Corporation Counsel as to whether past unclaimed funds of at least \$10 and up to \$25 that have not previously been reported to the Office of the County Treasurer and published must now be published.

The Office of the Sheriff Fiscal Staff had operated under an agreement with the current County Treasurer’s predecessor that it was not necessary to invest time and resources to identify the unclaimed funds less than \$25. The Office of the Sheriff is seeking written confirmation from the Milwaukee County Corporation Counsel as to whether unclaimed funds that have not previously been reported to the Office of the County Treasurer and published must now be published. The Office of the Sheriff if directed to do so by Corporation Counsel will in fact comply entirely with this recommendation.

Corrective Action and Implementation Plan

The recent efforts by the Office of the Sheriff Fiscal Staff and the results of the review into recordkeeping practices over inmate trust funds by the Milwaukee County Office of the Comptroller Audit Services Division have highlighted areas of concern that require improved accounting and controls. Since there are several areas of concern there will be corrective action and implementation plans for each. The corrective measures will be defined into the following courses of action:

- 1) Balance and reconcile the CCW Inmate Trust System to the monthly bank account and to the Advantage accounting system for current activity. Then work in reverse to perform the same measures on all preceding months up to and including the post merger starting balance on February 7, 2012. Prepare and submit any reconciling adjustments to the Advantage system to bring it into balance with CCW.
- 2) Address unclaimed funds Wisconsin State Statute s. 59.66. Review all balances on dormant inmate trust accounts for over one year as of December 31, 2012 and submit a report with inmate names and all relevant information to the Office of the Milwaukee County Treasurer by January 10, 2013. Establish a procedure to continue this review and submittal on January 10 of each odd numbered year. Consult Corporation Counsel to determine whether unclaimed funds that were not previously reported to the Office of the Milwaukee County Treasurer must now be published.

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- 3) Write a policies and procedures manual that serves as an operational and internal control guide for inmate trust account administration and accounting. This manual will serve as a document for management and Fiscal Staff describing in detail the daily operations of the CCW inmate trust account system, responsibilities and duties of staff members, and related accounting functions. Accounting controls and functions will include daily and weekly monitoring and balancing of activity, monthly reconciliations and entries to the Advantage system and other periodic activities such as yearend close and biannual Unclaimed Funds transfers. A review of available software for writing policies and procedures manuals will be conducted to determine if a version exists that can be used to create and maintain a document of standard format and easy to update and modify.
- 4) During the merge of the three trust account systems on February 7, 2012 into a single database a number of old and inactive inmate accounts dated prior to January 1, 2011 were not included. These specific accounts contain positive balances since the last date of recorded activity. Initial review into these accounts indicates account balances may still carry positive balances due to a lack of follow through regarding billings and charges during detention or followup following prisoner release, particularly with Huber inmates. Specifically, daily room and board charges were not assessed to Huber inmate accounts and child support payments and related services charges were not relieved from inmate accounts. It is assumed that these type of omissions account for most of the outstanding balances. Unfortunately, it is not possible to dismiss these balances on such an assumption.

It will be necessary to review each account individually to ascertain the reason for the positive balance and then identify and document any transactions that were not processed in the past. Each account will be maintained 1) in a physical file with supporting documentation and 2) in an Excel spreadsheet containing beginning balance, missing transactions or adjustments with explanation and corrected ending balance. Upon completion of the investigation the final balances will be reconciled to previous revenue recognized and adjusted to the Advantage System. Remaining inmate trust accounts with positive balances will be considered unclaimed funds and forwarded to the Office of the Milwaukee County Treasurer.

- 5) The CCW Inmate Trust Account system has been used by the Milwaukee County Sheriff's Office for approximately 20 years. During this period of review and reconciliation the limitations of extracting historical data and various processing functions have hampered our efforts. The Fiscal Staff will work with the system vendor to improve functionality and access to historical data and determine if system capabilities are sufficient for future growth and information requirements.

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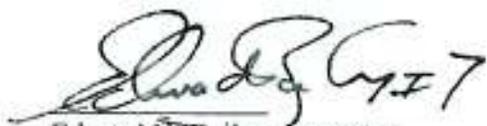
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Responsible for Implementation

The Accounting Manager on the Fiscal staff of the Milwaukee County Office of the Sheriff will be responsible for the implementation of these corrective actions. He will rely upon the two (2) Accountant 3 supervisors at CCF-C and CCF-S for the actual daily application of these measures.

Time Line

- 1) Balance and reconcile CCW Inmate Trust System to monthly bank account and to Advantage. **December 31, 2012**
- 2) Address and refer all unclaimed funds to the Office of the Milwaukee County Treasurer.
December 31, 2012
- 3) Write an initial Policies & Procedures Manual for inmate trust accounts as an operational and internal guide. This will be a living document to be revised as changes and revisions are made to the system.
June 30, 2013
- 4) Investigate and determine the actual balances on inmate accounts not included in the database merge. There are in excess of 18,000 accounts. It is estimated this will require a minimum of 2,000 manhours. Existing staff resources will be utilized when available from their daily responsibilities and additional resources may be required either on a temporary or permanent basis.
With existing staff:
December 31, 2013
With additional temporary or permanent staff:
July 31, 2013
- 5) Work with CCW system vendor to improve functionality, access to historical data and assess system capabilities.
Ongoing



Edward H. Bailey, Inspector
Milwaukee County Office of the Sheriff

cc: Scott Manske, Comptroller, Milwaukee County
Douglas Jenkins, Deputy Director of Audit

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(ITEM) From the Director of Audits, an audit report titled “Improved Recordkeeping Practices are Needed to Ensure Accountability Over Inmate Trust Funds,” requesting County Board action to receive and place on file the said audit report, and to concur with the audit recommendations provided therein, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the Audit Services Division of the Milwaukee County Office of the Comptroller conducted an audit of the Office of the Sheriff’s administration of inmate trust accounts and issued an audit report summarizing the results of its review in October 2012; and

WHEREAS, a series of audit recommendations are provided in the audit report and a copy of management’s responses has been added to the report as Exhibit 2; now, therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors receives and places on file, the Office of the Comptroller – Audit Services Division report, “Improved Recordkeeping Practices are Needed to Ensure Accountability Over Inmate Trust Funds,” and concurs with the audit recommendations contained therein.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 2, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Resolution (File No. 12-879) to receive and place on file the Milwaukee County Office of the Comptroller - Audit Services Division report, "Improved Recordkeeping Practices are Needed to Ensure Accountability Over Inmate Trust Funds," and to concur with the recommendations provided therein.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

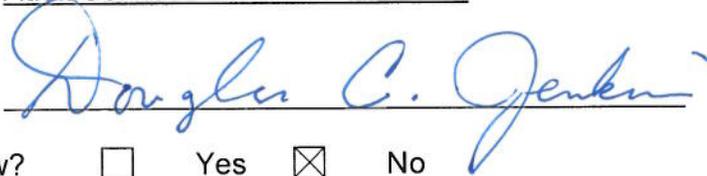
In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The resolution requires no additional expenditure of funds.

Department/Prepared By Audit Services Division/Paul Grant

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
DEPARTMENT OF HUMAN RESOURCES
INTER-OFFICE COMMUNICATION

DATE : November 2, 2012

To : Chairwoman Marina Dimitrijevic, County Board of Supervisors

FROM : Matthew Hanchek, Benefits Administrator – Department of Human Resources

SUBJECT: **Report from the Benefits Administrator, Department of Human Resources, requesting authorization for a 3-year contract for dental administrative services.**

Issue/Background

The current contract with Humana Dental expires on December 31, 2012. Although initially only a 3-year term, this contract has been renewed numerous times with board approval and has not been subject to a request for proposal (RFP) process in more than seven years. To ensure Milwaukee County continues to receive the highest quality services and competitive rates a RFP for self-funded dental administrative services was issued.

The RFP was developed and coordinated by Milwaukee County's Health Benefits Consultant, Willis of Wisconsin under the guidance of chapter 56.30 of the Milwaukee County code of ordinances. Bidders are also required to comply with the disadvantaged business enterprise (DBE) policy defined in CFR 49 Part 23 and 26 and Chapter 42 of the Milwaukee County Ordinances.

Willis presented all of the RFP responses, including financial analysis, to a review panel including representatives from DHR-Employee Benefits, DAS – Fiscal, and County Board Staff. The panel reached unanimous consensus that the proposal by Delta Dental of Wisconsin was the strongest bid.

Delta Dental

Delta Dental of Wisconsin is a not-for-profit independent affiliate of Delta Dental Plans Association. They are headquartered in Stevens Point, WI with offices in Milwaukee and Madison. All claims processing and customer service functions will be performed at the Stevens Point location.

Delta Dental of Wisconsin currently serves over 4,300 clients with an excess of 1.5 million covered lives. They have significant experience providing dental services to public sector clients, including 25 county clients.

Disadvantaged Business Enterprise (DBE)

Delta Dental is committed to achieving the stated DBE goal of 17% of fees. Based on current enrollment, that goal amount would be \$9,039 annually.

Delta Dental initially identified Chamberlain Consulting Group, a certified Wisconsin DBE firm which they have utilized for other projects, to meet the requirements of this contract. However, since submitting their contract proposal, Chamberlain Consulting Group has gone out of business.

Delta Dental has completed a statement of good faith effort committing to the 17% goal and is working with the Community Business Development Partners to vet firms and identify opportunities to work with DBE and SBE firms. Delta Dental has tentatively identified a local DBE firm, Tri State Office Products, and are completing due diligence for a contract to fulfill the annual goal.

Financial Comparison of Bids

The proposed administrative fees by Delta Dental of Wisconsin were the lowest at \$53,170.80 (based on current enrollment), although the difference in administrative cost was marginal between all bids. The proposed fees would be guaranteed for the entire 3-year term. An analysis by Willis of claims cost, network coverage and provider discounts demonstrated no material difference between the incumbent, Humana Dental, and the bid by Delta Dental. On average, the other bids were approximately \$70,000 higher in total annual costs.

While the difference in County cost between the top two bids was negligible, the bid from Delta Dental provided superior financial protection to Milwaukee County employees due to its significantly broader provider network (91% of claims versus 54%). This limits the potential for above Reasonable and Customary charges being billed to the employee by out-of-network providers.

Requested Board Action

Based on the recommendations of the review panel, the Benefits Administrator, Department of Human Resources is seeking approval to execute a 3-yr contract with Delta Dental of WI for dental administrative services.

Cc: County Executive Chris Abele
Supervisor Willie Johnson, Co-chair, Finance, Personnel, and Audit Committee
Supervisor David Cullen, Co-chair, Finance, Personnel, and Audit Committee
Amber Moreen, Chief of Staff, County Executive's Office
Patrick Farley, Director of Administrative Services
Scott Manske, Comptroller
Kimberly Walker, Corporation Counsel
Kerry Mitchell, Executive Director of Human Resources
Steve Cady, Fiscal and Budget Analyst, County Board
Carol Mueller, Committee Clerk

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(ITEM) From the Benefits Administrator, Department of Human Resources, requesting authorization to execute a 3-yr contract with Delta Dental of Wisconsin for dental administrative services. This contract would be effective through 12/31/2015

A RESOLUTION

WHEREAS, Milwaukee County has a long-standing commitment to providing its eligible employees with high quality of care through its employee benefits programs, and

WHEREAS, the current contract for dental administrative services expires as of December 31st, 2012; and

WHEREAS, The Employee Benefits Division in conjunction with the County's health benefits consultant, Willis of Wisconsin, developed a request for proposal for the request for proposal to ensure optimal contract terms; and

WHEREAS, Willis of Wisconsin, reviewed all proposals and recommended the proposal by Delta Dental of Wisconsin; and

WHEREAS, a panel representing the Department of Human Resources, DAS Fiscal Affairs, and Milwaukee County Board Staff independently reviewed all proposals, and the panel unanimously deemed the proposal by Delta Dental of Wisconsin to be superior; now, therefore

BE IT RESOLVED, that the Benefits Administrator, Department of Human Resources, is hereby authorized to execute a 3-yr contract with Delta Dental of Wisconsin for dental administrative services. This contract would be effective through 12/31/2015.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: December 1, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for authorization to execute a three-year contract for dental administrative services with Delta Dental of Wisconsin.

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input checked="" type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input checked="" type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		53,170
	Revenue		
	Net Cost		53,170
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A.) Approval of this request would enable the Benefits Administrator to contract with Delta Dental for dependent eligibility auditing to begin in 2012.

B.) Based on current enrollment and utilization, the proposed Delta Dental contract would reduce annual administrative costs by approximately \$6,300 per year versus the current 2012 Humana contract. However, there is no material difference in total costs (Combined claims and admin).

C.) There is no impact to 2012. Rates are gauranteed for the entire 3-yr contract term.

D.) The cost stated in the report and fiscal note are based on current enrollment and utilization. Changes to employees enrollment and how they use their dental benefits could impact this analysis positively or negatively.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By Matthew Hanchek, Benefits Administrator

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

**INTEROFFICE COMMUNICATION
COUNTY OF MILWAUKEE**

DATE: November 20, 2012

TO: Marina Dimitirjevic, Chairwoman, County Board of Supervisors

FROM: Mark A. Grady, Deputy Corporation Counsel *MAG*

SUBJECT: WERC decision related to furlough days

Please refer the attached resolution to the Committee on Judiciary, Safety and General Services. Although not required, referral to the Finance, Personnel and Audit Committee would be appropriate as well. Our office recommends approval of the resolution to pay the 2011 furlough hours, in excess of 45 hours per employee, to affected AFSCME employees.

As noted in the resolution, the WERC ruled, among other things, that the County violated its duty to bargain in good faith when it imposed the furlough days in 2010 for affected AFSCME employees. The WERC order also required that the County maintain the status quo that existed before imposition of the 2010 furloughs. Before the WERC decision was received, the County had adopted the 2011 budget containing additional furlough hours in 2011 for AFSCME employees. AFSCME continues to assert in the litigation that the 2011 furlough hours violated the collective bargaining agreement that was in existence and violated the WERC order to maintain the status quo. The County asserts that defenses to that claim may exist. The WERC cannot rule on the matter at this time because the case is currently on appeal in the Court of Appeals for other issues in the litigation.

A fiscal note sets forth the liability of \$990,000 related to these furlough hours in 2011 and the interest that has accumulated of \$186,000. Interest would continue to accrue in the future at the approximate rate of \$10,000 per month. The fiscal note indicates that sufficient funds exist in the 2012 budget to pay these amounts. If the County continues to defend the claim, but receives an adverse decision in the future, it is unknown whether funds would exist at that time for payment of an award. In the absence of such funds, payment of any possible award in the future could create significantly greater budgetary constraints than would payment of these amounts now from the anticipated 2012 budget surplus.

Attachments

cc(w/att.): Amber Moreen
Janelle Jensen
Jennifer Collins
Steve Cady

An authorization to pay 2011 furlough hours in the matter of *Milwaukee County v. Wisconsin Employment Relations Commission (WERC) and American Federation of State, County and Municipal Employees (AFSCME)*, Case No. 11-CV-12137, by recommending adoption of the following:

A RESOLUTION

WHEREAS, AFSCME filed a complaint in 2009 with the Wisconsin Employment Relations Commission (WERC) related to, among other things, the County's adoption of furlough days for 2010; and

WHEREAS, while those proceedings were pending and prior to receipt of any ruling from the WERC, the County adopted a budget for 2011 that included the imposition of furlough hours for employees in 2011; and

WHEREAS, the WERC thereafter ruled in 2011 that, among other things, the County failed to bargain in good faith with respect to the imposition of furlough days in excess of 45 hours per employee; and

WHEREAS, the WERC ordered, among other things, that AFSCME employees affected by the 2010 furlough days in excess of 45 hours should be re-paid, with interest; and further ordered that the County restore and maintain the status quo that existed prior to the furlough hours being unlawfully imposed; and

WHEREAS, the County sought review of the WERC decision in circuit court; and

WHEREAS, the circuit court issued a decision dated February 27, 2012 that, among other things, affirmed the WERC ruling that the County violated its obligation to bargain in good faith when it imposed the 2010 furlough days, in excess of 45 hours, for affected AFSCME employees and affirmed the WERC order that the County maintain the status quo; and

WHEREAS, at its meeting on July 26, 2012, the County Board of Supervisors approved the payment of 2010 furlough hours in excess of forty-five (45) hours per employee to affected AFSCME employees; and

WHEREAS, AFSCME alleges that the 2011 furlough hours violated the WERC order that required the County to maintain the status quo, and violated its collective bargaining agreement that was in force and effect at that time, and AFSCME continues to seek recovery of those hours in the litigation; and

WHEREAS, payment of the 2011 furlough hours in excess of forty-five (45) hours per employee to affected AFSCME employees is estimated to have a cost of one million,

one hundred and seventy-six thousand dollars (\$1,176,000), including principal and interest, and interest will continue to accrue in the future of approximately \$10,000 per month, as more specifically set forth in the fiscal note; and

WHEREAS, the successful outcome of additional litigation over the legality of the 2011 furlough hours is uncertain; and

WHEREAS, Milwaukee County currently has funds available that could be used to pay the 2011 furlough hours, but such funds may not be available in the future and the potential receipt of an order to pay those hours in the future may create significantly greater budgetary difficulties at that time than would payment of those hours now;

NOW THEREFORE,

BE IT RESOLVED, that in order to avoid the accumulation of continuing interest costs, and to avoid potential future budgetary difficulties related to a possible payment, and to resolve litigation with AFSCME over the imposition of furlough hours in 2011, Milwaukee County approves the payment of 2011 furlough hours, in excess of forty-five (45) hours per employee, to the affected AFSCME employees, with applicable interest.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/19/2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: 2011 Furlough Day Payback Estimate

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	1,176,000	
	Revenue		
	Net Cost	1,176,000	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. A proposal would be before the County Board and County Executive to pay back the furlough hours incurred in 2011 that exceeded a limit of 45 hours for AFSCME DC-48. The 45 hour limit is based on a previous court ruling applicable to 2009 and 2010 furlough hours for AFSCME DC-48. A request was made to provide an estimate of the dollars that would be paid if the 45 hour limit was applied to furlough hours taken by AFSCME DC-48 for the 2011 fiscal year that ended on December 31, 2011. If so determined by County resolution, the County would make a settlement payment to the members of the union through payroll, along with an interest payment for back interest owed.

B. The total cost of the settlement would be approximately \$1,176,000, which includes a principal payment of \$990,000 for the furlough hours that exceeded the 45 hour limit, and \$186,000 for interest on furlough hour settlement. The settlement calculation was based on a download of all furlough hours taken by AFSCME DC-48 employees during the 2011 calendar year. A total of 208 furlough hours were assigned to certain departments that had AFSCME DC-48 employees. Based on other State actions, the total furlough hours were reduced to 104 hours, with no additional furlough hours to be assigned or taken after July 2012. Of the 1,285 employees who were assigned furlough hours, only 897 would be receiving payout for hours that exceeded the limit. Many of these employees would be receiving a back payment of 59 hours, based on the assigned furlough hours of 104 hours. Some employees will exceed the 59 hours since they were still completing assigned furlough hours for the 2010 fiscal year. The average wage rate of the settlement is \$21.00, and the average principal settlement is \$1,100, and interest settlement of \$200. Some individuals are greater than this settlement amount since their wage rates are higher.

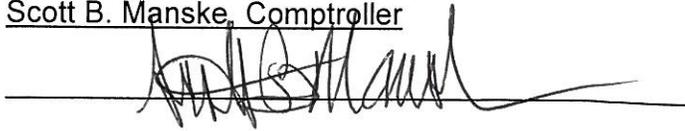
¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

C. The funding would have to come from a contingency reserve establishh for the 2012 budget. No funds have been set aside for this payment. The 2012 preliminary financial results, indicates that the County is anticipating a surplus for the year.

D. No adjustment has been made for employees who were on a leave of absence, and were allowed to take furlough hours during this leave of absence. In the previous settlement, the County reduced the furlough hours for extended leaves of absences of employees. In addition, the calculated settlement does not provide for any adjustment for overtime, since furlough hours were not considered part of the overtime calualtion. Further adjustments may be required if a final settlement is approved for payment.

Department/Prepared By Scott B. Manske, Comptroller

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: November 26, 2012

TO: David Cullen, Co-Chair, Finance, Personnel and Audit Committee
Willie Johnson, Jr., Co-Chair, Finance, Personnel, and Audit Committee

FROM: Craig Kammholz, Fiscal and Budget Administrator

SUBJECT: Department of Administrative Services Passenger Vehicle Review

BACKGROUND/ANALYSIS

The Milwaukee County Administrative Manual Section 56.22 requires all departments/employees having use of a passenger car to annually submit a report to the Department of Administrative Services (DAS) that specifies the number of vehicles and garaging location of vehicles assigned to the department, their use (whether by an individual employee or as a pool vehicle), and if assigned to an employee, the title of the employee, their job function and the use of the vehicle. After reviewing information submitted by departments, the Department of Administrative Services will recommend any changes or additions to approved vehicle assignments to the Committee on Finance and Audit. Assignment of all passenger cars shall be subject to the approval of the County Board upon the recommendation of the Committee.

Please see the attached spreadsheet for a detailed list of Fleet Management passenger vehicles.

Within the attached spreadsheet, DAS has provided a listing of passenger cars assigned to the Sheriff's Office and included informational updates for the Sheriff vehicles where responses were provided.

RECOMMENDATION

This report is for information only; no action required.


Craig Kammholz
Fiscal and Budget Administrator

Attachment

pc: Chris Able, County Executive
Supervisor Marina Dimitrijevic, Chair, County Board of Supervisors

CALCULATE ANNUAL MILEAGE JUNE 2012 VS JUNE 2011--CARS											
6/22/2012											
Org	DEPT NAME	EO EQUIP NO	Area	Vehicle Description	LOCATION OF VEHICLE	POOL OR PERSONAL USE (List either Pool or Specific Position Assigned to if Personally Assigned)	June 2012 Mileage	June 2011 Mileage	Mileage Change June 2011 to June 2012	Business Mileage	Personal Mileage (if personally assigned)
COUNTY BOARD											
1000	COUNTY BOARD	114181	POOL - VEHICLES/EQUIPMENT	2011 FORD FUSION HYBRID SEDAN	Courthouse	Pool - County Board	1,436	387	1,049	1,049	
DAS - IMSD											
1164	DAS - INFORMATN MNGMNT SVC DIV	165961	IMSD/NET WORK APPLICATIONS	2007 CHEVY UPLANDER	City Campus	Pool - IMSD Operations Staff	23,692	19,738	3,954	3,954	
1164	DAS - INFORMATN MNGMNT SVC DIV	165964	IMSD/NET WORK APPLICATIONS	2007 CHEVY UPLANDER	City Campus	Pool - IMSD Operations Staff	21,447	17,599	3,848	3,848	
SHERIFF											
4002	SHERIFF	114197	SHERIFF ADMINISTRATION	2011 FORD FUSION HYBRID SEDAN	Safety Building	Inspector / Adjutant	6,879	33	6,846	6,846	
4002	SHERIFF	114659	SHERIFF ADMINISTRATION	2006 CHEVROLET IMPALA	CID	Apprehension Detective	40,599	34,294	6,305	6,305	
4002	SHERIFF	114685	SHERIFF ADMINISTRATION	2010 CHEVROLET IMPALA 4DR	CID	Captain	24,903	14,358	10,545	10,545	
4002	SHERIFF	114694	SHERIFF ADMINISTRATION	2010 CHEVROLET IMPALA 4DR	CID	Detective general	14,839	8,490	6,349	6,349	
4002	SHERIFF	153065	SHERIFF ADMINISTRATION	2011 CHEVROLET SUBURBAN	Safety Building	Sheriff	17,447	2,939	14,508	14,508	
4021	SHERIFF	165347	SHERIFF TRAFFIC PATROL	1999 DODGE DURANGO	WPR	TEU	124,870	116,287	8,583	8,583	
4030	SHERIFF	114192	SHERIFF COMM RELATIONS	2011 FORD FUSION HYBRID SEDAN	Airport	Detective	6,970	34	6,936	6,936	
4038	SHERIFF	114199	SHERIFF-CRIMINAL JUSTICE	2011 FORD FUSION HYBRID SEDAN	CID	Detective general	1,535	399	1,136	1,136	
4038	SHERIFF	114686	SHERIFF-CRIMINAL JUSTICE	2010 CHEVROLET IMPALA 4DR	Safety Building	Inspector / Agency Operations	18,943	7,392	11,551	11,551	
4052	SHERIFF	114185	SHERIFF-GENERAL INVEST	2011 FORD FUSION HYBRID SEDAN	WPR Sub Station	Detective general	6,516	1,033	5,483	5,483	
4052	SHERIFF	114193	SHERIFF-GENERAL INVEST	2011 FORD FUSION HYBRID SEDAN	CCF-S	Detective general	10,055	186	9,869	9,869	
4052	SHERIFF	114196	SHERIFF-GENERAL INVEST	2011 FORD FUSION HYBRID SEDAN	WPR Substation	Apprehension Detective	9,067	1,340	7,727	7,727	
4052	SHERIFF	114208	SHERIFF-GENERAL INVEST	2011 FORD FUSION HYBRID SEDAN	CID	Detective general	10,966	878	10,088	10,088	
4052	SHERIFF	114209	SHERIFF-GENERAL INVEST	2011 FORD FUSION HYBRID SEDAN	CID	Detective general	6,965	33	6,932	6,932	
4052	SHERIFF	114660	SHERIFF-GENERAL INVEST	2006 CHEVROLET IMPALA	CID	Detective general	45,305	37,784	7,521	7,521	
4052	SHERIFF	114690	SHERIFF-GENERAL INVEST	2010 CHEVROLET IMPALA 4DR	CID	LEAD Captain	21,949	13,044	8,905	8,905	
4052	SHERIFF	165100	SHERIFF-GENERAL INVEST	2010 FORD EXPLORER	CID	US Marshals	39,614	10,910	28,704	28,704	
4052	SHERIFF	165997	SHERIFF-GENERAL INVEST	2007 CHEVROLET TRAILBLAZER	CID	HIDTA	76,814	57,878	18,936	18,936	
4066	SHERIFF	165029	SHERIFF-H.L.D A GRANT	2007 CHEVROLET TRAIL BLAZER	WPR Substation	Detective	57,256	49,971	7,285	7,285	
4066	SHERIFF	165030	SHERIFF-H.L.D A GRANT	2007 CHEVROLET TRAIL BLAZER	WPR Substation	Apprehension Detective	55,710	20,020	35,690	35,690	
4086	SHERIFF	114187	SHERIFF'S-PROCESS UNIT	2011 FORD FUSION HYBRID SEDAN	Airport	Detective	4,817	41	4,776	4,776	
4086	SHERIFF	114189	SHERIFF'S-PROCESS UNIT	2011 FORD FUSION HYBRID SEDAN	CID	LEAD Detective	9,026	30	8,996	8,996	
4086	SHERIFF	114206	SHERIFF'S-PROCESS UNIT	2011 FORD FUSION HYBRID SEDAN	CID	LEAD Detective	7,144	1,444	5,700	5,700	
4086	SHERIFF	114211	SHERIFF'S-PROCESS UNIT	2011 FORD FUSION HYBRID SEDAN	CID	Detective SIU	7,005	1,654	5,351	5,351	
4086	SHERIFF	114664	SHERIFF'S-PROCESS UNIT	2007 CHEVROLET IMPALA	CID	Detective general	38,137	32,187	5,950	5,950	
DISTRICT ATTORNEY											
4501	DISTRICT ATTORNEY	114671	DISTRICT ATTORNEY-GENERAL	2002 BUICK CENTURY 4 DR	MacArthur Square	Pool-Outreach Unit	76,049	66,224	9,825	9,825	
4501	DISTRICT ATTORNEY	114678	DISTRICT ATTORNEY-GENERAL	2010 CHEVROLET IMPALA 4DR	MacArthur Square	Pool-investigators	16,642	8,544	8,098	8,098	
4501	DISTRICT ATTORNEY	114679	DISTRICT ATTORNEY-GENERAL	2010 CHEVROLET IMPALA 4DR	Garaged at residence	District Attorney	17,578	11,117	6,461	6,461	
4501	DISTRICT ATTORNEY	114680	DISTRICT ATTORNEY-GENERAL	2010 CHEVROLET IMPALA 4DR	MacArthur Square	Pool-investigators	17,631	8,883	8,748	8,748	
4501	DISTRICT ATTORNEY	114681	DISTRICT ATTORNEY-GENERAL	2010 CHEVROLET IMPALA 4DR	MacArthur Square	Pool-Outreach Unit	30,372	17,679	12,693	12,693	
4501	DISTRICT ATTORNEY	114682	DISTRICT ATTORNEY-GENERAL	2010 CHEVROLET IMPALA 4DR	MacArthur Square	Pool-Outreach Unit	33,623	18,487	15,136	15,136	
4501	DISTRICT ATTORNEY	114683	DISTRICT ATTORNEY-GENERAL	2010 CHEVROLET IMPALA 4DR	MacArthur Square	Pool-Outreach Unit	36,512	21,681	14,831	14,831	
4501	DISTRICT ATTORNEY	153064	DISTRICT ATTORNEY-GENERAL	2010 FORD EXPLORER	Garaged at residence	Chief Investigator	10,641	3,059	7,582	7,582	
4501	DISTRICT ATTORNEY	153066	DISTRICT ATTORNEY-GENERAL	2011 CHEVROLET TAHOE	MacArthur Square	Pool-investigators	12,040	2,360	9,680	9,680	
4501	DISTRICT ATTORNEY	165086	DISTRICT ATTORNEY-GENERAL	2008 CHEVY TRAILBLAZER	MacArthur Square	Pool-investigators	37,961	25,708	12,253	12,253	
4501	DISTRICT ATTORNEY	165087	DISTRICT ATTORNEY-GENERAL	2008 CHEVY TRAILBLAZER	MacArthur Square	Pool-investigators	38,000	27,392	10,608	10,608	
MEDICAL EXAMINER											
4900	MEDICAL EXAMINER	114684	MEDICAL EXAMINER	2010 CHEVROLET IMPALA 4DR	ME Office	Pool	28,000	15,142	12,858	12,858	
4900	MEDICAL EXAMINER	153049	MEDICAL EXAMINER	2005 GMC YUKON XL	ME Office	Pool	83,103	73,652	9,451	9,451	
4900	MEDICAL EXAMINER	165932	MEDICAL EXAMINER	2007 FORD TAURUS	ME Office	Pool	34,014	28,676	5,338	5,338	
AIRPORT											
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	114200	GMIA FLEET OPERATIONS	2011 FORD FUSION HYBRID SEDAN	Airport	Fire Chief	7,865	32	7,833	7,833	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	152357	GMIA FLEET OPERATIONS	2003 GMC SAFARI	Airport	Pool - Maintenance	78,145	65,762	12,383	12,383	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	152533	GMIA FLEET OPERATIONS	2003 CHEVROLET 2500 CARGO VAN	Airport	Pool - Electrical	25,559	21,947	3,612	3,612	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	152535	GMIA FLEET OPERATIONS	2003 CHEVROLET 2500 CARGO VAN	Airport	Pool - Electrical	23,227	19,537	3,690	3,690	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	152536	GMIA FLEET OPERATIONS	2003 CHEVROLET 2500 CARGO VAN	Airport	Pool - HVAC	21,690	19,224	2,466	2,466	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	155347	GMIA FLEET OPERATIONS	2003 FORD EXPLORER	Airport	Pool - Maintenance	18,293	17,313	980	980	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	155348	GMIA FLEET OPERATIONS	2003 FORD EXPLORER	Airport	Pool - Maintenance	65,103	58,057	7,046	7,046	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	155349	GMIA FLEET OPERATIONS	2004 FORD EXPLORER	Airport	Pool - Operations	62,763	59,476	3,287	3,287	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	155350	GMIA FLEET OPERATIONS	2004 FORD EXPLORER	Airport	Pool - Operations	66,062	59,031	7,031	7,031	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	155353	GMIA FLEET OPERATIONS	2004 GMC YUKON 4DR TRUCK	Airport	Pool	27,205	21,522	5,683	5,683	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	155354	GMIA FLEET OPERATIONS	2008 CHEVROLET TAHOE	Airport	Pool	24,506	18,632	5,874	5,874	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165156	GMIA FLEET OPERATIONS	2012 CHEVROLET SILVERADO 2500 4X4	Airport	Pool - Maintenance	71	-	71	71	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165157	GMIA FLEET OPERATIONS	2012 CHEVROLET SILVERADO 2500 4X4	Airport	Pool - Maintenance	74	-	74	74	
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165158	GMIA FLEET OPERATIONS	2012 CHEVROLET SILVERADO 2500 4X4	Airport	Pool - Maintenance	8	-	8	8	

Annual Mileage June_2012_Cars

CALCULATE ANNUAL MILEAGE JUNE 2012 VS JUNE 2011---CARS

6/22/2012											
Org	DEPT NAME	EO EQUIP NO	Area	Vehicle Description	LOCATION OF VEHICLE	POOL OR PERSONAL USE (List either Pool or Specific Position Assigned to if Personally Assigned)	June 2012 Mileage	June 2011 Mileage	Mileage Change June 2011 to June 2012	Business Mileage	Personal Mileage (if personally assigned)
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165159	GMIA FLEET OPERATIONS	2012 CHEVROLET SILVERADO 2500 4X4	Airport	Pool - Maintenance	74	-	74		74
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165160	GMIA FLEET OPERATIONS	2012 CHEVROLET SILVERADO 2500 4X4	Airport	Pool - Maintenance	7	-	7		7
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165562	GMIA FLEET OPERATIONS	1997 FORD E350 CLUB WAGON	Airport	Pool - Maintenance	43,670	40,770	2,900		2,900
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165664	GMIA FLEET OPERATIONS	1996 JEEP CHEROKEE 4X4	Airport	Pool - Fleet	30,180	26,057	4,123		4,123
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165666	GMIA FLEET OPERATIONS	1988 CHEVROLET 3500 CREW CAB 4X4	Airport	Pool - Fleet	12,478	11,347	1,131		1,131
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165912	GMIA FLEET OPERATIONS	2006 CHEVROLET TRAILBLAZER	Airport	Pool - Operations	23,800	20,945	2,855		2,855
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165921	GMIA FLEET OPERATIONS	2006 CHEVROLET IMPALA	Airport	Pool - Administration	35,591	33,830	1,761		1,761
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165924	GMIA FLEET OPERATIONS	2006 CHEVROLET TRAILBLAZER	Airport	Pool - Operations	70,983	70,149	834		834
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165925	GMIA FLEET OPERATIONS	2006 CHEVROLET IMPALA	Airport	Pool - Administration	16,913	14,382	2,531		2,531
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165926	GMIA FLEET OPERATIONS	2006 CHEVROLET EXPRESS VAN	Airport	Pool - Electrical	12,286	9,791	2,495		2,495
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165927	GMIA FLEET OPERATIONS	2006 CHEVROLET EXPRESS VAN	Airport	Pool - Electrical	19,255	15,702	3,553		3,553
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165933	GMIA FLEET OPERATIONS	2007 FORD S-DUTY F350	Airport	Pool - Maintenance	27,454	23,150	4,304		4,304
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165934	GMIA FLEET OPERATIONS	2007 FORD S-DUTY F-350	Airport	Pool - Maintenance	32,299	7,977	24,322		24,322
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165935	GMIA FLEET OPERATIONS	2007 FORD S-DUTY F-350	Airport	Pool - Maintenance	30,575	25,154	5,421		5,421
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165943	GMIA FLEET OPERATIONS	2007 FORD SUPERDUTY 4X4	Airport	Pool - Maintenance	40,042	32,706	7,336		7,336
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165944	GMIA FLEET OPERATIONS	2007 FORD F250 SUPERDUTY 4X4	Airport	Pool - Maintenance	32,611	26,874	5,737		5,737
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165945	GMIA FLEET OPERATIONS	2007 FORD F250 SUPERDUTY 4X4	Airport	Pool - Maintenance	22,205	18,795	3,410		3,410
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165946	GMIA FLEET OPERATIONS	2007 FORD F250 SUPERDUTY 4X4	Airport	Pool - Timmerman	42,638	34,934	7,704		7,704
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165947	GMIA FLEET OPERATIONS	2007 CHEVY TRAIL BLAZER	Airport	Pool - Maintenance	42,204	34,478	7,726		7,726
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165948	GMIA FLEET OPERATIONS	2007 CHEVY TRAIL BLAZER	Airport	Pool - Maintenance	38,169	30,404	7,765		7,765
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165949	GMIA FLEET OPERATIONS	2007 CHEVY TRAIL BLAZER	Airport	Pool - Maintenance	15,220	12,938	2,282		2,282
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165950	GMIA FLEET OPERATIONS	2007 CHEVY TRAIL BLAZER	Airport	Pool - Operations	6,960	4,991	1,969		1,969
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165951	GMIA FLEET OPERATIONS	2007 CHEVY TRAIL BLAZER	Airport	Pool - Operations	75,517	74,721	796		796
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165952	GMIA FLEET OPERATIONS	2007 CHEVY TRAIL BLAZER	Airport	Pool - Architectural & Engineering	19,507	15,490	4,017		4,017
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165957	GMIA FLEET OPERATIONS	2007 CHEVY UPLANDER	Airport	Pool - Architectural & Engineering	31,095	25,526	5,569		5,569
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165965	GMIA FLEET OPERATIONS	2007 CHEVY EXPRESS CARGO VAN	Airport	Pool - HVAC	16,939	16,024	915		915
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165966	GMIA FLEET OPERATIONS	2007 CHEVY EXPRESS CARGO VAN	Airport	Pool - Electrical	12,595	9,852	2,743		2,743
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165967	GMIA FLEET OPERATIONS	2007 CHEVY EXPRESS CARGO VAN	Airport	Pool - Electrical	19,017	15,345	3,672		3,672
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165968	GMIA FLEET OPERATIONS	2007 CHEVY EXPRESS CARGO VAN	Airport	Pool - Electrical	12,300	9,482	2,818		2,818
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165970	GMIA FLEET OPERATIONS	2007 CHEVY EXPRESS CARGO VAN	Airport	Pool - Electrical	12,454	9,356	3,098		3,098
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165971	GMIA FLEET OPERATIONS	2007 CHEVY EXPRESS CARGO VAN	Airport	Pool - HVAC	12,310	9,850	2,460		2,460
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165974	GMIA FLEET OPERATIONS	2007 CHEVROLET EXPRESS CARGO VAN	Airport	Pool - Electrical	11,959	8,815	3,144		3,144
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165975	GMIA FLEET OPERATIONS	2010 CHEVROLET 1500	Airport	Pool - Operations	18,069	8,983	9,086		9,086
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165976	GMIA FLEET OPERATIONS	2010 CHEVROLET TAHOE	Airport	Pool - Operations	25,162	8,863	16,299		16,299
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165977	GMIA FLEET OPERATIONS	2010 CHEVROLET TAHOE	Airport	Pool - Operations	37,491	14,232	23,259		23,259
5056	DTPW--AIRPORT, GMIA, TIMMERMAN	165977	GMIA FLEET OPERATIONS	2010 CHEVROLET TAHOE	Airport	Pool - Operations	30,625	12,086	18,539		18,539
HIGHWAYS											
5130	DTPW--HIGHWAY MAINTENANCE	114204	TRANSPORTATION SERVICES	2011 FORD FUSION HYBRID SEDAN	10320 Watertown Plank	County-wide Motor Pool	7,264	1,400	5,864		5,864
5130	DTPW--HIGHWAY MAINTENANCE	153047	TRANSPORTATION SERVICES	2002 CHEVROLET BLAZER	2711 W. Wells St	Pool - Project Specific	46,161	43,005	3,156		3,156
5130	DTPW--HIGHWAY MAINTENANCE	153062	TRANSPORTATION SERVICES	2011 CHEVROLET TAHOE 4X4	2711 W. Wells St	Pool - Traffic Engineering	10,420	33	10,387		10,387
5160	DTPW--HIGHWAY MAINTENANCE	153046	HIGHWAY-PATROL SECTION 3	2002 CHEVROLET SUBURBAN	10320 Watertown Plank	County-wide Motor Pool	60,384	50,936	9,448		9,448
5190	DTPW--HIGHWAY MAINTENANCE	153061	HIGHWAY-ADMINISTRATION	2010 FORD EXPLORER	Garaged at residence	Assistant Highway Manager	39,514	24,680	14,834		14,597
5190	DTPW--HIGHWAY MAINTENANCE	153063	HIGHWAY-ADMINISTRATION	2010 FORD EXPLORER	Garaged at residence	Highway Maintenance Manager	21,713	5,177	16,536		16,306
5300	DTPW--HIGHWAY MAINTENANCE	114180	POOL - VEHICLES/EQUIPMENT	2011 FORD FUSION HYBRID SEDAN	10320 Watertown Plank	County-wide Motor Pool	13,662	4,091	9,571		9,571
5300	DTPW--HIGHWAY MAINTENANCE	152355	POOL - VEHICLES/EQUIPMENT	2011 FORD FUSION HYBRID SEDAN	10320 Watertown Plank	County-wide Motor Pool	20,000	3,992	16,008		16,008
5300	DTPW--HIGHWAY MAINTENANCE	152355	POOL - VEHICLES/EQUIPMENT	2002 FORD WINDSTAR	10320 Watertown Plank	County-wide Motor Pool	47,968	45,071	2,897		2,897
5300	DTPW--HIGHWAY MAINTENANCE	152545	POOL - VEHICLES/EQUIPMENT	2006 DODGE CARAVAN	10320 Watertown Plank	County-wide Motor Pool	29,561	26,388	3,173		3,173
5300	DTPW--HIGHWAY MAINTENANCE	153044	POOL - VEHICLES/EQUIPMENT	2002 CHEVROLET SUBURBAN	10320 Watertown Plank	County-wide Motor Pool	69,295	65,806	3,489		3,489
FACILITIES											
5702	DTPW--FACILITIES MANAGEMENT	152356	DPW-FACILITIES MAINTENANCE	2003 GMC SAFARI	CJF Sally Port	Pool - Skilled Trades	17,108	15,794	1,314		1,314
5702	DTPW--FACILITIES MANAGEMENT	152539	DPW-FACILITIES MAINTENANCE	2003 CHEVROLET 2500 CARGO VAN	County Grounds-Warehouse Lot	Pool - Skilled Trades	21,578	20,369	1,209		1,209
5702	DTPW--FACILITIES MANAGEMENT	152540	DPW-FACILITIES MAINTENANCE	2003 CHEVROLET 2500 CARGO VAN	CJF Sally Port	Pool - Skilled Trades	11,992	11,034	958		958
5740	DTPW--FACILITIES MANAGEMENT	114701	ARCHITECT/ENG SVCS	2010 CHEVROLET IMPALA 4DR	City Campus	Pool - AE&ES	7,461	4,239	3,222		3,222
5740	DTPW--FACILITIES MANAGEMENT	153068	ARCHITECT/ENG SVCS	2011 CHEVY EXPRESS CARGO VAN	Fleet	Pool - Survey Crew	10,344	1	10,343		10,343
5741	DTPW--FACILITIES MANAGEMENT	152352	ENVIRONMENTAL & ENERGY	1998 G. M. C. 4X2 MINIVAN SAFARI TM11006	City Campus	Pool - Environmental Svcs	45,278	43,426	1,852		1,852
BHD											
6671	DHHS - BEHAVIORAL HEALTH DIV	153060	BHD-ADMINISTRATION	2010 FORD EXPLORER	Parks - Kenwood/Lincoln Memorial	EMS	34,520	28,620	5,900		5,900
6363	DHHS - BEHAVIORAL HEALTH DIV	101551	BHD - REHABILITATION CENTER	2007 CHEVY EXPRESS PASSENGER VAN	BHD	Rehabilitation Centers	9,557	8,062	1,495		1,495
6403	DHHS - BEHAVIORAL HEALTH DIV	152546	BHD-COMMUNITY SUPPORT	2007 CHEVY UPLANDER MINIVAN	Coggs Center	Pool - Downtown CSP	29,606	26,388	3,218		3,218
6406	DHHS - BEHAVIORAL HEALTH DIV	165953	BHD - TARGETED CASE MGMT	2007 CHEVY UPLANDER	BHD	Pool - TCM	69,997	65,897	4,100		4,100
6443	DHHS - BEHAVIORAL HEALTH DIV	165917	BHD-PSYCHIATRIC CRISIS SERV	2006 CHEVROLET IMPALA	BHD	Pool - Crisis	30,009	25,781	4,228		4,228

Annual Mileage June_2012_Cars

CALCULATE ANNUAL MILEAGE JUNE 2012 VS JUNE 2011—CARS											
6/22/2012											
Org	DEPT NAME	EQ EQUIP NO	Area	Vehicle Description	LOCATION OF VEHICLE	POOL OR PERSONAL USE (List either Pool or Specific Position Assigned to if Personally Assigned)	June 2012 Mileage	June 2011 Mileage	Mileage Change June 2011 to June 2012	Business Mileage	Personal Mileage (if personally assigned)
6443	DHHS - BEHAVIORAL HEALTH DIV	165919	BHD-PSYCHIATRIC CRISIS SERV	2006 CHEVROLET IMPALA	BHD	Pool - Crisis	66,966	60,228	6,738		6,738
6443	DHHS - BEHAVIORAL HEALTH DIV	165922	BHD-PSYCHIATRIC CRISIS SERV	2006 CHEVROLET IMPALA	BHD	Pool - Crisis	67,967	50,710	17,257		17,257
6474	DHHS - BEHAVIORAL HEALTH DIV	165918	BHD-WRAPAROUND SERV	2006 CHEVROLET IMPALA	BHD	Pool - Wraparound	53,334	45,109	8,225		8,225
6474	DHHS - BEHAVIORAL HEALTH DIV	165920	BHD-ADMINISTRATION	2006 CHEVROLET IMPALA	BHD	Pool - BHD	54,464	44,920	9,544		9,544
6474	DHHS - BEHAVIORAL HEALTH DIV	165923	BHD-WRAPAROUND SERV	2006 CHEVROLET IMPALA	BHD	Pool - BHD	68,024	52,545	15,479		15,479
6474	DHHS - BEHAVIORAL HEALTH DIV	165954	BHD-ADMINISTRATION	2007 CHEVY UPLANDER	BHD	Pool - BHD	27,850	21,721	6,129		6,129
8241	DEPT HEALTH AND HUMAN SVCS	165929	DHHS-ADMINISTRATION	2007 FORD TAURUS	Children's Court Center	Pool - BHD/Delinquency	16,451	11,454	4,997		4,997
8247	DEPT HEALTH AND HUMAN SVCS	165980	DHHS-MAIL PURCH STOCK	2012 CHEVROLET SILVERADO 2500 4X4	BHD	Operations	736	-	736		736
DHHS											
8241	DEPT HEALTH AND HUMAN SVCS	165930	DHHS-ADMINISTRATION	2007 FORD TAURUS	Coggs Center	Disabilities	41,838	37,900	3,938		3,938
8241	DEPT HEALTH AND HUMAN SVCS	165913	DHHS-ADMINISTRATION	2006 CHEVROLET IMPALA	Coggs Center	Disabilities	62,134	54,634	7,500		7,500
8241	DEPT HEALTH AND HUMAN SVCS	165956	DHHS-ADMINISTRATION	2007 CHEVY UPLANDER	Coggs Center	DHHS "Pool"	43,010	36,700	6,310		6,310
8241	DEPT HEALTH AND HUMAN SVCS	165958	DHHS-ADMINISTRATION	2007 CHEVY UPLANDER	Coggs Center	DHHS "Pool"	33,319	29,752	3,567		3,567
8241	DEPT HEALTH AND HUMAN SVCS	165959	DHHS-ADMINISTRATION	2007 CHEVY UPLANDER	Coggs Center	DHHS "Pool"	27,501	24,785	2,716		2,716
8241	DEPT HEALTH AND HUMAN SVCS	165960	DHHS-ADMINISTRATION	2007 CHEVY UPLANDER	Coggs Center	DHHS "Pool"	49,185	38,954	10,231		10,231
8241	DEPT HEALTH AND HUMAN SVCS	165962	DHHS-ADMINISTRATION	2007 CHEVY UPLANDER	Coggs Center	DHHS "Pool"	33,890	26,102	7,788		7,788
8241	DEPT HEALTH AND HUMAN SVCS	165963	DHHS-ADMINISTRATION	2007 CHEVY UPLANDER MINIVAN	Children's Court Center	Delinquency	5,604	3,981	1,623		1,623
8241	DEPT HEALTH AND HUMAN SVCS	165990	DHHS-ENVIRONMENTAL SERVICES	2006 INTERNATIONAL	Coggs Center	Pool - Operations	93,227	87,781	5,446		5,446
PARKS											
9010	PARKS DEPARTMENT	114179	PARKS-ADMINISTRATION	2011 FORD FUSION HYBRID SEDAN	Parks Admin	Pool	4,553	21	4,532		4,532
9035	PARKS DEPARTMENT	165060	PARKS - CONCESSIONS	2009 CHEVY MALIBU	South Region	Pool	30,878	21,180	9,698		9,698
9036	PARKS DEPARTMENT	153051	PARKS - GOLF OPERATIONS	2003 FORD EXPLORER	Parks Admin	Pool	58,140	48,701	9,439		9,439
9041	PARKS DEPARTMENT	153067	PARKS-MARKETING	2011 CHEVY EXPRESS CARGO VAN	Parks Admin	Pool	4,600	578	4,022		4,022
9050	PARKS DEPARTMENT	153070	PARKS-SECURITY	2011 CHEVY EXPRESS CARGO VAN	Parks Admin	Pool	10,049	450	9,599		9,599
9120	PARKS DEPARTMENT	114182	PARKS-CONSTRUCTION	2011 FORD FUSION HYBRID SEDAN	Parks Admin	Pool	7,101	556	6,545		6,545
9120	PARKS DEPARTMENT	114675	PARKS-CONSTRUCTION	2010 CHEVROLET IMPALA 4DR	Parks Admin	Pool	15,969	7,485	8,484		8,484
9155	PARKS DEPARTMENT	165061	PARKS-SOUTH REGION	2009 CHEVY MALIBU	Parks Admin	Pool	28,510	16,115	12,395		12,395
9166	PARKS DEPARTMENT	153045	PARKS-O'DONNELL	2002 CHEVROLET BLAZER	Parks Admin	Pool	50,312	45,702	4,610		4,610
9167	PARKS DEPARTMENT	165062	PARKS-AQUATICS	2009 FORD ESCAPE	Parks Admin	Pool	35,209	27,346	7,863		7,863
9176	PARKS DEPARTMENT	152347	PARKS-HORTICULTURAL OPERATIONS	1997 G. M. C. 4X2 8 PAS VAN TM11006 SAFA	Domes	Pool	96,692	94,847	1,845		1,845
9420	PARKS DEPARTMENT	114674	PARKS-FORESTRY	2010 CHEVROLET IMPALA 4DR	North Region	Pool	14,644	8,785	5,859		5,859
9420	PARKS DEPARTMENT	153069	PARKS-FORESTRY	2011 CHEVY EXPRESS CARGO VAN	Park Maintenance	Pool	3,151	40	3,111		3,111
9430	PARKS DEPARTMENT	152537	PARKS-MAINTENANCE	2003 CHEVROLET 2500 CARGO VAN	Park Maintenance	Pool	33,969	30,284	3,685		3,685
9430	PARKS DEPARTMENT	152538	PARKS-MAINTENANCE	2003 CHEVROLET 2500 CARGO VAN	Park Maintenance	Pool	74,501	66,066	8,435		8,435
ZOO											
9523	ZOOLOGICAL DEPARTMENT	152342	ZOO-GROUNDS	1998 FORD 4X2 MINI VAN WINDSTAR GL	Zoo	Pool	91,890	91,830	60		60
9523	ZOOLOGICAL DEPARTMENT	152343	ZOO-GROUNDS	1997 G. M. C. 4X2 8 PAS VAN TM11006 SAFA	Zoo	Maintenance Division staff	51,061	47,840	3,221		3,221
9523	ZOOLOGICAL DEPARTMENT	152534	ZOO-GROUNDS	2003 CHEVROLET 2500 CARGO VAN	Zoo	Maintenance Division staff	37,164	36,747	417		417
9523	ZOOLOGICAL DEPARTMENT	165049	ZOO-GROUNDS	2001 DODGE CARAVAN	Zoo	Animal Division staff	90,766	87,550	3,216		3,216
9523	ZOOLOGICAL DEPARTMENT	165940	ZOO-GROUNDS	2006 FORD ECONOLINE E250 CARGO VAN	Zoo	Plumber	20,183	16,240	3,943		3,943
9523	ZOOLOGICAL DEPARTMENT	165941	ZOO-GROUNDS	2006 FORD ECONOLINE E-250 CARGO VAN	Zoo	Electrician	15,419	12,827	2,592		2,592
9523	ZOOLOGICAL DEPARTMENT	165955	ZOO-GROUNDS	2007 CHEVY UPLANDER	Zoo	Pool	35,307	26,456	8,851		8,851
SHERIFF OFFICE											
4002	SHERIFF	114178	SHERIFF ADMINISTRATION	2011 FORD FUSION HYBRID SEDAN	N/A	N/A	6,634	35	6,599	N/A	N/A
4002	SHERIFF	114183	SHERIFF ADMINISTRATION	2011 FORD FUSION HYBRID SEDAN	N/A	N/A	4,126	35	4,091	N/A	N/A
4002	SHERIFF	114186	SHERIFF ADMINISTRATION	2011 FORD FUSION HYBRID SEDAN	N/A	N/A	2,823	212	2,611	N/A	N/A
4002	SHERIFF	114203	SHERIFF ADMINISTRATION	2011 FORD FUSION HYBRID SEDAN	N/A	N/A	6,521	162	6,359	N/A	N/A
4002	SHERIFF	114658	SHERIFF ADMINISTRATION	2006 CHEVROLET IMPALA	N/A	N/A	38,402	35,183	3,219	N/A	N/A
4002	SHERIFF	114661	SHERIFF ADMINISTRATION	2006 CHEVROLET IMPALA	N/A	N/A	46,060	36,657	9,403	N/A	N/A
4002	SHERIFF	114676	SHERIFF ADMINISTRATION	2010 CHEVROLET IMPALA 4DR	N/A	N/A	12,655	7,669	4,986	N/A	N/A
4002	SHERIFF	114677	SHERIFF ADMINISTRATION	2010 CHEVROLET IMPALA 4DR	N/A	N/A	26,075	15,055	11,020	N/A	N/A
4002	SHERIFF	114697	SHERIFF ADMINISTRATION	2010 CHEVROLET IMPALA 4DR	N/A	N/A	18,104	11,271	6,833	N/A	N/A
4002	SHERIFF	114700	SHERIFF ADMINISTRATION	2010 CHEVROLET IMPALA 4DR	N/A	N/A	3,656	3,000	656	N/A	N/A
4010	SHERIFF	165443	SHERIFF EMERGENCY MANAGEMENT	2007 FORD EXPEDITION	N/A	N/A	21,660	18,881	2,779	N/A	N/A
4016	SHERIFF	114687	SHERIFF AIRPORT PATROL	2010 CHEVROLET IMPALA 4DR	N/A	N/A	7,530	4,248	3,282	N/A	N/A
4016	SHERIFF	165031	SHERIFF AIRPORT PATROL	1999 JEEP GRAND CHEROKEE	N/A	N/A	182,806	177,441	5,365	N/A	N/A
4016	SHERIFF	165171	SHERIFF AIRPORT PATROL	1999 DODGE DURANGO SUV	N/A	N/A	100,989	100,989	-	N/A	N/A
4019	SHERIFF	165882	SHERIFF PARK PATROL	2005 CHEVROLET VAN	N/A	N/A	14,513	13,831	682	N/A	N/A
4019	SHERIFF	165904	SHERIFF PARK PATROL	2005 CHEVROLET S-VAN 2DR	N/A	N/A	28,311	25,812	2,499	N/A	N/A
4019	SHERIFF	165905	SHERIFF PARK PATROL	2005 CHEVROLET S-VAN 2DR	N/A	N/A	30,205	28,537	1,668	N/A	N/A
4019	SHERIFF	165906	SHERIFF PARK PATROL	2005 CHEVROLET S-VAN 2DR	N/A	N/A	24,975	21,555	3,420	N/A	N/A
4019	SHERIFF	165907	SHERIFF PARK PATROL	2005 CHEVROLET S-VAN 2DR	N/A	N/A	38,453	32,602	5,851	N/A	N/A

Annual Mileage June_2012_Cars

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: November 26, 2012

TO: Willie Johnson, Jr., Co-Chairman, Finance, Personnel and Audit
David Cullen, Co-Chairman, Finance, Personnel and Audit Committee

FROM: Craig Kammholz, Fiscal and Budget Administrator

SUBJECT: 2011 MILWAUKEE COUNTY FISCAL TRENDS ANALYSIS

Request

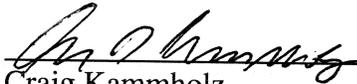
In 2011, the County Board requested that the Department of Administrative Services – Fiscal Division (DAS-Fiscal) re-issue a “Fiscal Trends Analysis” report, which was last produced in 1999. DAS-Fiscal provided this report to the County Board at the December 2011 cycle based on year-end 2010 data contained in the County’s Consolidated Annual Financial Report. The Fiscal Trends Analysis utilizes a model created by the International City/County Management Association to help determine the financial health of a local unit of government.

This report has been updated based on year-end 2011 data and is attached.

Recommendation

This report is for informational purposes only. No action is required.

Report Prepared By: Josh Fudge, Fiscal and Strategic Planning Coordinator



Craig Kammholz
Fiscal and Budget Administrator

pc: Chris Abele, County Executive
Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Scott Manske, Comptroller
Patrick Farley, Director, Department of Administrative Services

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Introduction

Financial Trend Monitoring System

The Department of Administrative Services, Fiscal Affairs Division (DAS-Fiscal) is pleased to present the 2011 Fiscal Trends Analysis. The Fiscal Trends Analysis is based on the Financial Trend Monitoring System (FTMS), which was developed by the International City/County Management Association (ICMA) as a method for monitoring the financial condition of local governments. This analysis was provided to policymakers until the late 1990s and was reintroduced by DAS-Fiscal after fiscal year 2010.

This system identifies factors that affect financial condition and sets the framework for their analysis. The indicators described in the ICMA publication, *Evaluating Financial Condition, A Handbook for Local Government*, are designed to give local governments a method of monitoring financial condition using data that is easily accessible. Using this model local governments can provide a report to policy makers, citizens, employees, bond rating agencies, and anyone else who may be interested in their financial wellbeing. The FTMS is intended to be used, along with the five-year financial forecast (Municast) as a management tool that can help to shape long term policy priorities.

Financial Condition

Financial condition, as defined by the FTMS, is the ability of a locality to maintain existing service levels, withstand local and regional economic disruptions, and meet the demands of natural growth, decline and change. These conditions are examined by looking at four areas of a locality's fiscal condition as follows:

1. Cash Solvency – the ability to pay the bills over the next 30 or 60 days.
2. Budgetary Solvency – the ability to cover expenditures with revenues and other resources over the normal budget period.
3. Long-Run Solvency – the ability to meet expenditures as they come due in the future.
4. Service Level Solvency – the ability to provide services at the level and quality that are required for the health, safety, and welfare of the community and that the citizens desire and expect.

Milwaukee County's Financial Trend Monitoring System

ICMA provides a list of over 40 indicators that can serve as a litmus test for the financial condition of a locality. These indicators are broken down into specific categories for further analysis. For 2011, 28 indicators are evaluated for the most recent five consecutive years available. This includes three new indicators in 2011: programmatic revenues and user fee coverage, both under the "revenues" category; and Fund Balance: Governmental Funds in the Operating Position category.

The five-year period for each indicator will be from FY 2007 to FY 2011, unless noted otherwise in the graphs. In each indicator, a description and analysis is presented in narrative form. Accompanying the text is a chart illustrating the related data, and a detail box that displays the

indicator's warning trend, trend health, and formula. Trend health for each indicator is described as positive, neutral, or negative.

The Comprehensive Annual Financial Report (CAFR) is the source for the majority of the financial and statistical data presented in this report. This includes audited financial statements and unaudited economic and statistical data. As for the indicators adjusted for inflation, the Consumer Price Index (CPI) for the Milwaukee-Racine area is used to project the real growth or decline of the indicators.

It is intended that indicators omitted from this report be included in future year reports where appropriate. For quick reference, the table below provides an overview of the trend conclusions:

Community Needs and Resources			
Indicator	2010 Trend Health	2011 Trend Health	Change
Population		Positive	
Personal Income per Capita	Negative	Negative	
Poverty Rate	Negative	Negative	
Equalized Valuation	Negative	Negative	
Top Five Taxpayers	Negative	Negative	
Unemployment Rate	Negative	Neutral	+

Revenue			
Indicator	2010 Trend Health	2011 Trend Health	Change
Revenues per Capita	Negative	Negative	
Programmatic Revenues (<u>New</u>)	N/A	Positive	
Intergovernmental Revenues	Positive	Positive	
General County Property Tax Levy	Neutral	Negative	-
Uncollected Property Taxes	Neutral	Neutral	
Sales Tax Per Capita	Negative	Neutral	+
State Shared Revenues	Neutral	Neutral	
User Fee Coverage (<u>New</u>)	N/A	Negative	

Expenditures			
Indicator	2010 Trend Health	2011 Trend Health	Change
Expenditures per Capita	Neutral	Positive	+
Expenditures by Function	Neutral	Neutral	
Employees per Capita	Positive	Positive	
Fringe Benefits	Negative	Negative	

Operating Position			
Indicator	2010 Trend Health	2011 Trend Health	Change
Operating Deficit/Surplus	Negative	Neutral	+
Liquidity	Positive	Positive	
Govt Funds: Fund Balance (New)	N/A	Neutral	

Debt Structure			
Indicator	2010 Trend Health	2011 Trend Health	Change
Current Liabilities	Negative	Negative	
Long-Term Debt	Negative	Negative	
Debt Service	Negative	Negative	
Overlapping Debt	Negative	Negative	

Unfunded Liabilities			
Indicator	2010 Trend Health	2011 Trend Health	Change
Pension Obligations	Neutral	Negative	-
Pension Assets	Neutral	Negative	-

Condition of Capital Plant			
Indicator	2010 Trend Health	2011 Trend Health	Change
Depreciation	Negative	Neutral	+

Of the 24 indicators that were used in the 2010 version of this report, eight have changes in the “trend health” based on updated data. Of these, three change negatively and five change positively. This generally reflects the improving economy on the positive side.

Milwaukee County - Economic Environment Report, 2011

Summary

The economic base of the Milwaukee metropolitan area, including Milwaukee County, is similar in many ways to that of other major cities in the upper Midwest such as Pittsburgh, Cleveland, and Detroit. Prior to the 1970s, the regional economy was based on heavy manufacturing. As the manufacturing sector has declined nationally since then, the region has struggled to transition to attract economic growth based on high-tech, light manufacturing and service-oriented industries.

This transition was significantly impacted by the global economic downturn of 2008-09. Unemployment and poverty increased while sales tax collections, personal income, and equalized value declined significantly, as shown in the “Community Needs and Resources” category of indicators.

2011 Economic Environment

As in much of the country, the economy in many cases began to show improvement after “bottoming out” in 2010. Home sales for the year in Milwaukee County were up by 2.5 percent over 2010¹. The unemployment rate in the metro region declined from 8.6 percent in January of 2011 to 6.9 percent in December. The annualized unemployment rate for the year was 7.9 percent, compared to 8.9 percent for 2010, and the number of employed persons rose from 722,847 in January to 733,699 in December². In Milwaukee County specifically, the unemployment rate declined from 9.7 percent in 2010 to 9.0 percent in 2011.

Financial Pressures

In Wisconsin, counties provide a wide variety of services, many of which (health and human services) are mandated by the state government. The State of Wisconsin and federal government provide some financial support for these mandated services, however counties often must provide additional resources from the property tax, local option sales tax, and/or user fees. Financial support, in both constant and real dollars, from the State for most mandated services has declined in recent years (note the trend for Intergovernmental Revenues). As this support has declined, the County has been forced to replace these funds property taxes and user fees, and reduce service levels when those alternative resources are not sufficient.

As in other units of government, personnel costs make up the largest cost in providing these services. Milwaukee County has unusually high personnel costs due generous pension benefits granted in 2001. The Fringe Benefits indicator illustrates this issue. The County was granted significant flexibility in managing its personnel costs with the passage of 2011 Wisconsin Act 10

¹ “Metro Milwaukee home sales up 21% in December, 4.2% for 2011”; First Weber Real Estate Blog, online at <http://blog.firstweber.com/2012/01/16/metro-milwaukee-home-sales-up-21-in-december-4-2-for-2011/>

² Bureau of Labor Statistics, data for Milwaukee-Waukesha-West Allis MSA. Online at http://data.bls.gov/timeseries/LAUMT55333403?data_tool=XGtable

(Act 10), which eliminated most collective bargaining rights for public employee unions. The County, which had already begun to demand and budget for reduced personnel costs beginning in 2010, has taken advantage of this flexibility to produce significant budget savings that will help with the County's long-term fiscal situation. However, the flexibility provided by Act 10 has generally been matched by reductions in revenues from the State. In effect, the "tools" provided by the State have not helped the County maintain or enhance services, but instead has helped the State manage its own financial problems.

Economic Forecast

So far in 2012, the economy has performed reasonably well both nationally and in Wisconsin. Through August 2012 the unemployment rate had declined in the Milwaukee-Waukesha-West Allis, WI Metropolitan Statistical Area to 7.9 percent, and the number of employed individuals had increased from 733,699 in December 2011 to 738,795, an increase of one percent³. According to the Metropolitan Milwaukee Association of Commerce, 12 of its 23 economic indicators showed improvement over 2011 in both August and September⁴.

The 2012 budget was created just before the recovery appeared to accelerate. Investment revenue is reduced due to continued low interest rates, revenues in the Office of the Register of Deeds is reduced to reflect the continued slump in the real estate market, and revenue from delinquent property taxes is increased by more than 20 percent. However, as the economy has rebounded in 2012, trends have begun to have a positive impact on the County's budget forecasts for 2013. Sales tax revenues are projected to rise, as are real-estate revenues generated by the Register of Deeds.

The national economic outlook remains uncertain, especially due to the Presidential election and questions about whether, and how, the federal government will deal with the "fiscal cliff" that would result in increased taxes and expenditure cuts that could take effect January 1, 2013. There are also significant signs that the global economy will slow⁵, which will have a significant impact on export-related industries in Wisconsin and Milwaukee County. The general consensus appears to be that, if the U.S. can manage to avert the fiscal cliff and tackle its long-term fiscal imbalance without significant drag on the economy, and if the debt crises in the European Zone can be abated, then growth should be relatively stable, if slow, in the foreseeable future⁶.

³ Bureau of Labor Statistics, data for Milwaukee-Waukesha-West Allis MSA. Online at http://data.bls.gov/timeseries/LAUMT55333403?data_tool=XGtable

⁴ "Metro Milwaukee Economic Trends"; Economic Research Division, Metropolitan Milwaukee Association of Commerce. November 6, 2012. Online at <http://www.mmac.org/external/wcpages/wcmedia/documents/Research/9-12%20MMAC%20trends%20report.pdf>

⁵ "IMF Sees Heightened Risks Sapping Slower Global Recovery"; International Monetary Fund, October 9, 2012. Online at <http://www.imf.org/external/pubs/ft/survey/so/2012/RES100812A.htm>

⁶ "Global Economic Prospects", The World Bank, June 2012. Available online at http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1322593305595/8287139-1339427993716/GEPJune2012_Full_Report.pdf

Community Needs and Resources

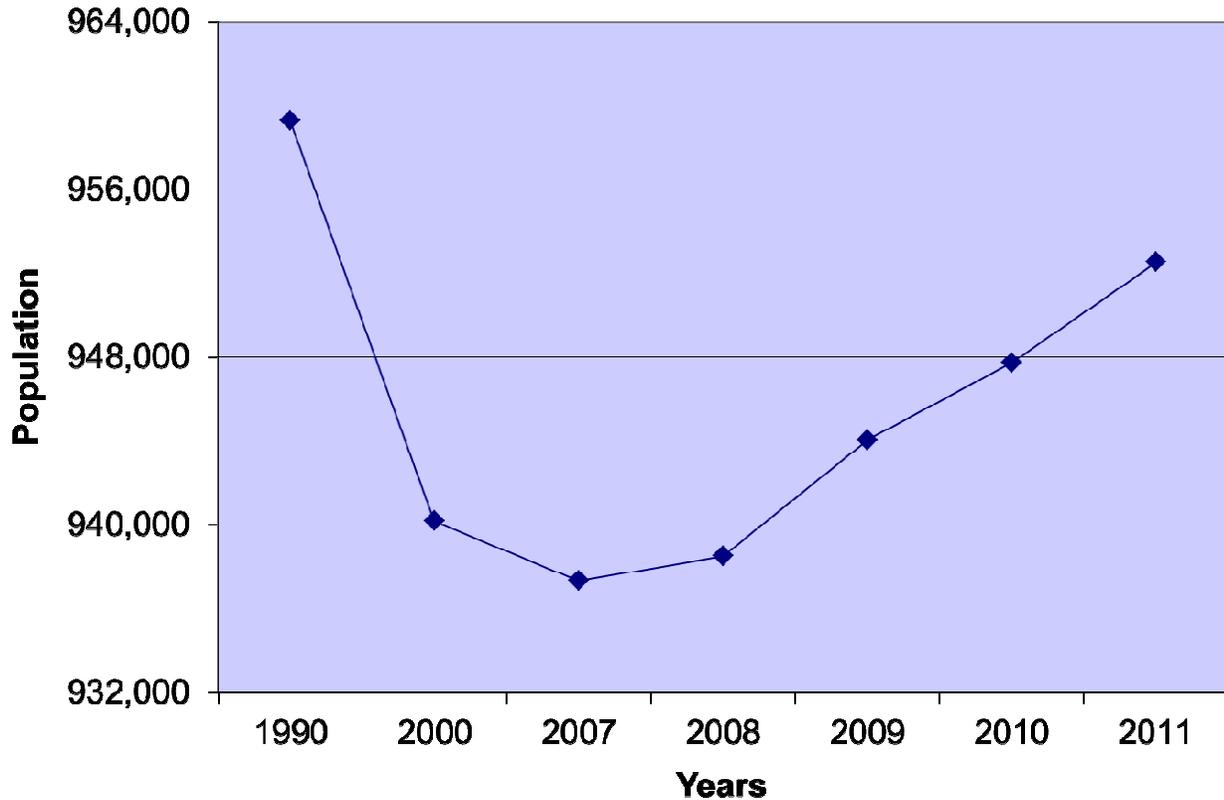
Community Needs and Resources encompass various economic and demographic characteristics including population, employment, personal income, property value, and business activity. Tax base determines a community's wealth and ability to generate revenue, while economic and demographic characteristics affect community demands, such as public safety, capital improvements, and social services.

Changes in community needs and resources are interrelated in a continuous, cumulative cycle of cause and effect. An example of this is the effect that declining populations would have on housing demands and values in housing markets, which in turn reduces property tax base. Community needs and resources are difficult to translate into indicators because the data is not readily available. The indicators detailed in this section represent only those for which data is reasonably available.

The Community Needs and Resources indicators are as follows:

- Population
- Personal Income per Capita
- Poverty Rate
- Equalized Valuation
- Top Five Taxpayers
- Unemployment Rate

POPULATION



Description

Population change can directly affect economic factors such as employment, income, housing and business activity, and in turn affect governmental revenues. The interrelationship between these factors tends to give population decline a cumulative negative effect on revenues, while a sudden increase in population can create immediate pressures for higher levels of service. Census figures for Milwaukee County are included for the years 1990, 2000, and 2010. For other years, annual estimates of the County’s population are made by the Wisconsin Department of Administration.

WARNING TREND:
Rapid Change in Population

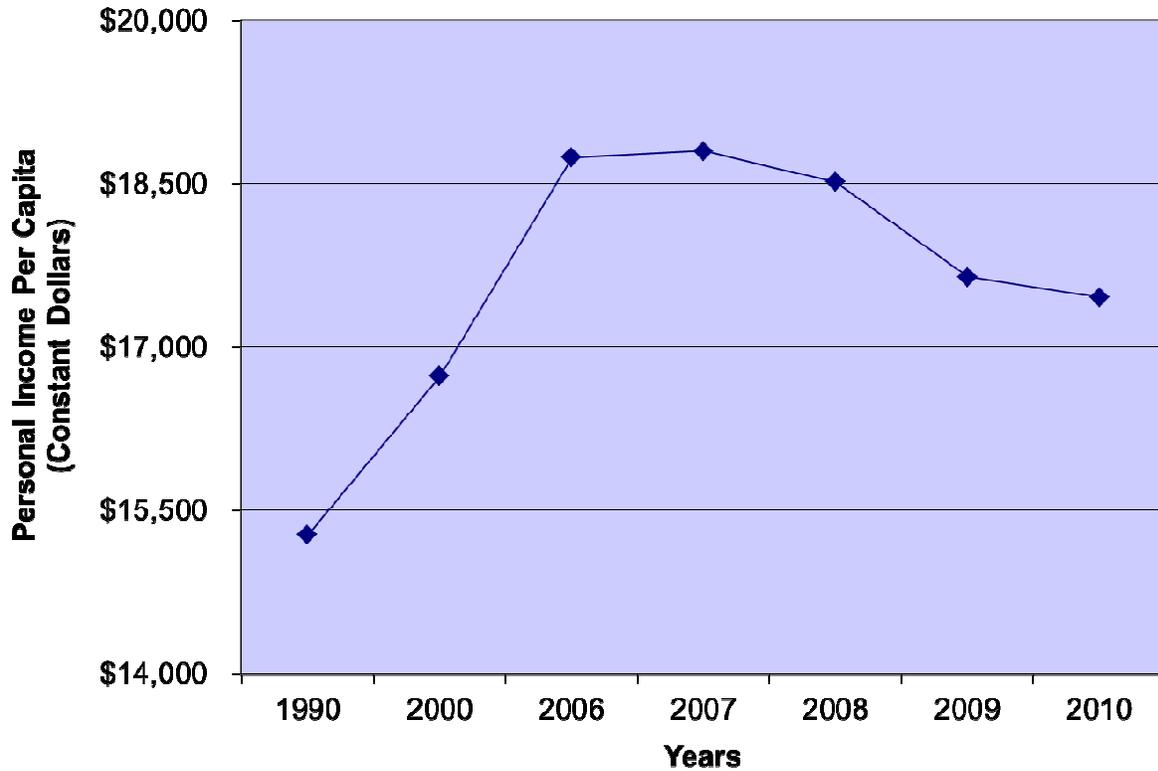
TREND HEALTH:
Positive

FORMULA:
Population

Analysis

The trend is considered positive because to the County’s population remained stable over the 5-year period. Since the sharp population decline between 1990 and 2000, there have been minor increases and decreases in population. The 2011 population estimate of 952,532 by the Census Bureau is an increase of 12,368 or 1.3 percent from the 2000 count. Population does not appear to be the cause of any significant changes in the service demands of Milwaukee County residents.

PERSONAL INCOME PER CAPITA



Description

Personal income per capita is one measure of a community’s ability to pay taxes. Generally, the higher the per capita income, the more property tax, sales tax, and business tax the community will generate. If income is evenly distributed, a higher per capita income will usually mean a lower dependency on government services. A decline in per capita income results in loss of consumer purchasing power and can provide advance notice that businesses, especially in the retail sector, will suffer a decline that can ripple through the rest of the County’s economy. Bond rating agencies use per capita income as an important measure of the County’s ability to repay debt.

WARNING TREND:
Decline in the level, or growth rate, of personal income per capita (constant dollars)

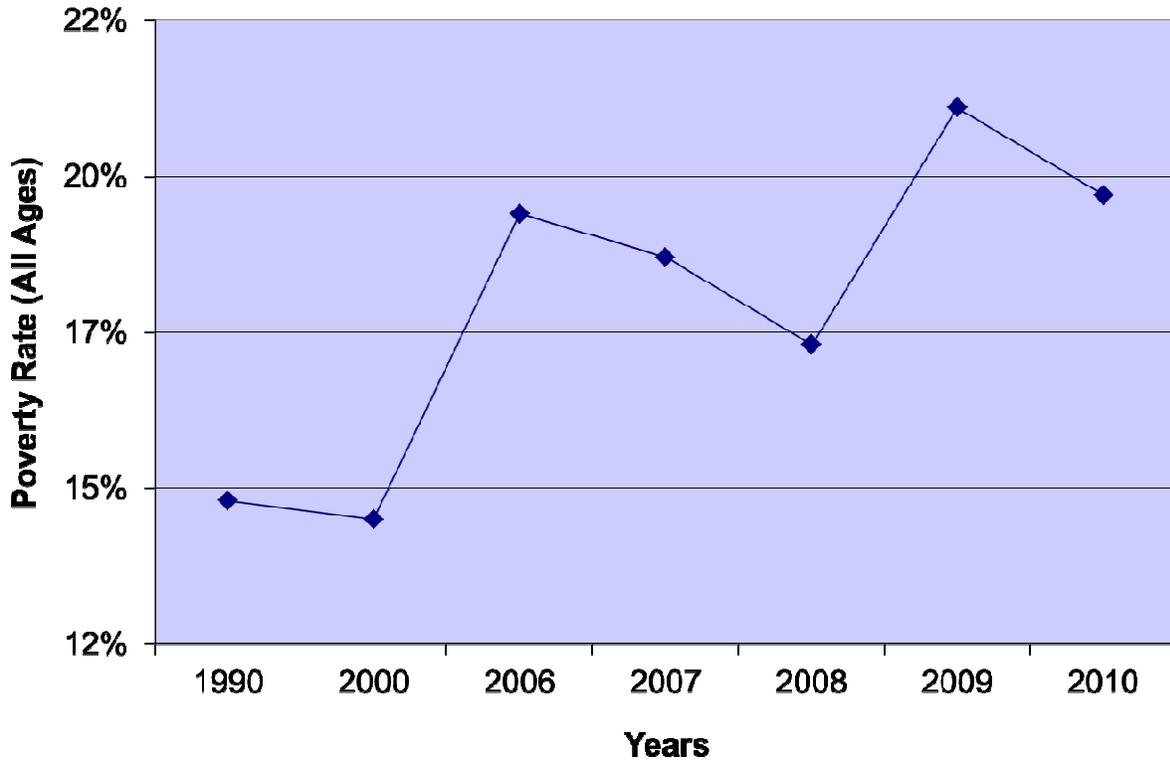
TREND HEALTH:
Negative

FORMULA:
Personal income (constant dollars) / Population

Analysis

The trend is negative due to the recent peak and decline from 2006 to 2009, which is mainly related to the global economic downturn. When measured in constant dollars, personal income per capita peaked at approximately \$18,800 in 2006 and 2007 and then began to decline to \$17,458, or 7.1 percent. This indicates that Milwaukee residents have less disposable income available to purchase goods and services. In comparison, inflation-adjusted personal income per capita increased by \$1,347 or 8 percent between 2000 and 2004.

POVERTY



Description

The percentage of the total population living below the federal poverty level is used to measure a community’s standard of living, employment and income. In addition to measures of overall change in personal income, the poverty rate can signal a future increase in the level and unit cost of some services. This is accredited to the fact that low-income individuals have relatively higher needs and a relative lack of personal wealth. The following data on poverty are from the Small Area Income and Poverty Estimates (SAIPE) of the U.S Census Bureau.

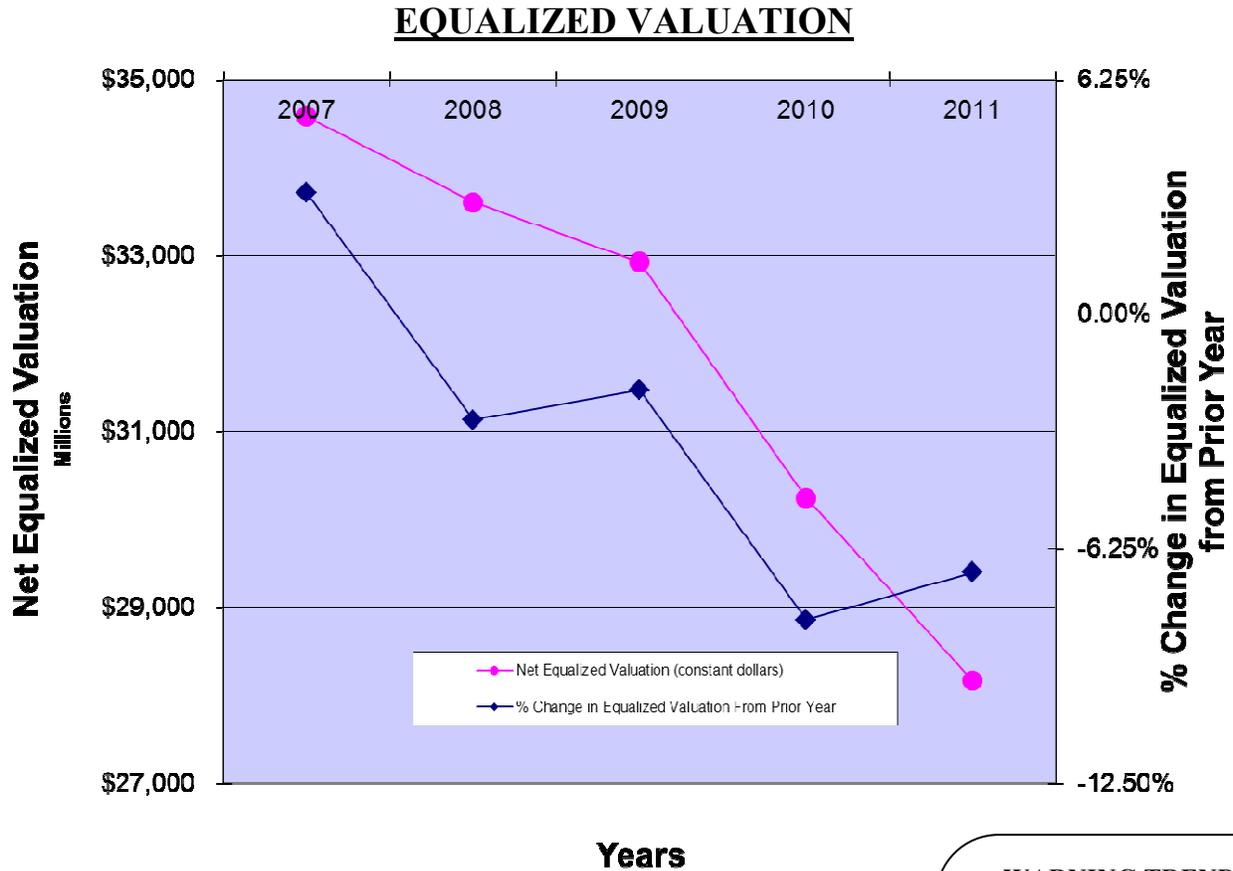
WARNING TREND:
Increasing poverty rate
(all ages)

TREND HEALTH:
Negative

FORMULA:
Total population / Individuals
below federal poverty level
(all ages)

Analysis

Historically, Milwaukee’s poverty rate has been relatively high compared to other large U.S cities. The poverty rate increased to 20 percent during the economic downturn of the early 2000s, then slowly declined to approximately 17 percent in 2008, and then rose sharply again due to the global economic downturn. The decrease in inflation-adjusted personal income shown in the previous indicator suggests the downturn has negatively affected members of every economic class within the County (though not equally). As a result, the County’s citizens contribute less to the tax base (especially sales tax) but likely require additional public services.



Description The Wisconsin Department of Revenue annually adjusts or equalizes the assessed values of all property subject to general property taxes to reflect true market value. Changes in property value are important because the County depends on the property tax for a total of 31 percent (2010) of its general fund operating revenues. The extent to which the decline will ripple through the community's economy, affecting other revenues such as those from sales tax, is more difficult to determine. A decline in property value will be a symptom of other, underlying problems.

Analysis

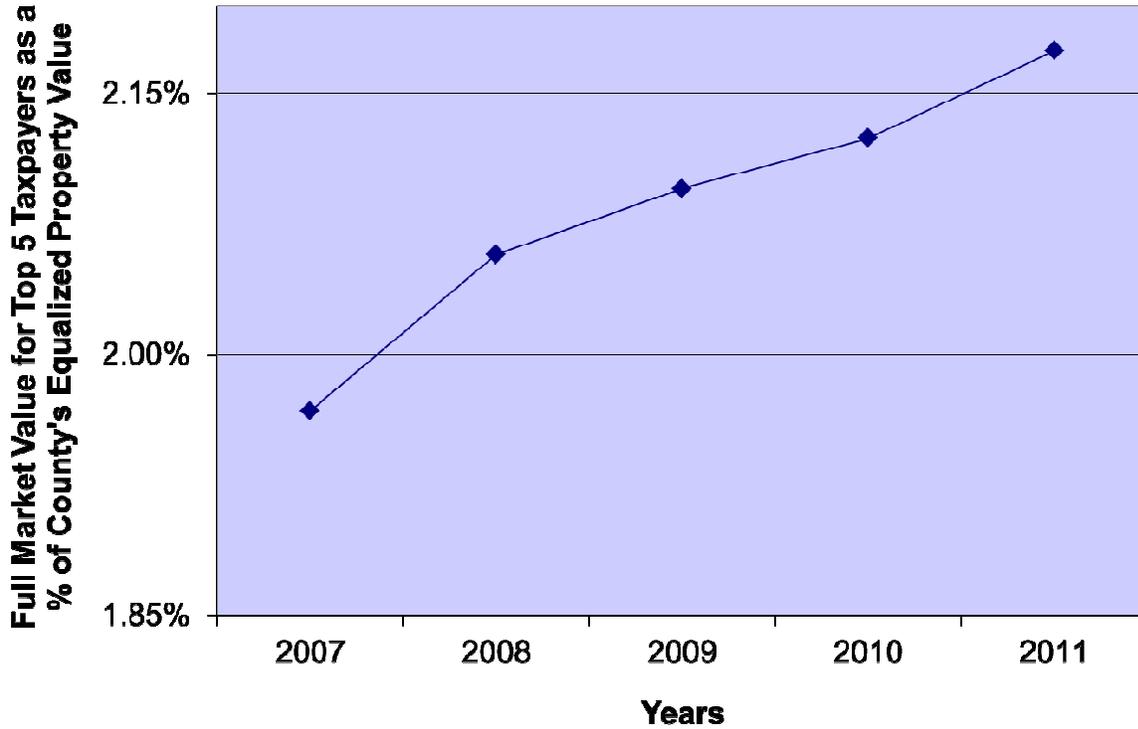
The net equalized valuation of the County, in constant dollars, continues to decline in the aftermath of the global recession. Inflation-adjusted net equalized value dropped by \$2.1 billion or 6.9 percent in 2011 from its 2010 value. This has a negative impact on the County's finances because individuals whose homes and real estate assets are declining in value will tend to reduce consumer spending and investment. However, the recent trends in the real estate market indicate this trend may soon reverse its decline.

WARNING TREND:
Declining growth or drop in equalized valuation (constant dollars)

TREND HEALTH:
Negative

FORMULA:
Change in equalized valuation (constant dollars) / Equalized valuation in prior year (constant dollars)

TOP FIVE TAXPAYERS



Description

This indicator measures the concentration of property values in the County and helps to analyze the vulnerability of the economic base to the fortunes of a few taxpayers. The bond rating agencies use this indicator to determine the degree of concentration. The leading taxpayers are profiled and assessed for their direct and indirect effects on the local economy. If the County relies heavily on a few taxpayers for property taxes, it is vulnerable to any changes in these taxpayers' assessments. Generally, it is cause for concern if the top five taxpayers hold more than 5% of the County's equalized property value.

WARNING TREND:
High % or increasing % of overall equalized property value owned by a few taxpayers

TREND HEALTH:
Negative

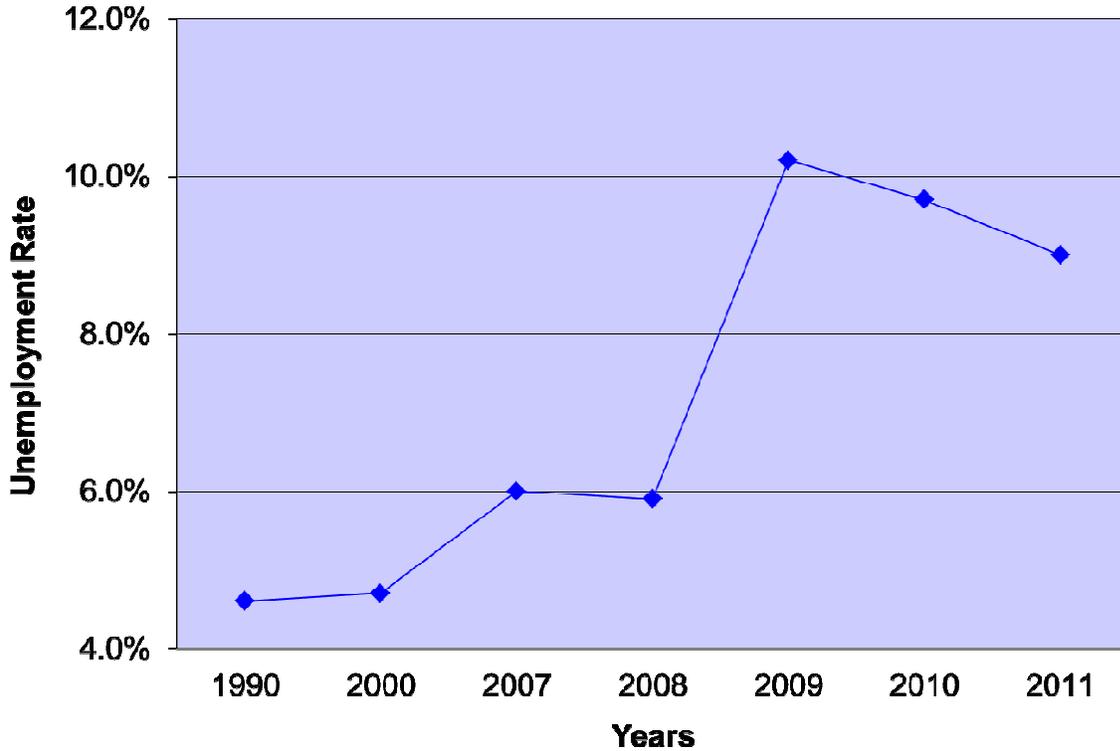
FORMULA:
Full market value for top 5 taxpayers / County's equalized property value

Analysis

The five-year trend is negative due to the increasing share of market value held by the top 5 taxpayers. The increasing rate suggests other residents' and businesses' real estate has declined much farther in value relative to these properties. As of December 31, 2011, the top 5 taxpayers include:

1. Bayshore Town Center, LLC
2. Northwestern Mutual Life Insurance Co.
3. Mayfair Property Inc
4. US Bank Corporation
5. Mandel Group

UNEMPLOYMENT RATE



Description

Changes in the rate of employment of the community’s citizens are related to changes in personal income, and are a measure of the health of the local business sector. A decline in employment base, as measured by unemployment and number of jobs available, can be an early warning signal that overall economic activity and County revenues may be declining. A stable or growing employment base indicates a healthy local economy.

WARNING TREND:
Increasing rate of local unemployment

TREND HEALTH:
Neutral

FORMULA:
Local unemployment rate

Analysis

The trend improves from the 2010 version from negative to neutral due to a two-year decline in the local unemployment rate from a high of 10.2 percent in 2009. If the rate continues to decline in 2012 this trend could be updated to “positive”, because it would suggest that the local economy is improving and therefore revenues to the County in the form of sales taxes and program revenues should increase while the need for services provided by the County would decline.

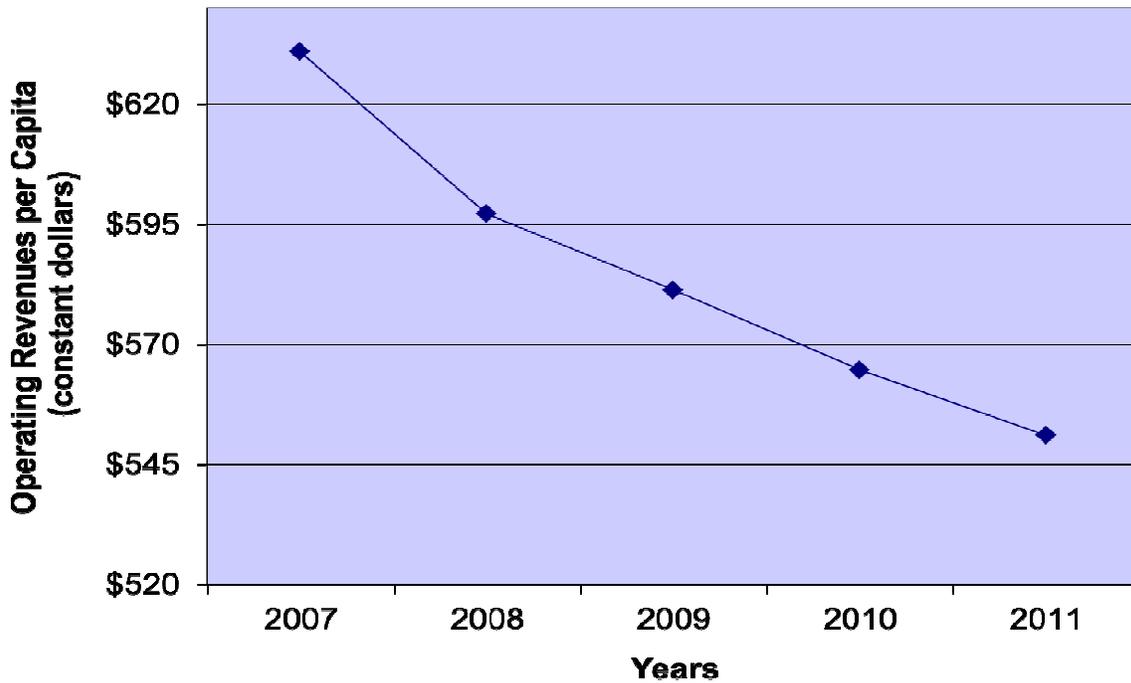
Revenue

Revenue determines the capacity of the County to provide services. Important issues to consider with respect to revenue are economic growth, diversity, reliability, flexibility, and administration. Under ideal conditions, revenue should be growing at a rate equal to or greater than the combined effects of inflation and expenditures. Revenue should be sufficiently unrestricted to allow for necessary adjustments to changing conditions. Revenue should be balanced between elastic and inelastic sources with respect to economic base and inflation. Some revenue sources should grow with the economic base and inflation, while others should remain relatively constant. Revenue sources should be diversified so as not to be overly dependent on residential, commercial, or industrial land uses, or external funding sources such as Federal grants or discretionary State aid.

The Revenue indicators are as follows:

- Operating Revenues per Capita
- Programmatic Revenues (New)
- Intergovernmental Revenues
- General County Property Tax Levy
- Uncollected Property Taxes
- Sales Tax Per Capita
- State Shared Revenue
- User Fee Coverage (New)

OPERATING REVENUES PER CAPITA



Description

Per capita revenues show changes in revenues relative to change in population size. Operating revenues for this indicator consist of two fund types: governmental and enterprise. This analysis is limited to governmental funds in accordance with generally accepted accounting principles (GAAP). As population increases, it may be expected that the need for services would increase proportionately and, therefore, the level of per capita revenue should remain at least constant in real terms. If per capita revenue is decreasing, it would be expected that the County would be unable to maintain existing service levels unless it finds new revenue sources or efficiency savings. This analysis assumes that the cost of services correlates to population size.

WARNING TREND:
Decreasing general fund operating revenues per capita (constant dollars)

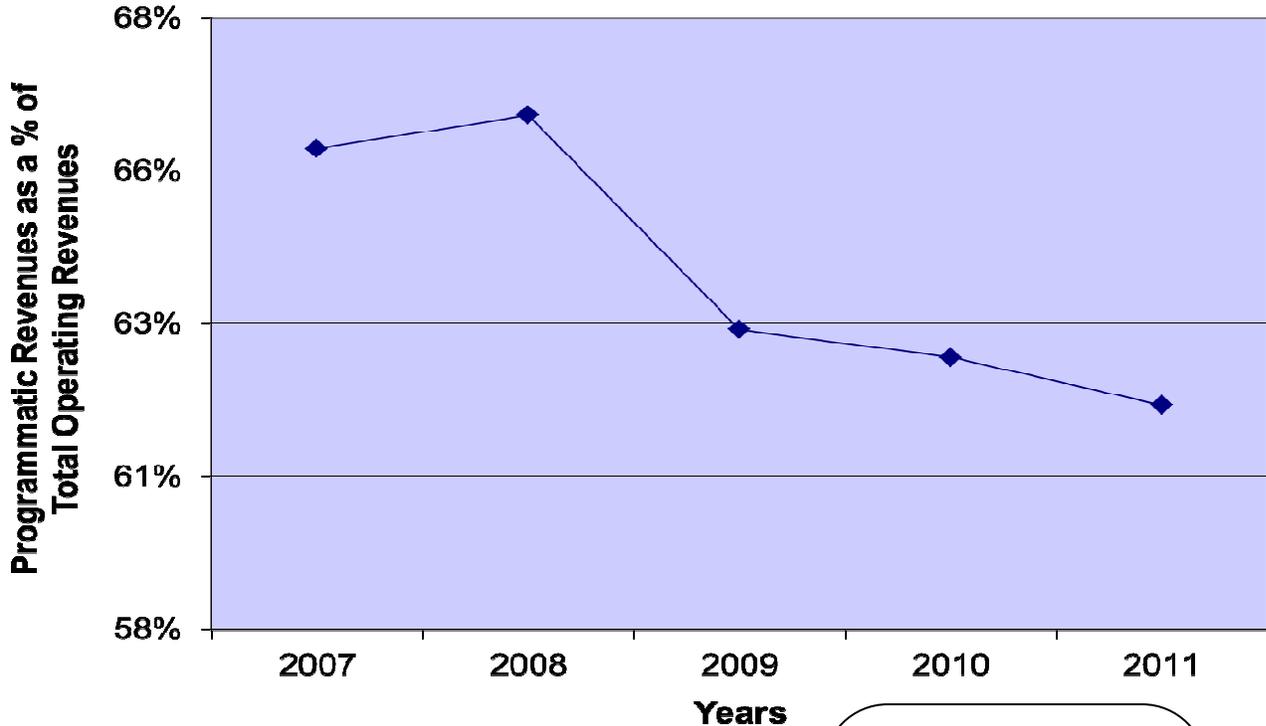
TREND HEALTH:
Negative

FORMULA:
General fund operating revenues

Analysis

The trend is negative as inflation-adjusted operating revenues per capita continue to decline. The decline is mainly related to a significant decrease in intergovernmental support (14 percent decrease since 2007) and investment income (47.4 percent) due mainly to continued low interest rates. As a result, the County has fewer resources with which to fund discretionary services, capital investments, labor costs and services for those most affected by the downturn itself.

PROGRAMMATIC REVENUES (New)



Description

Programmatic revenue is reported according to GASB 34 and is legally earmarked for specific use, as often required by State and/ or County law. Programmatic revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. As the percentage of programmatic revenue increases, the County loses its flexibility to respond to changing conditions and to citizens’ needs and demands.

WARNING TREND:
Increasing amount of programmatic revenues as a % of total operating revenues

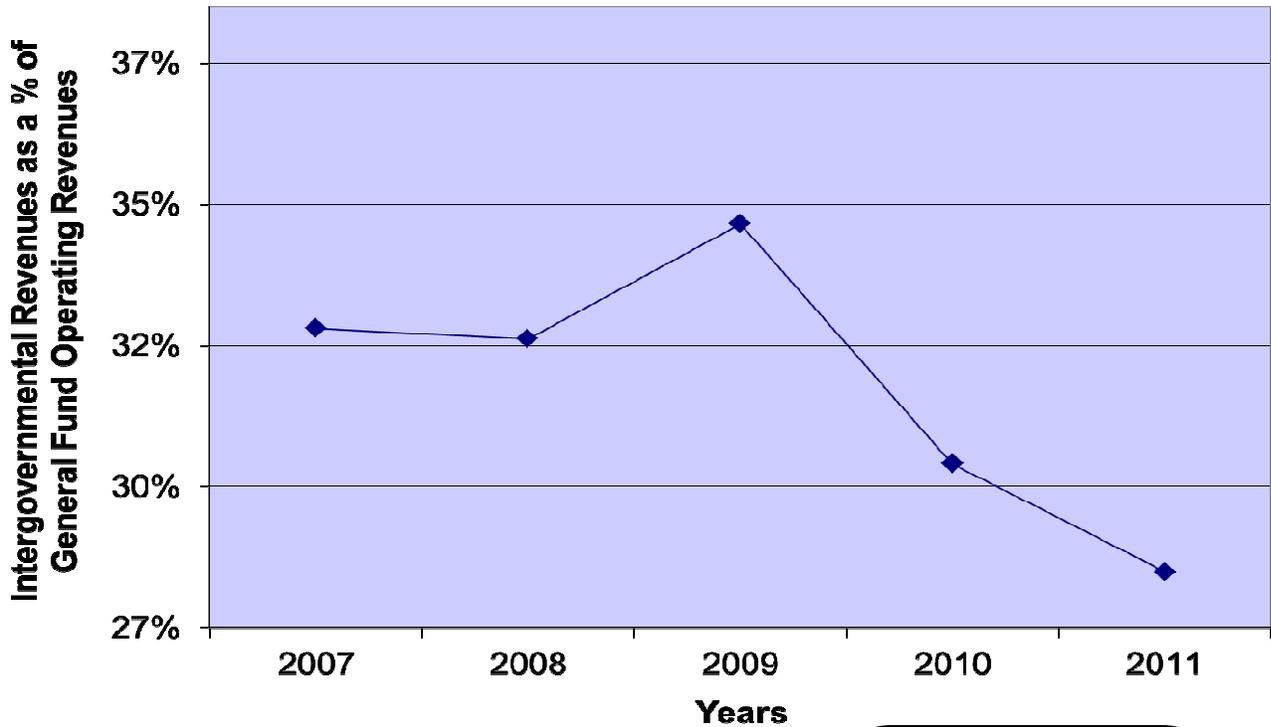
TREND HEALTH:
Positive

FORMULA:
 $\frac{\text{Programmatic revenues}}{\text{Total operating revenues}}$

Analysis

This trend is technically positive due to the declining share of programmatic revenues, however this reduction is likely related to reduced state aid for specific programs, especially related to health and human services that support those most affected by the economic downturn. From a strictly fiscal perspective this may be positive in that mandated service levels or populations would be reduced, providing additional flexibility for non-programmatic revenues. However, it is highly likely that non-programmatic revenues are being used to supplant lost state and federal aid related to services for those affected by the downturn. NOT IN 2010 VERSION!

INTERGOVERNMENTAL REVENUES



Description

Intergovernmental revenues are received from other governmental entities and normally have profound impacts on the County’s budget. Local governments with budgets largely supported by intergovernmental revenues are vulnerable to revenue reductions over which they have no control and are left with the dilemma of cutting programs or funding them from general fund revenues. An overdependence on intergovernmental revenues can also have an adverse impact on financial condition due to restrictions or stipulations that the other governmental entity attaches to the revenue. The primary concern in analyzing intergovernmental revenues is to identify and monitor the County’s vulnerability to reductions of such revenues, and to determine whether the County is controlling its use of the revenues or whether these revenues are controlling the County.

WARNING TREND:
Increasing amount of intergovernmental revenues as a % of general fund operating revenues

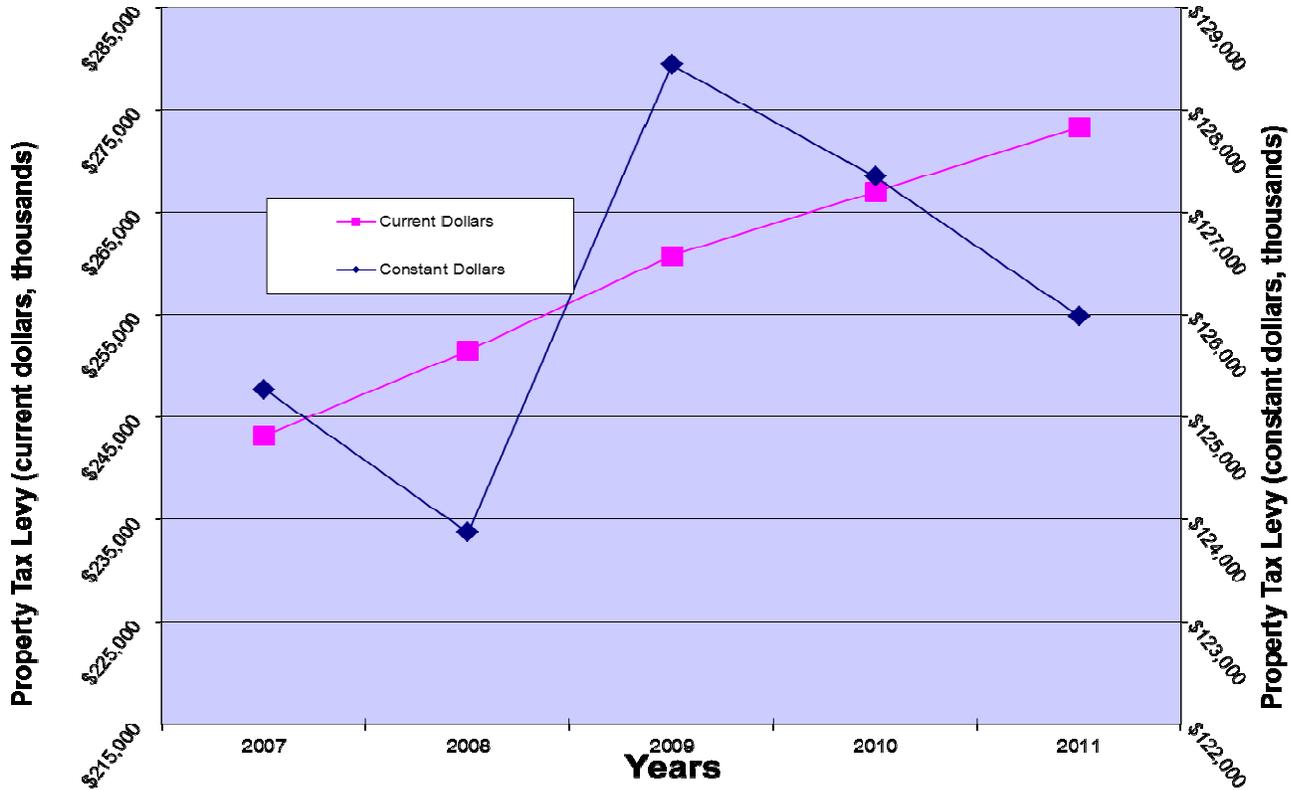
TREND HEALTH:
Positive

FORMULA:
Intergovernmental revenues / General fund operating revenues

Analysis

This trend is technically positive, however like the previous indicator the decline is mainly related to continued reductions in state and federal assistance, not necessarily due to increases in other, more flexible revenue streams. This is an important distinction because of the nature of the County’s reliance on state and federal aids to perform mandated services such as mental health. However, from a strictly fiscal standpoint this is a positive trend because other sources of revenue will generally provide more flexibility in terms of which services will be funded.

GENERAL COUNTY PROPERTY TAX LEVY



Description

Property tax is an important revenue source to consider when evaluating financial condition. Property tax revenue represents the County’s largest discretionary revenue source and is used for general purposes. As such, it is important to consider whether tax levy is keeping pace with inflation, in this case compared to the rise in CPI.

Analysis

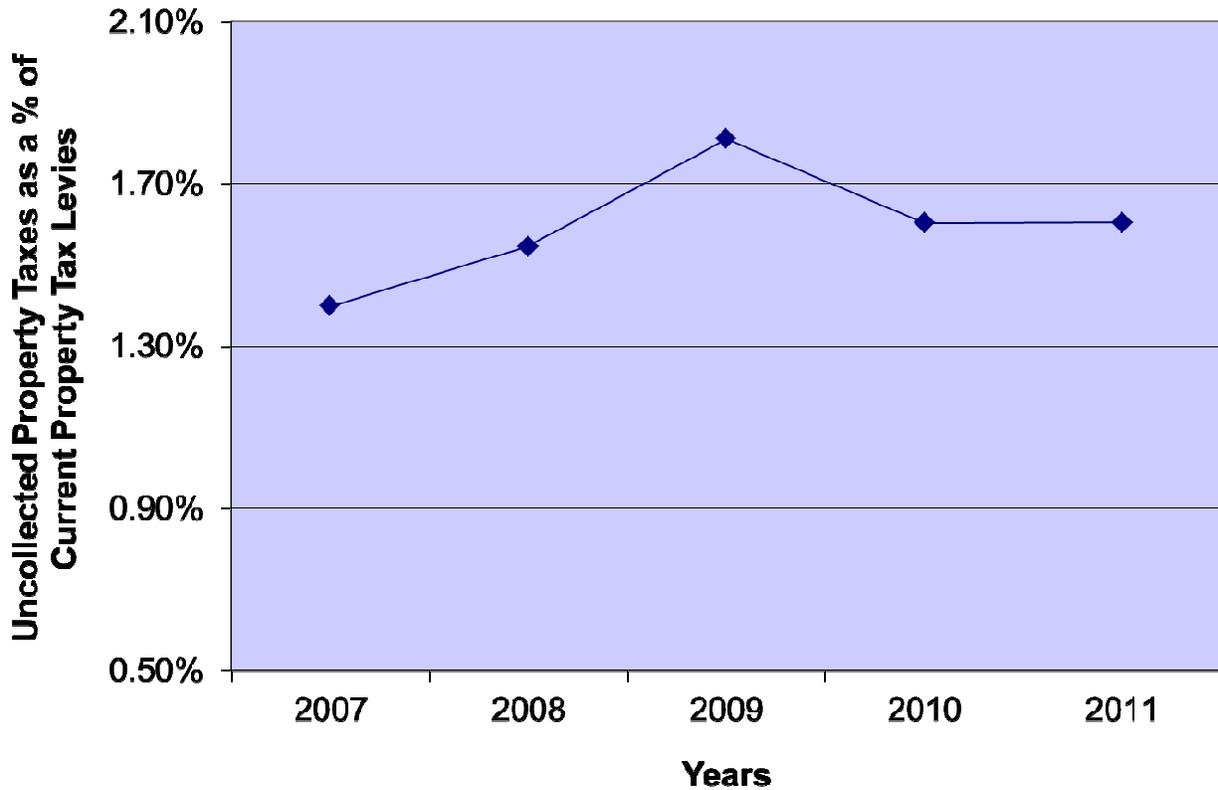
The property tax levy in current dollars has been increasing at stable rate of 3.1 percent annually, slightly higher than the 2.7 percent annual increase in the CPI. When adjusted for inflation, property tax has risen by an average of 0.4 percent annually over the five-year period; however this is due in large part to the large increase in 2009 over 2008 (3.7 percent increase in constant dollars). This trend is revised down from neutral to negative due to the two-year trend of declining property tax revenue when adjusted for inflation.

WARNING TREND:
Decreasing or negative growth in property tax revenues (constant dollars)

TREND HEALTH:
Negative

FORMULA:
Property Tax Levy (constant dollars)

UNCOLLECTED PROPERTY TAXES



Description

Municipalities initially collect all property taxes including County, sewerage district and school taxes. The County purchases all delinquent taxes from its municipalities and assumes the collection responsibility, except for within the City of Milwaukee, which collects all delinquent real estate taxes in the City. A percentage of property taxes are not collected for potential reasons such as the inability of property owners to pay and/or inadequate collections methods of local governments. If this percentage increases over time, it may indicate overall decline in the community’s ability to pay for local government services.

WARNING TREND:
Increasing amount of uncollected property taxes as a % of current property tax levies

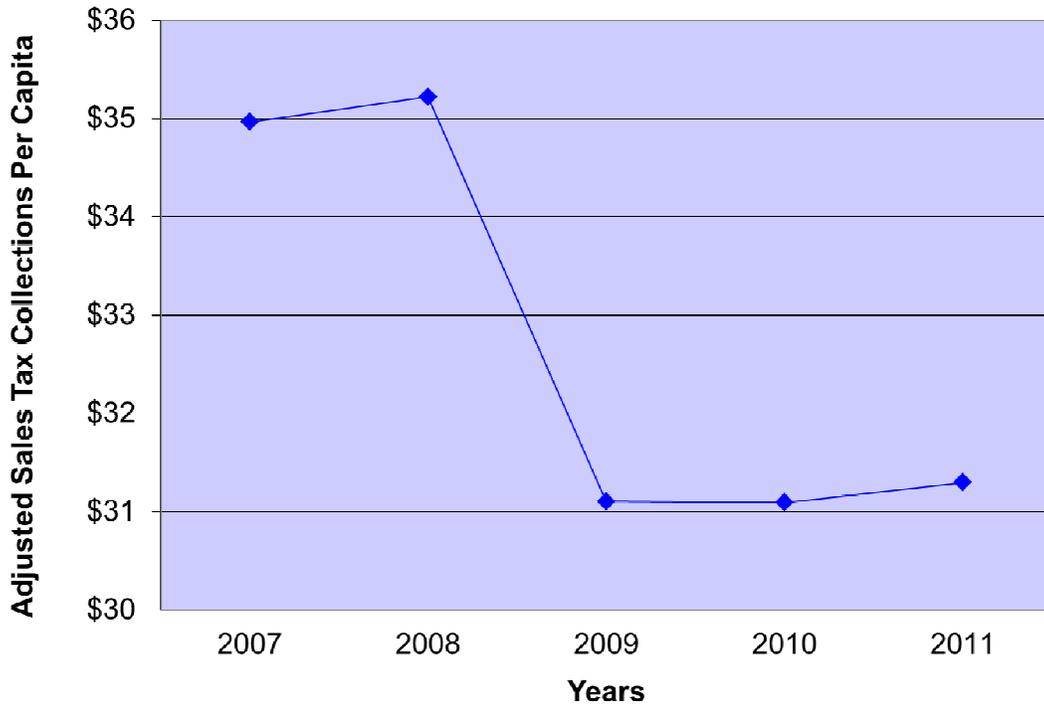
TREND HEALTH:
Neutral

FORMULA:
Uncollected property taxes / Current property tax levies

Analysis

The rating for this indicator remains at neutral, as the percentage of uncollected property taxes remained essentially unchanged in 2011 from 2010 at 1.6 percent, after peaking at 1.8 percent in 2009. This suggests the economy is stabilizing and the property owners are more likely to be able to pay their property taxes than at the height of the global recession. The County maintains a reserve to offset uncollected property taxes, so this trend is more reflective of the overall declining economy and the deteriorating housing market.

SALES TAX PER CAPITA



Description

This indicator is provided in this analysis because it was included in the past version of the Milwaukee County Fiscal Trends; it is not included in the updated ICMA FTMS tool.

Analysis

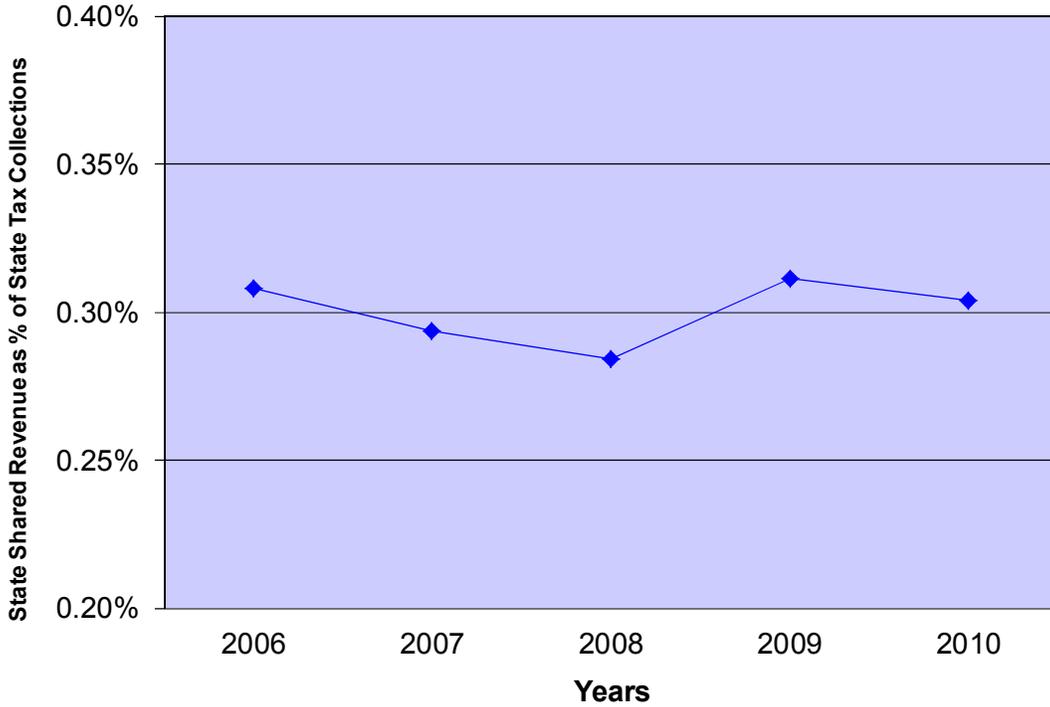
This indicator is changed from negative to neutral due to the stabilization that has taken place in 2010 and 2011, at close to \$31 per person. The ratio remains significantly below the average from 2004 and 2008, when the County received between \$35 and \$36 in sales tax revenues per person (adjusted for inflation).

WARNING TREND:
Decreasing sales tax revenues per capita

TREND HEALTH:
Neutral

FORMULA:
Inflation-adjusted sales tax revenues/Population

STATE SHARED REVENUE



Description

This indicator is provided in this analysis because it was included in the past version of the Milwaukee County Fiscal Trends; it is not included in the updated ICMA FTMS tool.

Analysis

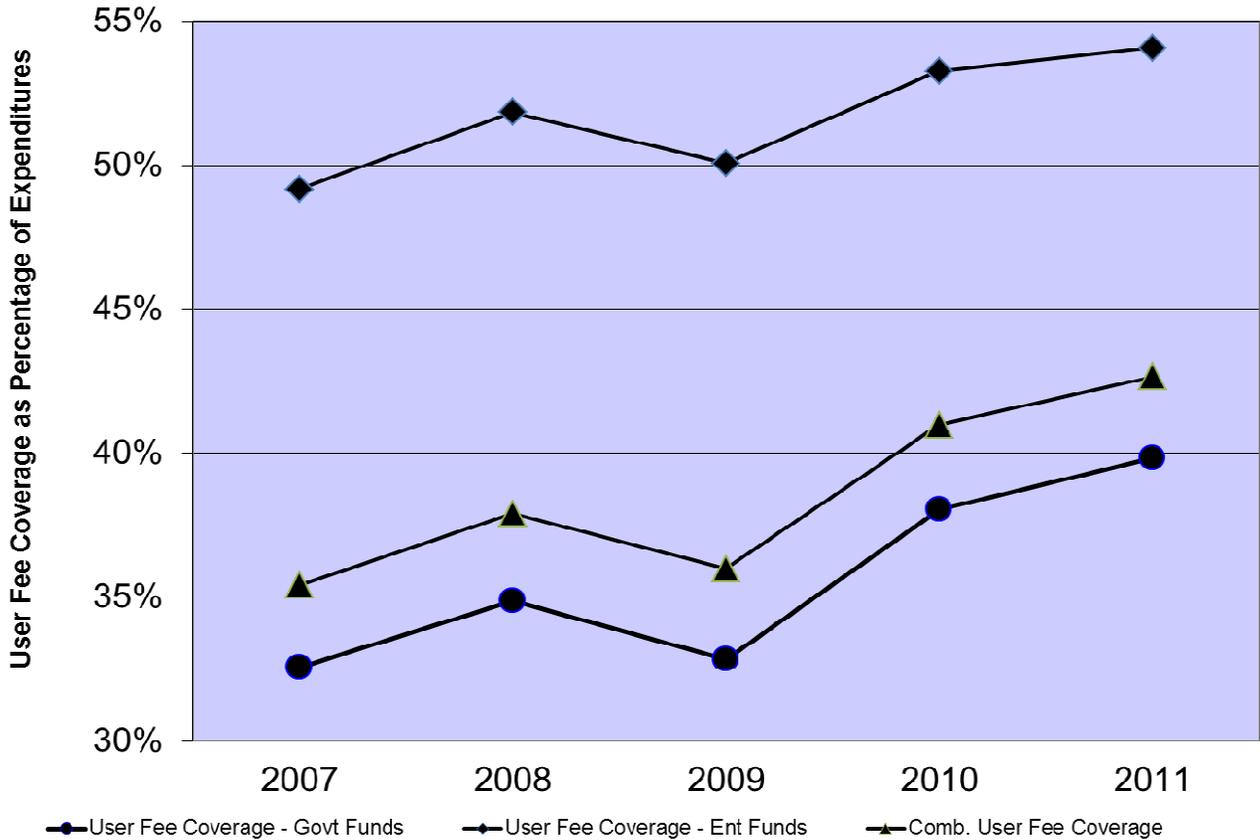
Note that this indicator has not been updated for 2011 because the State of Wisconsin has not yet made its 2011 Consolidated Annual Financial Report available on its website. The following text remains from the 2010 version of this report. The trend for this indicator was relatively stable during the five year period, averaging approximately 0.30 percent of total State general fund taxes. This stability is likely due to increases in the utility portion received by the County and reduced tax collections by the State due to the economic downturn. However, it should be noted that in the previous version of this analysis from the late 1990s, the County received Shared Revenue payments averaging 0.63 percent of total State general fund tax collections from 1993 through 1997, more than twice the average of the past five years (illustrated by the fact that State Shared revenue payments were \$51.1 million in 1996 vs. \$37 million in 2010). Further, due to the significant cuts in State Shared Revenue included in the State’s 2011-2013 Biennial Budget, the health of this trend is likely to decline.

WARNING TREND:
Decreasing State Shared Revenues as % of Total State Taxes (General Fund)

TREND HEALTH:
Neutral

FORMULA:
State Shared Revenues received/State General Fund Tax Collections

USER FEE COVERAGE



Description

This indicator is provided in this analysis because it was included in the past version of the Milwaukee County Fiscal Trends; it is not included in the updated ICMA FTMS tool.

Analysis

The trend for this indicator is changed from neutral to negative to the rising share of user fee revenues to cover total expenditures. User fees are charged to users of County services, such as rental charges, fees for copies or forms, or copayments for medical services. A rising percentage can be of concern if the prices charged for services become unaffordable to taxpayers. For governmental funds, this trend is negative. This trend is also indicative of declining intergovernmental revenues that support mandates, which require the County to make the loss up with other sources of revenues, such as fees.

WARNING TREND:
Increasing or decreasing share of User Fee Revenues as Percentage of Total Expenditures

TREND HEALTH:
Negative

FORMULA:
User Fee Revenues/Total Expenditures

Alternatively, since enterprise fund operations generally cover their expenditures with non-tax levy revenue sources, a rising percentage could be considered a positive development; though again affordability of the service needs to be considered.

Expenditures

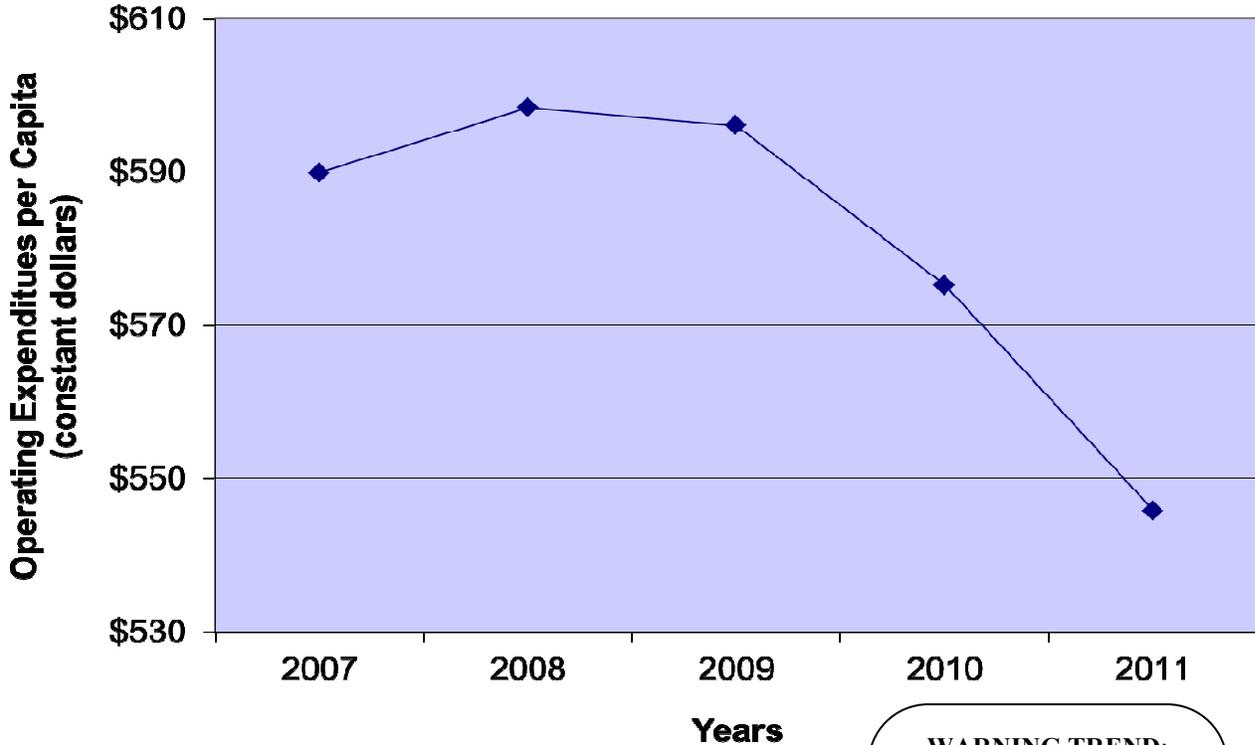
The first issue to consider is the expenditure growth rate to determine whether the County is operating within its revenues. Milwaukee County is required by State Statute to have a balanced budget. Nevertheless, the County could potentially balance its annual budget yet create a long-run imbalance in which expenditure outlays and commitments grow faster than revenues. Some of the more common ways in which this type of imbalance occurs are to use bond proceeds for operations, use reserves, and defer maintenance on streets, buildings, or other capital stock, or by deferring funding of future liabilities. In each of these cases, the annual budget remains balanced, but the long-run budget develops a deficit.

A second issue to consider is expenditure flexibility, which is a measure of the County's freedom to adjust its service levels to changing conditions, and considers the level of mandatory and fixed costs. Ideally, the County will have an expenditure growth rate that does not exceed its revenue growth rate, creating maximum flexibility to adjust spending. An increase in mandatory costs such as debt service, matching requirements, pension fund contribution, and state and Federal mandates will find the County less able to make adjustments.

The Expenditure indicators are as follows:

- Operating Expenditures per Capita
- Expenditures by Function
- Employees per Capita
- Fringe Benefits

OPERATING EXPENDITURES PER CAPITA



Description

Per capita expenditures reflect changes in expenditures relative to changes in population. Increasing per capita expenditures may indicate that the cost of providing services is outstripping the community’s ability to pay, especially if spending is increasing faster than the County’s tax base. If the increase in spending is greater than would be expected from inflation or the addition of new services, it can be an indicator of declining productivity. Any combination of the above variables would have the same overall effect. Operating expenditures for this indicator consist of two fund types: governmental and enterprise. This analysis is limited to governmental funds in accordance with generally accepted accounting principles (GAAP).

WARNING TREND:
Increasing operating expenditures per capita (constant dollars)

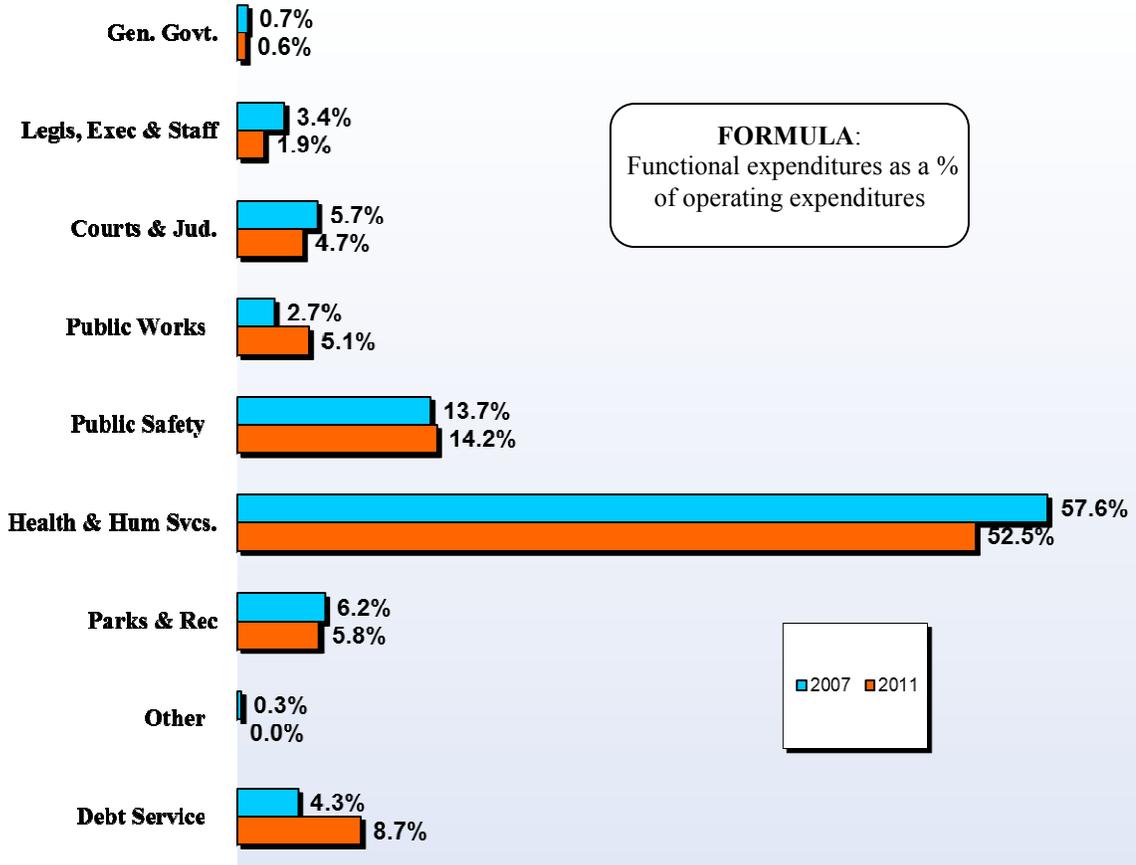
TREND HEALTH:
Positive

FORMULA:
 $\text{Operating expenditures (constant dollars) / Population}$

Analysis

After increasing steadily from 2005 to 2008, this trend has begun to reverse and has declined each of the past three years; therefore this trend is revised from neutral to positive. The increase occurred without any significant changes in population or additional services, but was generally in line with the average annual CPI increases of 3 percent, according to the U.S. Bureau of Labor Statistics. It is highly likely the decrease over the past two years is directly related to decreasing revenues, since the County is required to pass a balanced budget and seeks to finish each fiscal year with a surplus. As a result, while technically positive, this could reflect a negative impact on service provision.

EXPENDITURES BY FUNCTION



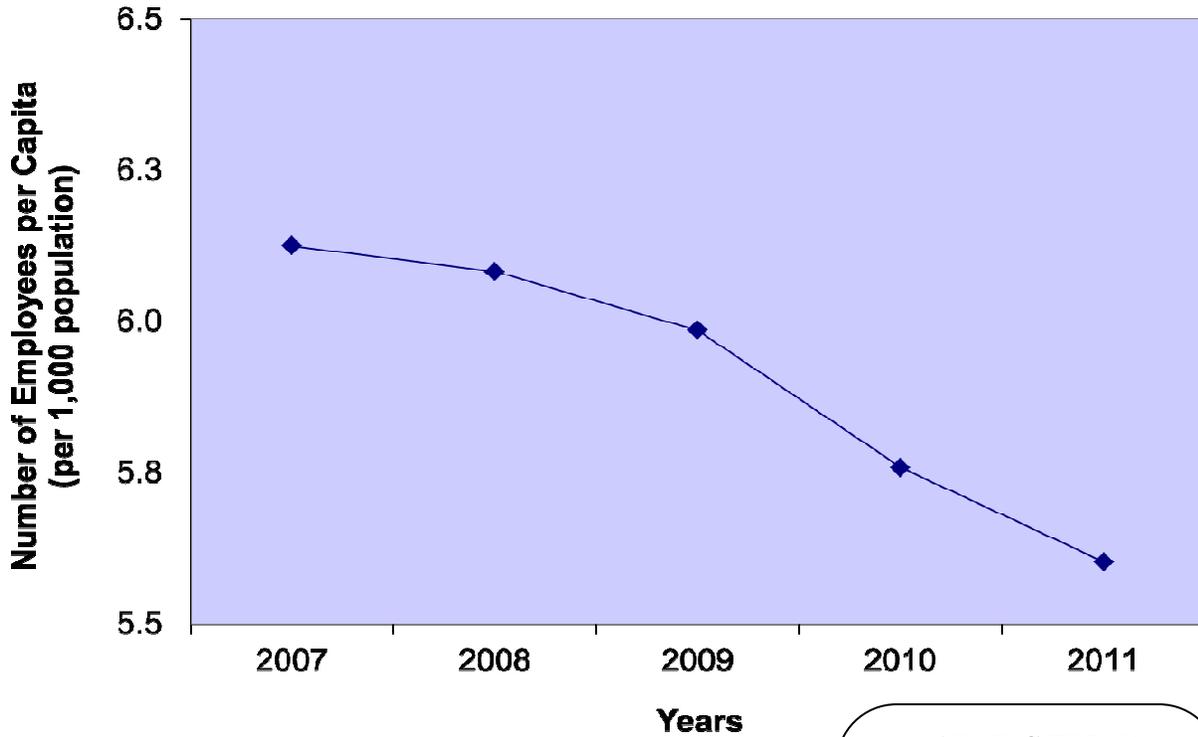
Description

Expenditures by function show a detailed breakdown of the County’s general governmental expenditures. Tracking this data can be useful in analyzing developing trends that may indicate need for further attention or resources. Shifting trends may reflect efforts to address goals and objectives, specific needs of the community, or may indicate an underlying problem that requires a shift in focus and/or resources.

Analysis

The five-year trend is relatively stable and there are several functional areas worth detailing. The 2010 version of the fiscal trends showed that spending on Health and Human Services has declined over the past 5 years, spending on debt service has increased sharply due to the issuance of Pension Obligation Bonds, and spending on Parks and Recreation has declined which illustrates the County’s inability to maintain funding for discretionary services. Note also that spending on Public Safety (mostly a mandated service area) continues to increase; expenditures have increased by 8.6 percent over the five-year period 2007-2011.

EMPLOYEES PER CAPITA



Description

Personnel costs are the largest portion of the County’s operating budget. Tracking changes in the number of employees per capita is a way to measure changes in expenditures. An increase in employees to population may indicate that expenditures are rising faster than revenues, the County is becoming more labor intensive, or that productivity is declining. Tracking this measure may also be important during times of change or fiscal austerity. The number of full-time employees as used in this indicator is defined as the total number of County employees minus the number of seasonal workers. Employee totals include both active and inactive employees. For example, some inactive employees may be on leaves of absence without pay but have not yet terminated their employment.

WARNING TREND:
Increasing number of County employees per capita

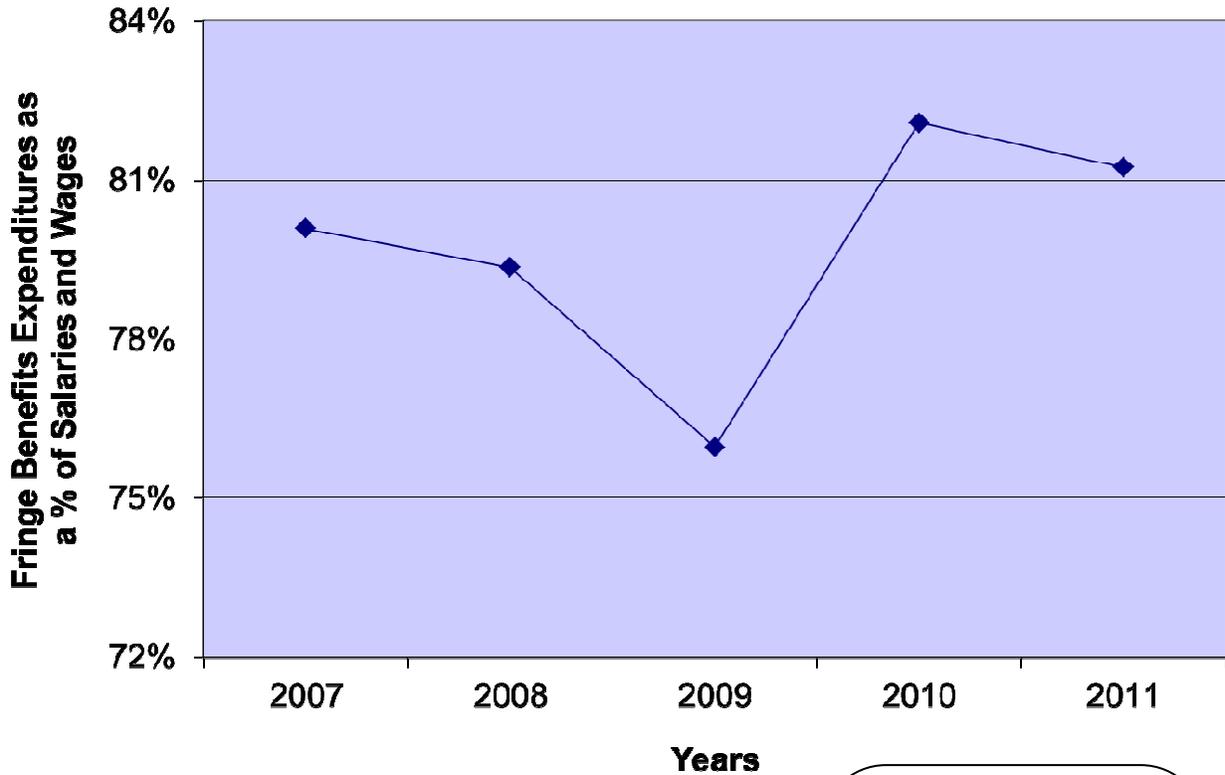
TREND HEALTH:
Positive

FORMULA:
Number of County employees / Population

Analysis

The number of County employees has steadily decreased over the past five years. Based on 2011 staffing levels, there is approximately one County employee for every 179 County residents; in 2007 there was one employee for every 163 residents. Due to the County’s fiscal condition and rising costs, steps have been taken to reduce the number of budgeted employees and abolish vacant positions. Some of this trend is due to privatization initiatives, reduced need for corrections staff, and a shift of some duties to the State of Wisconsin; however the County also continues to reduce personnel costs by eliminating many vacant positions which can have an effect on service delivery and capacity.

FRINGE BENEFITS



Description

Fringe benefits often comprise a significant portion of operating costs, often amounting to more than 30% of total labor compensation. Direct benefits consist of health and life insurance, contributions to social security, unemployment insurance, workers’ compensation, pension payments and other miscellaneous benefits. Because the funding and recording of fringe benefits is a complex process, these costs can escalate unnoticed, straining the County’s finances. In particular, the cost of providing health insurance has risen at dramatic rates for public and private employers in recent years.

WARNING TREND:
Increasing direct fringe benefit expenditures as a % of salaries and wages

TREND HEALTH:
Negative

FORMULA:
Direct fringe benefit expenditures / Salaries and wages

Analysis

The trend remains negative due to the County’s high fringe benefit costs, mainly related to the health benefits granted to retirees who started employment before 1994 and to the granting of enhanced pension benefits in 2001; reductions in the County’s workforce also contribute to an increase in the percentage. However, the ratio has receded somewhat in 2011, dropping from 82 to 81 percent, suggesting positive results in the future. The nationwide average for state and local government employees, according to the Employee Benefit Research Institute, was 52 percent in 2010.

Operating Position

Operating position refers to the County's ability to balance its budget on a current basis, maintain reserves for emergencies, and maintain sufficient cash to pay its bills on a timely basis.

During a typical year, a local government will usually generate either an operating surplus, when revenues exceed expenditures, or an operating deficit, when expenditures exceed revenues. An operating surplus or deficit may be created intentionally as a result of a policy decision, or may be created unintentionally because of difficulties in precisely forecasting revenues and expenditures. As required by State Statutes, surpluses and deficits are rolled forward into the next budget adopted by the County.

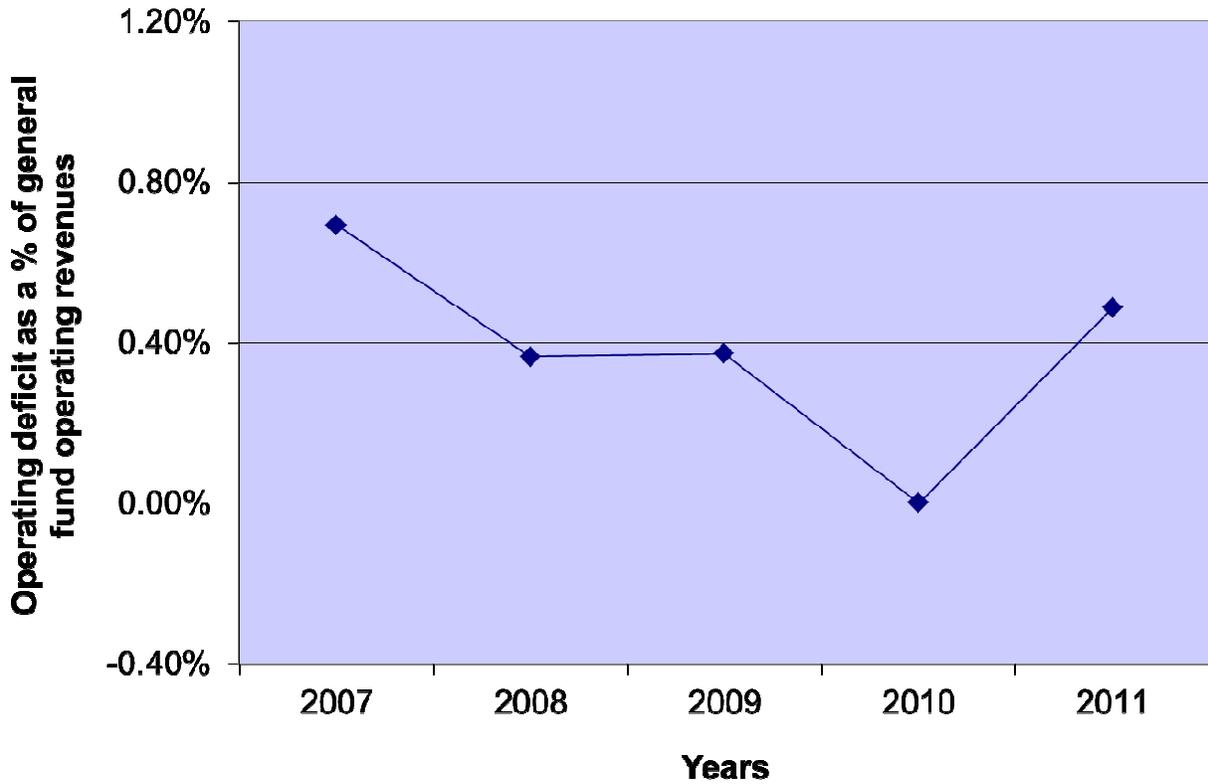
Many local governments develop reserves through the accumulation of operating surpluses and provide financial security in the event of loss of a revenue source, economic downturn, unanticipated expenditure demands due to natural disasters, insurance loss, unexpected large-scale capital expenditures or other non-recurring expenses, or uneven cash flow. Reserves may be budgeted in a contingency account or carried as a part of one or more fund balances. The County currently lacks the statutory authority to accumulate operating surpluses to create a significant fund balance.

Liquidity refers to the flow of cash in and out of the County treasury. The County receives many of its revenues in large installments at infrequent intervals during the year. Excess liquidity or cash reserves are a valuable cushion against an unexpected delay in receipt of revenues, an unexpected decline or loss of a revenue source, or an unanticipated need to make a large expenditure.

The Operating Position indicators are as follows:

- Operating Deficit or Surplus
- Liquidity
- Fund Balance: Governmental Funds (New)

OPERATING DEFICIT OR SURPLUS



Description

An operating deficit or surplus occurs when current expenditures exceed current revenues or are lower than current revenues. An operating deficit in any one-year period may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead.

Analysis

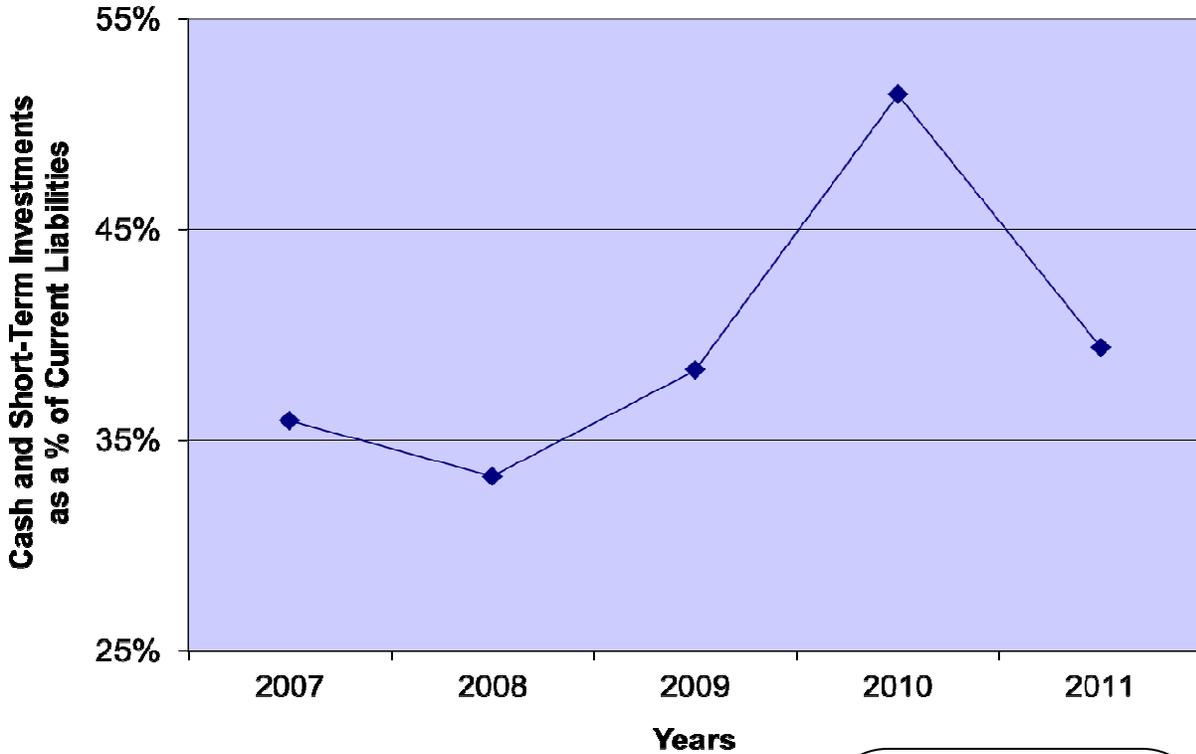
This trend is upgraded from negative to neutral in this version of the fiscal trends due to the large surplus realized in 2011, of \$11.1 million, half of which was transferred to the Debt Service reserve, leaving \$5.5 million available for general use in 2013. This compares to a 2010 surplus of just \$8,000. A surplus of \$5.5 million (utilized in the chart above because it is the portion of the surplus made available for general purposes) represents 0.49 percent of total General County Operating Revenues, which is roughly in line with the four-year average over the years 2006 to 2009 (0.47 percent). If a surplus of roughly this proportional amount is realized in 2012, it would suggest that this trend should be changed to “positive”.

WARNING TREND:
Increase in general fund operating deficit or surplus as a % of general fund operating revenues

TREND HEALTH:
Neutral

FORMULA:
Operating deficit or surplus / General fund operating revenues

LIQUIDITY



Description

A measure of the County’s short-run financial condition is its cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, such as short-term investments. This is also known as liquidity, which measures the County’s ability to pay its short-term obligations. The immediate effect of insufficient liquidity is insolvency; the inability to pay bills, and indicates that the County has overextended itself in the long term.

WARNING TREND:
Decreasing amount of cash and short-term investments as a % of current liabilities

TREND HEALTH:
Positive

FORMULA:
Cash and short-term investments / Current liabilities

Analysis

The trend remains positive in 2011 despite the sharp drop in the ratio from 2010 to 2011. It should be noted that large increase in short-term cash and investments reported in 2010 likely reflected the two bond issuances that occurred in 2010 as a result of the accelerated capital program, creating an artificially high ratio in that year. Ignoring 2010 as an outlier, the percentage of cash and short-term investments as a share of liabilities was 39.4 percent in 2011, a slight increase over the 2009 level of 38.3 percent. This suggests the level of available liquid assets is improving steadily.

FUND BALANCE: GOVERNMENTAL FUNDS

Description

The level of unrestricted fund balances in Governmental Funds may determine the City's ability to withstand unexpected financial emergencies in the tax supported funds that may result from natural disasters, revenue shortfalls, unexpected maintenance costs or steep rises in inflation. Fund balances may also determine the City's ability to manage monthly cash flows or accumulate funds for large-scale purchases without having to borrow.

WARNING TREND:

Decreasing unrestricted fund balance as a percentage of net operating revenues

TREND HEALTH:

Neutral

FORMULA:

Unrestricted fund balances as a share of Net operating revenues

Analysis

This trend is technically neutral because Milwaukee County does not have any restricted fund balance, so the ratio is constant at zero percent. Unlike most other units of local government Statewide and Nationwide, Milwaukee County is prohibited from carrying an unrestricted general fund balance. Any surpluses in the general fund must be carried over into the subsequent year's budget (i.e. 2011 surplus must be budgeted as revenue in 2013). This State mandate has a significant negative impact on the County's operations, as any forecasted negative impacts on the general fund, caused by economic circumstances or natural disasters cannot be funded with fund balance and therefore must be funded with reductions in the subsequent year. This mandate also prevents the County from funding one-time investments with fund balance, which would result in less need for borrowing (and related interest costs).

Debt Structure

Debt can be an effective tool to finance capital improvements and to even out short-term revenue flows, but its misuse can cause serious financial problems. Even a temporary inability to repay debt can result in loss of credit rating, increased borrowing costs, and loss of autonomy to State and other regulatory bodies.

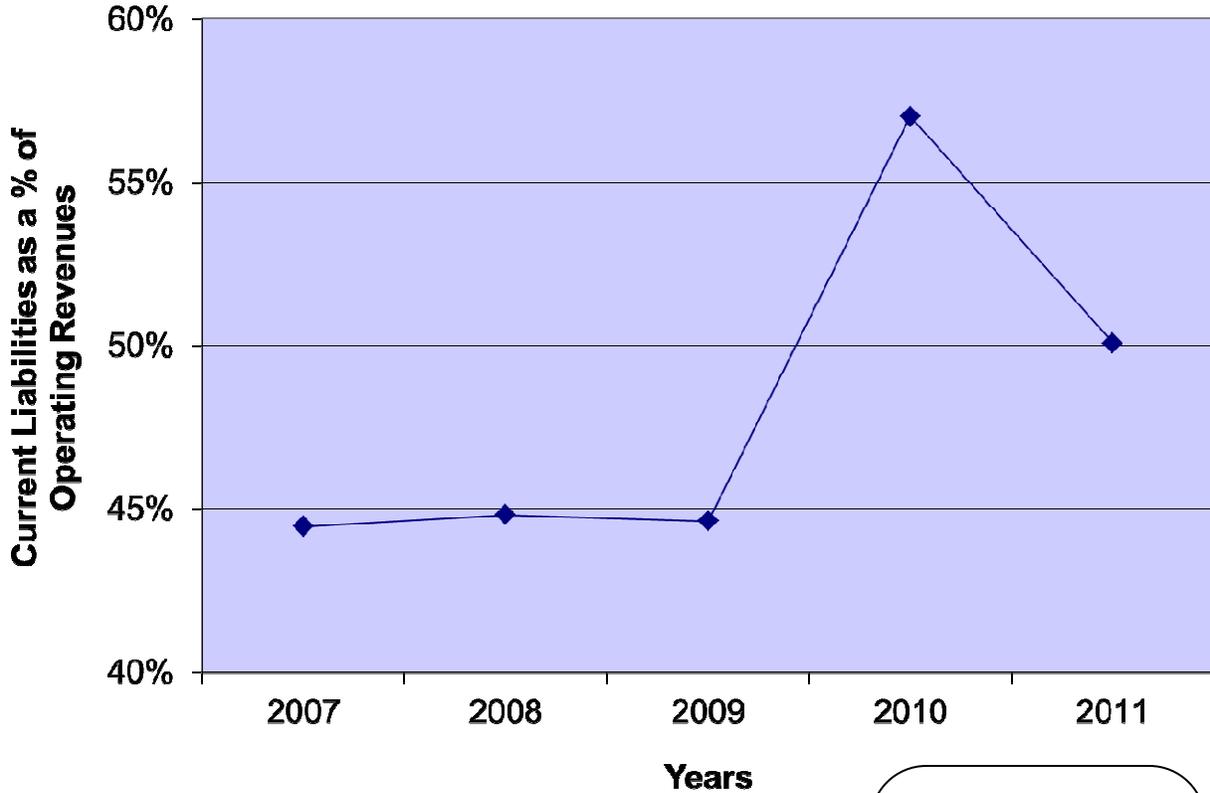
The most common forms of long-term debt are general obligation, special assessment, and revenue bonds. When the County issues debt for capital projects, it must ensure that aggregate outstanding debt does not exceed the community's ability to pay debt service as measured by the wealth of the community. Also to be considered are overlapping debt and other jurisdictions' debts against which the government has pledged its full faith and credit.

Under the most favorable circumstances, the County's debt should be proportionate in size and growth to the tax base; should not extend past the useful life of the facilities which it finances; should not be used to balance the operating budget; should not require repayment schedules that put excessive burdens on operating expenditures; and should not be so high as to jeopardize the County's credit rating.

The Debt Structure indicators are as follows:

- Current Liabilities
- Long-term Debt
- Debt Service
- Overlapping Debt

CURRENT LIABILITIES



Description

Current liabilities are the sum of all liabilities due at the end of the fiscal year, including short-term debt; current portion of long-term debt, all accounts payable, accrued liabilities, and other current liabilities. Although short-term borrowing is an accepted way to deal with uneven cash flow, an increasing amount of short-term debt outstanding at the end of successive years can indicate liquidity problems, deficit spending, or both.

WARNING TREND:
Increasing current liabilities at end of year as a % of operating revenues

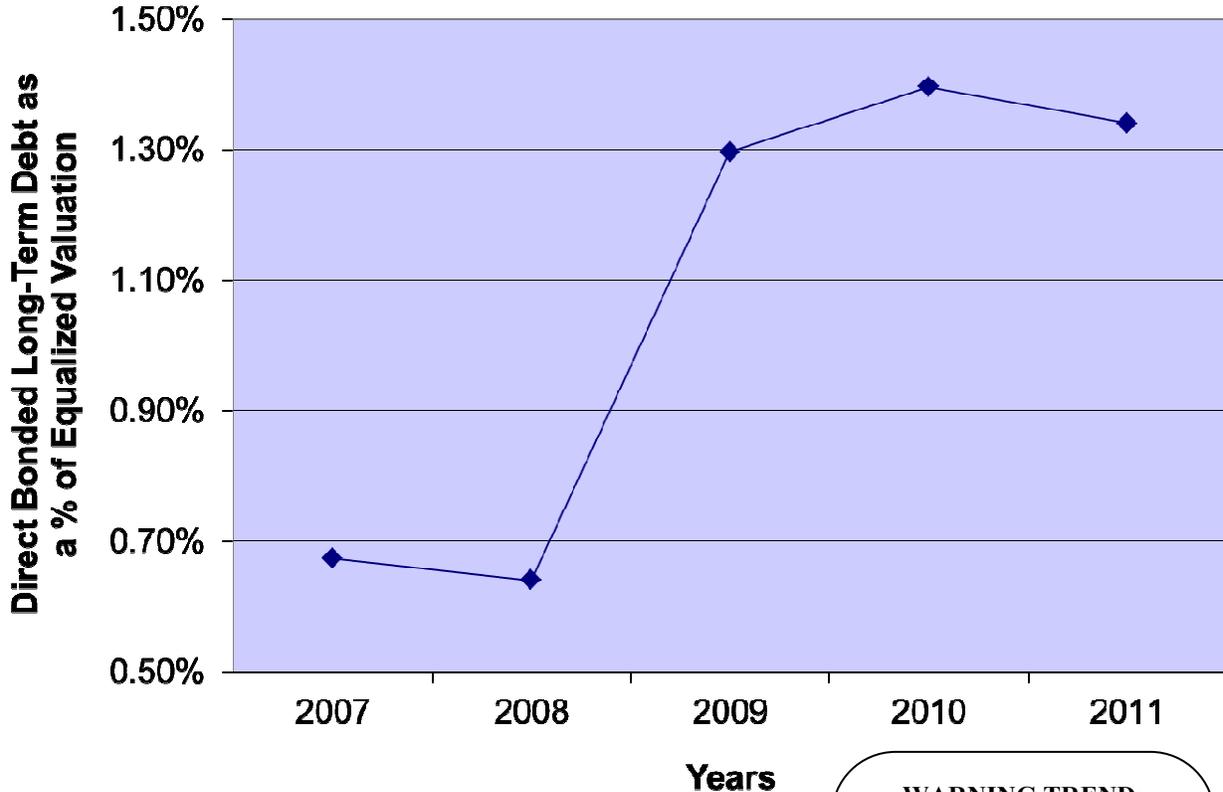
TREND HEALTH:
Negative

FORMULA:
Current liabilities / Operating revenues

Analysis

This trend is negative despite the large reduction from 2010 to 2011, as the 2011 percentage (50 percent) remains higher than the three-year average in 2007-2009 (44.6 percent) \$490 million in 2009 to \$618 million in 2010 (a 26 percent increase). Unearned revenues declined significantly in 2011, from \$366.2 million to \$291.2 million; however accounts payable rose from \$66 million to \$73.4 million and accrued liabilities rose from \$40.1 million to \$45.3 million.

LONG-TERM DEBT



Description

Net direct debt is bonded long-term debt minus self-supporting debt (e.g – enterprise debt). The equalized valuation is the most generally available measure of County wealth. Generally, long-term debt should not exceed the County’s resources for paying debt service. An increase in net direct bonded long-term debt as a percentage of equalized valuation can mean that the County’s ability to repay is diminishing.

WARNING TREND:
Increasing net direct bonded long-term debt as a % of equalized valuation

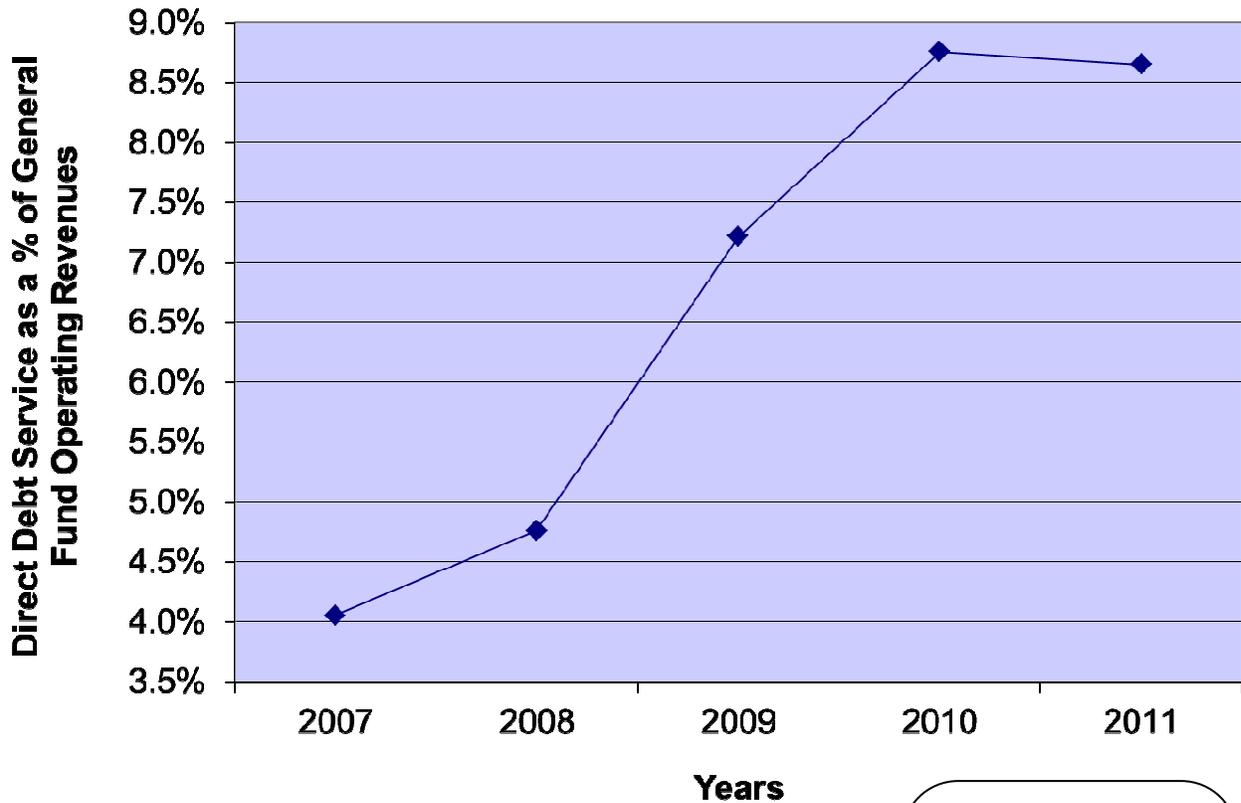
TREND HEALTH:
Negative

FORMULA:
Direct bonded long-term debt / Equalized valuation

Analysis

The trend is technically negative due to the significant increase in long-term debt as a percentage of equalized value during 2009 and 2010. Declining equalized values have partially contributed to this problem. However, the data is skewed as a result of two one-time policy choices: the issuance of pension obligation bonds, and the accelerated capital program. Both of these policies resulted in significant one-time issuances of debt. Also, the slight decline in 2011 reflects the relief realized from the 2003 refinancing. These past choices should result in increased flexibility due to future decreases in debt service and pension payments. When these items are factored in, this trend should revert to a positive health, if equalized values stabilize and the County maintains its conservative approach to bonded debt. If the reduction in 2011 continues this trend would be changed to positive.

DEBT SERVICE



Description

Debt service is defined as the amount of principal and interest that the County must pay each year associated with its outstanding debt. Increasing debt service reduces expenditure flexibility by adding to the County’s obligations. Debt service can be a major part of the County’s fixed costs and its increase may indicate excessive debt and fiscal strain.

Analysis

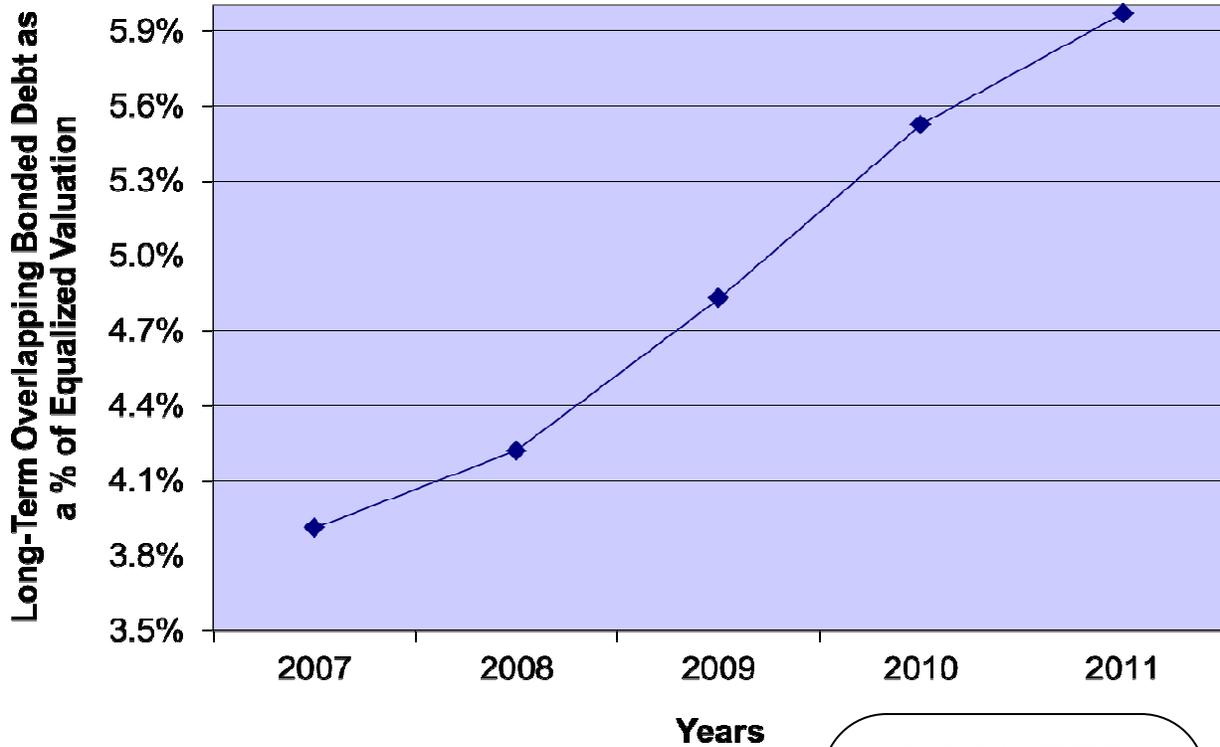
The trend is technically negative because the ratio of debt service to operating revenues has steadily increased. However, as with the previous indicator, this should be viewed within the context of recent policy choices that resulted in large one-time debt issuances. For instance, the issuance of pension obligation bonds in 2008 resulted in significant increases in debt service that are offset by reduced and more stable contributions from the general fund to the pension fund. Additionally, the County accelerated its capital program in 2009 and 2010 to take advantage of federal programs and low interest rates, which resulted in short-term increases in debt service that will end up lower than normal over the long term. The slight reduction in 2011 suggests this trend may see positive results in the future.

WARNING TREND:
Increasing net direct debt service as a % of operating revenues

TREND HEALTH:
Negative

FORMULA:
Direct debt service / Operating Revenues

OVERLAPPING DEBT



Description

Overlapping net debt is the net direct debt of all local government jurisdictions that is issued against a tax base within Milwaukee County. Examples of other jurisdictions that overlap the County are the municipalities, Milwaukee Area Technical College, and the Metro Milwaukee Sewerage District. The level of overlapping debt is only that debt applicable to the property shared by the jurisdictions. The overlapping debt indicator measures the ability of the County’s tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions.

WARNING TREND:
Increasing net direct bonded long-term debt as a % of equalized valuation

TREND HEALTH:
Negative

FORMULA:
Long-term overlapping bonded debt / Equalized valuation

Analysis

The trend is negative, due mainly to decreases in equalized value as a result of reduced equalized values caused by the weak economy and real estate market. The County has also significantly increased its outstanding debt in the short-term based on policies described in the previous two indicators (issuance of pension obligation bonds, accelerated capital program), which likely also contributes to this negative outlook but which should have positive implications in the long-term. Assuming equalized values stabilize in the near term; this trend should improve but deserves continued scrutiny to ensure the tax base is sufficient to service the outstanding debts.

Unfunded Liabilities

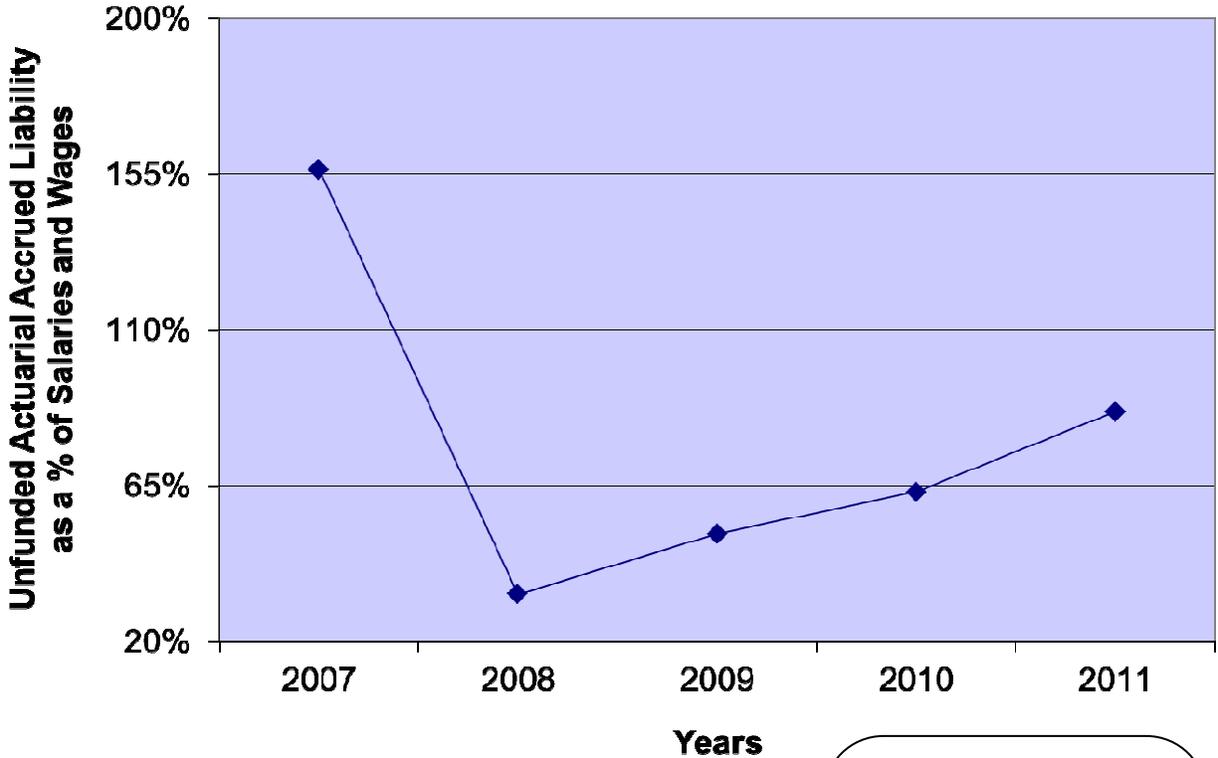
A contingent liability is an existing condition or situation whose ultimate disposition may not be known or does not have to be paid until a future year, and for which reserves have been set aside. A contingent liability is similar to debt in that it represents a legal commitment to pay in the future. Due to the potential magnitude, if these types of obligations grow substantially over time, they can have a significant impact on the County's financial condition.

The contingent liabilities considered here are significant because they are not readily apparent in ordinary financial records, making it difficult to assess their respective impacts. Additionally, the contingent liabilities may accumulate gradually over time, making it difficult to notice them until the problem is severe.

The Unfunded Liabilities indicators are as follows:

- Pension Obligations
- Pension Assets

PENSION OBLIGATIONS



Description

The County’s main pension plan (Employee Retirement System or ERS) represents a significant long-term expenditure obligation. The present value of the projected cost of pension benefits earned by employees is known as the “actuarial accrued liability.” The difference between this amount and the actuarial value of the resources of the pension plan is known as the unfunded actuarial accrued liability (UAAL). As a rule, the actuarially determined annual required contribution (ARC) is the measure of pension cost accrued as expense by employers in their financial statements. If the County fails to fully fund the ARC in any given period, a net pension obligation is reported in the statement of net assets to reflect the under-funding.

WARNING TREND:
Increasing pension obligations as a % of salaries and wages

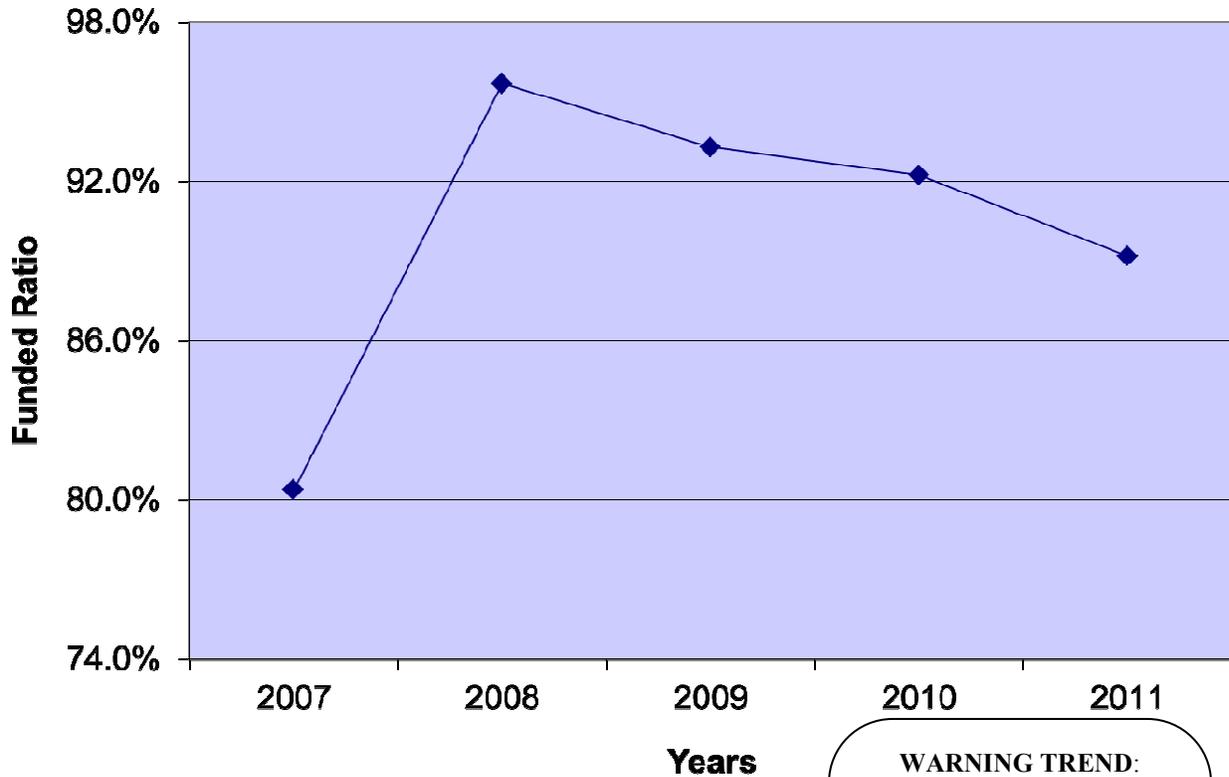
TREND HEALTH:
Negative

FORMULA:
Pension obligation / Salaries and wages

Analysis

This indicator is changed from neutral to negative due to the continued increase in the UAAL from 2008 to 2011. The large drop in the UAAL as a percentage of salaries in 2008 includes \$397 million in assets from the sale of Pension Obligation Bonds (POBs). Part of the reason for the increased ratio is the decline in the number of positions budgeted in the County, which has dropped from 5,708 in 2008 to 5,336 in 2011. However, the UAAL has increase over the same time frame from \$88.9 million to \$223 million, an increase of 151 percent.

PENSION ASSETS



Description

Pension assets are held primarily as cash or investments. A decline in the ratio of plan assets to benefits can indicate serious problems in the management of the pension plan.

Analysis

Like the previous indicator, this trend is changed from neutral to negative due to the continued negative since 2008. When the POBs were issued and deposited into the Pension Fund, the funded ratio was 95.7 percent for 2008, compared to 80.4 percent in 2007. This ratio has declined each subsequent year, dropping to 93.3 percent in 2009, 92.2 percent in 2010 and to 89.2 percent in 2011. According to the 2011 Annual Report for the Pension Fund, benefit expenses increased from \$144.2 million in 2008 to \$187.5 million in 2011, while investment income to the fund fell from \$320 million in 2009 and \$210.9 million in 2010, to just \$11.2 million in 2011. As a result, the actuarial value of assets has declined from \$1.97 billion at the end of 2008 to \$1.84 billion at the end of 2011.

WARNING TREND:
Declining value of pension assets compared to liabilities.

TREND HEALTH:
Negative

FORMULA:
Actuarial value of pension assets/ actuarial accrued liability

Condition of Capital Plant

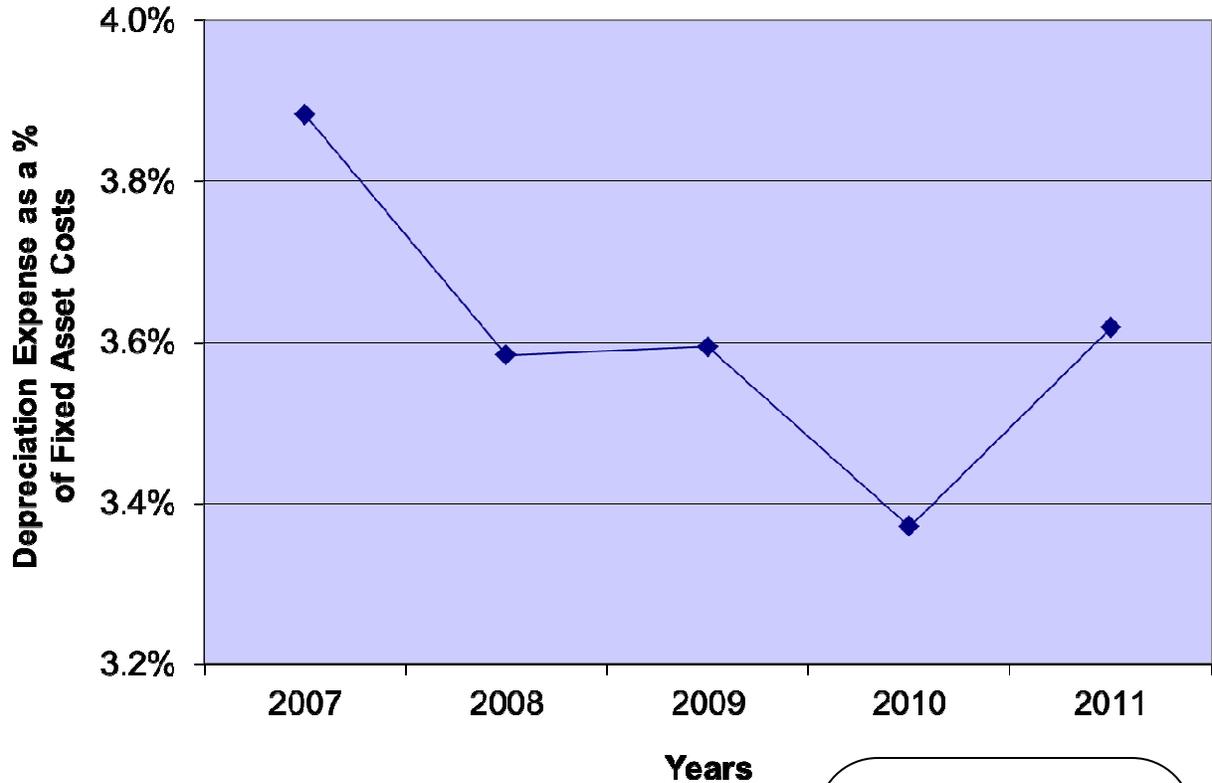
The bulk of the County's wealth is invested in its physical assets or capital plant – streets, buildings, utility network, and equipment. If these assets are properly maintained or are allowed to become obsolete, the results are often a decrease in the usefulness of the assets, an increase in the cost of maintaining and replacing them, and a decrease in the attractiveness of the County as a place to live or do business.

Local governments often defer maintenance and replacement because it is a relatively painless way to temporarily reduce expenditures and ease current financial strain. Continued maintenance deferral, however, can create serious long-term problems that become exaggerated because of the large sums of money invested in capital facilities.

The Condition of Capital Plant indicators are as follows:

- Depreciation

DEPRECIATION



Description

Depreciation is the cost associated with the use of a fixed asset over its useful life. Depreciation should remain a relatively stable portion of asset cost assuming older assets, which are fully depreciated, are removed from service and replaced with newer assets. If depreciation costs start to decline as a portion of asset cost, the assets are probably being used beyond their useful lives, the estimated useful lives had been initially underestimated, or the scale of operations was reduced.

WARNING TREND:
Declining depreciation expense as a % of fixed asset costs

TREND HEALTH:
Neutral

FORMULA:
Depreciation expense / Fixed asset costs

Analysis

The trend is changed from negative to neutral due to the ratio's increase from 2010 to 2011. The average over the four-year period from 2006 to 2009 was 3.64 percent. After dropping to a low of 3.37 percent in 2010, the ratio has rebounded to 3.62 percent in 2011, much closer to the historical norm. This indicator deserves scrutiny as part of an overall strategic and operational plan relating to the future use of the County's fixed assets.

**-COUNTY OF MILWAUKEE-
INTEROFFICE COMMUNICATION**

DATE : November 20, 2012

TO : Marina Dimitrijevic, Chair, County Board of Supervisors

FROM : Craig Kammholz, Fiscal and Budget Administrator, Department of Administrative Services

SUBJECT : A resolution to create a County-controlled Workforce Development Trust Fund for unexpended year-end appropriations and modify the existing Milwaukee County Ready To Work Contract agreement to include an addendum with language establishing a County-controlled Workforce Development Trust Fund:

REQUEST

Create a County-controlled trust fund for unexpended year-end County appropriations designated for services provided by the Wisconsin Regional Training Partnership/Building Industry Group Skilled Trades Employment Program (WRTP/BIG STEP) as established by an August 1, 2012 executed agreement resulting from the adopted 2012 Capital Project WO624 - Workforce & Economic Development.

BACKGROUND/ANALYSIS

The 2012 Adopted Capital Budget included project WO624 - Workforce & Economic Development (project), directing Milwaukee County (County) to enter into an agreement with WRTP/BIG STEP to provide educational training and on-the-job work experience to Milwaukee County residents. The County executed the agreement with WRTP/BIG STEP on August 1, 2012 with termination on or before January 31, 2014 (termination dependent on deliverables).

Funding for the agreement is derived from County land sales of \$1,000,000. A July 2012 appropriation fund transfer established budget authority for the agreement within the Department of Administrative Services – Economic Development Division’s operating budget¹. However, State Statute 59.60(11) prohibits the carryover of unexpended operating appropriations from the current budget year into the subsequent budget year. As a result, an approximate \$722,000 expenditure authority balance for the agreement would lapse to the County’s bottom-line, leaving no expenditure authority for payment to WRTP/BIG STEP for the balance of services yet to be provided (per terms of the agreement).²

¹ The Workforce Development project does not meet capital requirements, therefore, expenditure authority was established within the DAS-ED operating budget through the July 2012 appropriation fund transfer.

² As of November 5, 2012, approximately \$278,000 has been expended and/or encumbered for the agreement with WRTP/BIG STEP.

In order to allow for the year to year carryover of unexpended appropriations related to the agreement with WRTP/BIG STEP, a separate trust fund should be established through resolution. This would allow for any unexpended appropriations at year-end to be temporarily transferred from the DAS-ED operating budget to the trust fund and then re-establish expenditure authority the following year through a fund transfer from the trust fund back to the DAS-ED operating budget.

A trust fund is not part of the original agreement and would need to be included as an addendum. Additionally, any proposed resolution should also direct the DAS-ED Director to negotiate an addendum to the existing agreement that includes language establishing a County-controlled Workforce Development Trust Fund.

FISCAL NOTE

This request, if approved, initiates a resolution that will transfer any year-end unexpended appropriation balance from the DAS-ED operating budget into a newly created Workforce Development Trust Fund for the duration of the agreement. Assuming approval of this request, the estimated 2012 year-end unexpended appropriation of \$722,000 will be transferred into the Workforce Development Trust Fund.

DAS-Fiscal Affairs will administratively transfer funds from and to the Workforce Development Trust Fund per the terms of the agreement.

RECOMMENDATION

Upon consultation with the Office of the Comptroller, the Department of Administrative Services (DAS) – Fiscal Affairs recommends the creation of the County-controlled trust fund for the Workforce Development Fund and that DAS-Fiscal Affairs be provided the authority to administratively transfer appropriations accordingly. Additionally, it is recommended that the DAS – Economic Development Director be directed to negotiate an addendum to the existing agreement that includes language establishing a County-controlled Workforce Development Trust Fund.

Prepared by:
Vince Masterson



Craig Kammholz

Fiscal and Budget Administrator, Department of Administrative Services

Pc: Chris Abele, County Executive
Patrick Farley, Director, Department of Administrative Services
Amber Moreen, Chief of Staff, County Executive's Office
Brian Taffora, Director, Department of Administrative Services-Economic Development
Kelly Bablitch, Chief of Staff, Board of Supervisor

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(ITEM *) A resolution to create a County-controlled Workforce Development Trust Fund for unexpended Milwaukee County appropriations designated for services provided by the Wisconsin Regional Training Partnership/Building Industry Group Skilled Trades Employment Program directly related to Capital Project WO624 - Workforce & Economic Development and directing the Department of Administrative Services – Economic Development Division Director to negotiate an addendum to the existing agreement that includes language establishing a County-controlled Workforce Development Trust Fund:

A RESOLUTION

WHEREAS, as a result of the 2012 Adopted Capital Budget project WO624 - Workforce & Economic Development (project), Milwaukee County (County) entered into a multi-year agreement (Agreement) with the Wisconsin Regional Training Partnership/Building Industry Group Skilled Trades Employment (WRTP/BIG STEP) to provide educational training and on-the-job work experience to Milwaukee County residents; and

WHEREAS, funding for the agreement is derived from County land sales of \$1,000,000 and a July, 2012 appropriation fund transfer established budget authority for the Agreement within the Department of Administrative Services – Economic Development Division; and

WHEREAS, the multi-year nature of the Agreement necessitates that the County establish a trust fund to maintain the unencumbered proceeds from land sales for the purpose of funding the Agreement in future years; now, therefore,

BE IT RESOLVED, that the Director of the Department of Administrative Services – Economic Development division shall enter into an addendum to the Agreement between WRTP/ BIG STEP and Milwaukee County, dated August 1, 2012 that includes language establishing a County-controlled Workforce Development Trust Fund; and,

BE IT FURTHER RESOLVED, that the Milwaukee County Office of the Comptroller is authorized to establish a Workforce Development Trust Fund to maintain unencumbered land sale proceeds that were designated for funding of the Agreement that will terminate on or before January 31, 2014; and,

BE IT FURTHER RESOLVED, that the Department of Administrative Services – Fiscal Affairs shall administratively transfer funds from and to the Workforce Development Trust Fund as required by the terms of the Agreement.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/20/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Creation of a County-controlled Workforce Development Trust Fund for unexpended appropriations and modification of the existing Milwaukee County Ready To Work Contract agreement to include an addendum with language establishing a County-controlled Workforce Development Trust Fund

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input checked="" type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	-722,000	0
	Revenue	-722,000	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The resolution request will allow for the transfer of any year-end unexpended appropriation balance from the DAS-ED operating budget into a newly created Workforce Development Trust Fund for the duration of the agreement between WRTP/BIG STEP and the County. For year-end 2012, it is estimated that an unexpended appropriation balance of \$722,000 will be transferred into the Workforce Development Trust Fund. DAS-Fiscal Affairs shall administratively transfer funds from and to the Workforce Development Trust Fund per the terms of the agreement.

B. There are no direct costs, savings or anticipated revenues associated with this request.

C. There are no budgetary impacts associated with this proposed action in the current year or in subsequent years.

D. Assumptions included the approximate encumbered and expended appropriations related to the agreement as of 11-5-2012.

Department/Prepared By Vince Masterson

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

DATE : November 15, 2012

TO : Supervisor Marina Dimitrijevic, Chairwoman, Board of Supervisors

FROM : Craig Kammholz, Fiscal and Budget Administrator, Department of Administrative Services

SUBJECT : Memorandum of Understanding with the City of Milwaukee Police Department to Cellular 9-1-1 Response Services

REQUEST

Approval is requested to enter in to a Memorandum of Understanding (MOU) with the Milwaukee Police Department (MPD), whereby the MPD will provide direct response to cellular 9-1-1 calls placed within or near the City limits. The term of the MOU is for three years (2013-2015), with an optional two-year extension (2016-17).

BACKGROUND/ANALYSIS

In late 2010, the Office of the Sheriff notified the County that it was implementing an agreement whereby cellular 911 calls placed within or near the City of Milwaukee would be directly transferred to the MPD. This arrangement was being undertaken because both the City and the Sheriff believed direct response by MPD would improve service by skipping the transfer of the calls from the Sheriff to MPD. The Sheriff indicated MPD would be willing to take on the call volume at no cost to the County.

During implementation of the transfer, MPD began to experience significant, unanticipated overtime costs due to higher than expected call volume. MPD subsequently suspended the transfer of remaining cellular providers from the Sheriff to MPD. As a result, the County and MPD reached a negotiated agreement whereby the County will pay MPD to service the calls directly so that MPD may hire 11 additional telecommunicators to service the calls.

The 2013 Adopted Budget contains a provision that provides funding to MPD in 2013 only. The MPD and the City of Milwaukee are opposed to this one-year arrangement due to the long-term costs it would realize by hiring full-time positions with only one year of guaranteed funding. Therefore, it is proposed that the attached three-year MOU, with an optional two-year extension, be approved so that MPD can justify hiring the additional full-time positions.

Significant elements of the MOU include:

- Payments by the County will total \$463,000 in 2013, \$472,260 in 2014, and \$481,705 in 2015.
- The arrangement will save County taxpayers an estimated \$425,208 over the three-year term of the deal based on the County's average cost-to-continue for staff that would have to be restored (including two positions eliminated in the 2012 budget) if the deal is rejected.
- If the servicing of cellular 911 calls were to be transferred to the City with no compensation, the County's tax levy cap could be reduced by the amount saved, per State Statutes 59.605(3)(c)1.1 or 66.0602(3)(i)1.1.

- The positions that would be abolished in the Office of the Sheriff are vacant, and would require no layoffs.

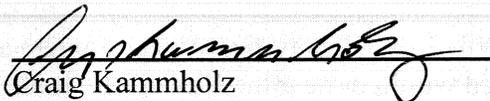
FISCAL NOTE

Funding for this item is included in the 2013 Recommended Budget. It is anticipated that this agreement will save approximately \$425,208 in costs over the three-year life of the agreement.

RECOMMENDATION

It is recommended that approval be granted to enter into the attached Memorandum of Understanding for the initial three-year period, commencing January 1, 2013.

Prepared By:
Joshua Fudge


Craig Kammholz
Fiscal and Budget Administrator

cc: Chris Abele, County Executive
Tom Barrett, Mayor, City of Milwaukee
Willie L. Hines Jr., Milwaukee Common Council President
David A. Clarke, Milwaukee County Sheriff
Edward Flynn, Chief, Milwaukee Police Department
Amber Moreen, Chief of Staff, County Executive's Office
Pat Farley, Director, Department of Administrative Services
Mark Nicolini, Budget Director, City of Milwaukee Department of Administration
Steve Cady, County Board Fiscal and Budget Analyst

Intergovernmental Agreement for Cellular 911 Services between the City of Milwaukee and Milwaukee County

1. Agreement. This is an intergovernmental agreement for cellular 911 services made pursuant to Wis. Stat. sec. 66.0301 between the City of Milwaukee and Milwaukee County.
2. City Approval. The Common Council of the City of Milwaukee has approved this agreement via Common Council File No. ____, adopted _____, 2012, and authorized the Police Chief to execute the agreement on the City's behalf.
3. County Approval. The County Board of Milwaukee County has approved this agreement via File No. ____, adopted _____, 2012, and authorized the County Executive to execute the agreement on the County's behalf.
4. Jurisdiction. This agreement does not alter the respective jurisdictions of the Milwaukee Police Department or the Milwaukee County Sheriff.
5. Control. This agreement does not alter the statutory authority of the Chief of Police or the County Sheriff to control their respective departments.
6. Cellular 911 Service. The City of Milwaukee Police Department will receive 911 emergency calls made on cellular telephones within the borders of the City of Milwaukee and shall, in its sole discretion, determine and provide the number of employees appropriate to adequately staff the number of calls it receives from within its borders.
7. Term.
 - a. The Initial Term of this Agreement shall commence on January 1, 2013, and shall terminate on January 1, 2016 (the "Initial Term"). The parties shall have a mutual option (the "Option") to extend this agreement for one additional two-year term commencing on January 1, 2016 and terminating on January 1, 2018 (the "Option Term"). In the event the Parties wish to exercise the Option Term, each party must notify the other in writing on or before May 1, 2015 of its desire to extend the agreement for the Option Term. Any failure by a party to provide written notice of its intention to extend the Agreement for the Option Term shall be construed as such party's notice of its desire to terminate the Agreement at the conclusion of the Initial Term. If the Option Term is not exercised, the parties shall have no further obligation to one another, except as may be expressly provided for herein.
 - b. In the event that either the Common Council of the City of Milwaukee or the Milwaukee County Board of Supervisors should refuse to provide the appropriations for this agreement in the budget for the subsequent calendar year, this agreement shall terminate effective January 1 of that year.

8. Compensation. For the first year of the Initial Term, the City shall be compensated by the County for staffing necessary to provide service related to 911 emergency calls made on cellular telephones within the City's borders: \$463,000 per calendar year. For the second year of the Initial Term, the compensation amount above shall be \$472,260. For the third year of the Initial Term, the compensation amounts for the second year shall be \$481,705. The County shall pay the City for the current calendar year's service no later than March 31 of that year. For the Option Term, if either party wishes to renegotiate the compensation amounts included herein, it will include such request in its renewal communication to the other party. If the parties cannot reach an agreement on a revised fee structure by August 1, 2015, the agreement shall be terminated at the conclusion of the Initial Term.

9. Contacts. The Chief of Police and County Executive will each designate one person who will serve as their primary contact for all purposes under this agreement.

10. City Hiring. If during the term of this agreement the City of Milwaukee hires new police telecommunicators whom the City, in its sole judgment, determines are necessary to meet its obligations under this agreement, then the City shall, consistent with law, give consideration in such hiring to any qualified telecommunicator currently employed by the Milwaukee County Sheriff's office who is laid off as a result of this agreement and who timely applies for such position with the Milwaukee Police Department. If hired, any such person shall be subject to the City's residency requirement and all other applicable requirements.

11. Reporting. The City will provide to the County an annual report for each calendar year by March 1 of the following year. The report shall include: the number of 911 emergency calls made on cellular telephones within the City's borders and costs borne by the City to service these calls. The County shall have the right to request and review all documentation, as permitted by law, utilized by the City in preparing the annual report provided by the City pursuant to this agreement. The City shall provide such documentation within two weeks of the County's request, which shall be in writing and as specific as is practicable.

12. Liability. The parties are acting herein as independent employers and independent contractors. Nothing herein contained shall create or be construed as creating a partnership, joint venture or agency relationship between the parties and neither party shall have the authority to bind the other party in any respect. The City shall be solely liable for all acts undertaken by its employees, agents, and officers. If the County is sued as a result of acts or omissions by the City's agents, employees or officers, the City shall fully defend, indemnify, and hold harmless the County for all costs related thereto, including the payment of reasonable attorney's fees. The City will specifically indemnify and hold the County harmless regarding any suits resulting from inadequate staffing levels determined at the Chief's sole discretion pursuant to Paragraphs 6-8. Nothing in this agreement shall be construed to relieve the County of liability for the actions of its Board, officers, employees or agents.

13. Discipline. In the event an employee of the Milwaukee Police Department is the subject of a complaint or other dispute which may call into question the judgment or quality of services provided by such individual under this agreement, the Chief of Police will determine, what, if

any, disciplinary action is appropriate in accordance with all applicable laws, contracts, rules, and regulations.

14. Assignment. Neither this agreement nor any party hereof shall be assigned or otherwise transferred by either party without the prior written consent of the other party, and any attempted assignment without such written consent shall be null and void.

15. Severability. In case any provision of this agreement shall be found invalid, illegal or unenforceable, such provision shall be severed from this agreement. The validity, legality and enforceability of the remaining provisions of the agreement shall not in any way be affected or impaired thereby.

16. Applicable law. This agreement shall be subject to an in accordance with the laws of the State of Wisconsin.

17. Sole Agreement. This agreement is the final, complete and exclusive statement and expression of the agreement among the parties hereto with relation to the subject matter of this agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this agreement. This agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreement of any kind. This agreement may only be amended, modified, or supplemented by a written agreement approved and signed by each of the parties.

MILWAUKEE COUNTY:

Chris Abele
Milwaukee County Executive

(Date of Execution)

For Execution
Kimberly R. Walker
Milwaukee Corporation Counsel

(Date of Execution)

Approved as to Insurance Requirements
Cindy Van Pelt
Executive Director of Risk Management

(Date of Execution)

CITY OF MILWAUKEE:

Police Chief Edward Flynn

(Date of Execution)

1127-2012-2102:184322

1 From the Committee on, Reporting on:
2

3 File No.
4

5 (ITEM NO.) A resolution to approve entry into a Memorandum of Understanding with the
6 City of Milwaukee to purchase servicing of cellular 9-1-1 calls placed within City limits:
7

8 **A RESOLUTION**
9

10 WHEREAS, the 2012 Adopted Budget provides \$4,007,031 in property tax levy
11 funding to the Office of the Sheriff to provide dispatcher services, including response to
12 emergency 9-1-1 phone calls; and
13

14 WHEREAS, the cost to continue for these services in the Office of the Sheriff's 2013
15 Budget request totaled \$4,212,294, an increase over 2012 of \$205,263 or 5 percent; and
16

17 WHEREAS, this agreement would implement the purchase by the County of
18 servicing of cellular 9-1-1 phone calls originated within the City of Milwaukee from the
19 City of Milwaukee Police Department; and
20

21 WHEREAS, the 2013 Budget for the Office of the Sheriff provides resources for
22 remaining services, including servicing of 9-1-1 phone calls placed in suburban
23 municipalities, and dispatch of Sheriff's resources; and
24

25 WHEREAS, the proposed agreement is for a total of \$463,000; and
26

27 WHEREAS, a two percent escalator is included in the agreement, which would
28 result in total expenditures of \$472,260 in 2014, and \$481,705 in 2015; and
29

30 WHEREAS, it is estimated that this arrangement will save approximately \$425,208
31 over the three-year life of the agreement versus the cost to continue to provide this service
32 in the Office of the Sheriff; and
33

34 WHEREAS, the proposed agreement includes one mutual two-year optional
35 extension, for which County Board approval would be required to implement; now,
36 therefore
37

38 BE IT RESOLVED, that Milwaukee County enters into the attached three-year
39 Memorandum of Understanding with the City of Milwaukee to purchase servicing of
40 cellular 9-1-1 calls placed within the City of Milwaukee, effective January 1, 2013 to
41 December 31, 2015; with an optional two-year extension through December 31, 2017.
42

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 15, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Enter into three-year memorandum of understanding with the City of Milwaukee to provide cellular 9-1-1 response services.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input checked="" type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. The Department of Administrative Services – Fiscal Division is requesting approval to enter into a three year memorandum of understanding (MOU) with the City of Milwaukee to service cellular 9-1-1 calls placed within the City limits.
- B. There is no impact in 2012, as the agreement would take effect on January 1, 2013. There is no impact in 2013, as the proposed cost for services of \$463,000 has been included in the 2013 Adopted Budget. The MOU calls for 2 percent escalators in 2014 and 2015, which would result in costs of \$472,260 in 2014 and \$481,705 in 2015.
- C. These estimates reflect the cost of the MOU agreement with the City of Milwaukee in the amount of \$463,000, which is budgeted in non-departmental agency 1975, for servicing of cellular 9-1-1 calls.
- D. Assumptions are based on the agreed-upon MOU.

Department/Prepared By Josh Fudge, Fiscal and Strategic Planning Coordinator, DAS-Fiscal

Authorized Signature

Did DAS-Fiscal Staff Review?

Yes

No

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : October 31, 2012

TO : Chairwoman Marina Dimitrijevic, County Board of Supervisors

FROM : Kerry J. Mitchell, Director of Human Resources 

SUBJECT : Proposed Resolution Regarding Extension of Teri Jenkin's Temporary Assignment to a Higher Classification (TAHC) – DHHS-Behavioral Health Division

Issue

A request is being made to seek an extension of the TAHC for Teri Jenkins, currently serving in the position of Quality Management Administrative Assistant until the incumbent's Personnel Review Board (PRB) hearing has been held and a decision has made.

Background

Teri Jenkins has been serving in a TAHC for the position of Quality Management Administrative Assistant since April 1, 2012, per the approval of the Director of Human Resources at that time. The position is responsible for scheduling and oversight of the 24/7 Admissions Department in PCS, the BHD Psychiatric Emergency Room. The Admissions Department is responsible for recording critical client demographic and fiscal information in the Medical Record. Seamless operation in the position is critical at the present time because the Admissions Department is scheduled to "go live" on the new BHD Emergency Medical Record system on December 1.

Recommendation

To ensure critical operational duties are being performed, I am respectfully requesting referral of the attached resolution and fiscal note to the Finance, Personnel & Audit Committee and the County Board for approval to extend Teri Jenkin's TAHC until a decision has been made by PRB on the current incumbent.

Attachments

Cc: County Executive Chris Abele
Amber Moreen, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Supervisor Willie Johnson Jr., Co-Chairman, Finance, Personnel & Audit Committee
Supervisor David Cullen, Co-Chairman, Finance, Personnel & Audit Committee
Steve Cady, Fiscal & Budget Analyst, County Board of Supervisors
Carol Mueller, Committee Clerk
Héctor Colón, Director, Department of Health and Human Services
Paula Lucey, Administrator, Behavioral Health Division
Araceli Garcia, BHD, HR
Alex Kotze, DHHS, Budget Manager
Antoinette Thomas-Bailey, Fiscal & Management Analyst, DAS

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4 (ITEM NO.) From the Director, Department of Health and Human Services, requesting
5 authorization to extend the Temporary Assignment to a Higher Classification (TAHC) for
6 Teri Jenkins to the position of Quality Management Administrative Assistant, by
7 recommending adoption of the following:

8
9 **A RESOLUTION**

10
11 WHEREAS, Temporary Assignments to a Higher Classification (TAHCs) are
12 authorized for represented employees pursuant to Milwaukee County Code of General
13 Ordinance 17.085; and

14
15 WHEREAS, Milwaukee County Ordinance 17.085 states that employees in the
16 classified and unclassified service may receive a temporary assignment to a vacant
17 unclassified position for ninety (90) days or less with one (1) extension of ninety (90) days
18 or less with the extension provision pursuant to approval by the Human Resources
19 Director; and

20
21 WHEREAS, Milwaukee County Ordinance 17.085 states that any further extensions
22 must be approved by the County Board; and

23
24 WHEREAS, Teri Jenkins has served in the position of Quality Management
25 Administrative Assistant since April 1, 2012 while the incumbent is suspended pending a
26 discharge hearing in February 2013 with the Personnel Review Board; and

27
28 WHEREAS, it is necessary to extend Teri Jenkins' TAHC since she is responsible for
29 recording critical client demographic and fiscal information in the Medical Record in
30 the 24/7 Admissions Department in PCS, the BHD Psychiatric Emergency Room; now,
31 therefore,

32
33 BE IT RESOLVED, that Teri Jenkins shall be approved for a Temporary Assignment
34 to a Higher Classification as the Quality Management Administrative Assistant until the
35 Personnel Review Board has disposed of the pending discharge of the incumbent.
36

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/01/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Administrator, Department of Health and Human Services (DHHS) Behavioral Health Division (BHD), Requesting Approval to Extend the Temporary Assignment to a Higher Classification (TAHC) of Teri Jenkins to the Position of Quality Management Administrative Assistant from September 29, 2012 through December 31, 2012

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Administrator of the Department of Health and Human Services (DHHS) Behavioral Health Division (BHD), is requesting approval to extend the Temporary Assignment to a Higher Classification (TAHC) of Teri Jenkins to the position of Quality Management Administrative Assistant from September 29, 2012 through December 31, 2012.

The position of Quality Management Administrative Assistant is responsible for scheduling and oversight of the 24/7 Admissions Department in the Psychiatric Crisis Services (PCS) unit, the BHD Psychiatric Emergency Room. The Admissions Department is responsible for recording critical client demographic and fiscal information in the Medical Record. Seamless operation in the position is essential at the present time as the new BHD Electronic Medical Record (EMR) system is scheduled to "go live" on December 1, 2012.

B. Approval of this request will authorize the BHD Administrator to continue the TAHC of Teri Jenkins from the existing position of Clerical Assistant 1 (TC 00045, Pay Range 03P, Step 09) to the position of Quality Management Administrative Assistant (TC 54750, Pay Range 22M, Step 01) for the remainder of calendar year 2012. The associated increase in Salary and Wages is estimated at \$2,092. The incumbent is currently not being paid therefore this amount is fully offset by related personnel savings.

C. There is no tax levy impact associated with approval of this request.

D. No further assumptions are made.

Department/Prepared By Thomas F. Lewandowski, Fiscal & Management Analyst

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Authorized Signature

Eric Card

Did DAS-Fiscal Staff Review?

Yes

No



INTER-OFFICE COMMUNICATION

Date: DECEMBER 4, 2012
To: Marina Dimitrijevic, County Board Chairwoman
FROM: Rick Ceschin, Deputy Director, Department of Human Resources 
SUBJECT: **Classification and rates of pay for positions created in the 2013 Adopted Budget – Phase I**

Subsequent to the adoption of the annual budget, the Department of Human Resources reviews the positions created in the budget and recommends the final classification and rate of pay for those positions. Action is required by the County Board to adopt the recommendations prior to opening the positions for recruitment.

For the 2013 Adopted Budget, the Department will make recommendations in two phases. The first phase, attached here, identifies positions for which classifications and compensation can be readily determined without significant review by the Compensation Division. In most cases, these are position creates in existing title codes. Upon approval by the County Board, County departments may begin the recruitment process to fill the positions.

Phase 2 will be presented in the January/February 2013 Board cycle and will address positions that have not previously been established. Phase 2 positions will require a more thorough evaluation of the duties to be assigned to the new position before a classification and compensation recommendation can be made.

Requested Action

The Department requests that this report, along with the attached position list, resolution and fiscal note, be referred to the Committee on Finance, Personnel and Audit for consideration at the December 2012 meeting.

Cc: C. Kammholz
S. Cady
C. Mueller

NEW BUDGET CREATES FY 2013 – PHASE I

DEPT.	JOB CODE	JOB TITLE	PAY RANGE	NUMBER OF POSITIONS	BARGAINING UNIT STATUS
1040	12910	Certification Analyst	22	1	DC
1040	57322	Contract Specialist	25	2	DC
1140	04962	Employee Development Coordinator	30M	1	NR
1150	05329	FMLA Specialist	25M	1	NR
1152	80106	Contracts Administrator	901E	1	NR
1192	TBD	Director of County Economic Development	901E	1	NR
4300	01541	Payroll Assistant	04P	1	DC
4300	58610	Corrections Officer Lieutenant	23CM	3	NR
5040	32450	Airport Maintenance Worker (RA)	15KZ	3	DC
5040	65492	Network Tech Spec IV Airport	28D	1	DC
5700	00048	Clerical Assistant 2 (Hourly)	04P	1	DC
5700	03536	Managing Architect	34A	1	TC
5700	13620	Facilities Worker 4	16F	1	DC
5700	23800	Electrical Mechanic	5408	1	BT
5700	27280	Heating & Equipment Mechanic	5425	2	BT
6300	47311	BH House Physician Hourly	42XM	3	NR
7990	02740	Business Systems Project Manager	35M	1	NR
7990	04350	Accountant 4 – NR	25M	1	NR
7990	53355	Rehabilitation Services Supervisor	31M	1	NR
8000	56300	Human Services Worker	16C	2	DC

1 **A RESOLUTION**

2 WHEREAS, the Director of Human Resources, in a report dated November 2012
3 (copy attached), reviewed the recommended position creations contained in the 2013
4 Adopted County Budget relative to classification and rate of compensation; and

5 WHEREAS, the creation of positions in the 2013 Adopted Budget require action
6 by the Committee on Finance, Personnel and Audit to establish the classification and rate
7 of compensation for those positions; now, therefore,

8 BE IT RESOLVED, that, the Milwaukee County Board of Supervisors does
9 hereby authorize and direct the Director of Human Resources to implement the
10 classifications and rates of compensation (as attached and contained in a report from the
11 Director of Human Resources dated November 15, 2012) for positions recommended for
12 creation in the 2013 Adopted Budget.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 15, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution establishing the classification and rates of pay for the first phase of positions created within the 2013 Adopted Budget.

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Classification and rates of pay for positions created within in the annual budget adoption process must be approved by the County Board prior to those positions being filled.

B. There are no 2012 costs or revenues associated with this action. 2013 costs and revenues associated with the created positions are included within the 2013 Adopted Budget.

C. There are no 2012 budgetary impacts associated with this action. Budgetary impacts for 2013 are included within the 2013 Adopted Budget.

D. No additional assumptions or interpretations were used to provide information for this fiscal note.

Department/Prepared By Human Resources/ Ceschin

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 4, 2012
To : Committee on Finance, Personnel & Audit
FROM : Kerry J. Mitchell, Director of Human Resources 
SUBJECT : **Informational Report for 12/13/2012**
Finance, Personnel & Audit Committee Meeting

Attached are a series of informational reports listing various personnel transactions that the Director of Human Resources intends to approve for implementation.

These reports (*reclassifications, advancements within the pay range, reallocations, and revisions to Executive Compensation Plan [ECP]*) are provided in accordance with the provisions of Chapter 17 and may be included on the agenda of the December 13, 2012 Finance, Personnel & Audit Committee Meeting for informational purposes.

In the event the Finance, Personnel & Audit Committee takes no action, the transactions noted on the reports will be implemented.

KJM:jam

Copy: HR Managers

RECLASSIFICATION REPORT
Finance, Personnel & Audit Committee: December 2012

In accordance with the provisions of 17.05 of the Milwaukee County General Ordinances, the Director of Human Resources intends to reclassify the position noted below. The Department of Administration has verified that funds are available within the adopted budget to cover the cost associated with this action.

Requestor	Org	Position	Current Classification	Current Pay Grade	Proposed Classification	Proposed Pay Grade	Pay Rate Steps	Pay Rates (Hrly)	Annual Pay Rate	Justification
DHHS	8010	1	Housing Prog Asst Rehab	16Z	Housing Inspector	20	01	\$19.8730	\$41,335.84	Change in Duties
							02	\$20.6426	\$42,936.61	
							03	\$21.4659	\$44,649.07	
							04	\$22.3420	\$46,471.36	
							05	\$23.0695	\$47,984.56	
DHHS	8030	1	Housing Rehab Analyst	18	Housing Inspector	20	01	\$19.8730	\$41,335.84	Change in Duties
							02	\$20.6426	\$42,936.61	
							03	\$21.4659	\$44,649.07	
							04	\$22.3420	\$46,471.36	
							05	\$23.0695	\$47,984.56	

* Change in Duties has to reflect a weight of 25% or more.

RECLASS
DAS FISCAL FORM
12/4/2012

RECLASSIFICATION DAS FISCAL FORM
 Department: Department of Health and Human Services
 Date of Reclass Request: October 25, 2012
 Date of anticipated reclasses: December 20, 2012

Item	Org Unit	Low Org	Title Code	Position Name	Pay Range	Step	No. of Positions	FTEs	Hrly Rate	Biweekly Salary	Social Security	Fringe Benefits**	Pay Periods Remaining	2012 total	Annual Total
EXISTING POSITION(S)*:															
1	8500	8524	00008030	Housing Program Asst Rehab	16Z	01	1	1.0	16.24	1,299	99	202	0	0	41,606
2														0	0
													SUBTOTAL:	0	41,606
RECLASS POSITION(S)*:															
1	8500	8524	TBD	Housing Inspector- Home Repair	20	01	1	1.0	19.87	1,590	122	247	0	0	50,909
2													0	0	0
													SUBTOTAL:	0	50,909
													TOTAL COST:	0	9,303

* Pension Fixed Rate for 2013 = budgeted rate of 15.51% of salary (No impact on Health Insurance of this action)

DOES THE DEPARTMENT HAVE SUFFICIENT FUNDS FOR THE RECLASS: Yes

DOES DAS APPROVE THE ABOVE MENTIONED RECLASSIFICATIONS? Yes

COMMENT/NARRATIVE (optional): Both positions have additional and higher level responsibilities.


 FISCAL AND BUDGET ADMINISTRATOR

12/4/12
 DATE

RECLASS
DAS FISCAL FORM
12/5/2012

RECLASSIFICATION DAS FISCAL FORM

Department: Department of Health and Human Services

Date of Reclass Request: October 25, 2012

Date of anticipated reclasses: December 20, 2012

Item	Org Unit	Low Org	Title Code	Position Name	Pay Range	Step	No. of Positions	FTEs	Hrly Rate	Biweekly Salary	Social Security	Fringe Benefits**	Pay Periods Remaining	2012 total	Annual Total
EXISTING POSITION(S)*:															
1	8500	8524	00008030	Housing Rehab Analyst	18	05	1	1.0	21.47	1,717	131	266	0	0	54,990
2														0	0
													SUBTOTAL:	0	54,990
RECLASS POSITION(S)*:															
1	8500	8524	TBD	Housing Inspector- Home Repair	20	04	1	1.0	22.34	1,787	137	277		0	57,234
2													0	0	0
													SUBTOTAL:	0	57,234
													TOTAL COST:	0	2,244

* Pension Fixed Rate for 2013 = budgeted rate of 15.51% of salary (No impact on Health Insurance of this action)

DOES THE DEPARTMENT HAVE SUFFICIENT FUNDS FOR THE RECLASS: Yes

DOES DAS APPROVE THE ABOVE MENTIONED RECLASSIFICATIONS? Yes

COMMENT/NARRATIVE (optional): Both positions have additional and higher level responsibilities.


FISCAL AND BUDGET ADMINISTRATOR

12/5/12
DATE

ADVANCEMENT WITHIN THE PAY RANGE REPORT
Finance, Personnel & Audit Committee: December 2012

In accordance with the provisions of 17.10 of the County General Ordinances, the Director of Human Resources intends to approve the advancement within the pay range for the positions noted below. The Department of Administration has verified that funds are available within the adopted budget to cover the cost associated with these actions.

REQUESTOR	ORG UNIT	PREVIOUS CLASSIFICATION	CURRENT CLASSIFICATION	PAY GRADE	PAY RANGE			CURRENT RATE	REQUESTED RATE	CURRENT YEAR IMPACT	ANNUAL YEAR IMPACT	JUSTIFICATION
					MIN	MID	MAX					
BHD	6300	N/A	Exdir1-Fiscal Servs Dir	901E	\$60,756.80	\$74,838.40	\$88,940.80	\$80,840.76	\$88,940.80	TBD	\$ 8,100.04	Equity/Market

Reallocation Report
 Finance, Personnel & Audit Committee Meeting
 December 2012

In accordance with the provisions of 17.055 of the County General Ordinances, the Director of Human Resources intends to reallocate the positions noted below.
 The Department of Administration has verified that funds are available within the adopted budget.

DEPT	DEPT ORG	TITLE CODE	AUT POS	FILLED POS	CURRENT CLASSIFICATION	CURRENT PAY RANGE	STEPS	*CURRENT PAY RATE	RECOMMENDED PAY RANGE	STEPS	RECOMMENDED PAY RATE	PAY STEP	NEW PAY RATE	CURR YEAR DIFF	SUB YEAR DIFF	MAX YEAR DIFF	REASON
------	----------	------------	---------	------------	------------------------	-------------------	-------	-------------------	-----------------------	-------	----------------------	----------	--------------	----------------	---------------	---------------	--------

~Currently, There are NO "Reallocations" to Report for December 2012~

REVISIONS TO Executive Compensation Plan (ECP) REPORT
Finance, Personnel & Audit Committee Meeting
December 13, 2012

Currently, there are no "Revisions to ECP" to report.

12/4/2012 9:39 AM

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

30

DATE : December 4, 2012

To : Committee on Finance, Personnel & Audit

FROM : Kerry J. Mitchell, Director of Human Resources 

SUBJECT : **Informational Reports 12/13/2012**
For Finance, Personnel & Audit Committee Meeting

Attached are a series of informational reports relative to ***dual employment, emergency appointment, and temporary appointment***. Reports reflect updates through the end of pay period 1. Also included is an informational report relative to ***temporary assignments to a higher classification***, which is updated through November 20, 2012.

These reports are provided in accordance with the provisions of Chapter 17 of the County General Ordinances.

KJM:jam

Attachments

**Dual Employment Report
Finance, Personnel & Audit Committee Meeting
December 13, 2012**

Organizational Unit	Name	Current Classification	Current Pay Range	Dual Employment	Dual Employment Pay Range
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Currently, there are no "Dual Employments" to report.

Emergency Appointment Report
 Finance, Personnel & Audit Committee Meeting
 December 13, 2012

Requestor	Dept	Last Name	First Name	Title Description	Employee Class	Status	Emergency Appt Date	Pay Range
DHHS	8921	Fonseca	Wilma	Detent Home Supt	F	A	9/17/2012	915E
DHHS	8010	Tsounis	Diane	Housing Program Asst Rehab	F	A	10/22/2012	16Z
Election Commission	3010	Brener	Marlene	Election Clk	H	A	1/3/2012	01M
Election Commission	3010	Christiansen	Marleen	Election Clk	H	A	1/3/2012	01M
Election Commission	3010	Davison	Helen	Election Clk	H	A	1/3/2012	01M
Election Commission	3010	Dempsey	Charlene	Election Clk	H	A	1/3/2012	01M
Election Commission	8921	Frattura	Margaret	Election Clk	H	A	1/3/2012	01M
Election Commission	3010	Frattura	Margaret	Election Clk	H	A	1/3/2012	01M
DHHS Block Grant	3010	Gant	Evans	Housing Program Analyst	F	A	5/20/2012	18
Election Commission	3010	Hollander	Norma	Election Clk	H	A	1/3/2012	01M
Election Commission	3010	MIRR	FAYE	Election Clk	H	A	1/3/2012	01M
Election Commission	3010	Pomush	Janet	Election Clk	H	A	1/3/2012	01M

12/4/2012 1:36 PM

**Temporary Appointment Report
Finance, Personnel & Audit Committee Meeting
December 13, 2012**

Requestor	Dept	Last Name	First Name	Title Code	Title Description	Emp Class	Status	# of Hours in Payroll Period	Temporary Appt Date	Appt Type
Department of Transportation - Highways	5110	Bates	Gregory	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5110	Blair	Joseph	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5140	Brandt	Richard	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5160	Brown	Bobby	32610	Highway Mtce Wkr 1	F	A	80	10/29/2012	TA
Department of Transportation - Highways	5140	Efta	John	32610	Highway Mtce Wkr 1	F	A	80	11/11/2012	TA
Department of Transportation - Highways	5160	Finiels	David	32610	Highway Mtce Wkr 1	F	A	80	10/29/2012	TA
Department of Transportation - Highways	5140	Gallam	Stephen	32610	Highway Mtce Wkr 1	F	A	80	10/29/2012	TA
Department of Transportation - Highways	5120	Johnson	Dennis	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5140	Kirkpatrick	Roger	32610	Highway Mtce Wkr 1	F	A	80	10/30/2012	TA
Department of Transportation - Highways	5140	Laack	Jerome	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5140	Luedtke	Michael	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5160	Manka	John	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5110	Matzen	Cary	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5110	Mc Kay	Dwayne	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5140	Radakovich	Keith	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5160	Rodriguez	Alvin	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5110	Schneider	Jake	32610	Highway Mtce Wkr 1	F	A	80	11/11/2012	TA
Department of Transportation - Highways	5140	Shaffer	John	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5120	Simmons	Tyrone	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5160	Stueck	Donald	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Department of Transportation - Highways	5120	Tersen	Douglas	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
County Treasurer	3090	Vang	Pa Phouala	85770	Student Intern	I	A	0	11/5/2012	TA
Department of Transportation - Highways	5140	Zieman	Robert	32610	Highway Mtce Wkr 1	F	A	80	11/5/2012	TA
Grand Total of Employees:24										

Temporary Assignment to a Higher Classification (TAHC) Report
Finance, Personnel & Audit Committee Meeting
December 13, 2012

<u>Dept</u>	<u>First Name</u>	<u>Last Name</u>	<u>Current Job Title</u>	<u>Pay Range</u>	<u>Start Date</u>	<u>Ext.</u>	<u>End Date</u>	<u>New Job Title</u>	<u>Pay Range</u>
Sheriff's	Aaron	Dobson	Deputy Sheriff I	17BZ	10/11/2012		01/08/13	Deputy Sheriff Sergeant	22B
Sheriff's	Mary	Sawczuk	Deputy Sheriff I	17BZ	9/21/2012		12/20/12	Deputy Sheriff Sergeant	22B
Sheriff's	Fred	Gladney	Deputy Sheriff I	17BZ	9/21/2012		12/20/12	Deputy Sheriff Sergeant	22B
Sheriff's	Daniel	Carter	Deputy Sheriff I	17BZ	9/21/2012		12/20/12	Deputy Sheriff Sergeant	22B
Sheriff's	Brandy	Lester	Deputy Sheriff I	17BZ	9/21/2012		12/20/12	Deputy Sheriff Sergeant	22B
Child Support	Jennifer	Stoltz	Paralegal-Child Support	19L	10/1/2012		12/29/12	Child Support Supervisor	24M
Zoo	Danielle	Faucet	Zookeeper	15	10/17/2012		12/17/12	Zoo Area Supervisor	17A
Zoo	Cassandra	Sajkowski	Heritage Farm Attendant	09ZB	11/4/2012		01/04/13	Zookeeper	15
DOT Director's Office	James	Martin	Fiscal & Perf Mgmt Coord	38M	11/5/2012		02/02/13	Director of Operations	38M
DOT Fleet Mgmt	Daniel	Young	Auto & Equip Svc Tech	19	11/12/2012		01/11/13	Auto & Equip Serv Tech In Charge	20
DOT Director's Office	Brian	Dranzik	Dir of Operations	38M	10/18/2012		01/15/13	Exdir3-Dir Trans Public Works	903E
DOT-Airport	Lyle	May	Auto & Equip Svc Tech DOT	19	11/1/2012		01/02/13	Auto & Equip Serv Tech In Charge	20
DOT-Airport	Nancy	Kufahl	Accountant 3	21	10/9/2012		01/06/13	Accountant 4 - NR	25M
DOT-Airport	Scott	Wisniewski	Fire Fighter Equip Oper	17BZ	10/8/2012		01/05/13	Asst Chief Rescue & Fire Fighting	29FM
DOT-Airport	Ray	Davis	Airport Mtce Wrkr Asst IC	12	11/14/2012		01/16/13	Asst Facilities Supervisor	14M
Clerk of Circuit Court-Criminal	Lori	Moore	Fiscal Assistant 2	4P	10/29/2012		12/28/12	Accountant 1	14
Parks	James	Keegan	Exec Director 2 - Chief of Operations	902E	11/14/2012	YES	02/11/12	Exec Director 3 - Director of Parks, Rec and Culture	903E
Parks	Jill	Organ	Engineer	32A	12/3/2012	YES	03/02/13	Exec Director 2 - Chief of Operations	902E
Parks	Charlotte	Perko	Office Asst III	12DC	12/2/2012	YES	03/01/13	Sr. Executive Assistant	

*Pursuant to M.C.G.O. 17.085(1), (2), or (7), the TAHC has been extended by the Director of DHR. The County Board of Supervisors and the County Executive must approve the second extension to a *vacant unclassified* position through adoption of a Resolution.

COUNTY OF MILWAUKEE
Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : November 20, 2012

TO : Committee on Finance, Personnel & Audit

FROM : Kerry J. Mitchell, Director of Human Resources 

SUBJECT : **Informational Reports 12/13/2012**
For Finance, Personnel & Audit Committee Meeting

Attached is an informational report listing *appointments at an advanced step of the pay range*, which the Director of Human Resources has approved.

These reports are provided in accordance with the provisions of Chapter 17 of the County General Ordinances and may be included on the agenda of the December 13, 2012 Finance, Personnel & Audit Committee Meeting for informational purposes

KJKM:jam

Attachment

Appointments at an Advanced Step of the Pay Range
Finance, Personnel & Audit Committee Report
December 2012

REQUESTOR	ORG UNIT	PREVIOUS CLASSIFICATION	CURRENT CLASSIFICATION	PAY GRADE	# OF STEPS ^	REQUESTED PAY GRADE & HOURLY RATE	ANNUALIZED SALARY BY STEPS	APPOINTED STEP	APPOINTED DATE	EST. CURRENT YEAR FISCAL IMPACT**	JUSTIFICATION
County Board	1000	N/A	Adm Sec Intr Gov Rel Di	917E	01	\$ 37.2072	\$ 77,390.98	06	11/05/2012	\$2,827.81	New Hire Appointment / Recruitment at Market Rate
					02	\$ 39.0677	\$ 81,260.82				
					03	\$ 40.9276	\$ 85,129.41				
					04	\$ 42.7880	\$ 88,999.04				
					05	\$ 44.6485	\$ 92,868.88				
					06	\$ 46.0441	\$ 95,771.73				
					07	\$ 47.4390	\$ 98,673.12				
					08	\$ 48.3693	\$ 100,608.14				
DHHS - Behavioral Health Div	6300	N/A	BH House Physician 3 - Hourly	44PM	01	\$ 82.8190	\$ 172,263.52	07	10/29/2012	\$6,835.21	New Hire Appointment / 10+ Years Experience
					02	\$ 85.7177	\$ 178,292.82				
					03	\$ 88.7178	\$ 184,533.02				
					04	\$ 91.8230	\$ 190,991.84				
					05	\$ 95.0367	\$ 197,676.34				
					06	\$ 98.3630	\$ 204,595.04				
					07	\$ 101.8057	\$ 211,755.86				
					DHHS - Behavioral Health Div	6300	N/A				
02	\$ 59.4687	\$ 123,694.90									
03	\$ 61.5502	\$ 128,024.42									
04	\$ 63.7044	\$ 132,505.15									
05	\$ 65.9339	\$ 137,142.51									
06	\$ 68.2418	\$ 141,942.94									
07	\$ 70.6302	\$ 146,910.82									
DHHS - Behavioral Health Div	6300	N/A	Community Service Manager	27M				01	\$ 24.9938	\$ 51,987.10	02
					02	\$ 26.1252	\$ 54,340.42				
					03	\$ 26.4650	\$ 55,047.20				
					04	\$ 27.7247	\$ 57,667.38				
					05	\$ 28.9577	\$ 60,232.02				
					DHHS - Behavioral Health Div	6300	N/A	Contract Services Coordinator	27	01	
02	\$ 26.6449	\$ 55,421.39									
03	\$ 27.8013	\$ 57,826.70									
04	\$ 29.1246	\$ 60,579.17									
05	\$ 30.4198	\$ 63,273.18									
DHHS - Behavioral Health Div	6300	N/A	BH Staff Psychiatrist - Hourly	44PM						01	\$ 82.8190
					02	\$ 85.7177	\$ 178,292.82				
					03	\$ 88.7178	\$ 184,533.02				
					04	\$ 91.8230	\$ 190,991.84				
					05	\$ 95.0367	\$ 197,676.34				
					06	\$ 98.3630	\$ 204,595.04				
					07	\$ 101.8057	\$ 211,755.86				

the Pay **Appointments at an Advanced Step of the Pay Range**
Finance, Personnel & Audit Committee Report
December 2012

REQUESTOR	ORG UNIT	PREVIOUS CLASSIFICATION	CURRENT CLASSIFICATION	PAY GRADE	# OF STEPS ^	REQUESTED PAY GRADE & HOURLY RATE	ANNUALIZED SALARY BY STEPS	APPOINTED STEP	APPOINTED DATE	EST. CURRENT YEAR FISCAL IMPACT**	JUSTIFICATION
DHHS - Behavioral Health Div	6300	N/A	BH Staff Psychiatrist	44PM	01	\$ 82.8190	\$ 172,263.52	04	11/01/2012	\$3,241.44	New Hire Appointment / 20+ Years Experience
					02	\$ 85.7177	\$ 178,292.82				
					03	\$ 88.7178	\$ 184,533.02				
					04	\$ 91.8230	\$ 190,991.84				
					05	\$ 95.0367	\$ 197,676.34				
					06	\$ 98.3630	\$ 204,595.04				
					07	\$ 101.8057	\$ 211,755.86				
DHHS - Behavioral Health Div	6300	N/A	BH Staff Psychiatrist - Hourly	44PM	01	\$ 82.8190	\$ 172,263.52	04	10/08/2012	\$4,321.92	New Hire Appointment / 9+ Years Experience
					02	\$ 85.7177	\$ 178,292.82				
					03	\$ 88.7178	\$ 184,533.02				
					04	\$ 91.8230	\$ 190,991.84				
					05	\$ 95.0367	\$ 197,676.34				
					06	\$ 98.3630	\$ 204,595.04				
					07	\$ 101.8057	\$ 211,755.86				
DHHS - Behavioral Health Div	6300	N/A	Psych Crisis Srvs Coord	31M	01	\$ 28.9577	\$ 60,232.02	03	11/11/2012	\$773.02	New Hire Appointment / Recruitment at Market Rate
					02	\$ 30.3527	\$ 63,133.62				
					03	\$ 31.7185	\$ 65,974.48				
					04	\$ 33.1122	\$ 68,873.38				
					05	\$ 34.4814	\$ 71,721.31				
DHHS - Behavioral Health Div	6300	N/A	Nursing Asst 1 Mh (CNA)	5D	01	\$ 11.3448	\$ 23,597.18	10	10/29/2012	\$1,434.13	New Hire Appointment / Recruitment at Market Rate
					02	\$ 11.5901	\$ 24,107.41				
					03	\$ 12.2208	\$ 25,419.26				
					04	\$ 12.6530	\$ 26,318.24				
					05	\$ 13.4194	\$ 27,912.35				
					06	\$ 13.7925	\$ 28,688.40				
					07	\$ 14.1439	\$ 29,419.31				
					08	\$ 14.5726	\$ 30,311.01				
					09	\$ 14.9380	\$ 31,071.04				
					10	\$ 15.3285	\$ 31,883.28				
DHHS - Behavioral Health Div	6300	N/A	Occupational Therapist	26NT	01	\$ 27.4635	\$ 57,124.08	04	*TBD	~	New Hire Appointment / Recruitment at Market Rate
					02	\$ 28.7029	\$ 59,702.03				
					03	\$ 29.9940	\$ 62,387.52				
					04	\$ 31.3367	\$ 65,180.34				
					05	\$ 32.7517	\$ 68,123.54				

**Appointments at an Advanced Step of the Pay Range
Finance, Personnel & Audit Committee Report
December 2012**

REQUESTOR	ORG UNIT	PREVIOUS CLASSIFICATION	CURRENT CLASSIFICATION	PAY GRADE	# OF STEPS ^	REQUESTED PAY GRADE & HOURLY RATE	ANNUALIZED SALARY BY STEPS	APPOINTED STEP	APPOINTED DATE	EST. CURRENT YEAR FISCAL IMPACT^^	JUSTIFICATION
					01	\$ 16.0074	\$ 33,295.39				
					02	\$ 16.3806	\$ 34,071.65				
					03	\$ 16.7537	\$ 34,847.70				
					04	\$ 17.2648	\$ 35,910.78				
					05	\$ 17.7536	\$ 36,927.49				
					06	\$ 18.2252	\$ 37,908.42				
					07	\$ 18.7830	\$ 39,068.64				
					08	\$ 19.3138	\$ 40,172.70				
Dept of Aging	7900	N/A	Human Services Worker (Aging)	16C	09	\$ 19.8730	\$ 41,335.84	04	10/29/2012	\$452.66	New Hire Appointment / Recruitment at Market Rate
					10	\$ 20.6426	\$ 42,936.61				
					11	\$ 21.4659	\$ 44,649.07				
					12	\$ 22.3420	\$ 46,471.36				
					13	\$ 23.0695	\$ 47,984.56				
					14	\$ 23.8285	\$ 49,563.28				
					15	\$ 24.7311	\$ 51,440.69				
					16	\$ 25.1942	\$ 52,403.94				
					17	\$ 25.6422	\$ 53,335.78				
					01	\$ 16.0074	\$ 33,295.39				
					02	\$ 16.3806	\$ 34,071.65				
					03	\$ 16.7537	\$ 34,847.70				
					04	\$ 17.2648	\$ 35,910.78				
					05	\$ 17.7536	\$ 36,927.49				
					06	\$ 18.2252	\$ 37,908.42				
					07	\$ 18.7830	\$ 39,068.64				
					08	\$ 19.3138	\$ 40,172.70				
Dept of Aging	7900	N/A	Human Services Worker (Aging)	16C	09	\$ 19.8730	\$ 41,335.84	08	10/29/2012	\$1,190.30	New Hire Appointment / Recruitment at Market Rate
					10	\$ 20.6426	\$ 42,936.61				
					11	\$ 21.4659	\$ 44,649.07				
					12	\$ 22.3420	\$ 46,471.36				
					13	\$ 23.0695	\$ 47,984.56				
					14	\$ 23.8285	\$ 49,563.28				
					15	\$ 24.7311	\$ 51,440.69				
					16	\$ 25.1942	\$ 52,403.94				
					17	\$ 25.6422	\$ 53,335.78				
					01	\$ 31.7185	\$ 65,974.48				
					02	\$ 33.1122	\$ 68,873.38				
					03	\$ 34.4813	\$ 71,721.10				
					04	\$ 36.1423	\$ 75,175.98				
Dept of Aging	7900	N/A	Program Coordinator (Community Programs)	33M	05	\$ 37.8038	\$ 78,631.90	05	11/12/2012	\$1,703.88	New Hire Appointment / Recruitment at Market Rate

^Bold/shaded border denotes rates of incumbents

^^Current Year fiscal impact amount is based upon number of weeks remaining in 2012 from date of appointment and the difference from the required rate to the advanced rate. Based on 40 Hour Work Week.



Milwaukee County

Department of Human Resources

TO: Supervisor Willie Johnson, Jr., Co-Chair of Finance, Personnel & Audit Committee
 Supervisor David Cullen, Co-Chair of Finance, Personnel and Audit Committee

FROM: Kerry Mitchell, Director of Human Resources *Kerry Mitchell*

DATE: November 26, 2012

SUBJECT: Total Compensation Update at Milwaukee County

Background

As directed in the 2011 Adopted Budget, the Department of Audit coordinated an evaluation of total employee compensation to identify the total compensation of County employees and to compare the compensation with other public and private sector employers in the community with particular attention to the County's ability to attract and retain the workforce needed to provide key services. The Department of Audit presented findings in December 2011 and the Department of Human Resources (DHR) presented a status report in July 2012.

At the July 2012 meeting of the Committee on Finance, Personnel and Audit, DHR indicated that a report outlining the Department's future strategy with regard to Total Compensation would be provided to the Finance, Personnel and Audit Committee in December 2012.

Defining Total Compensation

A Total Compensation, or Total Rewards, philosophy translates an organization's vision, strategy and values into a framework that guides the design and decision-making with regard to 5 key areas: compensation, benefits, work-life balance, career development, and recognition. At Milwaukee County, our mission statement drives our service to the public, and in Human Resources we believe the most effective way to serve the people of Milwaukee County is through attracting and retaining qualified staff and building a culture that values high performance. Ultimately, building an engaged workforce will dramatically enhance our ability to be good stewards of taxpayer dollars, while providing efficient, high-quality services to those we serve. The five components of Total Rewards are key to attracting, retaining and engaging our employees. Below is a summary of our efforts in 2012 to improve in these areas.

Action Item Summary

Compensation

- Hired Compensation Manager 7/2/2012.
- Hired Compensation Analyst (internal promotion) 9/24/2012.

Courthouse Room 210, 901 North 9th Street, Milwaukee, WI 53233
 Phone: (414) 278-4148 Fax: (414) 223-1379
www.county.milwaukee.gov/HumanResources

- Re-designed Compensation Specialist role to ensure alignment of duties and resources 10/01/2012.
- Partnered with the Comptroller's Office (Payroll) to more effectively manage HR component of Ceridian.
- Partnered with DAS on recommending merit and equity budget for 2013.
- Developed a 4-phase plan for 2013 to review all positions across the County consisting of Job Analysis, Evaluation and Pricing (see attached). The results of this project will include:
 - ✓ New standardized job descriptions
 - ✓ FLSA compliance
 - ✓ Appropriate Classifications (job groups/titling)
 - ✓ Equitable, understandable, legally defensible and externally competitive pay system
 - ✓ EEO compliance (equal & fair pay)
- Requested budget dollars for 2013 for market data resources.
- Requested a Compensation Analyst and a Metrics & Reporting Analyst position in the 2013 budget (note: These positions were not approved by the Board. We will do our best to remain as close as possible to our project timeline, given we don't have the staff we were hoping to have to complete it.).
- Requested employee pay increases in the 2013 budget, in order to align with cost of living adjustments.

Benefits

- Improved the long-term sustainability of benefits programs through improved administration and design changes, including, but not limited to:
 - ✓ Dependent Auditing
 - ✓ Medicare Coordination Methods
 - ✓ EGWP prescription plans
 - ✓ Employee Pension Contributions
 - ✓ Reduced Pension Multipliers
- Designed a 2013 plan that both met the budget objective and ensured a health plan in-line with the competitive market.
- Initiated partnership with Compensation to assess the total value of the County benefits package, including post retirement benefits to more accurately analyze total compensation. Ongoing project throughout 2013.

Work-Life Balance

- No work or focus has been made in this area to date, although efforts listed below under Career Development will tie into this topic.

Career Development

- Hired an Employee Development Specialist (trainer).
- Developed a pilot management training program to be launched in 2013.
- Obtained learning software that may be deployed County-wide for the benefit of all employees.

Recognition

Requested an employee performance recognition award program in the 2013 budget, in order to begin the process of tying a component of compensation to performance to encourage high performance, efficiency and service (note: although this item was not approved by the Board, we will continue to seek out no-cost or low-cost alternatives to recognize employee accomplishments).

Conclusion

All of these components are critically important when considering Total Rewards, and the degree to which the County will be able to attract and retain talent. However, one of our most significant accomplishments in the second half of 2012 was staffing a Compensation division for the first time in 5 years. We hired experienced talent onto our Human Resources team to collaborate on developing our strategy and plan moving into 2013.

Rolling out the job evaluation project in 2013 will take significant effort and collaboration across all departments to ensure an accurate analysis is completed. Once our data is fully updated, consistent and accurate, it is then that we can participate effectively in market surveys and correct some of the issues we anecdotally believe exist. We will also be able to thoroughly analyze EEO data from a compensation perspective. While this initiative will take some time, I am eager for Milwaukee County to be positioned competitively from a total compensation perspective, and to participate fully in compensation review on an ongoing basis.

cc: Chris Abele, County Executive, Milwaukee County
Amber Moreen, Chief of Staff, Milwaukee County Executive's Office
Rick Ceschin, Deputy Human Resources Director
Katrina Evans, Compensation Manager
Jerry Heer, Director of Audits

Milwaukee County
Department of Human Resources / Division of Compensation
2013 Compensation Strategy

DRAFT

- **Define Compensation Strategy**
- **Define Compensation Philosophy**
- **Define Relevant Labor Market/Pay Position**
- **Define Job Analysis/Evaluation Process**
- **Define Compensation Structure**
- **Internal Equity**
- **Determine Where Labor Dollars Should be Allocated**
- **Redefine Compensation Programs, Policies and Procedures**
- **Review Compensation Program Effectiveness**

DRAFT

Milwaukee County
Department of Human Resources / Division of Compensation
2013 Compensation Strategy

Define Compensation Strategy:

- Develop and maintain compensation programs directed toward attracting, retaining and rewarding a highly qualified and diverse workforce.
- Set pay at levels competitive with external comparison labor markets and internal equity.

Define Compensation Philosophy:

- To attract, motivate and retain competent talent.
- Pay equitably and fair.

Define Relevant Labor Market/Pay Position:

- State of Wisconsin and the Greater Milwaukee Area (Milwaukee County); public and private
- Direct Labor Market; Public/Government Entities
- Indirect Labor Market; Private Sector
- Equitable & fair pay in relation to other external organizations.

Define Job Analysis/Evaluation Process:

- Identify and determine in detail the job duties, requirements and relative importance of these duties for each Milwaukee County job
- Ensure each Milwaukee County's departmental organizational chart is created/updated
- Ensure job descriptions are created/updated and in standardized format
- Create Job Families
- Ensure compliance of FLSA exemption status rules.

Define Compensation Structure:

- Develop and maintain competitive compensation with the market while providing employees with more clarity about career progression and opportunities.
- Equitable and fair pay levels in comparison to other jobs in Milwaukee County and in the relevant labor market.

Internal Equity:

- Minimize or eliminate pay disparity in order to achieve maximum employee motivation

2013 Job Analysis & Evaluation Project Planner

Project/Event: Milwaukee County – All Jobs -Analysis/Evaluation

Project Owner/Manager: Katrina Evans, Manager of Compensation

PHASE 1

PHASE 2

PHASE 3

PHASE 4

Start Date End Date Start Date End Date Start Date End Date Start Date End Date

~Departments~

Step 1 - Department Head submits 2013 Department Organizational Chart to HRCompensation.

01.07.2013

02.15.2013

04.01.2013

05.10.2013

07.01.2013

08.09.2013

09.30.2013

11.08.2013

Step 2 - Departments complete and submit JEQs for each job to HRCompensation.

~Compensation~

Step 3 Compensation reviews departments' organizational charts and JEQs; reviews and assigns FLSA exemption status; ranks, classifies and prices jobs; creates formal job descriptions; completes findings & recommendation summary.

01.14.2013

03.15.2013

04.08.2013

06.14.2013

07.15.2013

09.13.2013

10.07.2013

12.06.2013

~Findings/Recommendations~

Step 4 - Findings and recommendations shared w/ Department Head/Directors.

03.18.2013

03.29.2013

06.17.2013

06.28.2013

09.16.2013

09.27.2013

12.09.2013

12.20.2013

January 2013

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2013

S	M	T	W	TH	F	S
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

March 2013

S	M	T	W	TH	F	S
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	31

April 2013

S	M	T	W	TH	F	S
	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May 2013

S	M	T	W	TH	F	S
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June 2013

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23	24	25	26	27	28	29
30						

July 2013

S	M	T	W	TH	F	S
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28	29	30	31			

August 2013

S	M	T	W	TH	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
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September 2013

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29	30					

October 2013

S	M	T	W	TH	F	S
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6	7	8	9	10	11	12
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27	28	29	30	31		

November 2013

S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
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December 2013

S	M	T	W	TH	F	S
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8	9	10	11	12	13	14
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29	30	31				

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

Date: November 26, 2012

To: Supervisor Willie Johnson, Jr., Co-Chair, David Cullen, Co-Chair, Committee on Finance, Personnel and Audit

From: Frederick J. Bauer  Labor Relations

RE: Informational Report for December 13, 2012, Finance, Personnel and Audit Committee Meeting

Attached is an informational report listing all collateral agreements that have been signed and implemented from June 06, 2012 through November 26, 2012.

The collateral agreement report is provided in accordance with the provisions of Chapter 80.04 of the General Ordinances of Milwaukee County and may be included on the agenda of the March 09, 2012. Finance, Personnel and Audit Committee Meeting for informational purposes only.

Collateral Agreements Report
Finance, Personnel and Audit Committee Meeting
November 26, 2012

In accordance with the provisions of 80.04 of the County General Ordinances, and their respective labor agreements, Labor Relations is reporting the following collateral agreements.

There were no collateral agreements signed since the last report was created

**INTEROFFICE COMMUNICATION
COUNTY OF MILWAUKEE**

DATE: November 20, 2012

TO: Mark Borkowski, Chairman
Committee on Judiciary, Safety and General Services

Willie Johnson & David Cullen, Co-Chairmen
Committee on Finance, Personnel and Audit

FROM: Mark A. Grady, Deputy Corporation Counsel

SUBJECT: Status update on pending litigation

The following is a list of significant pending cases which our office is prepared to discuss with the Committees, at your discretion. New information and additions to the list since last month are noted in **bold**:

1. *DC48 v. Milwaukee County* (Rule of 75)
Case No. 11-CV-16826
2. *MDSA v. Milwaukee County* (overturn arbitration award on layoffs)
Case No. 12-CV-1984
3. *MDSA v. Clarke and Milwaukee County* (recall of deputy sheriffs)
Case No. 12-CV-5551
4. *Hussey v. Milwaukee County* (Retiree health co-pays, deductibles, etc.)
Case No. 12-C-73 (U.S. District Court, **appealed by Hussey to U.S. Seventh Circuit Court of Appeals**)
5. *MDSA prohibited practice complaint* (MDSA and retiree health plan provisions)
WERC Case No. 792 No. 71690 MP-4726
6. *Stoker v. Milwaukee County* (1.6 multiplier)
Case No. 11-CV-16550 (**appealed to WI Court of Appeals by Milwaukee County**)
AFSCME v. Milwaukee County (1.6 multiplier)
Case No. 12-CV-9911 (**appealed to WI Court of Appeals by Milwaukee County**)

7. *FNHP and AMCA v. Milwaukee County* (Medicare Part B reimbursement)
Case No. 12-CV-1528 (**appealed to WI Court of Appeals by Milwaukee County**)
8. *Milwaukee County v. WERC and AFSCME* (2010 bargaining; furloughs)
Case No. 11-CV-12137
9. *MDSA v. Clarke & Milwaukee County* (G4S contract for bailiffs)
Case No. 12-CV-3410
MDSA WERC Prohibited Practice Complaint (G4S contract)
10. *McKenzie & Goodlette v. Milwaukee County* (captains layoffs)
Case No. 12-CV-0079
Rewolinski v Milwaukee County (captain layoff)
Case No. 12-CV-0645
Clarke v. Civil Service Commission (captains promotions and layoffs)
Case No. 12-CV-3366
11. *DC48 v. Milwaukee County* (seniority in vacation selection **and transfer rights**
under Sheriff)
Case No. 12-CV-3944
12. *Wosinski et al. v. Advance Cast Stone et al.* (O'Donnell Park)
Case No. 11-CV-1003 (consolidated actions)
13. *Christensen et al. v. Sullivan et al.* (Sheriff motion on medical care in jail)
Case No. 96-CV-1835
14. *Milwaukee Riverkeeper v. Milwaukee County* (Estabrook dam)
Case No. 11-CV-8784
15. *Milwaukee County v. Federal National Mortgage Ass'n. et al.* (transfer taxes)
Case No. 12-C-732 (U.S. District Court)
16. *Midwest Development Corporation v. Milwaukee County* (Crystal Ridge)
Case No. 12-CV-11071
17. *Milwaukee County v. MDSA* (overturn arbitration award for MDSA on overtime)
Case No. 12-CV-8411

18. *Pasko v. Milwaukee County*

Case No. 11-CV-2577 (sick allowance at retirement for former union employees who were not represented employees at retirement, **appealed to WI Court of Appeals by Milwaukee County**)

Porth v. Milwaukee County

Case No. 11-CV-4908 (consolidated with Pasko case, **appealed to WI Court of Appeals by Milwaukee County**)

Koehn v. Milwaukee County

Case No. 12-CV-1402 (**stayed in circuit court pending appeal of other cases**)

Marchewka v. Milwaukee County

ERD Complaint