



COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE : October 5, 2012
TO : Milwaukee County Board of Supervisors
FROM : County Board Research Division
SUBJECT: **Overview of County Executive's 2013 Recommended Budget**

Attached is the County Board Research Division's overview of the County Executive's 2013 Recommended Budget. This overview consists of the following five sections:

- 1) **Section 1** is a **General Overview** of the Recommended Budget.
- 2) **Section 2** consists of a spreadsheet that shows **Tax Levy Changes** for each Organizational Unit, comparing the 2013 Recommended Budget with the 2012 Adopted Budget.
- 3) **Section 3** provides a summary of **Major Changes**, including policy changes, proposed by the County Executive in the 2013 Recommended Budget.
- 4) **Section 4** is a listing and brief description of **Additional Issues/Concerns/Questions** noted by County Board staff regarding the proposed budget.
- 5) **Section 5** is the **Capital Improvements** section, which summarizes the capital improvement projects proposed by the County Executive.

This overview should not be construed as a complete and thorough analysis of the Recommended Budget. Although changes in departmental appropriations and revenues are generally clear, the corresponding impact on programs and services is not always as apparent. This overview has been prepared as an initial analysis that highlights the major policy and budget changes proposed by the County Executive and it is intended solely to assist County Board members and other interested parties in their understanding of the budget. The Finance, Personnel and Audit Committee will begin its formal review of all budgets as a full committee beginning October 8th at 9:00 a.m.

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SECTION 1 –GENERAL OVERVIEW 2013 RECOMMENDED BUDGET

Fiscal Synopsis

The County Executive's 2013 Recommended Milwaukee County Budget calls for total expenditures of \$1,348,226,146, an increase of \$120,932,043, or 9.9 percent, compared to the 2012 Adopted County Budget. The recommended property tax levy is \$275,370,836, the same as the 2012 levy. The recommended tax levy is comprised of two components: debt service levy of \$53,083,478 and operating levy of \$222,287,358. The recommended tax levy is \$3 million under the estimated tax levy cap, and perhaps as much as \$9.1 million under if other factors are considered. *(See Tax Levy Cap later in Section 1)*

The Recommended Budget allocates \$121.2 million in expenditures for capital improvements, with \$78 million for the airport and \$43.2 million for general government. General obligation bonding is \$34.7 million, slightly below the self-imposed bonding cap of \$34.8 million. The two County approved bond issuances in 2009 as well as the two in 2010 take advantage of stimulus funding (lower cost bonds) provided through the American Recovery and Reinvestment Act (ARRA). As part of the plan to “double up” on debt in 2009 and 2010, no new general obligation debt was issued in 2011 and 2012. *(See Capital Improvements later in Section 1 of the Overview)*

Position Reductions – “At-Risk” for Layoff

The 2013 Recommended Budget continues the trend of reducing the number of funded positions in order to reduce costs. The 2013 Recommended Budget includes 4,572 funded FTEs, a reduction of 254, or 5.3 percent, from the 4,826 FTEs in the 2012 Adopted Budget. The FTE reduction is net of position creates, abolishments and unfunding.

The Department of Human Resources indicates that approximately 108 employees are at-risk of layoff at the time of this Overview’s publication. Of this amount, 91 are in the Office of the Sheriff and 17 are in other departments. Included in the Office of the Sheriff total are 37 Deputy Sheriff 1 positions. The actual number of layoffs that may occur is determined by further attrition, retirements, and job transfers.

Overall Analysis

The prominent theme in the 2013 Recommended Budget appears to be largely one of “stay the course,” or a continuation of overall funding policies in previous years, as well as maintaining a number of efforts and initiatives from the 2012 budget. The Recommended Budget does include a “program outcome” initiative (which actually is a more active variation on what the County has done in the past). But other than this proposal and some new capital projects, there are few new policy initiatives in the budget proposal. The budget primarily was balanced by the shift of health benefit costs to employees, the use of the 2011 budget surplus and additional cuts to the Office of the Sheriff.

First among such “stay the course” policies is a property tax freeze, a continuation of many previous executive budgets. The 2013 Recommended County Budget does not raise property taxes beyond the 2012 level and generally does not raise fees. Since 2003, Milwaukee County Executives have

purportedly “frozen” tax levy in their Recommended Budgets, then taken the levy increase that the County Board provided and included it in their base to provide a new updated “freeze” for their Recommended Budget in the subsequent year. It has been noted in past budget overviews that this approach allows the County Executive to take credit for keeping taxes low while forcing the County Board to do the “heavy lifting” of adopting moderate tax increases to fund necessary programs and services. Such moderate increases have been consistent with a 2011 recommendation by the Public Policy Forum for a “balanced approach” to addressing budget challenges. In the final analysis, strict tax levy limits imposed by the State prevent anything but a moderate property tax increase in any case. To put it into a historical perspective, since 1999 the average County property tax increase has been 2.7 percent, while inflation has averaged 2.4 percent. *(See the tax levy chart later in Section 1 of the Overview)*

This “stay the course” approach relates to many policy areas of the proposed budget as well, including transit, parks, mental health and public safety. Transit services are preserved without fare hikes, and with additional security, though what the county will do once federal Congestion Mitigation Air Quality (CMAQ) funds run out after next year is left unaddressed. This year clearly is a transitional one for transit, and a fiscal and policy “bridge” will need to be developed to assure continued operation in future years. Efforts also are continued to maintain, and in fact increase by \$1.3 million, tax levy funding for parks, with additional maintenance funding provided in the capital budget. In addition, funds are provided for full implementation of the Mental Health Redesign and Community Resource Investment, and for emergency medical services funding at the 2012 level of \$1.5 million (which the County Board provided after the County Executive had eliminated funding). As the County Executive focused on reductions in the Sheriff’s Budget in 2012, he continues to do so for 2013. The budget realigns staffing and closes dorms at the County Correctional Facility South. In addition, the budget proposes a new agreement with the City of Milwaukee to take over park patrol and 911 services at a cost of \$1.6 million.

Perhaps the biggest effort to “stay the course” in the 2013 Recommended Budget is the continuation of the policy to pay for the rising cost of health care by increasing the county employee and retiree share of health care benefits. As is well known, changes in collective bargaining under 2011 Wisconsin Act 10 (now under various judicial reviews) opened the door last year to major changes in health care benefits, particularly the employee contribution toward those costs. In 2012, county employees and retirees were asked to pay significantly more of their health care costs through increases in monthly premiums, co-pays, deductibles and a 20 percent co-insurance requirement. For 2013, it is proposed that these employee and retiree contributions be increased further, to pay for the entire \$9 million increase in health costs, primarily through increased deductibles and prescription drug payments. Employees will receive a phased in cost of living adjustment (COLA) totaling three percent¹, which will partly offset their contributions. It is estimated that employees and retirees, in aggregate, currently pay approximately 25 percent of their health care costs, which is higher than State of Wisconsin employees (and, by extension, most local government employees in the state) and City of Milwaukee Employees. If the County Executive’s new proposal is adopted, the employee/retiree share of health costs will increase to 29 percent. This situation raises the question of how sustainable this budget balancing tool will be in the future, given its likely negative impact on

¹ The 2013 Recommended Budget does not include any narrative information on the proposed employee COLA. Based on information provided in the County Executive’s “Budget Highlights” and by DAS-Fiscal Affairs, the increases will be 1.5 percent beginning May 12, 2013 and another 1.5 percent increase beginning on October 27, 2013. The 2013 cost of the COLA is \$3,237,474.

future employee recruitment and retention and given the uncertain outcome of pending court decisions on Act 10 and their impact on health care and other employee benefit changes.

One aspect of the 2013 Recommended Budget runs contrary to the “stay the course” theme, and does so somewhat dramatically. The 2012 County Budget continued a trend of reducing the number of funded positions to reduce overall costs. The 2013 Recommended Budget continues this trend of reducing the number of positions. However, it also includes the creation of a number of new middle-to-high level positions - more than in recent budgets. From the DAS-Facilities Management Division, to the Department of Transportation, to the District Attorney, to the Department of Human Resources, to the County Board Community Business Development Partners Office to the County Executive’s own office, there are a number of such positions proposed for 2013, more than in other recent County Budgets. Following years of downsizing the overall number of county employees, and even though that downsizing is continued in some respects in this budget, these position creations collectively stand out.

Another smaller, new policy initiative regarding employees also should be briefly noted. The minimum number of hours part-time employees can work to receive health care benefits is increased from 20 hours per week to 30 hours per week.

Finally, with the restart of the Capital Improvement Program after a two-year hiatus, there will be an increased focus on capital projects in this budget (see discussion below).

At the end of the day, there is nothing really wrong with a “stay the course” budget, so long as there is confidence that the “course” is in the right direction, and there are assurances we will get there. Plans for the sustainability of county operations such as transit, public safety, mental health, parks, and employee retention and recruitment will be key to assuring the “course.” Policymakers will want to keep these considerations in mind when reviewing the County Executive’s 2013 Recommended Budget.

Collective Bargaining Law Changes – Act 10 Uncertainty

In February 2011, Governor Walker proposed a budget repair bill that was purported to save the state an estimated \$30 million in the current fiscal year and \$300 million over the next two years. The impact on local governments was the elimination of most collective bargaining rights for represented staff, except for wages. For Milwaukee County, the impact of these changes was significant since the 2011 (and 2010) budgets were built on hoped for concessions from represented employees. Milwaukee County could now impose many of the proposed changes primarily related to employee pension contributions and health care plan design cost sharing. Law enforcement personnel and firefighters, except for some health care plan design issues, were exempted from the bargaining changes.

The 2011-2013 State Budget cut approximately \$28.7 million in net State aid to Milwaukee County in 2012. This included major items such as shared revenue (\$8.3 million), Transit Aids (\$6.9 million), Youth Aids (\$3.6 million), child support funding (\$3.7 million), mental health and alcohol substance abuse (\$1.2 million) as well as other smaller cuts.

The long-term status of Act 10 is unsettled pending current litigation in both state and federal courts. The implication for Milwaukee County and the changes it has since made to employee benefits and

other matters that were subject to collective bargaining has not yet been determined. Policymakers may wish to consider future changes to employee benefits in light of the possibility that these decisions may, at some point, be subject again to collective bargaining. Moreover, the employee benefit changes made since the imposition of Act 10 could be ruled void.

Five-Year Financial Forecast - Structural Impact

The Milwaukee County Financial Forecast Workgroup, consisting of staff from the Department of Administrative Services – Fiscal Affairs, County Board, DHHS-BHD, Office of the Sheriff, Department of Audit, along with representatives from the Public Policy Forum and City of Wauwatosa, issued a report in June 2012 regarding the County’s Five-Year Financial Forecast². The purpose of the report is to develop a consensus of the County’s fiscal status and future outlook and help promote a more data-driven decision making process. The report forecast was that the County faced a structural deficit (shortfall) of \$28.4 million for 2013 with the gap growing to \$91.8 million in 2017. To the extent that the County makes permanent fixes, as opposed to using one-time expenditure or revenue changes, the following year’s structural deficit will be reduced. For example, if permanent fixes solved all of the 2013 projected shortfall of \$28.4 million, then the projected shortfall for 2014 would be \$6.5 million, not the \$34.9 that is currently projected. Policymakers should keep in mind the type of fixes that are made to annual budgets (one-time or permanent) with an eye on the challenges that lay in the years ahead so that thoughtful planning can be made to address the projected shortfalls.

Major Initiatives

□ Employee/Retiree Health Care Plan Changes

The 2013 Recommended Budget continues the significant cost shifting trend of the past few years to employees/retirees for health care benefit costs. The 2010 Adopted Budget included health benefit changes that increased employee premiums, increased out-of-pocket maximums and deductibles, and increased co-pays and co-insurance. For 2011, the Adopted Budget again reduced employer health costs through costs shifted to the employee on many of the same cost centers. The major change was implemented in 2012 as the HMO option was eliminated and co-insurance, premiums, co-pays and prescription medicine were increased. A coordination change with Medicare benefits also resulted in a reduction of \$5.7 million in county health care costs shifted to retirees. An updated analysis of the apportionment of the overall health care costs by the Comptroller indicated that 25 percent were paid by employees/retirees. This amount was double the 2011 Adopted Budget amount. For 2013, the County Executive is recommending that this percentage be increased to 29 percent.³

The appropriate level of cost-sharing for health services should be considered as part of the total compensation for employees and the impact changes may have on the County’s ability to recruit and retain employees. Indeed, with approximately 18,600 covered lives, 9,700 or 52 percent attributable to retirees, the County is grappling with a population that, on average, is older and has more health issues than most other employers in the public or private sector. As a mostly self-insured health care plan, Milwaukee County is hard pressed to absorb price increases that have averaged 8 to 12 percent for more than a decade, given tight tax levy limits and, in the past few years, declining property values.

² It is anticipated that the Office of the Comptroller will assume the responsibility for administering future Five-Year Financial Forecasts.

³ Based on calculations provided by the Office of the Comptroller.

The following chart highlights the health care changes recommended by the County Executive:

Health Plan Design Comparison		
(Rec. Changes are shaded)		
	Current Plan	2013 CEX Recommended Plan
Monthly Premium Contribution	\$85 Employee/ \$170 Employee +Family	\$100 Single/ \$125 Single + Child(ren)/ \$200 Employee + spouse/ \$225 Employee + family
In Network Deductible/Preferred Provider	\$500 Single/ \$1,500 Family	\$900 Employee only \$1,200 Employee + Child(ren)/ \$1,800 Employee + Spouse/ \$2,100 Employee + Family
Out of Network Deductible/ All Other Providers	\$1,000 Single/ \$3,000 Family	\$1,000 Single/ \$3,000 Family
Flexible Spending Contribution (Only active employees eligible)	\$500 Single/ \$1,500 Family	Eliminated
Emergency Room Co-Pay	\$200	\$200
In-Network Office Visit Co-Pay	\$30	\$30
Out-of-Network Office Visit Co-Pay	\$60	\$60
In-Network Coinsurance/Preferred Providers	80%	80%
Out-of-Network Coinsurance/ All Other Providers	60%	60%
In-Network Out-of-Pocket Maximums/Preferred Provider	\$2,500 Single/ \$5,000 Family	\$2,500 Single/ \$5,000 Family
Out-of-Network Out-of-Pocket Maximums/All Other Providers	\$6,000 Single/ \$12,000 Family	\$6,000 Single/ \$12,000 Family
Prescription Co-Pays		
Generic	\$10	\$10
Preferred Brand	\$30	\$30
Non-Preferred	\$50	\$50
Diabetic Covered Supplies	\$20	\$20
Mail Order	Limited 30 day supply at retail pharmacy 2x retail co-pay/ 30 day mandatory mail	Limited 30 day supply at retail pharmacy 3x retail co-pay/ 30 day mandatory mail
Preventative Care	100%	100%

In addition to the above changes, the County Executive proposes to eliminate health care coverage for any position working less than 30 hours per week. The budget narrative implies that the move was targeted at the Department of Health and Human Services – Behavioral Health Division where it is hoped that part-time workers would work more hours in order to retain the benefit and reduce overtime costs. No additional health care savings were budgeted as part of this initiative. It is unclear if workers in half-time positions can simply increase their hours while occupying a position that was designed to be half-time, or whether increased salary appropriations were added to the affected budgets in anticipation of the added hours. The Office of the Comptroller reports that there are 146 positions receiving health care benefits that work less than 30 hours per week. Policymakers should further explore the ramifications of making such an ordinance change on departmental operations and anticipated savings.

The following chart based on information provided by the Office of the Comptroller highlights the cost changes in health care benefits between 2012 and 2013 and identifies the amount of costs shifted to employees/retirees. **In short, the County Executive proposes to cover \$9.3 million of anticipated health care cost increases by shifting an additional \$10.5 million of costs to employees/retirees.** The additional \$1.2 million of tax levy savings are used to offset other expenses in the budget.

2012 Adopted to 2013 Recommended Health Care Changes	
EXPENDITURES:	
2012 Adopted basic health benefits cost	\$ 107,082,666
2012 Adopted flexible spending account (FSA) contribution	\$ 3,426,525
2012 Medicare Part D for Retiree Drug Cost	\$ (3,023,647)
Cost to provide same benefits in 2013 (9% trend on 2012 budget)	\$ 9,308,565
Subtotal:	\$ 116,794,109
<u>Adopted Policy</u>	
Employee Group Waiver Plan (EGWP) in place of Medicare Part D for Retirees	\$ (1,500,000)
Subtotal:	\$ 115,294,109
<u>New Policy</u>	
Apply 2013 elimination of FSA contribution to employees	\$ (3,296,207)
Apply 2013 Increased Deductibles	\$ (4,436,007)
Mail Order Prescription change to 3 times retail copay	\$ (1,966,895)
Subtotal New Policy:	\$ (9,699,109)
Expenditure Total:	\$ 105,595,000
REVENUES:	
2012 Employee Health Contributions	\$ 6,137,100
2012 Retiree Health Contributions	\$ 814,939
Subtotal:	\$ 6,952,039
<u>New Policy</u>	
Apply 2013 premium change for single employee	\$ 218,880
Apply 2013 premium change for single employee + child(ren)	\$ (351,000)
Apply 2013 premium change for employee + spouse	\$ 182,520
Apply 2013 premium change for employee + family	\$ 783,420
Apply 2013 premium changes for retirees	\$ 24,180
Subtotal:	\$ 858,000
Revenue Total:	\$ 7,810,039

The following chart compares the 2013 Recommended County Health Care plan to the State of Wisconsin and City of Milwaukee plans that cover a majority of their active employees:

Comparison of 2013 Health Care Plans			
	Milwaukee County Recommended	State of Wisconsin	City of Milwaukee
Deductibles			
Single Deductible	\$900	\$0	\$500
Family Deductible	\$2,100	\$0	\$1,000
Copayments/Coinsurance			
Office Copay	\$30	\$0	\$0
Outpatient coinsurance	20%	10%	10%
Inpatient coinsurance	20%	10%	10%
Emergency Room	\$200	\$75	10%
Prescription (Rx) Drugs			
Generic Rx Copay	\$10	\$5	\$5
Preferred Brand Rx	\$30	\$15	\$25
Non-Preferred Brand Rx	\$50	\$35	\$50
Mail Generic	\$30	\$5	\$10
Mail Preferred	\$90	\$15	\$50
Mail Non-Preferred	\$150	\$35	\$100
Single Out-of-Pocket Max	\$2,500	\$500	\$1,000
Family Out-of-Pocket Max	\$5,000	\$1,000	\$2,000
Premiums			
Single Premium	\$100	\$85	\$54
EE + Child(ren) Premium	\$125	\$211	\$87
EE + Spouse Premium	\$200	\$211	\$109
EE + Family Premium	\$225	\$211	\$173
Notes:			
1) State Prescription Drug Out-of-Pocket Max of \$410 single/\$820 family			
2) State and City Plans apply ten percent coinsurance up to out-of-pocket maximum.			

□ Employee Pension Contribution Changes

For 2013, the County Executive is proposing a three-tier employee retirement contribution. The rates are 6.6 percent for public safety, 4.9 percent for general backdrop eligible employees and 3.2 percent for general not backdrop eligible employees. The public safety figure is subject to collective bargaining with the Milwaukee County Deputy Sheriffs Association. A 4.7 percent required contribution was used in 2012 for all general employees regardless of backdrop eligibility. If the new dual tier system was not proposed, the employee contribution rate for non-public safety employees would have decreased from 4.7 percent to 4.4 percent for 2013.

The proposed employee pension contribution change to charge a different rate for those without the backdrop benefit, or wishing to waive it, also could raise other concerns. Policy initiatives are pending outside the budget process to “cap the backdrop” benefit. If this policy is enacted, then the calculations on which the proposed employee pension contributions for 2013 will be incorrect. Further, the division of employees into two groups, those with the backdrop benefit and those without, ignores the multiple other pension benefits that individual employees may have that impacted the calculation of the contribution rate.

□ **Office of the Sheriff**

The Sheriff’s budget is again a target of change in the County Executive’s 2013 Recommended Budget. As policymakers will recall, the County Executive’s proposed budget in 2012 featured more than \$14 million in cuts to the Sheriff’s tax levy, substantial expenditure reductions and personnel realignments. While expenditures are cut by a relatively modest \$2.2 million in 2013, this year’s proposed budget again seeks to realign the Sheriff’s staffing levels, directs the closure of three dorms at the County Correctional Facility-South in order to utilize funding for electronic monitoring, and redirects duties traditionally provided by the Office of the Sheriff to the City of Milwaukee through an Memorandum of Understanding (MOU) agreement. As a result, 169.1 FTEs are to be abolished (120.1 of which are associated with the outsourcing of inmate medical, which the Sheriff supports), an additional 100 FTEs are unfunded, increased overtime funding is provided in various areas, and several positions are redeployed to new divisions throughout the department for a net reduction of 211 FTEs⁴. In the end, according to the Sheriff’s Office, over 72 sworn positions are at risk of lay-off in this budget. The numbers provided by the Office of the Sheriff and the Department of Administrative Services – Fiscal Affairs are not in agreement. Policymakers will need to get more clarity on the actual position impact proposed in the budget.

In many ways, the County Executive uses the Sheriff’s budget to unveil a new ‘program outcome’ bottom up budgeting model. The narrative describes the analysis of payroll data, which presumably shows the programs Sheriff’s Office employees spent time working in, in developing a baseline for FTE staffing allocations for 2013. It is unclear whether the Department of Administrative Services relied solely on the analysis of raw data to determine the staffing plans or whether the data was coupled with other factors including interviews with management or other discussions surrounding the deployment of staff in the Sheriff’s Office. Historically, the Sheriff’s Office has used flexibility to deploy staff as needs arise. Thus, even though the foundation of the Sheriff’s budget relies upon staff changes, it is unclear whether, given the Sheriff’s constitutional authority, any of the suggested changes actually will be implemented or whether the Sheriff will continue to devote the budget’s resources, including positions that were unfunded but not abolished, as he sees fit.

Electronic Monitoring and Huber Programming

The County Executive’s proposed budget attempts to strengthen both electronic monitoring and Huber programs to which the Sheriff has been disinclined to provide resources. The 2009 Adopted Budget shifted control of the House of Correction from a Superintendent who reported to the County Executive to the Sheriff. In 2010, the Sheriff renamed the facility the County Correctional Facility South (CCFS). Community stakeholders and other elected officials have suggested the possibility of shifting control of the CCFS back to a Superintendent and, along with it, supervision of Huber and electronic monitoring programs as a way to ensure that the programs remain funded and operating at high levels. According to the narrative, the County Executive contemplated this change in the

⁴ Although a reduction of 191.7 FTEs is listed on the first page of the Sheriff’s narrative as the change in FTEs since the 2012 Adopted Budget, 20 deputies were rehired mid-year.

preparation of his budget, but ultimately decided against moving forward with this proposal in 2013 given complications surrounding the interconnectedness of services coordinated between CCFS and the County Correctional Facility Central (CCFC), which the Sheriff is required to manage under State Statutes. (Staff is directed to continue the study of long-term management plans for the CCFS management throughout 2013.)

Instead, the 2013 Recommended Budget directs full utilization of the Electronic Monitoring Unit (EMU) in which inmates will no longer be monitored directly by the Sheriff, but instead monitoring will be performed through a Professional Services Contract with JusticePoint Inc., the vendor selected by Courts to provide pre-trial services. It is anticipated that 200 daily inmates will be enrolled in the EMU. The budget ties the increased population supervised on Electronic Monitoring in 2013 to a reduction in needed beds at the CCFS, and therefore, directs the closure of three dorms at CCFS for a total of eight dorm closures. Given language in the State Statutes, the Sheriff would still need to place inmates on electronic monitoring. The additional dorm closures are an attempt to force his hand in doing so.

Park Patrol & Emergency 911 MOU

The budget also includes a two-part initiative unveiled prior to the formal release of the 2013 Recommended Budget to contract with the City of Milwaukee Police Department (MPD) for law enforcement and communications services. Under this new initiative, MPD would be responsible for patrolling all county parks located in the City of Milwaukee as well as receipt of all cellular emergency 911 calls initiated in the city.

The proposed changes are said to be detailed in a negotiated Memorandum of Understanding (MOU) between Milwaukee County and MPD, effective January 1, 2013 to December 31, 2013 with two, one-year extensions by mutual agreement (County Board staff requested a copy of the draft MOU but was not provided a copy prior to the publication of this Overview). According to the narrative, the MOU commits the county to pay MPD \$1,663,062 in 2013 (with 2 percent increases for 2014 and 2015), \$463,062 of which would offset emergency 911 expenses and the balance for park patrol.

Milwaukee County's Emergency Communications program area has historically answered cellular 911 calls for most municipalities in the county, including the City of Milwaukee, though the Sheriff did initiate efforts to transfer responsibility for the Milwaukee's cellular 911 calls to Milwaukee in late 2010/early 2011. According to a report submitted to the County Board Committee on Judiciary, Safety, and General Services, in November 2010, the Sheriff's Office typically received 550,000 cellular 911 calls per year almost half of which originated in the City of Milwaukee. In part, the transfer was sought to cut down on inefficiencies surrounding having a Sheriff's Office dispatcher answering the initial call and collecting information and then transferring the call to MPD. The budget narrative states that MPD has experienced significant strain in their emergency communications division as call volume has increased related to the transfer of responsibility from the county to the city, and, as a result, requested that the final two cellular telephone carriers not transfer calls until sufficient staff had been hired. The \$463,062 in county funding is an attempt to help support the city's staffing needs.

Finally, an additional \$125,000 would be split among the remaining Milwaukee County municipalities to compensate for municipal park patrol services. The grant would be distributed per a formula yet to be developed by the Intergovernmental Cooperation Council of Milwaukee County (ICC). Policymakers may want to carefully consider the precedent of reimbursing communities for

park patrolling services without a clear understanding of the county's legal responsibility for providing these services.

Levy savings is cited at \$1,216,693 for 2013, and the following positions will be abolished due to the transfer of these functions:

- 5.0 FTE Communications and Highway Safety Dispatcher
- 3.0 FTE Deputy Sheriff Sergeant
- 25.0 FTE Deputy Sheriff 1
- 1.0 Parking Checker Hourly

The \$1,788,062 in overall funding for this initiative is to be budgeted in a new non-departmental account, Low Org. 1975-Law Enforcement Grants (**though a separate narrative for Org. 1975 was not included in the budget**).

□ **Transit/Paratransit**

The 2013 Milwaukee County Transit System budget contains little change in transit operations and no change in transit fares. In addition, stable Federal and State revenues are anticipated along with ridership and farebox revenue. However, the future of the transit/paratransit system continues to remain uncertain. Sustainable funding for the transit system has been a major and ongoing concern in Milwaukee County. Transit fares have increased and service has been reduced over the years. A May 2008 Public Policy Forum report entitled, *Milwaukee County Transit Crisis: How did we get here and what do we do now?* provided a comprehensive overview of the Milwaukee County Transit System's funding history. The report warned of an imminent crisis resulting from over-reliance on property tax revenues and uncertain finite pots of federal formula funds initially intended for capitalized maintenance.

A July 2012 report on a five-year transit sustainability plan by Milwaukee Transport Services, Inc., (MTS) and the Department of Transportation (DOT) addressed how potential changes in funding sources would impact the financial stability of transit operations over a five-year period. The report concluded that to maintain the 2012 level of bus service hours with no change in State operating aid over the five-year period, the local tax levy would need to be increased by \$29 million or a 153 percent by 2017.

The final year of Congestion Mitigation Air Quality (CMAQ) funding occurs in 2013. This one-time funding source is part of a federal allocation totaling \$16.9 million the County received in 2012. This funding was originally for the defunct Southeastern Wisconsin Regional Transit Authority and the Kenosha-Racine-Milwaukee commuter rail project and is now designated specifically for operation of three express routes: Routes 15, 23, and 62 (Red, Green & Blue lines). With discontinuation of CMAQ funding in 2014, MCTS faces a serious decline in bus service hours, ridership, and annual bus miles in future years.

Public transit is essential to meet the travel needs of persons unable to use personal automobile transportation. In 2010, 14 percent of Milwaukee County households and 17 percent of City of Milwaukee households did not have a personal vehicle available and were dependent on public transit for travel purposes. More than 35 percent of Milwaukee County Transit System passengers do not have an automobile in their household and their accessibility to jobs, health care, shopping and education is virtually totally dependent on the extent to which public transit is accessible.

State funding is particularly significant, providing over 60 percent of MCTS annual public operating funding. State funding has not increased with inflation and rising fuel costs, requiring Milwaukee County to spend down \$40 million in federal capital funding over the past several years for operating costs. Commensurate with this draw down of federal funds, transit service has been significantly reduced and fares significantly increased over the past decade. Reductions in service have included elimination of routes, reduced hours of service, and service frequency. An estimated 40,000 jobs in Milwaukee County which were accessible by transit in 2001, are no longer serviced by MCTS. Additionally, Milwaukee County has one of the highest transit cash fares among comparable bus systems nationwide, 18 out of 22 of which have a local dedicated funding source, the majority from sales tax funding.

According to the Southeastern Wisconsin Regional Planning Commission (SEWRPC), “While stability in transit operations and funding may be reasonable to anticipate in 2013, significant uncertainty may be expected in 2014.” SEWRPC further states: “While CMAQ funds could be used for a third year, the State of Wisconsin would need to make such funds available for candidate projects in 2014, and Milwaukee County would need to compete for, and be awarded these funds. There are significant questions including whether any CMAQ funds will be available for any projects in the State in 2014, and whether the express bus project could be expected to receive funding. Thus, the transit system could be expected to face significant budget problems in 2014, if CMAQ funding is not available for the third year of express bus operation and if the next State budget again proposes State transit assistance reductions.”

Finally, SEWRPC makes the following observation: “[I]f dedicated transit funding is to be addressed by the State legislature and Governor, it may be expected that it would need to be considered in the 2013-2015 State budget. The Milwaukee County electorate approved in a November 2008 advisory referendum a 1.0 percent sales tax, including a 0.5 percent dedicated sales tax for public transit. State legislative action on implementing this advisory referendum would not only avoid the potential budget problems and drastic service reductions in 2014, but also allow the restoration of service cuts over the last decade reconnecting potential workers to over 40,000 jobs no longer served by the transit system.

The above funding trends make it clear that a long-term solution for MCTS financial stability and sustainability must be identified to provide relief for property taxpayers and to ensure a sustainable regional transit system for future years.

Paratransit

In 2013, paratransit services in Milwaukee County remain at the 2012 budgeted level of \$4.00 per one-way trip for border-to-border service. The largest change is the anticipated number of rides decrease by approximately 33 percent, from 1,004,814 to 679,429. This variance reduces expenditures and revenues and results in \$1,584,000 in tax levy savings, which were used to fund operating cost increases and increased security on fixed route buses in 2013. Policymakers may wish to probe why the precipitous drop in the number of rides is occurring, and if other providers (i.e. Managed Care Organizations) are filling in the gap, and whether service impacts have occurred.

The drop in paratransit riders may be partly attributable to the Freedom Initiative, which provides free rides on the fixed route system for eligible persons with disabilities through a federal initiative aimed at expanding mobility and reducing the need for paratransit service. That initiative continues in 2013.

□ **Behavioral Health/Department of Health and Human Services**

The Behavioral Health Division (BHD) continues on the path of transitioning services from those provided in inpatient settings to the community in 2013. The much heralded \$3 million-plus in tax levy funding included for the Mental Health Redesign and Community Resource Investment initiative from 2012 is maintained, and even increased (by \$50,000) to support patient capacity in contracted community-based settings.

A reduction in inpatient beds operated by BHD is set to occur in 2013 as the budget plans for the closure of an acute inpatient unit by April 1, 2013. This change to inpatient capacity at BHD builds upon the unit reconfigurations made in late 2011/early 2012 to transform two previously mixed gender regular acute units into specialty units (one, a women's treatment unit, and the other an intensive treatment unit). In addition, beds are reduced in the Center for Independence and Development (CID), which also gets a name change in 2013 (this unit was formerly known as Rehabilitation Center-Hilltop). The budget anticipates that 12 clients will be relocated to community-based settings by April 1, and another 12 clients will be relocated by July 1, 2013. The Committee on Health and Human Needs has studied the possibility of relocating clients from CID dating back to 2011.

The reduction in inpatient capacity, particularly in the acute units, is attributed to declining inpatient census and a more robust utilization of partnerships with private hospitals accepting patient transfers from BHD. Policymakers should be cognizant that the pace of mental health redesign and the shifting of resources from inpatient units to community placements have been frequent points of debate in the community and County Board committee meetings of late—with some saying BHD is moving too fast, and others saying change is not occurring fast enough. While careful planning has been long underway—particularly in the case of CID (which also required State approval of the shift), the question remains as to whether the service capacity currently available in the community is robust enough to support the suggested bed reductions, and whether the only way one truly finds out is by closing the units.

The combined inpatient and nursing home bed reductions result in a mid-year staff reduction of 62.25 FTEs.

□ **Parks, Recreation and Culture**

Parks Department

The Department of Parks, Recreation, and Culture (DPRC) received an overall increase in funding for 2013, including an approximate \$1.4 million, or 6 percent, increase in tax levy from the 2012 Adopted Budget's appropriation. This tax levy change was achieved by reducing revenues \$736,452 and increasing personal services \$145,935, services \$802,240 and commodities by \$306,720. A cross charge decrease of approximately \$600,000 provided additional relief to the department.

The 2013 Recommended Budget allows the DPRC to maintain mostly all of its functions at the 2012 levels without any cuts to services or staff positions.

A centralized theme of the 2013 DPRC budget is one of addressing deferred maintenance and capital projects with a focus on improving urban-area neglected parks within the City of Milwaukee.

Deferred maintenance is a recurring issue for the parks system due to that there are so many structures and areas that need to be serviced for aesthetic purposes as well as for the safety of its patrons.

In December 2009, the Department of Audit released an audit of the Parks Department entitled, “A Tale of Two Systems: Three Decades of Declining Resources Leave Milwaukee County Parks Reflecting the Best and Worst of Times.” The audit addressed the progressively worsening conditions in the parks system and made recommendations to the Parks management on developing a structured plan to commit to improving the areas, structures, and facilities within the parks.

Although in June of 2012 the County Executive vetoed a proposed 5-Year Parks Capital Improvements plan to circumvent the issues addressed in the 2009 audit, more funding is allocated in the 2013 Recommended Capital Improvements Budget to alleviate some of the pressure of deferred maintenance.

Cultural Programs/Institutions

The 2013 Recommended Budget maintains all active cultural programs and institutions to the 2012 levels without any cuts or increases in fees. These institutions include:

- Marcus Center for the Performing Arts
- Charles Allis/Villa Terrace Decorative Arts Museum
- War Memorial Center
- Milwaukee Art Museum
- Milwaukee Public Museum
- County Historical Society
- Federated Library System
- Milwaukee County Fund for the Arts
- UW-Extension

Public Art Program

The Public Art Program is quietly addressed. Its funding is minimally restored in the Land Sales section of the Non-Departmental Revenues in the 2013 Recommended Budget.

In May 2012, the Public Art Program was placed on an official hiatus (File No. 12-413) due to some of its funding being reallocated by the County Executive to other projects. (This reallocation, totaling \$471,151 to Zoo infrastructure projects, is included in the 2013 Recommended Capital Improvements Budget and concludes the reallocation of all of the former funding). The loss of funding left the Public Art Program unable to complete its current art projects, and the program could no longer accept any new proposals from artists. The 2013 Recommended Budget “reactivates” the Public Art Program and it is slated to receive \$50,000 of any County land sale revenue once the first \$400,000 is received. The art funding will be used for a public art project or maintenance of a current public artwork.

In the 2000 Adopted Capital Budget, the Milwaukee County Public Art Program was established and directed to receive one percent of the total budgeted funds from any capital projects exceeding \$500,000 (File No. 00-300). The funds were authorized to be used towards public art relating to their respective capital projects.

Legal Issues

In the 2011 Recommended Budget Overview, staff raised several legal questions concerning fringe benefit changes primarily related to employee pension contributions, annual pension multiplier reduction and the termination of Medicare Part B reimbursement. Corporation Counsel provided an opinion on many of these issues during the 2011 budget deliberations that will not be summarized as part of this overview. Formal legal challenges have now been made to some of these fringe benefit changes imposed in the 2010-2012 budgets, and in some cases the initial court rulings (i.e. 1.6 percent multiplier and Medicare Part B reimbursements) have been unfavorable to the county. While appeals of these cases are underway, staff believes it is important that policymakers keep in mind that legal decisions on these cases and others may jeopardize the savings that have been built into this budget.

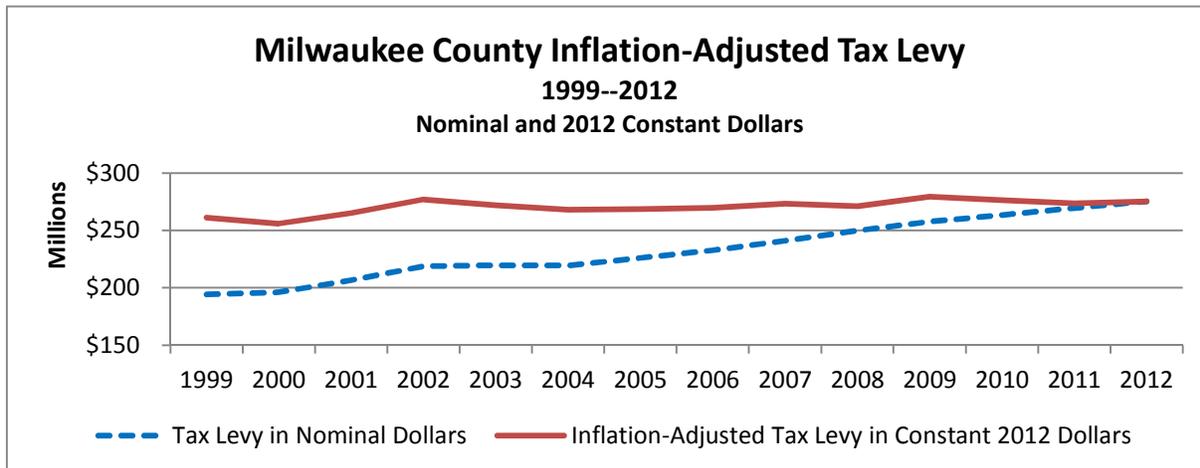
However, given the magnitude of the fiscal savings booked related to fringe benefit savings thus far, any successful challenge to those changes could have significant fiscal consequences. Also, at some point it may be necessary to set aside a portion of expected savings as a reserve in the event that changes are not sustained.

Tax Levy Cap

The Office of the Comptroller recently issued a memo outlining the estimated tax levy limits for 2013. By a majority vote of the County Board, the estimated tax levy limit for 2013 is an increase of \$3,036,703, or 1.1 percent. A provision that allows the County Board, by a three-quarter vote, to use a portion of the unused levy from the prior year, increases the limit an additional \$1,380,979 to \$4,417,682, or 1.6 percent.

In addition to these limits, the County may increase the levy for all or part of the levy associated with a County-wide Emergency Management (EMS) program and for payments to the Federated Library System. The 2013 Recommended Budget includes tax levy expenditures of \$6,116,034 for EMS (\$6,049,384) and Federated Library System (\$66,650). These exemptions would allow the maximum increase in the tax levy by majority vote to \$9,152,747, or 3.31 percent. Any changes to the EMS or Federated Library System budgets would affect this number. Once the exemption for EMS and Library System funding is used, only changes to that number will be used to calculate the new tax levy limit exemption in future years. Finally, the Comptroller cautions that the tax rate limit, which was suspended by the State until the 2014 budget year, could be restarted. The tax rate limit (for operating and debt levy combined) is \$5.50 per \$1,000 of equalized value. The levy would have to exceed \$305.4 million using current equalized values to meet the \$5.50/\$1,000 limit.

On a historical note, the average increase in the County property tax levy since 1999 is 2.7 percent per year. Through 2011, the average annual inflation since 1999 has been 2.4 percent. The following chart shows the changes in the tax levy from 1999 through 2012 as adjusted for inflation:



Capital Improvements Program

The Recommended Budget allocates \$121.2 million in expenditures for capital improvements, with \$78 million for the airport and \$43.2 million for general government. These expenditures will require \$29.4 million in general obligation bonds and \$42 million in airport revenue bonds, as well as other revenues that are shown in the chart below, to finance. The 2013 Capital Improvements restarts the general government general obligation program after a two year hiatus. The County approved two bond issuances in 2009 and two in 2010 to take advantage of stimulus funding (lower cost bonds) provided through the American Recovery and Reinvestment Act (ARRA). As part of the plan to “double up” on debt in 2009 and 2010, no new general obligation debt was issued in 2011 and 2012.

The 2013 Capital Improvements Program allocates funding for 93 new projects; 12 airport and 81 non-airport projects. The airport project spending is primarily in baggage claim renovations, the residential sound insulation program and a new deicing pad. The 2013 Program was developed with the assistance of a 3-person Capital Rating Committee that rated the priority of each capital project.

Notable non-airport projects include funding for several highway projects, Estabrook Dam sediment remediation and the beginning of Windows migration to upgrade most County personal computers and software operating systems. The County Executive also allocates the remainder of the Public Art funding (\$471,151) to four separate projects at the Zoo. (A new public art program is established with a \$50,000 appropriation from anticipated land sale revenue).

A major policy change is the proposed reallocation of \$5,008,380 in funds earmarked for the refurbishment of Moody Pool. This modification from the original plan was driven by new estimates that an additional \$3 million in funds would be needed to complete the project. Instead of reopening the closed pool and making major renovations to the facility, the 2013 Recommended Budget demolishes the pool structure and installs a splash pad, small playground, 3,000 square foot community building, an open air picnic structure and other related improvements to the park. The revised scope will cost \$2,038,622, allowing \$2,959,920 to be reallocated to other capital projects, including Martin Luther King Jr. Community Center and Lindbergh, Humboldt, and Johnsons parks.

Policymakers should keep in mind that authorizing additional capital improvement expenditures in the 2013 Budget will not have a tax levy impact in 2013, but will hit in 2014 as debt service

payments on the additional borrowing begins. To the extent that more tax levy is needed to serve the outstanding debt, less is available for operating budgets.

A summary of the financing of the 2013 Capital Improvement Program is as follows:

	Non-Airport	Airport	Combined
Total Number of Projects	81	12	93
Total Expenditures	\$ 43,172,710	\$ 78,062,250	\$ 121,234,960
Total Reimbursement Revenues	\$ 6,003,536	\$ 22,926,125	\$ 28,929,661
Net County Financing	\$ 37,169,174	\$ 55,136,125	\$ 92,305,299
<i>Financed as follows:</i>			
General Obligation Bonds	\$ 29,355,682	\$ -	\$ 29,355,682
Airport Revenue Bonds		\$ 41,981,250	\$ 41,981,250
Passenger Facility Charges (PFC)	\$ 700,000	\$ 11,892,375	\$ 12,592,375
Sales Tax Revenue (cash financing)	\$ 6,402,766	\$ -	\$ 6,402,766
Property Tax Levy	\$ 610,726		\$ 610,726
Airport Capital Improvements Reserve	\$ -	\$ 1,262,500	\$ 1,262,500
Private Donations	\$ 100,000	\$ -	\$ 100,000
Total Financing	\$ 37,169,174	\$ 55,136,125	\$ 92,305,299

Bonding Limits

In 2003, the County Board adopted a change in the County's debt management goal in conjunction with the major debt restructuring to restrict future borrowing. In effect, this policy limited 2005-2007 borrowing to an increase of no more than \$1 million over the previous year's corporate purpose bond amount. In addition, the corporate purpose bond amount for 2008 would be set at a not-to-exceed amount of \$30 million, and future not-to-exceed amounts would increase by 3 percent over the previous year's bond amount. Due to the accelerated capital program in 2009 and 2010 to take advantage of lower interest rates through the Federal Stimulus' Build America Bond program, no additional bonding authority was available in 2011 and 2012 under the County's self-imposed limits.

The self-imposed bonding limit for 2013 is \$34,778,227. A total of \$34,727,652⁵ of general obligation bonding is included in the 2013 Recommended Capital Improvements Budget, or \$50,575 under the limit.

Five-Year Capital Improvements Plan

As part of the Capital Improvements Budget, a five-year capital improvements plan is also provided to give policymakers an idea of the projects that are awaiting funding, beginning in 2013 through

⁵ The 2013 Capital Improvements Budget references \$29,355,682 in general obligation bonds which includes \$25,924,611 in Recommended bonding plus \$2,959,920 in reprogrammed funds from the Moody Pool project and \$471,151 from the Public Art Program. In addition, \$2,038,622 in remaining funds for the Moody Pool Renovations and \$3,804,499 for Highway Projects approved in 2011 increases the total bonding to \$34,727,652.

2017. It should be noted that the list, excluding airport projects, has \$159.4 million in projects requiring \$96.2 million in bonding in 2014 alone. Since the self-imposed annual general obligation bonding limit for 2014 is approximately \$35.8 million, it is clear that many projects will be pushed off to 2015 and beyond, which are already projected to far exceed the self-imposed bonding limits. Given the County Executive's publicly stated concerns with County debt, policymakers may wish to get a better explanation as to how the County will address the growing infrastructure needs this county faces in the coming years. *(See Section 5 of the Overview for a complete listing of the Capital Improvement projects.)*

Remaining sections of this Overview present a more detailed explanation of major budget changes, issues and concerns and capital improvement projects.

SECTION 2 - TAX LEVY CHANGES IN 2013 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2012 Adopted</u>	<u>2013 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
Non-Departmental					
REVENUES					
1901	Unclaimed Money	\$ -	\$ (1,335,000)	\$ (1,335,000)	100.00%
1933	Land Sales	\$ -	\$ -	\$ -	0.00%
1937	Potawatomi Revenue Allocation**	\$ (4,011,477)	\$ (4,011,477)	\$ -	0.00%
1969	Medicare Part D Revenue	\$ (3,023,647)	\$ (850,000)	\$ 2,173,647	-71.89%
1992	Earnings on Investments	\$ (1,711,411)	\$ (1,711,411)	\$ -	0.00%
1993	State Shared Taxes	\$ (30,890,224)	\$ (30,990,382)	\$ (100,158)	0.32%
1994	State Exempt Computer Aid	\$ (3,561,551)	\$ (3,561,551)	\$ -	0.00%
1996	County Sales Tax Revenue	\$ (64,000,880)	\$ (60,243,482)	\$ 3,757,398	-5.87%
1997	Power Plant Revenue	\$ -	\$ -	\$ -	0.00%
1998	Surplus/Deficit from Prior Year	\$ (8,179)	\$ (5,538,786)	\$ (5,530,607)	67619.60%
1999	Other Misc. Revenue	\$ (140,000)	\$ (205,000)	\$ (65,000)	46.43%
<i>Non Departmental Revenues Subtotal</i>		\$ (107,347,369)	\$ (108,447,089)	\$ (1,099,720)	1.02%
EXPENDITURES					
1905	Ethics Board	\$ 62,108	\$ 69,892	\$ 7,784	12.53%
1908	Milwaukee Cty. Historical Society	\$ 206,167	\$ 206,167	\$ -	0.00%
1913	Civil Air Patrol	\$ 10,000	\$ 10,000	\$ -	0.00%
1914	War Memorial Center	\$ 1,278,905	\$ 1,278,905	\$ -	0.00%
1915	Villa Terrace/Charles Allis Musuems	\$ 207,108	\$ 207,108	\$ -	0.00%
1916	Marcus Center for the Performing Arts	\$ 1,088,000	\$ 1,088,000	\$ -	0.00%
1921	Human Resource and Payroll System	\$ -	\$ -	\$ -	0.00%
1930	Internal Service Abatement	\$ -	\$ -	\$ -	0.00%
1935	Charges to Other County Org Units	\$ (8,189,535)	\$ (7,425,924)	\$ 763,611	9.32%
1945	Appropriation - Contingencies	\$ 1,550,000	\$ 3,103,329	\$ 1,553,329	100.21%
1950	Employee Fringe Benefits	\$ -	\$ -	\$ -	0.00%
1961	Litigation Reserve Account	\$ 1,650,000	\$ 400,000	\$ (1,250,000)	-75.76%
1966	Federated Library System	\$ 66,650	\$ 66,650	\$ -	0.00%
1972	Wage and Benefit Modification	\$ (1,750,000)	\$ -	\$ 1,750,000	-100.00%
1974	Fund for the Arts	\$ 321,035	\$ 321,035	\$ -	0.00%
1975*	Law Enforcement Grants	\$ -	\$ 1,788,062	\$ 1,788,062	100.00%
1985	Capital Outlay/Depreciation Contra	\$ (3,200,157)	\$ (3,264,474)	\$ (64,317)	-2.01%
1987	Debt Issue Expense	\$ 11,500	\$ 11,500	\$ -	0.00%
1989	Investment Advisory Services	\$ 245,000	\$ 260,000	\$ 15,000	6.12%
<i>Non Departmental Expenditures Subtotal</i>		\$ (6,443,219)	\$ (1,879,750)	\$ 4,563,469	-70.83%
Departmental					
Legislative & Executive					
1000	County Board	\$ 6,541,610	\$ 6,581,156	\$ 39,546	0.60%
1001 [#]	Audit Department	\$ 2,687,603	\$ -	\$ (2,687,603)	-100.00%
1040	Community Business Development Partners	\$ 879,257	\$ 935,038	\$ 55,781	6.34%
1011	County Exec. - General Office	\$ 1,236,443	\$ 1,529,317	\$ 292,874	23.69%
1021	County Exec. - Veterans Service	\$ 319,211	\$ 304,678	\$ (14,533)	-4.55%
<i>Legislative & Executive Subtotal</i>		\$ 11,664,124	\$ 9,350,189	\$ (2,313,935)	-19.84%

[#] Indicates new division under Comptroller

* Indicates new budget

** An additional \$1,488,523 is budgeted in DHHS and BHD for a total of \$5,500,000 in Potawatomi revenue for 2013.

SECTION 2 - TAX LEVY CHANGES IN 2013 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2012 Adopted</u>	<u>2013 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
Staff Agencies					
1110	Civil Service Commission	\$ 13,821	\$ 15,536	\$ 1,715	12.41%
1120	Personnel Review Board	\$ 266,237	\$ 224,495	\$ (41,742)	-15.68%
1130	Corporation Counsel	\$ 1,564,881	\$ 1,524,732	\$ (40,149)	-2.57%
1135	Labor Relations	\$ 474,127	\$ 470,564	\$ (3,563)	0.00%
1140	Human Resources	\$ 3,280,559	\$ 5,499,947	\$ 2,219,388	67.65%
1019	DAS - Ofc. For Persons w/Disabilities	\$ 706,312	\$ 732,649	\$ 26,337	3.73%
1150	DAS - Risk Management	\$ -	\$ -	\$ -	0.00%
1151	DAS - Administration and Fiscal Affairs	\$ 4,507,775	\$ 1,455,423	\$ (3,052,352)	-67.71%
1152	DAS - Procurement Division	\$ 915,458	\$ 990,147	\$ 74,689	8.16%
1160	DAS - Information Mgt Services Division	\$ -	\$ -	\$ -	0.00%
1192	DAS - Economic Development	\$ (138,318)	\$ (326,462)	\$ (188,144)	-136.02%
5500	DAS - Water Utility	\$ -	\$ -	\$ -	0.00%
5700	DAS - Facilities Management	\$ (1,268,208)	\$ (641,864)	\$ 626,344	49.39%
Staff Agencies Subtotal		\$ 10,322,644	\$ 9,945,167	\$ (377,477)	-3.66%
Courts & Judiciary					
2000	Combined Court Related Operations	\$ 29,476,571	\$ 29,462,349	\$ (14,222)	-0.05%
2900	Courts - Pre-Trial Services	\$ 4,333,944	\$ 4,473,142	\$ 139,198	3.21%
2430	Department of Child Support Services	\$ 1,350,496	\$ 1,316,627	\$ (33,869)	-2.51%
Courts & Judiciary Subtotal		\$ 35,161,011	\$ 35,252,118	\$ 91,107	0.26%
General Government					
3010	Election Commission	\$ 942,758	\$ 604,643	\$ (338,115)	-35.86%
3090	County Treasurer	\$ (1,644,653)	\$ (1,937,394)	\$ (292,741)	-17.80%
3270	County Clerk	\$ 324,124	\$ 343,292	\$ 19,168	5.91%
3400	Register of Deeds	\$ (89,131)	\$ (923,923)	\$ (834,792)	-936.59%
3700*	Office of the Comptroller	\$ -	\$ 5,693,429	\$ 5,693,429	100.00%
General Government Subtotal		\$ (466,902)	\$ 3,780,047	\$ 4,246,949	909.60%
Public Safety					
4000	Office of the Sheriff	\$ 121,960,994	\$ 121,987,938	\$ 26,944	0.02%
4500	District Attorney	\$ 11,610,741	\$ 12,116,073	\$ 505,332	4.35%
4900	Medical Examiner	\$ 2,697,915	\$ 2,877,576	\$ 179,661	6.66%
Public Safety Subtotal		\$ 136,269,650	\$ 136,981,587	\$ 711,937	0.52%
Public Works and Transportation					
5040	DOT - Airport	\$ -	\$ -	\$ -	0.00%
5100	DOT - Highway Maintenance	\$ 889,222	\$ 1,078,715	\$ 189,493	21.31%
5300	DOT - Fleet Management	\$ (1,994,293)	\$ (1,199,972)	\$ 794,321	39.83%
5600	Milwaukee County Transit/Paratransit System	\$ 19,101,658	\$ 18,907,008	\$ (194,650)	-1.02%
5800	DOT - Director's Office	\$ (132,173)	\$ (128,481)	\$ 3,692	-2.79%
Public Works and Transportation Subtotal		\$ 17,864,414	\$ 18,657,270	\$ 792,856	4.44%

* Indicates new budget

SECTION 2 - TAX LEVY CHANGES IN 2013 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2012 Adopted</u>	<u>2013 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
Health and Human Services					
6300	DHHS - Behavioral Health Division	\$ 61,163,133	\$ 61,785,253	\$ 622,120	1.02%
7900	Department on Aging	\$ 1,916,257	\$ 1,391,969	\$ (524,288)	-27.36%
7990	Department of Family Care	\$ -	\$ -	\$ -	0.00%
8000	Dept. of Health and Human Services	\$ 24,664,999	\$ 21,699,682	\$ (2,965,317)	-12.02%
<i>Health & Human Services Subtotal</i>		\$ 87,744,389	\$ 84,876,904	\$ (2,867,485)	-3.27%
Parks Recreation & Culture					
9000	Parks, Recreation and Culture	\$ 23,066,864	\$ 24,423,059	\$ 1,356,195	5.88%
9500	Zoological Dept.	\$ 5,399,817	\$ 4,899,098	\$ (500,719)	-9.27%
9700	Milwaukee Public Museum	\$ 3,502,376	\$ 3,502,376	\$ -	0.00%
9910	University Extension Service	\$ 337,632	\$ 335,657	\$ (1,975)	-0.58%
<i>Parks, Recreation & Culture Subtotal</i>		\$ 32,306,689	\$ 33,160,190	\$ 853,501	2.64%
Debt Service					
9960	General County Debt Service	\$ 56,552,601	\$ 53,083,478	\$ (3,469,123)	-6.13%
<i>Debt Service Subtotal</i>		\$ 56,552,601	\$ 53,083,478	\$ (3,469,123)	-6.13%
Capital Improvements					
1200-1876	Capital Improvements - Exp	\$ 1,742,800	\$ 610,726	\$ (1,132,074)	-64.96%
<i>Capital Improvements Subtotal</i>		\$ 1,742,800	\$ 610,726	\$ (1,132,074)	-64.96%
GRAND TOTAL DEBT SERVICE		\$ 56,552,601	\$ 53,083,478	\$ (3,469,123)	-6.13%
GRAND TOTAL OPERATING PURPOSE		\$ 326,165,600	\$ 330,734,448	\$ 4,568,848	1.40%
GRAND TOTAL REVENUES		\$ (107,347,369)	\$ (108,447,089)	\$ (1,099,720)	1.02%
GRAND TOTAL		\$ 275,370,836	\$ 275,370,836	\$ -	0.00%

**SECTION 3 – OVERVIEW/MAJOR CHANGES
2013 RECOMMENDED BUDGET**

Non-Departmental – Revenues:

1901 Unclaimed Money

Unclaimed Money is budgeted at \$1,335,000, an increase of \$1,335,000 since no funds were budgeted in 2012. Every other year unclaimed funds are forfeited and recognized by the County. This revenue represents payments to vendors and individuals that go unclaimed.

1933 Land Sales

No revenue is budgeted in Org. Unit 1933 land sales in 2013.

The Land Sales Budget accounts for the sale of County land approved by the County Board. As in previous years, \$400,000 is budgeted in Real Estate Services to cover their operating expenditures. This amount represents the first \$400,000 of unallocated land sales and is historically realized through the sale of foreclosed properties and other miscellaneous land.

The Budget establishes a policy for appropriating the first \$50,000 in land sale revenue received by the County, above the amount budgeted in Real Estate Services to cover operating expenditures, for a public art capital project.

1937 Potawatomi Revenue

This non-departmental revenue account was created to reflect the receipt of revenue from the Potawatomi Tribe. The agreement between the Forest County Potawatomi Community and the City and County of Milwaukee specifies that Milwaukee County will receive an annual payment of 1.5 percent of the annual Class III Net Win at the Potawatomi Bingo Casino for each twelve month period, beginning July 1, 1999. The City of Milwaukee is allocated the same amount.

The 2013 Recommended Budget includes \$5,500,000 in Potawatomi Revenue, same as budgeted in 2012. A total of \$1,488,523 is allocated to DHHS to offset various programs. The allocations are the same as past years. The net used for general revenue is \$4,011,477.

The City of Milwaukee's Proposed Budget includes \$5,515,000 in Potawatomi Revenue for 2013.

1969 Medicare Part D Revenue

This non-departmental account was created in 2006 to reflect a new Federal revenue stream related to employee health care coverage. The Medicare Prescription Drug Improvement and Modernization Act of 2003 and implementing regulations of 42 C.F.R. subpart R, plan sponsors (employers, unions) who offer prescription drug coverage to their qualified covered retirees, are eligible to receive a 28 percent tax-free subsidy for allowable drug costs. The budget includes \$850,000, a decrease of \$2,173,647 from the amount budgeted for 2012 for Medicare Part D revenues. In 2012 the County implemented an Employee Group Waiver Plan (EGWP) for prescription

drug benefits and will no longer receive a direct reimbursement from the Federal government but instead achieve lower expenditures for prescription drugs through the vendor. The \$850,000 of revenue for 2013 represents payments for the fourth quarter of 2012.

1991 Property Taxes

Property Tax revenue is budgeted at \$275,370,836, the same as the 2012 Adopted Budget.

1992 Earnings on Investments

Earnings on Investments remain at \$1,711,411 due to continued low interest rates in the current investment market. The average daily balance for 2013 is projected at approximately \$380 million with credited interest rates that vary depending on the holding. Total interest earnings are expected to be \$2,347,071, with \$635,660 earmarked for trusts and capital project earnings. Investment management services funding is budgeted at \$260,000 and is included in non-departmental account 1989 – Investment Advisory Services.

1993 State Shared Taxes

State Shared Taxes (Shared Revenue) increases \$100,158, from \$30,890,224 to \$30,990,382. The increase is due to an increase in the utility aid portion of the shared revenue formula. The State previously modified the shared revenue formula so that the previous year's base, plus the utility payment, determines the budgeted amount. The components previously used to calculate the County's shared revenue payment; aidable revenues, county mandate relief and maximum-minimum adjustment have been discontinued. Only the utility aid component is used to calculate adjustments to the shared revenue payment.

Gross shared revenue payments are approximately \$47 million, with \$20.1 million intercepted by the State for the Child Welfare reallocation, for the fifteenth consecutive year. (County Community Aids are also reduced by \$38.8 million, for a total reallocation of \$58.9 million to the State Bureau of Milwaukee Child Welfare).

1994 State Exempt Computer Aid

State Exempt Computer Aid is budgeted at \$3,561,551, the same as 2012. This State aid payment originated in the 2000 Budget as an offset to a State-enacted property tax exemption on business computers that went into effect that year. The annual payment is based on the equalized value of exempt computers, the Milwaukee County equalized value (excluding TID) and the property tax levy.

1996 County Sales Tax Revenue

Total County sales tax receipts are projected to increase by \$2.2 million from \$64.4 million in 2012 to \$66.6 million in 2013. A total of \$53.1 million in net sales tax revenue is earmarked for debt service costs and \$6.4 million is dedicated to cash finance capital improvement projects. Net County sales tax revenue is projected to exceed debt service costs by \$7.2 million, a decrease of \$288,275 from 2012. These monies are therefore available as revenues to offset general operating fund expenses. The Sales and Use Tax Ordinance, Section 22.04, was amended to allow 'surplus' sales tax revenue to cash-finance capital improvement projects, prepay outstanding

bonds, fund employee benefit cost increases or supplement the appropriation for contingencies.

1997 Power Plant Revenue

The Recommended Budget contains \$0 the same as 2012. The Power Plant Revenue account was created in the 2001 Budget to account for excess proceeds from the County's annual power plant payment that is not needed to offset debt service costs. Previously, all revenue from the County's 1995 power plant sale had been placed in Org. Unit 9960, General County Debt Service. The last year of payment from WE Energies for the sale of the power plant was in 2011. This budget is presented for 2013 for historical purposes only and should be eliminated in future years.

1998 Surplus (or Deficit) From Prior Year

The 2011 adjusted surplus applied to the 2013 budget is \$5,538,786, an increase of \$5,530,607 from 2012. The impact of this is a \$5.5 million tax levy surplus that reduces overall tax levy expenditures. This account is required by State law to ensure that year-end surplus and deficit amounts are reconciled from two-years prior.

1999 Miscellaneous Revenue

Other miscellaneous revenue is budgeted at \$205,000, an increase of \$65,000 from 2012. This is primarily due to the closure of a Tax Increment Financing (TIF) district closing expected in the City of Oak Creek in 2013. This reflects excess county taxes that will be returned to the county.

Non-Departmental – Expenditures:

1905 Ethics Board

No major changes. Tax levy of \$69,892 is budgeted.

1908 Milwaukee County Historical Society

There is no change in the County's contribution to the Historical Society in the amount of \$206,167.

1913 Civil Air Patrol

There is no change in the County's contribution of \$10,000.

1914 War Memorial Center

There is no change in the County's contribution to the War Memorial Center in the amount of \$1,278,905 in tax levy.

1915 Villa Terrace/Charles Allis Art Museums

There is no change in the County's contribution to the Villa Terrace/Charles Allis Art Museums in the amount of \$207,108 in tax levy.

1916 Marcus Center for the Performing Arts

There is no change in the County's contribution to the Marcus Center for the Performing Arts in the amount of \$1,088,000 in tax levy.

The Marcus Center will continue to provide quarterly reports of current financial status and projections through the fiscal year in accordance with past practice.

1921 Human Resource and Payroll System

The non-departmental account established in 2006 for the implementation of the contracted Ceridian system continues. Operational costs of \$1.8 million are included for 2013, which is \$39,999 less than in 2012, due to fewer employees. Transit employees use the Ceridian benefits system, which is reimbursed by MCTS. The method for allocating costs to departments changes from direct service to a cost abatement. No tax levy is budgeted in this Org. unit as it is charged to user departments.

1930 Offset to Internal Service Charges

This budget includes offsets to charges by internal service fund departments and crosscharging departments so those budgets are not overstated. In 2013, expenditure offsets are equal to revenue offsets for a zero property tax levy impact.

1935 Charges to Other County Organization Units

This budget reflects the offset to Central Service costs allocated to departments to show the full cost of operating a department. The Central Service Allocation amounts for 2013 are based upon the 2013 Cost Allocation Plan, which uses 2011 actual costs as its basis. There is no tax levy impact included in this budget, as the charges are allocated to other county departments.

1945 Appropriation for Contingencies

The Recommended Budget includes \$3,103,329, an increase of \$1.55 million from the \$1.55 million provided in 2012. The policy that any unanticipated revenue received during the year be first placed in the Appropriation for Contingencies is continued for 2013.

1950 Employee Fringe Benefits

Additional Cost Shifting

Employee fringe benefit expenditures, including health, pension and other employment benefits, decrease \$1,111,147 to \$189,850,213. Expenditure increases related to higher pension costs and health care are completely offset with additional cost shifting to the employees/retirees for the cost of these benefits.

The Recommended Budget includes increasing the employee/retiree participation in the new health benefit plan design that was implemented in 2012. The 2012 plan design discontinued the HMO, increased active employee premium contributions, increased co-insurance, increased a number of co-pays and boosted out-of-pocket maximums. The new plan design implemented in 2012 resulted in employees/retirees paying, in aggregate, 25.2 percent of the total cost of their health care benefit. Some of the changes proposed for 2013 include:

Monthly Premiums

The County Executive recommends converting the current two-tier (single or family) into a four-tier monthly premium structure:

Monthly Premium Changes			
Tier	2013 Rec.	2012 Adopted	Change
Employee Only	\$100	\$85	\$15 (17.7%)
Employee + Child(ren)	\$125	n/a	n/a
Employee + Spouse	\$200	n/a	n/a
Employee + Family	\$225	\$170	\$55 (32.4%)

Prescription Medications

The \$10 generic, \$30 preferred and \$50 non-preferred co-pays remain the same for 2013. However, the mandatory mail order (90-day supply) requires a three times retail co-pay. For example, a \$30 preferred prescription costs \$60 in 2012 for a 90-day supply. The proposed budget would increase that to \$90, or by 50 percent.

Flexible Spending Account (FSA) Contribution

The Recommended Budget eliminates the flexible spending account contribution made to employees. This included payments of \$500, \$1000 or \$1,500 for single, single plus one or family, respectively. This action saves \$3,426,525 for 2013. This payment for active employees was implemented to help balance the burden between active employees who pay monthly premiums and retirees who do not.

In Network Annual Deductible

The County Executive proposes significant changes to the In-Network annual deductible as follows:

In-Network Annual Deductible Changes			
Tier	2013 Rec.	2012 Adopted	Change
Employee Only	\$900	\$500	\$400 (80%)
Employee + Child(ren)	\$1,200	n/a	n/a
Employee + Spouse	\$1,800	n/a	n/a
Employee + Family	\$2,100	\$1,500	\$600 (40%)

The annual out-of-pocket limits remain at \$2,500/\$5,000 (Single/family) for In-Network and \$6,000/\$12,000 for Out-of-Network. Premiums prescription drugs and office co-pays do not count toward the out-of-pocket maximum amount.

Wellness Initiative

The 2013 Budget includes \$250,000 for a new Wellness Program. This program would administer in-house health education and awareness, promoting prudent preventative medicine, and encouraging healthy activities and choices. The Department of Human Resources proposes the creation of one position of Wellness Coordinator for a salary and benefits cost of \$70,832 to be supported by existing health and consulting vendors and supplemented with professional services. The goal, according to HR Staff, is to maximize services that are already provided by health care providers. It is expected that the program would expand in 2014 to include goals and

indicators that would be used to reward or adversely impact employees based on participation and effort to improve their health status.

Other Employee Benefits Expenditures

Milwaukee County offers group life insurance for eligible employees on a shared-premium basis. For 2013, group life insurance costs decrease \$223,509 to \$2,976,171. Additionally, \$250,000 is included for outside consultants, actuaries and other professional services to support the HR-Benefits Division and Employee Benefits Workgroup.

Elimination of Health Care Benefits for Positions working 30-hours Per Week

The Recommended Budget requires employees eligible for health care benefits to work a minimum of 30 hours per week, an increase of ten hours from the 20 now required. Although no health care savings are budgeted for this initiative, it is anticipated that this will help reduce overtime in the Department of Health and Human Services – Behavioral Health Division as employees increase the number of hours they work to keep the benefit. The Office of the Comptroller estimates that currently there are approximately 146 employees receiving the health care benefits that work less than 30 hours per week.

Pension

5405-Annunity-County Mandatory Contribution remains at \$17,700. This budget is for the mandatory annuity contribution relating to eligible employees who have been members of the pension system prior to January 1, 1971.

5406-Retirement System Contribution-OBRA account is used to separately budget for OBRA benefit contributions. This amount decreases \$520,000 from \$880,000 to \$360,000. This pension plan covers seasonal and certain temporary employees who do not elect to enroll in the ERS. For 2013, OBRA participants will be subject to paying one-half of the actuarially required contribution of the OBRA plan. The rate for 2013 is 1.6 percent. This results in anticipated revenue of \$100,000.

5409-Retirement System Contribution account includes an increase of \$4,859,966, from \$60,712,438 to \$65,572,404. The pension contribution includes a normal cost contribution of \$14,996,000, an unfunded actuarial accrued liability payment of \$15,586,000, and debt service costs on the pension obligation notes issued in 2009 of \$34,990,404. The 2011 Adopted Budget included language on the pension stabilization fund that “following the close of each fiscal year, a contribution to the stabilization fund shall be made in an amount equal to the difference between the amount budgeted for the County’s pension contribution and the actuarially required contribution provided the budgeted amount is greater and provided the County does not end the year with an overall budget deficit.” The contribution to the stabilization fund for 2013 is \$0, the same as 2012.

The stabilization fund and debt service payments are related to the \$400 million pension obligation notes that were issued in 2009 to help reduce the unfunded liability of the pension fund and hopefully reduce the county’s future pension contributions. The stabilization fund contribution is managed separately from the pension fund and will ultimately be used to fund pension costs. In the meantime, it serves to protect the

county from any unexpected losses related to the pension obligation note issuance. As of January 1, 2011, the pension fund was 89.2 percent funded.

Beginning in 2011, most employees (except law enforcement and firefighters who were exempted under state law) began contributing one-half of the actuarially required amount toward pension costs. Deputy Sheriffs were later added as part of a new labor agreement. For 2013, the County Executive is proposing a three-tier employee retirement contribution. The rates are 6.6 percent for public safety, 4.9 percent for general backdrop eligible employees and 3.2 percent for general not backdrop eligible employees. The public safety figure is subject to collective bargaining with the Milwaukee County Deputy Sheriffs Association. A 4.7 percent required contribution was used in 2012 for all general employees regardless of backdrop eligibility.

1961 Litigation Reserve Account

The Litigation Reserve Account contains \$400,000 in funding, a \$1,250,000 reduction from last year's allocation, which included a one-time set aside to cover reimbursement of tax payments as ordered in a July 2011 Supreme Court ruling.

1966 Federated Library System

There is no change in the County's contribution to the Federated Library System in the amount of \$66,650 in tax levy.

1974 Milwaukee County Fund for the Arts

There is no change in the County's contribution to the Milwaukee County Fund for the Arts, overseen by the Milwaukee County Cultural Artistic and Musical Programing Advisory Council (CAMPAC) in the amount of \$321,035 in tax levy.

CAMPAC funding is allocated among three program areas:

- *Community Cultural Events*, which are targeted at minority and underserved communities;
- *Matching Grants*, which have the highest priority of sustaining the County's arts organizations;
- *Administrative Services*, whose contract was approved by the County Board in 2006 to provide services for CAMPAC.

1985 Capital Outlay/Depreciation Contra

This account is a budgetary device used to provide for proper accounting of capital outlays in Proprietary Fund departments (i.e. Enterprise and Internal Service Fund departments) and depreciation. There is no county-wide tax levy impact from this account.

1987 Debt Issue Expense

This non-departmental account is to pay bond counsel, financial advisor fees and other costs associated with issuing debt. An appropriation of \$11,500 is provided, the same as 2012. The Office of the Comptroller will charge this account for staff associated with the preparation and issuance of the general obligation and airport revenue bond issues that is not eligible to be financed with bond proceeds.

1989 **Investment Advisory Services**

This non-departmental account is established to provide funds for investment advisory contracts related to Earnings on Investments (Org. 1992). For 2013, an appropriation of \$260,000 is included, \$15,000 more than 2012.

Departmental:

1000 **County Board**

Tax levy increases \$39,546, or 0.6 percent, over 2012 due to the cost of fringe benefit distribution. One vacant position of Grants Writer/Coordinator, unfunded for half of 2012, is unfunded for all of 2013, for a net salary savings of \$25,104. An appropriation of \$35,000 reflects the annual net cost of continuing membership in the Wisconsin Counties Association, which had been discontinued in early 2012 and later restarted on a prorated basis.

1011 **County Executive – General Office**

Tax levy increases \$292,874, or 24 percent, from the 2012 amount. The County Executive proposes significant staffing changes to his office including the creation of two new positions and the full funding of another position that was funded half-time in 2012. One position of Administrative Secretary – Executive Assistant to the County Executive is funded for full-time at an additional cost of \$45,644, including fringe benefit costs.

A new position of Administrative Secretary – Special Initiatives Advisor is created to work with Department heads and community leaders on research and implementation of high priority initiatives. The total cost of this position is \$103,686. The second new position is an Administrative Secretary – Intergovernmental Relations Manager that is created to connect with other levels of government issues affecting the county, services and administration. The total cost of this position is \$101,296.

The cost of the 2.5 additional positions, which increases funded full-time equivalents to 11.5, is the primary reason for the tax levy increase of \$292,874 from the 2012 Adopted amount, or 24 percent higher.

1019 **Department of Administrative Services - Office for Persons with Disabilities**

Expenditures increase by \$38,803 to \$887,149 and revenue increases \$12,466 to \$154,500 for a \$26,337 tax levy increase to \$732,649.

While the budget is mostly status quo, it does include a slight increase in Wil-O-Way rental income attributed to an increase in private rentals. Last year's budget anticipated a decrease in Wil-O-Way rental revenue associated with long-term tenant. Goodwill's, plan to terminate its Wil-O-Way Grant lease at midyear. (Goodwill terminated their Wil-O-Way Underwood facility lease in 2011.) The 2013 Recommended Capital Improvements Budget includes funding for improvements at both Wil-O-Way facilities, which the division anticipates will make them more marketable to long-term lessees.

1021 **County Executive – Veterans Service Office**

Expenditures decrease by \$14,533, and revenues remain stable at \$13,000 for a net tax levy decrease of \$14,533.

The budget assumes that a Veterans Assistant Program Supervisor position, which is currently vacant, will be held vacant for half of 2013. According to the Veterans Service Office, they are set with the current staffing levels, and don't anticipate filling the position. Additional funding is budgeted related to space rental and equipment. In 2011, the Veterans Service Office was notified that they needed to vacate their long-time home at the Milwaukee VA Medical Center. The office has since relocated to private office space nearby.

1040 **Office of Community Business Development Partners (CBDP)**

Tax levy increases \$55,781 over 2012. Four new positions (two Contract Specialists, one Certification Analyst and one Information & Outreach Coordinator) are created and funded for 10 months at a salary cost of \$189,898. These expenditures are partly offset by a \$120,000 increase in revenue, to \$165,000, from crosscharges for DBE services to the Capital Budget.

1110 **Civil Service Commission**

Expenses for administering the Civil Service Commission total \$15,536, an increase of \$1,715 from 2012.

1120 **Personnel Review Board**

Total expenditures for the PRB decrease \$41,742, from \$266,237 to \$224,495, based on historical experience. An appropriation of \$12,000 is included for outside legal services when the Corporation Counsel has a conflict of interest.

1130 **Corporation Counsel**

No major changes. Tax levy of \$1,524,732 is budgeted.

1135 **Labor Relations**

The Department of Labor Relations remains a stand-alone department reporting to the County Executive. No changes are recommended for 2013.

1140 **Department of Human Resources**

The Department of Human Resources is targeted for significant changes in the 2013 Recommended Budget to improve the effectiveness of human resource services throughout the county. Four HR positions previously assigned to departments (BHD and Sheriff) are centralized to continue the effort begun in 2012. Five new positions, including a Wellness Coordinator, Compensation Analyst, Metrics Reporting Analyst, Employee Relations Specialist and Employee Development Coordinator are created for a portion of the year at a total cost of \$310,633. One position of Pension Research Analyst is created for a portion of the year and the costs are charged to the Employee Retirement System. A half-time Human Resources intern is funded at a cost of \$12,468. A Management Assistant – HR and Financial Analyst Employee Benefits position is abolished for a total savings of \$189,904.

The “Total Rewards” package is to include an extensive review of all County positions, in terms of grade level/base compensation, using internal and external market data. The goal is to develop a recommended compensation model that incentivizes employees to perform at exceptional levels.

An appropriation of \$500,000 is provided to create a performance recognition program as part of the “Total Rewards” package for employees. This program will provide monetary rewards for employees who achieve exceptional results. Payments will be limited to one per employee per year and be in \$250 increments up to a maximum of \$1,000. The HR Compensation Manager will review all requests and awards would be approved by the HR–Director.

Beginning in 2013, administrative expenses related to the Employee Retirement System will be reimbursed from the Pension Fund on a pay-as-you-go basis. Currently, these expenses are amortized over a ten year period at an eight percent interest rate.

An appropriation of \$60,000 is provided for leadership and management training for employees.

1150 Department of Administrative Services – Risk Management

DAS-Risk Management is an internal service fund that charges its expenses to other County departments. For 2013, one position of Human Resources Specialist FMLA (Family Medical Leave Act) is created at a total cost of \$84,082 to recognize that FMLA issues will be centralized in Risk Management. A related position in BHD is abolished for a total savings of \$94,368. One position of Claims Adjuster is abolished for a decrease in salary and benefit cost of \$77,208. Overall, Risk Management expenditures increase \$85,508 to \$8,284,745.

An additional \$500,000 from the Risk Management reserve is included for additional appropriations for worker’s compensation claims. Later in 2013, the Comptroller will reconcile the expenditures and return all or a portion of the contribution back to the Reserve. This is consistent with the 2012 practice.

1151 Department of Administrative Services – Administration and Fiscal Affairs

Staffing changes include the transfer of six “field staff” that currently are part of DAS-Fiscal Affairs but are embedded in the Departments of Aging, Transportation and Health and Human Services. These staff will retain their current classifications but report directly to the departments for which they provide services.

A CountySTAT program is proposed that would implement a long-range, strategic fiscal and management analysis regime that incorporates performance measurement and management, and a focus on long-term capital asset needs. Three Fiscal and Management Analyst 3 positions were reclassified in the September 2012 cycle to coordinate Fiscal and Strategic Planning, Fiscal and Performance Management and Fiscal and Strategic Assets, respectively. In addition to the higher pay related to these classifications, the CountySTAT program is allocated two new positions of Fiscal and Management Analyst 1 at a total cost of \$135,588 in order to provide additional fiscal and management analysis capacity.

In 2013, additional administrative overhead costs are charged to the reimbursement program (collections) based on actual utilization of staff resources. Charges to user departments increase by \$77,535 to \$258,628. The privatized collections contract is expected to yield \$640,091 in TRIP (Tax Refund Intercept Program) collections, an increase of \$90,033.

In mid-2012, the Office of the Comptroller was created and many positions that were formally included in DAS-Fiscal Affairs were transferred. This results in the significant tax levy and FTE changes shown for this Division in the budget narrative.

1152 Department of Administrative Services - Procurement Division

An expansion of DAS-Procurement was implemented in the 2012 Adopted Budget to include three areas: commodities, services and contracts. The current staff was assigned to the commodities area, with the creation of a new Procurement Director to oversee the redesigned division. A contracts administrator funded for a half-year is funded for a full-year in 2013 and oversees a central location for the review and recordkeeping of all county contracts and leases.

One position of Office Support Assistant 2 is abolished at a total savings of \$47,770. The duties will be handled by existing staff.

1160 Department of Administrative Services – Information Management Services Division (IMSD)

Total expenditures increase \$357,921, from \$15,885,303 to \$16,243,224. Revenues increase \$470,560 for the provision of services related to the State of Wisconsin through the Department of Health Services (DHS) and the Department of Children and Families for State administered economic support programs and the continuation of all IT services for these programs. All expenditures in IMSD, net of revenues, are spread county-wide. No direct property tax levy support is included in the IMSD budget

One position of Administrative Assistant 3 is abolished and one position of Business Solutions Manager is created for a net total cost of \$42,030.

Depreciation charges to IMSD (which is an internal service fund) decrease \$752,664. A change in the Wide Area Network service provider is expected to increase costs \$170,520 but remain cost neutral over the five-year agreement. An additional \$215,000 is appropriated to develop and plan implementation of technologies and processes that safeguard Milwaukee County networks, technologies and information. An increase of \$201,127 is allocated for annual increases in software licensing fees.

IMSD is also involved in significant Capital Improvement Projects related to information technology including the 800MHz trunk radio system, mainframe applications migration and Windows migration. The Windows Migration project includes replacing most personal computers and migrating to the new Windows operating system as the current version, Windows XP, will soon be unsupported.

1192 **Department of Administrative Services—Economic and Community Development**
The Economic Development Section provides management and oversight of the DAS-ED Division. This section also is responsible for the development and administration of business and job development and retention activities focused within Milwaukee County.

The Real Estate Services Section administers the leasing, acquisition and disposition of a wide variety of buildings and vacant property owned by Milwaukee County. The Real Estate Section is specifically responsible for marketing, negotiation and sale of excess county-owned properties, including property management and disposition of tax delinquent properties acquired by Milwaukee County through the tax foreclosure process. This section also establishes and provides the due diligence procedures and standards to which departments must comply prior to executing any lease agreement.

The Marketing Section provides for a coordinated and efficient use of county marketing-related resources that actively promote and improve the marketability of county assets.

The Milwaukee County Automated Mapping and Land Information System (MCAMLIS) Section functions as the County's Land Information Office. Pursuant to Section 59.72 of the Wisconsin Statutes and County Board Resolution, MCAMLIS may design, develop and implement a land information system integrating property and ownership records with U.S. Public Land Survey referenced parcel-identified boundary information; prepare boundary-referenced parcel property maps suitable for producing accurate land title or survey boundary line information; and prepare maps with documented accuracy suitable for local planning. Six dollars out of the \$25 recording fee is retained to fund MCAMLIS operations. The \$6 surcharge is only available for expenditures related to MCAMLIS operations and may not be used for any other county purpose.

Parking revenue increases a net \$172,494 to \$1,500,00 and revenue from cellular tower contract increases \$25,000 to \$233,000.

2000 **Combined Court Related Operations**

Expenditures decrease by \$40,123 to \$38,681,257, revenues decrease by \$25,901, and property tax levy is also reduced \$14,222 to \$29,462,349.

This budget incorporates minor changes including the unfunding of two vacant positions, and small revenue and crosscharge adjustments. The budget also awards \$2,019,313 in professional services contracts: \$1,824,984 to the Legal Aid Society for Guardian ad Litem Services, \$19,500 to Midwest Medical Records, Inc. for copy services, and \$174,829 to the State of Wisconsin for the Legal Resource Center. Adoption of the 2013 Budget serves as approval for these contracts.

Policy changes related to bail forfeitures result in a \$200,000 reduction in revenue. Legal fees are increased by \$100,000 due to the State Public Defender's Officers not paying the expenses of court appointed attorneys in criminal cases, which is offset by a \$145,000 reduction in Guardian Ad Litem expenses based on 2012 experience.

The narrative also mentions the \$610,726 in funding allocated in the Capital Improvements budget to scan approximately 9 million documents, which is expected to increase efficiencies by saving physical storage space and cutting file retrieval time.

2900 Courts - Pre-Trial Services

Expenditures increase \$83,837 to \$5,071,243, revenues decrease by \$55,361, and tax levy increases by \$139,198 to \$4,473,142.

Pre-Trial Services was separated into its own Org. Unit in the 2011 Adopted Budget. For 2013, the budget largely maintains existing initiatives associated with seeking to reduce pretrial failure to appear and re-arrest rates, including the Treatment Alternatives & Diversion (TAD) Program, and Universal Screening. A new vendor, JusticePoint Inc., selected through a request for proposal process, will provide project services in 2013.

With the expiration of the Bureau of Justice Assistance Adult Drug Treatment Court Discretionary Implementation Grant, which provided funding for 1.0 FTE Drug Treatment Court Coordinator (contracted), tax levy is increased by \$91,820 to continue funding the contracted position.

Several contracts with community providers in support of the Day Reporting Center and pretrial services are listed in the budget. Adoption of the 2013 Budget serves as approval for these contracts.

Finally, the narrative suggests that the Judicial Review Coordinator will produce a comprehensive annual update on the Universal Screening Program, which will be presented to the County Board on or before the May 2014 Board cycle. County Board staff assumes the date was misprinted and should read "May 2013 Board cycle," but policymakers may want to ensure that is the case.

2430 Department of Child Support Services

Expenditures are increased by \$1,253,533 to \$20,292,145, and revenues also increase \$1,287,402 to \$18,975,515 for a net tax levy of \$1,316,627 (\$33,869 less than last year).

Despite the major hit in funding this department took in the 2011-2013 State Budget, the 2013 budget is largely cost-to-continue.

3010 Election Commission

Expenditures decrease \$367,865 and property tax levy decreases \$338,115 due to the decrease in elections anticipated to be scheduled for 2013, which reduces the funding needed for election clerks, ballots/supplies, and advertising.

3090 County Treasurer

Efficiencies result in the abolishment of one position of Fiscal Assistant II with a total savings of \$54,802. Delinquent tax revenues increase \$200,000 to \$3.4 million based on experience. Unpaid personal property taxes decrease \$55,000, from \$405,000 to \$350,000. These expenditures occur when municipalities charge Milwaukee County

back for the county portion of successful tax appeals. The number of parcels submitted to the Treasurer with unpaid property taxes is expected to remain at 6,000.

3270 County Clerk

Expenditures increase \$23,993 to \$818,617, while revenues increase \$4,825 for a net tax levy increase of \$19,168 to \$343,292.

The fee for marriage licenses and domestic partnership declarations is raised \$5 to \$110 in 2013, and revenue is anticipated to increase by \$8,925 as a result. This change is largely offset by an increase in funding for costs associated with updating anticipated ordinance changes.

3400 Register of Deeds

Revenues in the Register of Deeds increase \$756,425 and expenditures decrease \$78,367 for a net tax levy savings of \$834,792.

Citing improved real estate activity in 2012, the Register of Deeds budget increases real estate fee collection revenue estimates for 2013, which results in \$301,000 of tax levy savings.

In the 2012 Adopted Budget, the Board adopted a policy reducing revenue in the Register of Deeds by \$100,000 to offset costs associated with a program providing free birth certificates to individuals looking to secure identification associated with the State's Voter ID law. Litigation surrounding the Voter ID law essentially halted the law's implementation for most of 2012. The narrative suggests that the Register of Deeds still intends to honor the free birth certificate policy in 2013; however, revenue is increased by \$100,000 based on the office's experience in 2012 whereby birth certificate revenues did not see a significant decline.

3700 Office of the Comptroller

The Office of the Comptroller was created in 2012 in accordance with State Statute 59.255. The elected Comptroller maintains Milwaukee County's accounting books, monitors and reports on budget versus actual fiscal results, prepares annual financial reports of the government and analyzes proposals for the use of county funds. The Comptroller serves as the County's Chief Financial Officer.

Funding of \$227,276 is provided to fund two Fiscal and Management Analyst positions that were created in mid-2012.

4000 Office of the Sheriff

Tax levy support is maintained at 2012 levels (with a slight increase), expenditures decrease \$2,235,510 to \$139,385,943 and revenues decrease \$2,262,454 to \$121,987,938.

While funding is more or less maintained at 2012 levels in 2013, the Sheriff's budget is not a 'status quo' budget. Program outcome budgeting is used to support changes in position deployment affecting almost every division within the department. In addition, a proposed agreement with the City of Milwaukee shifts responsibility for Milwaukee park patrol to the Milwaukee Police Department, and provides funding to

the city to help offset increased costs associated with taking over emergency cellular 911 communications dispatch. Finally, the budget signifies a commitment to electronic monitoring, which the Sheriff largely did not support participation in throughout 2012. *(Please see Section 1 of the Overview for a more detailed discussion).*

County Correctional Facilities

Staffing levels and assignments are reconfigured at both the County Correctional Facility Central (CCFC) and County Correctional Facility South (CCFS) due to declining crime rates and an anticipated reduction in the inmate population. While various positions at all levels are unfunded, abolished, or transferred, Correctional Officer (CO) positions are especially subject to change, with a net reduction of approximately 26 FTEs.

The Electronic Monitoring (EM) Unit is fully funded in 2013, and the participation of approximately 200 inmates a day is anticipated. Throughout 2012, the Sheriff had reduced the number of inmates out on EM, and his requested budget envisioned approximately 25 individuals on EM a day. A private contractor, JusticePoint will monitor the EM population under a \$1,107,700 Professional Services Contract. Due to full resumption of the EM Unit, three additional dorms are closed for a total of eight dorm closures at CCFS.

Operation of the property room is outsourced through an anticipated contract with Aramark. According to the narrative, 13.0 FTEs Stores Clerk 1 assigned to the property room are abolished for a savings of \$753,592. Contract costs are estimated at \$621,147 for a net property tax decrease of \$132,445. The Sheriff's Office submitted an action report recommending a contract with Aramark to provide these services in the July Cycle; the Board's Committee on Judiciary, Safety, and General Services laid the file over to the call of the Chair at the request of the Sheriff's Office, which stated that the initiative was included in their budget request.

Inmate Medical Outsourcing

As with last year's Recommended Budget, provision of inmate medical services is set to be provided with a contracted private provider as of April 1, 2013. Last year, an adopted amendment shifted inmate medical from the Sheriff to the Department of Health and Human Services (DHHS) as of July 1, 2012. Both departments were to utilize the first 6 months of 2012 to develop a plan to implement the proposed transition. A workgroup was established, and meetings were facilitated between MCSO, DHHS, and other needed county personnel, but a final transition plan was not ready as of July 1.

During the June 2012 County Board cycle, DHHS submitted an action report requesting an extension for the transfer period until October, 2012. Around that same time, MCSO initiated a lawsuit seeking to have the portion of the Christensen Consent Decree governing inmate health thrown out, and also sought confirmation that Sheriff's Constitutional authority includes the ability to enter into a contract providing inmate health services regardless of the policy passed by the County Board. Due to the pending lawsuit, County Board Committees on Judiciary, Safety and General Services and Health and Human Needs laid DHHS' report over to the call of the committee

chairs as policymakers awaited the outcome of the litigation, and discussions surrounding the transfer of inmate health from the Sheriff to DHHS essentially ceased. To date, the litigation is still pending.

The 2013 narrative does not specify a vendor to provide inmate medical services, but rather states that the Sheriff is expected to submit his proposed contract to the County Board for review and approval. In September 2012, the Sheriff did submit a recommended contract with Armor Correctional Services to provide inmate health to the County Board. The Committee on Judiciary, Safety, and General Services laid the Sheriff's proposal over in September pending receipt of the 2013 Recommended Budget.

Overall, \$10,724,230 is included to contract with a provider beginning in the second quarter of 2013. MCSO positions in the inmate medical unit are funded for the first quarter of 2013. As of August 2012, approximately 87.3 FTEs in the medical unit are filled positions (not counting hourly or pool positions), all of which would be laid off unless hired by the new vendor or another county department.

Additional Staffing Changes

Airport staffing is adjusted through the unfunding of 11.0 FTE Deputy Sheriff 1 positions, Bailiff Services lose three assigned deputies, Process Service loses five deputies, and County Grounds Security loses one.

Funding for the General Investigative Services program area is increased in 2013. Staffing changes reflected in the narrative are a little unclear given the fund transfer in mid-2012, which resulted in Deputy Sheriffs being recalled. Policymakers may wish to request additional clarity on changes from DAS. It appears as though the division is staffed at a greater level than the 2012 Adopted Budget though the division loses six of the 14 deputies that were added to the unit in mid-2012. The 2013 budget reflects a caseload of 12.5 cases per FTE.

Funding for a Municipal Emergency Government Coordinator position unfunded in the 2012 budget is slated to be restored in 2013. Expressway Patrol is supported with an additional \$557,335 in 2013 mostly to offset overtime costs based on experience.

Finally, in his budget request, the Sheriff requested full reinstatement of both the Community Relations Unit and the canine security unit, which provides perimeter security at CCFS. Neither initiative is funded in the 2013 Recommended Budget.

4500 **District Attorney**

Expenditures are reduced \$107,599 to \$18,435,826, revenues decrease \$612,930, and total property tax levy support increases \$505,331 to \$12,116,073.

The State reimbursement rate associated with the Office of Crime Victim Services was reduced from 51 percent of program expenses to approximately 41 percent of program expenses. As a result, 1.5 FTE Victim Witness Advocate and 1.0 FTE Victim Witness Supervisor positions are unfunded for a net tax levy reduction of \$115,712.

The budget also includes a \$367,752 levy increase associated with the creation of 3.0 Investigator-District Attorney positions, one of which is dedicated specifically to forensic computer investigations. A portion of the funding increase is also provided to reallocate Investigator positions to new pay ranges.

4900 Medical Examiner

Revenues decrease by \$173,387 and expenditures increase slightly (by \$6,275 to \$4,657,611) for a net tax levy increase of \$179,662 to \$2,877,576. The revenue decreases are largely associated with a reduction in revenue associated with cremation permits and death certificates.

5040 Department of Transportation – Airport Division

Expenditures increase \$462,909 from \$85,547,833 to \$86,010,742 and revenues increase \$462,909 from \$85,547,833 to \$86,010,742.

Based on projected passenger traffic reductions in 2013, parking revenues are budgeted to decrease \$3,500,000.

In 2013, car rental concession revenues are budgeted to decrease \$1,200,000 from \$9,800,000 to \$8,600,000.

In 2013, expenditures on the former 440th Air Force base (now re-branded as Milwaukee County's MKE Regional Business Park) increase from \$301,984 to \$1,793,420 and are partially offset with \$112,300 in rental revenue for a net increase of \$189,684.

5100 Department of Transportation – Highway Maintenance

Expenditures increase \$1,239,491 from \$19,712,617 to \$20,952,107 and revenues increase \$1,049,997 from \$18,823,395 to \$19,873,392.

In 2013, General Transportation Aids (GTA) to the County from the State decreases \$209,769, a 10 percent reduction from 2012.

Service levels for expressways and State trunk highways will be released by the State in November. The DOT Highway Division will determine maintenance expenditures at that time to match funding levels.

In 2013, 6 positions are funded in Transportation Services related to capital improvement projects and will be charged through the Capital Improvement Program at a cost of \$539,568.

5300 Department of Transportation – Fleet Management

Expenditures increase \$655,907 from \$8,918,206 to \$9,574,113 and revenues decrease \$138,414 from \$10,912,499 to \$10,774,085.

In 2013, debt service on County-owned vehicles decreases by \$325,000 from \$3,200,000 to \$2,875,000 based on active debt repayment for new vehicles and equipment purchases.

In 2013, abatements decrease \$785,072 due to the stoppage of interest expenses on outstanding debt.

5500 Department of Administrative Services – Water Utility

In 2012, the Department of Transportation and Public Works – Water Utility division was transferred under a newly created Department of Administrative Services – Facilities Management Division-Water Utility. In 2013, DAS-Facilities Management will continue to manage the Water Utility Fund.

5600 Milwaukee County - Transit/Paratransit System

Expenditures decrease \$5,138,550 from \$169,076,666 to \$163,938,116 and revenues decrease \$4,943,900 from \$149,975,008 to \$145,031,108. Tax levy decreases \$194,650.

Congestion Mitigation & Air Quality (CMAQ) Funding

In 2013, \$8.5 million in CMAQ funding is budgeted to continue Express Routes 15, 23 and 62. This amount represents the remaining balance of a 3-year allocation totaling \$16.9 million.

Transit Operations

Operating expenditures for Transit are budgeted at \$136,494,334, an increase of \$1,702,841. Passenger revenue is budgeted at \$41,625,000.

In 2013, \$500,000 is budgeted for private bus security services, a 55 percent increase over 2012.

In 2013, there are no fare increases for fixed route service.

Paratransit Operations

Operating expenditures for Paratransit decrease \$7,567,048 and are budgeted at \$18,867,401. Paratransit revenues decrease \$5,982,802 and is budgeted at \$4,966,332, based on fewer trips budgeted for in 2013.

In 2013, Paratransit fare remains at the budgeted amount of \$4.00 per one-way trip. Border to border service remains in 2013.

Paratransit trips are projected to decrease 325,285 in 2013, due in part to the New Freedom Initiative, where eligible persons with disabilities ride the fixed route system for free.

5700 Department of Administrative Services – Facilities Management

Expenditures increase \$1,437,941 from \$26,911,713 to \$28,349,654. Revenues increase \$811,597 from \$28,179,921 to \$28,991,518.

Facilities Management

Expenditures increase \$514,816 from \$21,149,720 to \$21,664,536. Revenues decrease \$139,248 from \$23,037,771 to \$22,898,523.

Architectural, Engineering & Environmental Services

Expenditures increase \$76,680 from \$4,512,015 to \$4,588,695. Revenues increase \$100,026 from \$4,692,601 to \$4,792,627.

In 2013, a facilities assessment team is created to provide inspections to all county-owned facilities to develop an action plan for maintenance needs. Five FTE positions are created and will be offset with revenue from existing capital project WO949-Inventoty and Assessment.

Overall, 13 positions are created in the division, four others are funded, and two are abolished.

5800 Department of Transportation – Director’s Office

Expenditures increase \$22,872 from \$117,827 to \$140,699. Revenues increase \$19,180 from \$250,000 to \$269,180,

In 2013, personnel changes include the creation of 1 FTE Deputy Director of Transportation at a salary and benefit cost of \$156,284, and 1 FTE Transportation Grants Development Manager, at a budgeted cost of \$107,452.

6300 Department of Health and Human Services – Behavioral Health Division

Expenditures decrease by \$12,323,268 to \$175,462,369 and revenues decrease by \$12,945,388 to \$113,677,116. The tax levy increases by \$622,120 to \$61,785,253.

Overall, the Behavioral Health Division (BHD) budget invests in continuing initiatives in support of the division’s major goals of redesigning the mental health system by shifting resources to the community, Joint Commission certification, and implementation of Electronic Medical Records. Building on that, the 2013 budget does envision the closure of one acute inpatient unit and an overall reduction of 24 beds in the Center for Independence and Development (CID). Position shifts and new revenue sources are accounted for and reoccurring initiatives—including outsourcing the Community Support Program (CSP), a reduction in detox funding, and cuts to alcohol and other drug abuse (AODA) prevention services—also reappear in 2013.

Continuing Initiatives

Redesign of the mental health system continues in 2013 with maintenance (and a slight increase) of the initial \$3 million Community Resource Investment from 2012. The budget directs the closure of one Acute Adult Inpatient Unit as of April 1, 2013 and a 24-bed reduction at CID. The combined inpatient and nursing home bed reductions result in a mid-year staff reduction of 62.5 FTEs (*see Section 1 of the Overview where these initiatives are discussed in detail*).

The implementation of an EMR system also continues in 2013. This endeavor was a 2011 Capital Budget initiative; the County Board approved Netsmart as the EMR vendor for BHD in September, 2011. The 2013 budget contains a total of \$2,103,500 in funding for EMR, a \$1,269,000 increase over 2012. The \$1,269,000 increase will be used to support: project management (through a contract with the Joxel Group), additional Time Warner Cable expenses, maintenance of the old system until the new

system is complete, and additional county information management systems resources. BHD anticipates that the project will be completed in December 2013.

An additional \$55,000 is budgeted toward Joint Commission certification. The majority of the funding will be allocated to continued consulting services, and a smaller portion to pay for the actual survey. BHD was previously certified by the Joint Commission, but let their certification lapse in 2003. Funding to pursue Joint Commission certification first reappeared in the 2011 Adopted Budget; the 2012 Adopted Budget narrative stated that BHD's goal was to submit the Joint Commission application in 2012.

The 2013 budget also includes increased funding to continue the following initiatives: \$82,634 for increased security/surveillance of the BHD facility, \$64,975 for major maintenance to improve and maintain the environment of care, \$264,345 increase in dietary contract expenditures, and \$68,166 towards a project to continue leasing of copier/printer/scanner/fax devices.

Major Revenue/Expenditure Adjustments

The BHD budget adds large amounts of revenue in two places this year. The first is an additional \$2.4 million associated with maximizing Medicaid reimbursement through the State's Medicaid Cost Report and the Wisconsin Cost Reporting (WIMCR) system. Offset by a 9 percent consultant fee and \$20,000 professional services contract, net savings for the county is budgeted at \$2,228,000.

Additionally, \$1,106,715 in revenue is budgeted to reflect anticipated increases in reimbursement for Family Care clients cared for by BHD in both the CID and Rehabilitation Center-Central. In the past, BHD's costs have not been reimbursed in full by either care management organization (CMO) in Milwaukee County; BHD has met with the CMOs to try to negotiate a better rate. The Department of Family Care's 2013 Recommended Budget does include increased expenditures associated with this initiative.

Reoccurring Budget Initiatives

The budget plans for a mid-year outsourcing of BHD's downtown CSP, resulting in a total annual reduction of 21.0 FTEs for 2014. The county currently provides funding for 1,300 CSP slots, 963 of which are currently operated by private providers. Shifting the downtown CSP to community providers would increase privately operated slots by 157. Last year, the 2012 Adopted Budget shifted all of the remaining Targeted Case Management slots to community providers. The budget maintains BHD's operation of the south-side CSP.

Detox funding is again reduced by \$200,000 to reflect savings associated with sustained under-spending of the detox contract. In 2012, the County Executive recommended a \$300,000 cut to detox funding, \$100,000 of which was restored by the Board in the Adopted Budget. In 2011, \$500,000 in funding was cut in the Recommended Budget; the Board restored \$300,000 that year. Finally, AODA prevention funding is reduced by \$267,016 in 2013. Although prevention funding was maintained at current levels in the 2012 budget, historically, this funding has been regularly targeted for cuts.

EMS

The 2013 Recommended Budget includes \$1.5 million in funding for the EMS subsidy. The EMS subsidy, which had long been \$3 million in funding allocated to participating municipalities, was targeted for elimination by the County Executive in his 2012 Recommended Budget though \$1.5 million was restored by the Board in the 2012 Adopted Budget. The EMS contract with municipalities expires December 31, 2012, and in preparation the department has been negotiating a new contract with participating municipalities throughout 2012. A recommended contract has yet to be presented to policymakers for review and approval.

7900 **Department on Aging**

Expenditures increase \$175,321 to \$18,447,837 and revenues increase \$699,610 to \$17,055,868, for a net tax levy decrease of \$524,289.

The Department on Aging's (MCDA) 2013 budget maintains existing programming with some small staffing, revenue, and expenditure changes. On the staffing side, following an overall 2013 budget initiative, 1.0 FTE Budget Manager-Aging is transferred from the Department of Administrative Services to MCDA. Increased funding for contract workers needed in 2012 due to the abundance of retirements is no longer needed in 2013, and two vacant positions are abolished. As with previous years, expenditures are increased to account for needs associated with Elder Abuse, Legal and Protective Services.

Work continues to align shared services between the county's two resource centers—the Aging Resource Center (ARC) run by the Department on Aging and the Disability Resource Center (DRC) run by the Department of Health and Human Services-Disability Services Division. The budget also maintains a commitment to the Evidenced Based Prevention Program Management by offsetting expired grant funding with increased tax levy in 2013; program consultant fees also are budgeted for an increase.

The Senior Meal Program remains strong with increased donations offset by increased contractually provided services, and a favorable revenue adjustment for MCDA. The 2013 budget anticipates an overall increase of meals served, with more individuals receiving home delivered meals than last year.

7990 **Department of Family Care**

Expenditures and revenues increase by \$61,433,657 from \$233,372,443 to \$294,806,100. There is no tax levy budgeted in this department.

Revenues are increased in the Department of Family Care (DFC) budget largely to reflect the changes in enrollment associated with the lifting of the Family Care enrollment cap in mid-2012. DFC receives an actuarially derived per member capitation rate from the State of Wisconsin annually. This rate is historically received following the county's annual budget process. As a result, the 2013 Recommended Budget is based on the 2012 capitation rate.

DFC's 2013 budget increases expenditures to account for a Medicaid rate increase for its Family Care clients residing in the county-run Center for Independence and Development and Rehabilitation Central (See Org. 6300-BHD for associated revenue assumptions). Increased funding also is associated with information technology staffing associated with DFC's MIDAS application, which the department utilizes internally, and leases to other managed care organizations throughout the state.

As with previous years, DFC realigns positions, abolishing 4.7 FTE vacant positions, and creating 5.0 FTE new positions. Advertising expenses, building space rental, and short-term contracting expenses are also increased.

Finally, the budget does anticipate the transfer of \$1,435,812 from the reserves to balance the budget in light of recent capitation rate decreases.

8000 **Department of Health and Human Services**

Expenditures decrease by \$19,509,454 to \$85,410,596 and revenues decrease by \$16,544,137 to \$63,710,914 for a net tax levy decrease of \$2,965,317.

The 2013 Recommended Budget for the Department of Health and Human Services (DHHS) is largely a cost to continue budget. Major new and continuing initiatives are highlighted below. Policymakers should note that inmate medical, which was to be transferred to DHHS midyear 2012 according to the 2012 Adopted Budget is not budgeted in DHHS in 2013. (*See Major Changes for Org. Unit 4000-Office of the Sheriff for more information on the proposed status of inmate medical*).

Economic Support Division

The Economic Support Division (ESD), which prior to 2010 was responsible for operating State public assistance programs in Milwaukee County, is largely a placeholder budget in 2013. Funding changes included in the budget are associated with a change in the state budget, which essentially adjusted how Milwaukee County would be charged to support the county's Income Maintenance program (now run by the state).

Starting in 2012, the state no longer requires Milwaukee County to pay \$2.7 million annually in tax levy, and instead reduces Milwaukee County's Basic County Allocation (BCA) funding by the same amount. While this funding swap was effective in 2012, it first appears in the 2013 budget. Although reflected as levy savings in the ESD budget, those savings are offset with tax levy increases in other divisions, particularly BHD. Overall, it does not impact tax levy for the department.

Several programs previously housed in this division are relocated to other divisions within DHHS in 2013: the State-funded Home Energy Assistance Program (WHEAP) and 211-Impact funding are shifted to the Management Services Division, and the Interim Disability Assistance Program (IDAP), and General Assistance (GA) Burials are shifted to the Disabilities Services Division.

Delinquency and Court Services Division (DCSD)

The 2013 budget for DCSD largely incorporates changes made mid-way through 2012. In July 2012, the Board adopted a resolution (File No. 12-564) authorizing the

use of the Juvenile Detention Center facility as a short-term dispositional placement. This initiative follows a change in the 2011-2013 State Biennial Budget, which amended State Statute 938.06(5), giving counties the ability to use their detention centers in such a way. The 2013 budget anticipates \$180,000 in tax levy savings associated with utilizing the county's short-term secure placement program as an alternative to the more costly state correctional placements.

Given the 2012 reduction in State Youth Aids funding (again, associated with the 2011-2013 State Biennial Budget), policymakers approved reduced purchase of service contracts for 2012. Those funding level adjustments are maintained in the 2013 budget.

Disabilities Services Division (DSD)

In 2013, DSD seeks to enhance service delivery in the Disability Resource Center (DRC) as it is anticipated the long-standing waitlist for individuals with disabilities who are eligible for Family Care will be cleared as of November 2012.

The major revenue reduction and associated expenditure and levy reductions, which appear in this division's budget are associated with the implementation of the State Children's Long-Term Support (CLTS) Third Party Administrator (TPA) payment system. As a result of this change, revenue and related services are no longer recorded in the county's financial system.

DSD seeks to serve additional children through its CLTS waiver/autism benefit waiver programs, and is requesting the creation of human service worker positions to facilitate this goal. Additional funding is also shifted from 'underutilized areas' to increase purchase of service contracts by \$200,000 for the Birth to Three program.

In 2013, DSD continues its partnership with BHD to assist with securing community placements for Center for Independence and Development (formerly Hilltop) residents.

Finally, as mentioned previously, both the Interim Disability Assistance Program (IDAP) and GA Burials are shifted to DSD from the Economic Support Division.

Housing Division

The 2013 Recommended Budget for the Housing Division contains increased funding associated to further support special needs housing options for individuals, including those serviced through the mental health system. Two new supportive housing developments will share an increase of \$110,000 in operating funding, and an additional \$297,309 is shifted from the Behavioral Health Division to Housing to better reflect program management.

Lastly, \$74,714 in funding is provided to create 1.0 FTE Community Intervention Specialist – Housing, as recommended by the Mental Health Redesign and Implementation Task Force to assist individuals being discharged from hospitals, shelters, and correctional institutions to find housing resources.

Management Services Division

The 2013 budget assumes the State of Wisconsin will continue to lease space in the Marcia P. Cogg Center. DHHS has been negotiating annual contracts for Cogg Center space, and coming to the Board for review and approval in the December meeting cycles.

As stated previously, contracts for 211-Impact and the Wisconsin Home Energy Assistance Program are now overseen by the Management Services Division.

As seen in other departments, the 2013 budget transfers previously deployed fiscal field staff from the Department of Administrative Services to the Department of Health and Human Services. The position deployments are split between DHHS and BHD. There is no tax levy impact associated with this change.

9000 **Department of Parks, Recreation and Culture (DPRC)**

Total expenditures increase \$619,742 to \$42,092,767 and revenues decrease \$736,452 to \$17,669,708 in 2013. The tax levy support increases \$1,356,194 to \$24,423,059.

The reduction in revenue corresponds with an increase of tax levy support, which according to the 2013 Recommended Budget, this is expected to assist in making the department's revenue targets more attainable.

An emphasis on implementing service efficiency, as well as a major focus on neglected parks in the urban areas of the City of Milwaukee, are outlined as the programmatic goals for 2013. Larger focus on parks deferred maintenance projects is included in greater detail in the 2013 Recommended Capital Improvements Budget.

Personal Services/Personnel Actions

There is a decrease of 67.1 FTEs to 391.1 in 2013, but this is not due to staff position reduction or abolishment within the Recommended Budget. In a current-year action taken in May 2012 (File No. 12-133), the Park Worker Seasonal positions were reorganized to create two additional classifications, as well as three additional pay steps within each Park Worker Seasonal position. Due to this restructuring, the actual reduction of FTEs occurred in 2012 *prior* to the 2013 Recommended Budget. There are no additional unfunded or abolished positions in DPRC in the 2013 Recommended Budget.

The increase in tax levy for 2013 allows for \$802,240 to be allocated to offset increased service costs such as utilities, maintenance, and repairs for various park buildings and professional services. An additional \$25,000 in tax levy is allocated specifically for the development of a master plan for Lindsay Park. While the development of a master plan is primarily a capital project, the \$25,000 is absorbed as a services cost in the operating budget.

Three positions are funded in 2013: the Assistant Chief of Recreation and Business Operations, Park Unit Coordinator 2 Golf, and Park Unit Coordinator 2. These changes are due to position adjustments that moved three employees from unfunded positions into vacant funded positions.

There are no cuts or abolishment of any of the existing public programs or services offered by the DPRC; they remain at 2012 levels.

9500 **Zoological Department (Zoo)**

Total expenditures decrease \$498,974 to \$24,583,899 and revenues increase \$1,745 to \$19,684,801. Tax levy decreases \$500,719 to \$4,899,098 in 2013.

There are 0.3 additional FTEs in the 2013 Recommended Budget.

The Dinosaur Special Exhibit will be replaced with the Sting Ray and Shark Exhibit in 2013.

New Positions

There are two new positions created in 2013: A Program/Audience Evaluation Specialist, costing \$61,678, a Zoo Vehicle and Machinery Operator/Engineer/Welder, costing \$57,414. The cost for both positions is offset with a vacancy and turnover adjustment and funding is to be determined in 2013.

Zoo Visitor Spending and Cost Patterns

The Zoo revenue for 2013 increased slightly by \$1,795, based on attendance. The average visitor per capita spending is budgeted at \$14.58 in 2013, while the Zoo's cost per visitor is budgeted to be \$3.89.

According to a report submitted by the Zoo Director in September 2012, attendance was low in June and July due to adverse weather, which resulted in a revenue deficit of \$1,635,371 as of August 31, 2012. Although the Zoo is expecting to offset this amount before the close of 2012 with freezes on non-essential purchases, scheduled group sales events, and special Zoo events, it is worth noting that the Zoo has had structural deficits in its revenue budget for the last several years. In the 2012 Adopted Budget, Zoo admission and fees were increased and additional tax levy was allocated to help prevent revenue deficits in 2012. In the 2013 Recommended Budget, tax levy is decreased by \$500,719 and there are no changes in admission fees.

Zoological Society of Milwaukee County Support

The Zoological Society support is maintained at the 2012 levels of \$2,953,596, as well as in-kind services of:

- \$762,440 in direct support
- \$70,000 in direct animal support
- \$326,500 in corporate sponsorship revenue
- \$1,794,656 in parking revenue received from Zoological Society members for the Zoo Pass Plus membership
- \$137,000 for in-kind HVAC systems for various Zoo buildings
- \$66,000 in Animal Division research funding
- \$54,000 in pathology intern funding (UW Madison).
- Management, training and support of 600 Zoo Pride volunteers that donate 40,000 hours annually in various capacities at the Zoo.

9700 **Milwaukee Public Museum (MPM)**

The property tax levy remains at \$3,502,376 per the amended Lease and Management Agreement between Milwaukee County and MPM.

9910 **Milwaukee County University Extension Service**

Total expenditures increase \$21,295 to \$480,007 and total revenues increase \$23,270 to \$144,350. Tax levy decreases \$1,975.

There are no additional programmatic changes; all programs are maintained at 2012 levels.

9960 **General County Debt Service**

The tax levy (or sales tax revenue) needed for the General County Debt Service decreases in 2013 by \$3,469,123, from \$56,552,601 to \$53,083,478. Total debt service principal and interest increases by \$1,956,872, from \$66,458,328 to \$68,415,200. Contributions from the Debt Service Reserve (DSR) total \$5,452,766, an increase of \$3,715,188 from the amount appropriated in 2012. The debt service reserve contribution is the primary reason the overall debt service decreases by approximately \$3.5 million in 2013. Another reason is revenue of \$1,920,157 from IRS reimbursement of interest costs on American Recovery and Reinvestment Act (ARRA) Build America Bonds and Recovery Zone Bonds that were issued in 2009 and 2010. This payment represents a tax credit on the \$5.3 million of interest expenses in 2013 related to these bonds.

Debt Service revenues decrease \$1,710,807, from \$8,168,149 to \$9,878,956 for 2013 primarily due to the tax credit payment noted above. The payment from Froedtert Memorial Lutheran Hospital based on the sale agreement of Doyne Hospital decreases \$244,450 from \$6.3 million to \$6,075,550. The hospital payment is based on 5.25% of net operating cash flow and will not be determined until sometime in 2013.

The 2013 debt service costs for the pension obligation notes issued in 2009 is \$35,885,404. Payments are budgeted in Org. 1950 – Employee Fringe Benefits, but reflected in Org. 9960 – General County Debt Service. This payment is abated out of the County Debt Service to avoid duplication of costs.

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2013 RECOMMENDED BUDGET**

Non-Departmental – Revenues

1933 Land Sales: Public Art Program Reestablishment

The 2013 Recommended Budget briefly addresses the Public Art Program appropriation of \$50,000 on page 96 under the Land Sales budget. The 2013 appropriation is slated to come from the first land sale revenue over \$400,000, whereas the previous policy (File No. 00-300) appropriated 1 percent of all eligible capital projects to the Public Art Program. What would the fiscal impact be for the Public Art Program if their appropriation for 2013 was based upon the past policy model?

1996 County Sales Tax Revenue

The projected net sales tax revenue of \$66.6 million for 2013 is based on a growth factor of 3.4 percent. Further review should be performed by the Comptroller after additional collection data for 2012 is received later in October to determine if this projection is realistic.

Non-Departmental Expenditures

1950 Employee Fringe Benefits

See Section 1 for issues and concerns related to this non-departmental account.

Legislative and Executive

1011 County Executive-General Office

A 24 percent increase in the tax levy for the operation of the County Executive's Office is significant. Policymakers may wish to probe the value of adding another Intergovernmental Relations staff person and how the lobbying effort will be coordinated with the current two positions assigned to the County Board. The benefits of creating another position, Administrative Secretary-Special Initiatives Advisor, should also be examined.

1040 Office of Community Business Development Partners (CBDP)

The budget states that staff costs of \$165,000 will be charged to the Capital Improvements Budget in 2013. Since no funds are provided in any 2013 Capital Budget under project expenditures for disadvantaged business services, how will this staff charge be funded?

Staff

1140 Department of Human Resources

What are the details of the "Total Awards" package, and who will be the final decision maker in how \$500,000 in incentive funding is awarded? Is it realistic that HR can review all County positions in terms of grade level/base compensation utilizing internal and external market data?

How much savings are projected from changing the amortization of pension administrative expenses into a pay-as-you-go model?

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2013 RECOMMENDED BUDGET**

What are the details of the new Wellness Program and is it better to manage these functions in-house or contract with a vendor who specializes in these programs. What type of changes can employees expect to see in 2013 and beyond?

1151 DAS-Administration and Fiscal Affairs

The Recommended Budget creates two new Fiscal and Management Analyst 1 positions. Are these necessary given that many of the fiscal duties are now performed by the Office of the Comptroller? What are the expenditures for the CountySTAT program and how will policymakers participate in the development of the performance measurement and management process?

What are the expenses and revenues of the county collections contract? How are they shared with county departments?

1160 DAS-Information Management Services Division (IMSD)

Given the challenges of IMSD's current workload, how will the addition of the Windows Migration project, as well as other projects, be handled by staff?

3700 Office of the Comptroller

Has this office, which was created mid-2012, been provided the necessary fiscal staff to properly handle the duties as outlined in State Statutes and requests from policymakers? More budget staff is being added to DAS-Fiscal Affairs but is this addition a higher priority than ensuring the Comptroller has the staffing resources to carry out his duties?

Public Safety and Judiciary

4000 Office of the Sheriff

Performance Outcome Budgeting and Resulting Position Changes

The Sheriff's narrative showcases the Department of Administrative Services' new performance outcome budgeting approach. While the narrative does discuss the data used to implement decisions (in this case an analysis of payroll data to shift position allocations across program areas), policymakers may wish to gather more information regarding exactly how the data was collected and analyzed. For example, were decisions based on one person's analysis of the submitted time allocations? Were there interviews with management to discern issues surrounding employee deployments? How were issues like deputy layoffs, unexpected employee leave and emergency situations taken into consideration when analyzing where resources may have shifted?

Further, policymakers will want to take note of the fact that not all of the charts used in the Sheriff's narrative are baselined at zero so that many of the bar graphs appear "zoomed in" on changes. For example on page 4000-14 where the baseline is marked at 125,000 and increments increase by 5,000. In such cases, the chart's disparities may appear stronger than they would if the chart were to start at zero.

SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2013 RECOMMENDED BUDGET

Finally, policymakers may want to gather more information comparing how investigators are used by both the Office of the Sheriff and the District Attorney's Office, and whether there is any interplay between the departments. Data surrounding caseloads for investigators in both departments were presented as justification for position allocations in both the Sheriff's budget and District Attorney's budget.

Huber and Electronic Monitoring

The budget seeks to ensure that inmate electronic monitoring (EM) and Huber programs will be utilized at greater levels in 2013. Frustration surrounding the lack of individuals put on EM and the reductions of individuals actively participating in the Huber program (particularly following Huber inmates' move to the County Correctional Facility South (CCFS) dorms from downtown late last year) was discussed in County Board and Criminal Justice Council committees throughout 2012. Will the changes suggested in the budget actually result in higher utilization of the programs?

As policymakers review the budgeted proposals, it might be helpful to get a more thorough analysis from the county's attorneys regarding which officials have the authority to place individuals in the aforementioned programs, and how those individuals are monitored.

Further, policymakers may also want to review the status of the Huber Program. Around this time last year, several issues were raised surrounding the housing of Huber inmates at CCFS regarding access to jobs and transportation. While the 2013 Recommended Capital Improvements Budget does include funding for planning and design of a new Huber Facility, there is no funding to actually begin construction of a facility in 2013. Where does the County Executive envision housing Huber inmates in the interim? If the Huber inmates are to remain at CCFS, have the issues surrounding transportation to and from jobs been addressed?

MOU/Law Enforcement Grants

Several questions surround the proposed MOU with the City of Milwaukee for park patrol and emergency 911 services, including: how many city positions will be dedicated to park patrol, and how will resources be allocated? Is there a mandated level of staffing in the MOU? Essentially what does Milwaukee County get for its \$1,200,000 investment in park patrol, and does the Milwaukee Police Department have the capacity to provide it?

As stated in Section 1 of the Overview in reference to the \$125,000 grant to suburban municipalities, policymakers also may want to carefully consider the precedent of reimbursing communities for park patrolling services without a clear understanding of the County's legal responsibility for providing those services. (The County has, for many years, dealt with paying the City of Wauwatosa for County Grounds responsibility.) Finally, how will the County ensure that the Intergovernmental Cooperation Council (ICC) develops a formula to allocate the grant funding in an equitable manner? Does the grant plan include any suggested benchmarks the ICC should use to determine the funding? Historically, such subsidy formula discussions have been contentious.

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2013 RECOMMENDED BUDGET**

4500 District Attorney

The District Attorney is losing 2.5 FTE Victim Witness staff, but creating 3.0 FTE in additional investigator positions. Is the funding of the new positions the highest priority for scarce resources within the department?

Department of Transportation (DOT)

5040 Department of Transportation-Airport

What plans are being developed to generate revenue streams as airline operators continue to realign and reduce service from Milwaukee County?

How will the former 440th Air Force Base, now called Milwaukee County's MKE Regional Business Park, develop into a strong economic development and revenue generating business engine? Or will it simply be a space rental business?

5600 Milwaukee County Transit/Paratransit System

What measures are being implemented to move Milwaukee County closer to realizing a dedicated funding source for transit/paratransit services that is not dependent on property tax levy as State aids continue to erode?

With Congestion Mitigation & Air Quality Funding (CMAQ) funding set to expire at the end of 2013, how will MCTS address this significant loss of funding to maintain service levels in 2014 and beyond?

Will the elimination of paper bus transfers, discussed in committee meetings this year, enhance safety on buses and eliminate violent crimes and farebox fraud in 2013 and future years?

Is \$500,000 in additional funding for private transit security sufficient given the challenges and strains on local law enforcement agencies?

Paratransit trips are projected to decrease 325,285 in 2013, largely in part due to the New Freedom Initiative where eligible persons with disabilities ride the fixed route system for free. How will this huge drop in rides affect transit's bottom line and service delivery to new eligible elderly and persons with disabilities? If savings, in fact, are realized, where will those savings be directed?

Health and Human Services

6300 Behavioral Health Division

The budget plans for the closure of one Acute Inpatient Unit at the close of the first quarter of 2013 as well as the reduction of 12 beds in the Center for Independence and Development (CID) by the end of the first quarter, and the reduction of another 12 in the CID by the end of the second quarter. Policymakers will want to receive assurances from the department that they believe sufficient capacity exists in the community to support the closure of these beds.

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2013 RECOMMENDED BUDGET**

BHD's budget includes significant anticipated revenue from two new sources. Given the deficits the division has run recently, and the anticipated hit reported with reduced State Medicaid reimbursements in the 2011-2013 Biennial Budget, how realistic is the receipt of the revenue in 2013?

What is the status of looking to outsource the Child and Adolescent Acute Unit, the study of which was included in the 2012 Adopted Budget, but is not mentioned in 2013? Is this a continuing initiative?

7900 Department on Aging

As with last year, the front organizational chart of the 2013 Recommended Budget places the Department on Aging (MCDA) as a division beneath the Department on Health and Human Services even though MCDA is treated as a stand-alone department throughout the rest of the budget. Policymakers may wish to request more information on the interplay and resources shared between the county's two resource centers—the Aging Resource Center and the Disability Resource Center—which are housed in two separate departments.

7990 Department of Family Care

The Department of Family Care (DFC) has had to adjust to an ever-changing environment over the last few years. First, the State contracted with a second Care Management Organization and then required the Department of Family Care (which at the time was a division within the Department on Aging) to become a stand-alone department. DFC has faced recent reductions in capitation payments and faced diminishing enrollment rates due to competition for clients with other programs, and the enrollment cap. In what ways is the DFC preparing for any additional changes that may come down, and ensuring that the program remains strong and viable throughout 2013 and into the future?

Parks, Recreation and Culture

9500 Zoo

The Zoo has had consistent revenue deficits for the past several years, despite changes to its expected revenue and funding appropriations. In a report submitted by the Zoo as of August 2012, they have a current revenue deficit of \$1.6 million. What measures can be taken to remediate the overall revenue structure for the Zoo? How can this be incorporated as part of the Zoo Master Plan developments?

9700 Museum

Lease and Management Agreement (LMA) Reestablishment for 2013

The LMA between Milwaukee County and the Milwaukee Public Museum (MPM) will be reestablished in accordance with the existing terms and conditions. The 2013 appropriation for the MPM is based on the funding agreement within the existing LMA that states that the annual amount is fixed for a ten year period beginning January 1, 2008.

It is expected that a mutually beneficial agreement will emerge from the negotiations between Milwaukee County and MPM within the 1st quarter of 2013.

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2013 RECOMMENDED BUDGET**

This information is mentioned briefly in a footnote on page 332 of the 2013 Recommended Budget narrative for Milwaukee Public Museum. MPM may have interest in potentially seeking to redistribute some of their expenditure obligations to Milwaukee County to offset some potential deficits. Policymakers should be kept apprised of these ongoing negotiations and initiatives as the LMA comes up for renewal.

Zoo Capital (WZ)

WZ600 Zoo Master Plan

As depicted in the 2013 Recommended Capital Improvements Budget, the Zoological Society of Milwaukee County will be providing half of the appropriated funds for the Master Plan in the amount of \$100,000. How much authority will the Zoological Society have over the developments created in the Master Plan?

Recognizing that the Zoo has had issues with revenue deficits in the past, what input will the Zoological Society have on the revenue structure or improvements to that structure?

Parks Capital (WP)

WO191 Moody Pool Renovations

Moody Pool is slated to undergo major changes, including demolishing the existing indoor pool (which has been closed since 2001) and replacing it with a splash pad. Will future funding be appropriated to offer transportation options/access to nearby deep-well pools for residents?

Other Agencies Capital (WO)

WO517 War Memorial Renovations

While the 2013 Recommended Capital Improvements Budget appropriates funds to begin to address the high priority deferred maintenance issues, how will the budget be affected by the pending negotiations between the War Memorial Board of Trustees (WMB) and the Milwaukee Art Museum (MAM) regarding which organization will have administrative control of the buildings?

Will the county be able to maintain the 5-year projected financial commitment to the War Memorial renovations?

SECTION 5
2013 RECOMMENDED CAPITAL IMPROVEMENTS BUDGET – OVERVIEW

Highways (WH)

WH001 Traffic Hazard Elimination Program

Expenditure: \$645,000

Revenue Reimbursement: \$580,500

Net County Commitment: \$64,500 to be financed by sales tax revenue.

Funding is budgeted for the design and construction phases of the Traffic Hazard Elimination Program for the intersections of South 76th Street and Edgerton and Layton Avenues and South 60th Street and CTH Y (Layton Avenue), and for various pedestrian countdown signal heads.

WH010 County Highway Action Program

Expenditure: \$1,006,475

Revenue Reimbursement: \$806,220

Net County Commitment: \$200,255 to be financed by general obligation bonds.

Funding is budgeted for the design, right-of-way and construction phases of the County Highway Action Program (CHAP) for West Mill Road (North 43rd Street to North Teutonia Avenue), City of Milwaukee, and South 76th Street (West Puetz Road to West Imperial Drive) City of Franklin.

WH020 Major Rehabilitation Program-County Trunk Highways (CTHs)

Expenditure: \$120,000

Revenue Reimbursement: \$30,000

Net County Commitment: \$90,000 to be financed by general obligation bonds.

Funding is budgeted for the design phase of the major Rehabilitation Program for CTHs, including South 68th Street (West Ryan Road to House of Corrections) and South North Cape Road (Hi-View Drive to South Carroll Circle), both in City of Franklin.

WH022 North 107th St. Brown Deer to North County Line (NCL)

Expenditure: \$2,359,300

Revenue Reimbursement: \$1,914,816

Net County Commitment: \$444,484 to be financed by general obligation bonds.

Funding is budgeted for the construction phase of North 107th Street Brown Deer to North County Line Road.

WH087 Ryan Road Culvert East of South 112th St

Expenditure: \$40,000

Revenue Reimbursement: \$0

Net County Commitment: \$40,000 to be financed by general obligation bonds.

Funding is budgeted for the design phase for the replacement of the West Ryan Road Culvert East of South 112th Street.

Mass Transit (WT)

WT049 Replace Bus Vacuum System at Kinnickinnic Garage

Expenditure: \$750,000

Revenue Reimbursement: \$600,000

Net County Commitment: \$150,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the 31-year old bus vacuum system at the Milwaukee County Transit System (MCTS) Kinnickinnic Garage.

WT052 Replace Fire Alarm System at Fond du Lac Garage Complex

Expenditure: \$250,000

Revenue Reimbursement: \$200,000

Net County Commitment: \$50,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the fire alarm system at the MCTS Fond du Lac Garage Complex.

WT053 Replace Bus Vacuum System at Fiebrantz Garage

Expenditure: \$250,000

Revenue Reimbursement: \$200,000

Net County Commitment: \$50,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the 29-year old bus vacuum system at the Milwaukee County Transit System (MCTS) Fiebrantz Garage.

WT054 Replace Bus Wash System at Kinnickinnic Garage

Expenditure: \$750,000

Revenue Reimbursement: \$600,000

Net County Commitment: \$150,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the 31-year old bus wash system at the Milwaukee County Transit System (MCTS) Kinnickinnic Garage.

WT056 Replace HVAC System at Kinnickinnic Garage

Expenditure: \$530,000

Revenue Reimbursement: \$424,000

Net County Commitment: \$106,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the 31-year old heating, ventilation, and air conditioning (HVAC) system at the Milwaukee County Transit System (MCTS) Kinnickinnic Transportation Building.

WT066 **Replace Bus Wash System at Fiebrantz Garage**
Expenditure: \$415,000
Revenue Reimbursement: \$332,000
Net County Commitment: \$83,000 to be financed by general obligation bonds.

Funding is budgeted for the 29-year old bus wash system at the Milwaukee County Transit System (MCTS) Fiebrantz Garage.

WT067 **Replace Roof Flashings at MCTS Fleet Maintenance**
Expenditure: \$120,000
Revenue Reimbursement: \$96,000
Net County Commitment: \$24,000 to be financed by sales tax revenue.

Funding is budgeted for the replacement of roof flashings at the Milwaukee County Transit System (MCTS) Fleet Maintenance Building.

WT069 **Replace Underground Storage Tanks at MCTS Fleet Maintenance**
Expenditure: \$275,000
Revenue Reimbursement: \$220,000
Net County Commitment: \$55,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of three underground storage tanks with above ground tanks, and removing and replacing one underground tank and above ground tank at the Milwaukee County Transit System fleet maintenance facility.

Airports (WA)

WA042 **GMIA Bag Claim Building Renovation and Expansion –Construction**
Expenditure: \$46,022,250
Revenue Reimbursement: \$0
Net County Commitment: \$46,022,250 to be financed by passenger facility charge (PFC) revenue and PFC bonding.

Funding is budgeted for total renovation of the baggage claim building and expansion project, including HVAC, new roof, interior and exterior lighting, new baggage conveyors and carousels, canopy and front walk improvements.

WA064 **GMIA Part 150 Noise Study-Phase II Residential Sound Insulation Program (RSIP)**
Expenditure: \$14,110,000
Revenue Reimbursement: \$12,699,000
Net County Commitment: \$1,411,000 to be financed by passenger facility charge (PFC) revenue.

Funding is budgeted for the Part 150 Noise Study-Phase II Sound insulation of residences in close proximity to airport noise.

- WA112 **GMIA Taxiway R & R3 Reconstruction**
Expenditure: \$400,000
Revenue Reimbursement: \$350,000
Net County Commitment: \$50,000 to be financed by passenger facility charge (PFC) revenue.
- Funding is budgeted for completion of design of the Taxiway R & R3 reconstruction.
- WA122 **GMIA Airfield Pavement Rehabilitation**
Expenditure: \$1,000,000
Revenue Reimbursement: \$875,000
Net County Commitment: \$125,000 to be financed by passenger facility charge (PFC) revenue.
- Funding is budgeted for the Airfield Pavement Rehabilitation project.
- WA123 **GMIA Airfield Safety Improvements**
Expenditure: \$400,000
Revenue Reimbursement: \$350,000
Net County Commitment: \$50,000 to be financed by passenger facility charge (PFC) revenue.
- Funding is budgeted for lighting and/or signage enhancements for the Airfield Safety improvement project.
- WA125 **GMIA Security and Wildlife Deterrent Perimeter Fencing**
Expenditure: \$271,000
Revenue Reimbursement: \$237,125
Net County Commitment: \$33,875 to be financed by passenger facility charge (PFC) revenue.
- Funding is budgeted for the continuation of 10 feet high (topped with barbed wire) Security and Wildlife Deterrent Fencing.
- WA158 **GMIA Runway 7R Deicing Pads**
Expenditure: \$12,900,000
Revenue Reimbursement: \$7,740,000
Net County Commitment: \$5,160,000 to be financed by passenger facility charge (PFC) revenue.
- Funding is budgeted for the Runway 7R Deicing Pads for 313,000 square feet of new pavement, including glycol collection system.
- WA169 **LJT Taxiway and Runway Lighting Replacement**
Expenditure: \$250,000
Revenue Reimbursement: \$237,500
Net County Commitment: \$12,500 to be financed by passenger facility charge (PFC) revenue.

Funding is budgeted for the replacement of all the existing taxiway lighting at LJT Airport.

WA172 **GMIA Terminal Sanitary Sewer Utility Upgrade**
Expenditure: \$300,000
Revenue Reimbursement: \$0
Net County Commitment: \$300,000 to be financed by the GMIA Airport Development Fund Depreciation account.

Funding is budgeted for the design phase and initial construction phase of the Terminal and Sanitary Sewer Upgrade project.

WA173 **GMIA Fuel Farm Electrical Service Upgrade**
Expenditure: \$950,000
Revenue Reimbursement: \$0
Net County Commitment: \$950,000 to be financed by GMIA hydrant fuel fees.

Funding is budgeted for the construction of the Fuel Farm Electrical Upgrade project.

WA176 **Airport Master Plan-AGIS/eALP**
Expenditure: \$500,000
Revenue Reimbursement: \$437,500
Net County Commitment: \$62,500 to be financed by passenger facility charge (PFC) revenue.

Funding is budgeted for the completion of the Airport Master Plan at GMIA.

WA177 **GMIA Parking Structure Repairs**
Expenditure: \$959,000
Revenue Reimbursement: \$0
Net County Commitment: \$959,000 to be financed by general airport revenue bonds (GARBS).

Funding is budgeted for the initial phase of parking structure repairs at GMIA, based on the GRAEF Structural Evaluation Report.

Environmental Services (WV)

WV009 **Countywide Sanitary Sewer Repairs**
Expenditure: \$150,000
Revenue Reimbursement: \$0
Net County Commitment: \$150,000 to be financed by sales tax revenue.

Funding is budgeted for the repair and reconstruction of sanitary sewer manholes and sewer lines that are in poor condition in accordance with the Stipulated Agreement with the State Attorney General's Office established in 2006. Per the agreement, continued evaluation and inspection of the sanitary sewer system is required every

five years; deficiencies identified in the sanitary sewer system are required to be repaired within 18 months of discovery.

WV020 Root River Asbestos Dump Removal

Expenditure: \$76,560

Revenue Reimbursement: \$0

Net County Commitment: \$76,560 to be financed by sales tax revenue.

Funding is budgeted for the removal of asbestos at the Root River riverbank, just east of the County farm in Franklin. The funds will be used to create trails to gain access to the site, remove and clean the residual hazardous materials in accordance with regulatory obligations, and to restore and reseed the area upon project completion.

WV022 Franklin Landfill Infrastructure

Expenditure: \$70,140

Revenue Reimbursement: \$0

Net County Commitment: \$70,140 to be financed by general obligation bonds.

Funding is budgeted for the planning and redesign of a replacement infrastructure for the Franklin landfill. The 2013 funding is allocated to cover phase one of the two-phased project; phase two consists of the actual construction and implementation of the project, which is set to begin in 2014.

Parks (WP)

WP070 Parks Infrastructure (Lindbergh Park Rehabilitations)

Expenditure: \$800,000

Revenue Reimbursement: \$0

Net County Commitment: \$800,000 to be financed by general obligation bonds that were appropriated to Project WP191Moody Pool Refurbishment.

Funding is budgeted for various rehabilitations at Lindbergh Park, which has been a two-phased project that included the demolition and rebuild of the pavilion, as well as the demolition of the old wading pool and the construction of a mechanical room in 2012 as part of phase one.

The 2013 appropriation allows the Parks Department to move forward with phase two of the project which includes adding a new splash pad and new walkways, in addition to a new rubber Poured-in-Place surface installation for the playground.

Lindbergh Park is one of the City of Milwaukee's urban area parks that the County Executive has designated as being one of the programmatic park focal points in 2013.

WP129 Athletic Fields (Zablocki Park)

Expenditure: \$80,000

Revenue Reimbursement: \$0

Net County Commitment: \$80,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of a basketball court located in Zablocki Park that is in extremely poor condition, according to a hard surface assessment conducted by the Parks Department.

WP167

Parks Countywide Restroom Renovations (Veterans Park Pavilion)

Expenditure: \$400,000

Revenue Reimbursement: \$0

Net County Commitment: \$400,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the restrooms and shelter at Veterans Park. The 2010 Adopted Budget originally appropriated funding to renovate the existing restrooms in Veterans Park; however, it was later determined that the structure was unsuitable for renovation.

The 2013 appropriation will be used toward the demolition of the existing facility and the construction of a new pavilion and restrooms.

WP191

Moody Pool Renovations

Expenditure: \$0

Revenue Reimbursement: \$0

Net County Commitment: \$0

Funding for this project was appropriated in the 2011 Adopted Capital Improvements Budget in the amount of \$5,008,380 in general obligation bonds for the refurbishment of Moody Pool. It is understood that an estimated cost of approximately \$8 million is needed to repair the existing Moody Pool Facility; this estimate was developed by Parks staff, Department of Administrative Services - Architectural and Engineering staff, and other consultants in the year 2011.

In the 2012 Recommended Capital Improvements Budget the scope of the project was revised and the total estimated cost of the project is now \$2,038,622. The remaining \$2,959,920 in general obligation bonds is being appropriated to other various capital improvement projects, such as the Lindbergh Park renovations.

The new Moody Park project will consist of the demolition of the existing indoor pool structure and wading pool, to be replaced by a state-of-the-art outdoor splash pad with a small playground area, a community building, an open-air picnic structure, new parkways, a Helios exercise station, a community garden, a green space for field sports, a reconstructed parking lot, and new lit basketball courts.

Moody Park is one of the City of Milwaukee's urban area parks that the County Executive has designated as being one of the programmatic park focal points in 2013.

WP202

Martin Luther King Jr. (MLK) Community Center HVAC Replacement

Expenditure: \$1,654,920

Revenue Reimbursement: \$0

Net County Commitment: \$1,654,920 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the heating, ventilation and air conditioning system at the MLK Center.

The MLK Center is one of the City of Milwaukee's urban area parks that the County Executive has designated as being one of the programmatic park focal points in 2013.

WP247 Restroom Improvement Program (Greenfield Park)

Expenditure: \$100,000

Revenue Reimbursement: \$0

Net County Commitment: \$100,000 to be financed by general obligation bonds.

Funding is budgeted for the 2013 design phase of replacing the restrooms at both Greenfield Park Shelters #3 and #5. The construction phase of the project is expected to be appropriated in the 2014 Capital Improvements Budget.

WP248 Security and Fire Protection Systems

Expenditure: \$50,000

Revenue Reimbursement: \$0

Net County Commitment: \$50,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the Sports Complex Security and Fire Protection Systems.

WP254 Whitnall Park Golf Course Pedestrian Bridges

Expenditure: \$173,400

Revenue Reimbursement: \$0

Net County Commitment: \$173,400 to be financed by general obligation bonds.

Funding is budgeted for the replacement of two pedestrian bridges on the 13th hole of the Whitnall Park Golf Course; the existing bridges are old and undersized.

WP257 Kinnickinnic Sports Complex Fencing Replacement

Expenditure: \$10,440

Revenue Reimbursement: \$0

Net County Commitment: \$10,440 to be financed by general obligation bonds.

Funding is budgeted for the replacement of fencing and backstop fabric for Ball Field #1 at the Kinnickinnic Sports Complex.

WP260 Holler Park Pool – Conversion to Sand Filtration System

Expenditure: \$120,000

Revenue Reimbursement: \$0

Net County Commitment: \$120,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the current diatomaceous earth (soft rock) filter system with a more efficient high pressure sand filter system.

The current filter system is not performing adequately and requires frequent maintenance from Parks staff and plumbers. A high pressure sand filter system,

which has been recommended in past pool reports, would allow simpler operation and maintenance.

WP264 **Estabrook Dam Impoundment Sediment Remediation (Phase 2)**

Expenditure: \$4,200,000

Revenue Reimbursement: \$0

Net County Commitment: \$3,000,000 to be financed by sales tax revenue and \$1,200,000 in general obligation bonds.

Funding is budgeted to satisfy the matching local funds for the total costs of the Phase 2 portion of the project to remove contaminated sediment from upstream of the Estabrook Dam.

The \$4,200,000 County match accounts for 35% of the overall project cost of \$12,000,000. The United States Environmental Protection Agency (EPA) is responsible for the remaining funds to proceed with the design and construction of the project.

In the 2010 Capital Improvements Budget \$2,100,000 was appropriated to repair the Estabrook Dam. However, because it is located on Federal land, improvements to the dam cannot be made until the contaminated sediment is removed to be compliant with the regulations of the Wisconsin Department of Natural Resources (WDNR) and the Federal Bureau of Land Management.

The WDNR will not allow the dam to be repaired or operated until the contaminated sediment is removed.

WP267 **Oak Leaf Parkway – Oak Leaf Trail Program**

Expenditure: \$273,700

Revenue Reimbursement: \$0

Net County Commitment: \$273,700 to be financed by general obligation bonds.

Funding is budgeted for the planning, design, and construction of the Oak Creek Parkway, along Drexel Avenue between Howell Avenue and 13th Street.

WP269 **Wehr Nature Center Improvements**

Expenditure: \$103,893

Revenue Reimbursement: \$0

Net County Commitment: \$103,893 to be financed by sales tax revenue.

Funding is budgeted for improvements to the Wehr Nature Center to include roofing, window replacement, ceiling upgrades, electrical upgrades, siding repairs, door upgrades, and ADA upgrades.

WP270 **Oak Creek Parkway Lighting System**

Expenditure: \$397,500

Revenue Reimbursement: \$0

Net County Commitment: \$397,500 to be financed by general obligation bonds.

Funding is budgeted for the replacement of lighting along the Oak Creek Parkway from the railroad tracks to Rawson Avenue; a Parks assessment finds this location in critical need of lighting improvement.

WP271

Johnsons Park Pavilion

Expenditure: \$380,000

Revenue Reimbursement: \$0

Net County Commitment: \$380,000 in general obligation bonds that were previously appropriated to Project WP191 Moody Pool Refurbishment.

Funding is budgeted for the construction of a new restroom/picnic shelter at Johnsons Park. The existing pavilion has been repeatedly vandalized and damaged, and can no longer be sufficiently repaired.

Johnsons Park is one of the City of Milwaukee's urban area parks that the County Executive has designated as being one of the programmatic park focal points in 2013.

WP272

Noyes Pool Roof Replacement

Expenditure: \$129,900

Revenue Reimbursement: \$0

Net County Commitment: \$129,900 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the south portion (6,000 square feet) of the roof over the pool at Noyes Park. The project includes the rehabilitation of the 230 foot parapet walls with new sheet metal coping and flashing.

WP273

Grobschmidt Park Pool Rehabilitation

Expenditure: \$162,000

Revenue Reimbursement: \$0

Net County Commitment: \$162,000 to be financed by general obligation bonds.

Funding is budgeted for rehabilitation of Grobschmidt Pool, including the installation of PVC membrane, new depth markers, and supply channel inlets.

WP274

Hales Corners Pool Main Drain Replacement

Expenditure: \$20,000

Revenue Reimbursement: \$0

Net County Commitment: \$20,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the main drain piping at Hales Corners Pool. The existing main drain pipe leaks, and the pool has to be plugged and unplugged in manually each year by diving in the deep end to remove and reattach the drain cover. A new trenchless technology system will allow the drain valve to be operated from the ground surface of the pool area.

WP279

Park Walkways Program (Humboldt Park)

Expenditure: \$125,000

Revenue Reimbursement: \$0

Net County Commitment: \$125,000 to be financed by general obligation bonds that were appropriated to Project WP191 Moody Pool Refurbishment.

Funding is budgeted for replacing portions of the walkways at Humboldt Park.

Humboldt Park is one of the City of Milwaukee's urban area parks that the County Executive has designated as being one of the programmatic park focal points in 2013.

WP280 Menomonee River Parkway Reconstruction

Expenditure: \$100,000

Revenue Reimbursement: \$0

Net County Commitment: \$100,000 to be financed by general obligation bonds.

Funding is budgeted for the design phase of the reconstruction of the Menomonee River Parkway. The appropriation will be used to analyze, design, and develop plans for the phased replacement of the parkway road.

Because Menomonee River Parkway is one of the busiest in the park system, measures are being taken in the scope of the design project to include the use of Best Management Practices and environmental storm water management practices to circumvent user conflicts.

Museum (WM)

WM018 Rectify Steam/Condensate Piping to AHU – 5 & 6

Expenditure: \$39,600

Revenue Reimbursement: \$0

Net County Commitment: \$39,600 to be financed by sales tax revenue.

Funding is budgeted for repairs to the Air Handling Units (AHUs) at the Milwaukee Public Museum, due to water overflow to the floor because of the collected condensation in the AHUs 5 and 6, which are not properly handling the steam pressure.

Zoo (WZ)

WZ057 Zoo Aviary Roof Replacement

Expenditure: \$77,300

Revenue Reimbursement: \$0

Net County Commitment: \$77,300 to be financed by general obligation bonds.

Funding is budgeted for the design phase of the project to replace the main Aviary roof, as the existing 45-year old roof leaks and pours water down the side walls and potentially could cause severe structural damage to the facility.

WZ078 **Zoo Elephant Yard Shading Structure**
Expenditure: \$156,000
Revenue Reimbursement: \$0
Net County Commitment: \$156,000 to be financed by general obligation bonds.

Funding is budgeted for the installation of two shade structures on the south side of the outdoor elephant exhibit. \$152,529 of the funding will be provided by new general obligation bonds, and the remaining \$3,471 will come from 2010 Build America Bonds that are being reallocated from Project WO950 Milwaukee County Public Art Program.

Access to adequate shade for elephants is required by the Association of Zoos and Aquariums (AZA); the shade structures are needed to be compliant with the AZA.

WZ089 **Zoo South End Hay Barn Roof Replacement**
Expenditure: \$177,480
Revenue Reimbursement: \$0
Net County Commitment: \$177,480 to be financed by general obligation bonds from the 2010 Build America Bonds that are being reallocated from Project WO950 Milwaukee County Public Art Program.

Funding is budgeted for the replacement of the South End Hay Barn roof, because the existing 30-year old metal roof is rusting and leaks rain on the hay, causing mold. The hay needs to stay clean to be compliant with a mandate by the United States Department of Agriculture.

WZ100 **Zoo Elephant Service Area Utility Protection**
Expenditure: \$105,200
Revenue Reimbursement: \$0
Net County Commitment: \$105,200 to be financed by general obligation bonds from the 2010 Build America Bonds that are being reallocated from Project WO950 Milwaukee County Public Art Program.

Funding is budgeted for modification of the elephant service area which contains utilities that can potentially be damaged by elephants as they walk from the indoor holding area to the outdoor holding area. This set-up poses a safety hazard to the elephants, which is out of compliance with AZA standards.

The appropriation will be used to create a barrier that will shield the utilities from the elephants.

WZ103 **Zoo Train Garage Overhead Crane**
Expenditure: \$82,800
Revenue Reimbursement: \$0
Net County Commitment: \$82,800 to be financed by general obligation bonds.

Funding is budgeted for the installation of a five-ton overhead crane in the train stop to lift heavy train equipment in the service area. Currently, a forklift is used to lift the equipment and sometimes staff members have to work directly under the lifted

materials; a new crane will mitigate safety hazards and will provide a more adequate method for lifting train equipment.

WZ104

Zoo Giraffe Building Upper Roof Replacement

Expenditure: \$85,000

Revenue Reimbursement: \$0

Net County Commitment: \$85,000 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the Giraffe Building upper roof due to damages caused by raccoons and to prevent further damage.

WZ107

Zoo Bear Service Area Improvements

Expenditure: \$185,000

Revenue Reimbursement: \$0

Net County Commitment: \$185,000 to be financed by general obligation bonds from the 2010 Build America Bonds that are being reallocated from Project WO950 Milwaukee County Public Art Program.

Funding is budgeted for the initial phase to renovate the five bear exhibits at the Zoo over a five year period, as well as planning and design for the second phase.

The 2013 appropriation will use \$178,737 for the renovation of the American Black Bear exhibit and \$6,263 for the initial planning for the Polar Bear exhibit renovation, as well as electrical and plumbing upgrades for both exhibits.

The renovations will consist of the following:

- Replacement of two den access structures (each currently consisting of a solid metal door and a barred metal door) with a single heavy duty 2" x 2" mesh metal door and a removable solid panel.
- Replacement of two sliding den-to-den bear doors.
- Replacement of two den-to-outdoor holding enclosure doors.
- Replacement of metal-barred wall and keeper access door to the den-to-den enclosure.
- Replacement of metal safety railings on all 3 levels of each den area.
- Replacement of spiral stairways with ship's ladder steps (if possible – this would require enlarging access areas in the floors of the ground and upper floors).
- Construct and install a mobile bear chute that attaches securely to the bear doors leading to the den-to-den enclosure.

WZ108

Zoo Boardwalk Replacements

Expenditure: \$43,000

Revenue Reimbursement: \$0

Net County Commitment: \$43,000 to be financed by sales tax revenue.

Funding is budgeted for the replacement of the Peck boardwalk rusted hangers with a more durable material for heavy pedestrian traffic and natural weather conditions; the existing boardwalk presents a potential safety issue.

WZ600

Zoo Master Plan

Expenditure: \$200,000

Revenue Reimbursement: \$0

Net County Commitment: \$100,000 to be financed by sales tax revenue and a \$100,000 contribution from the Zoological Society of Milwaukee County.

Funding is budgeted for the development of a new Zoo Master Plan, in partnership with the Zoological Society of Milwaukee County.

Phase 1 of this project includes the Initial Analysis and Strategy Development, which is funded by 2012 appropriated funds. The initial phase involves staff cooperative brainstorming and establishing projects.

In September 2012, the County Board adopted an amended resolution (File No. 12-712) to allow the Zoo to enter into a Master Plan development agreement with the Zoological Society, which is a fundamental portion of Phase 1.

The 2013 appropriation will fund the second phase of the project which includes Product Development/Prioritization. This phase focuses on the business aspects of the plan, costs and revenue concepts, and funding strategies.

Behavioral Health (WE)

WE048

Emergency Medical Services-Zoll Monitor/Defibrillator “Z” Series Implementation Plan

Expenditure: \$1,125,000

Revenue Reimbursement: \$0

Net County Commitment: \$1,125,000 to be financed with general obligation bonds.

An appropriation of \$1,125,000 is allocated to purchase 45 Zoll “Z” Series Cardiac Monitor/Defibrillators for the Emergency Medical Services Section. The useful life for monitor/defibrillators used in emergency vehicles is said to be approximately 5 years. The “Z” Series includes several updates, including the ability to transmit data to the medical control center or receiving hospital. This purchase will replace devices purchased in 2008, and is net of the \$225,000 trade-in value of existing equipment.

Human Services (WS)

WS038

Coggs Canopy Renovation

Expenditure: \$96,000

Revenue Reimbursement: \$0

Net County Commitment: \$96,000 financed with general obligation bonds.

This project seeks to renovate the loading dock canopy at the Coggs Center. The existing structure is rotting and structurally compromised; the project will remove the existing canopy and upgrade the structure with new materials.

WS040 Senior Center Infrastructure Improvements—McGovern Senior Center Main Kitchen Replacement (WS04005)

Expenditure: \$36,232

Revenue Reimbursement: \$0

Net County Commitment: \$36,232 financed with general obligation bonds.

This project seeks to remodel the McGovern Senior Center kitchen, which suffers from visible water damage, plumbing leaks, and deteriorating cabinets and flooring. New plumbing fixtures, countertops, cabinets, flooring, ceiling, wall coverings, light fixtures, and ADA complaint doors will adorn the updated space, which houses a Senior Meal Program and other community activities.

County Grounds (WG)

WG014 Grounds South Reservoir Rehabilitation

Expenditure: \$1,219,200

Revenue Reimbursement: \$0

Net County Commitment: \$1,219,200 to be financed by general obligation bonds.

Funding is budgeted to rehabilitate the 84-year old South Reservoir on the Milwaukee County Grounds, including cleaning and coating, and piping and drainage improvements.

Courthouse Complex (WC)

WC013 Criminal Justice Facility Deputy Workstations

Expenditure: \$384,775

Revenue Reimbursement: \$0

Net County Commitment: \$384,775 to be financed by general obligation bonds.

Funding is budgeted to complete the Criminal Justice Facility (CJF) Deputy Workstation replacement project.

WC050 Courthouse Courtroom Public Address System Replacement

Expenditure: \$387,233

Revenue Reimbursement: \$0

Net County Commitment: \$387,233 to be financed by general obligation bonds.

Funding is budgeted to replace the existing Public Address (PA) system in seven courtrooms in addition to the incorporation of a new teleconferencing system.

WC070 **Domestic Violence Area Reconstruction**

Expenditure: \$230,000

Revenue Reimbursement: \$0

Net County Commitment: \$230,000 to be financed by general obligation bonds.

Funding is budgeted to reconstruct office space for the District Attorney's Domestic Violence program.

WC078 **Milwaukee Justice Center Area Build Out**

Expenditure: \$423,000

Revenue Reimbursement: \$0

Net County Commitment: \$423,000 to be financed by general obligation bonds.

Funding is budgeted to reconstruct room G9 in the Courthouse to accommodate the Legal Resource Center and Law Library.

WC081 **Safety Building Cooler Tower Replacement**

Expenditure: \$151,200

Revenue Reimbursement: \$0

Net County Commitment: \$151,000 to be financed by general obligation bonds.

Funding is budgeted to replace the Safety building cooling tower, which has exceeded its useful life.

WC086 **City Campus Cooling Tower**

Expenditure: \$151,800

Revenue Reimbursement: \$0

Net County Commitment: \$151,800 to be financed by general obligation bonds.

Funding is budgeted to replace two cooling towers at City Campus, which leaks excessively and are subject to failure.

WC087 **New Huber Facility**

Expenditure: \$154,800

Revenue Reimbursement: \$0

Net County Commitment: \$154,800 to be financed by general obligation bonds.

Funding is budgeted for initial planning and design for the reconstruction or demolition and construction of a new Huber Facility in Milwaukee County.

Other County Agencies (WO)

WO038 **Marcus Center HVAC Upgrade Phase 4**

Expenditure: \$2,613,600

Revenue Reimbursement: \$0

Net County Commitment: \$2,613,600 to be financed by general obligation bonds.

Funding is budgeted to continue the design and construction of a renovated HVAC system at the Marcus Center.

Previous appropriations within both the 2009 and 2010 Adopted Capital Improvement Budgets, as well as an appropriation transfer in May 2011 have accounted for the first three phases of this five-phased, multi-year project.

The 2013 appropriation is related to the fourth phase of the project, which will renovate all five of the major air handling systems at the Marcus Center.

The final phase of the project includes an appropriation of \$1.7 million, which is expected for 2014.

WO048 Wil-O-Way Grant Park Recreation Center Boiler Replacement

Expenditure: \$88,400

Revenue Reimbursement: \$0

Net County Commitment: \$88,400 to be financed by general obligation bonds.

Funding is budgeted for the replacement of the main boiler at the Wil-O-Way Grant Park Recreation Center.

The existing 38 year-old boiler is due for replacement with an energy efficient unit that is expected to reduce energy consumption and operating costs.

WO060 Countywide Access Road Improvement Program

Expenditure: \$196,320

Revenue Reimbursement: \$0

Net County Commitment: \$196,320 to be financed by general obligation bonds.

Funding is budgeted for completion of reconstruction of the Kinnickinnic River Parkway from 57th Street to 60th Street.

WO071 Wil-O-Way Grant Recreation Center Second ADA Exit

Expenditure: \$18,700

Revenue Reimbursement: \$0

Net County Commitment: \$18,700 to be financed by general obligation bonds.

Funding is budgeted for the creation of a second accessible exit in the Wil-O-Way Grant Recreation Center on the north section of the center.

The existing north exit is not compliant with the standards of the Americans with Disabilities Act, and a second exit is required.

The 2013 appropriation will be used to seal the existing doorway and recreate an accessible exit on the west end of the building with a larger doorway for wheelchair access.

WO073 **Underwood Creek Parkway – Oak Leaf Trail Program**
Expenditure: \$77,400
Revenue Reimbursement: \$0
Net County Commitment: \$77,400 to be financed by general obligation bonds.

Funding is budgeted for the planning, design, and construction of the Underwood Creek Parkway Oak Leaf Trail on the west side of Swan Boulevard to Menomonee River Parkway, due to poor road conditions.

WO112 **Fleet Equipment Acquisition**
Expenditure: \$5,200,000
Revenue Reimbursement: \$0
Net County Commitment: \$5,200,000 to be financed by general obligation bonds and PFC revenue.

Funding is budgeted for vehicle and equipment replacement for use by various County departments.

WO114 **Countywide Infrastructure Improvements**
Expenditure: \$274,000
Revenue Reimbursement: \$0
Net County Commitment: \$274,000 to be financed by sales tax revenue.

Funding is budgeted for façade repairs at the Criminal Justice facility (CJF) and Safety Building.

WO115 **County Grounds Energy Conversion from Steam to Natural Gas**
Expenditure: \$1,000,000
Revenue Reimbursement: \$0
Net County Commitment: \$1,000,000 to be financed by general obligation bonds.

Funding is budgeted for the County Grounds Energy Conversion from Steam to Natural Gas.

WO128 **Wil-O-Way Grant Partial Lighting, Electrical Upgrade and Interior Finishing**
Expenditure: \$62,400
Revenue Reimbursement: \$0
Net County Commitment: \$62,400 to be financed by sales tax revenue.

Funding is budgeted for providing new lighting, electrical devices, and interior finishes for newly renovated rooms and office areas in the recreation center.

WO130 **Wil-O-Way Underwood Partial Lighting, Electrical Upgrade and Interior Finishing**
Expenditure: \$32,800
Revenue Reimbursement: \$0
Net County Commitment: \$32,800 to be financed by sales tax revenue.

Funding is budgeted for providing new lighting, electrical devices, and interior finishes for newly created spaces developed for better heating and cooling circulation in the recreation center.

WO131

Wil-O-Way Underwood Single Stall Restroom

Expenditure: \$81,000

Revenue Reimbursement: \$0

Net County Commitment: \$81,000 to be financed by sales tax revenue.

Funding is budgeted for the construction of a single stall restroom in the lobby area of the Wil-O-Way Underwood Recreation Center, a rec center for persons with disabilities.

Although there are both men's and women's ADA accessible restrooms with four stalls each at the facility, there is no existing bathroom that will allow staff to assist those who may need help using the facilities or for people who need to change soiled clothes.

The current restrooms are located in the main hall, which requires the building's HVAC system to remain on, even when the hallway is not being used for any other purpose. This results in a conflict of traffic and unnecessary use of the hallway's HVAC system.

The new bathroom stall will be installed in the lobby to be used as a staff and Family Care staff restroom that will allow the main hallway and corresponding HVAC system to be closed when it's not in use.

WO132

Wil-O-Way Underwood HVAC Replacement

Expenditure: \$47,000

Revenue Reimbursement: \$0

Net County Commitment: \$47,000 to be financed by general obligation bonds.

Funding is budgeted to replace the HVAC unit in the multi-purpose room at the Wil-O-Way Underwood Recreation Center. The current unit is about 20 years-old, and replacement will allow an opportunity to reconfigure and merge all three of the independently fragmented systems in the building, resulting in more efficient operation.

WO133

Medical Examiner Cryostat Machine

Expenditure: \$51,000

Revenue Reimbursement: \$0

Net County Commitment: \$51,000 in general obligation bonds.

This funding will be used by the Medical Examiner's (ME) Office to purchase a new Cryostat Machine, a device used to prepare fresh tissue for microscopic studies. Currently, the ME's Office contracts with an outside entity for this service.

WO136 **Trimborn Farm Stone Barn Roof Replacement**
Expenditure: \$57,888
Revenue Reimbursement: \$0
Net County Commitment: \$57,888 to be financed by general obligation bonds.

Funding is budgeted to implement the replacement of the antiquated and deficient infrastructure at Trimborn Farm, which is one of the largest and oldest stone barns in Wisconsin. The roof at Trimborn Farm is leaking in multiple places and it can no longer be sufficiently repaired; continued leakage will compromise the structural integrity of the building.

WO205 **Automation Program**
Expenditure: \$960,726
Revenue Reimbursement: \$0
Net County Commitment: \$350,000 in sales tax and \$610,726 in property tax levy

A \$350,000 appropriation is for programming, analysis, licensing, business software, hardware, and consultant services to continue implementing process improvements in several departments. The departments include: the Medical Examiner, Accounts Payable, Contract Management, Sheriff and Financial Intranet. An additional appropriation of \$610,726 is provided for the Courts scanning project that will clear space for the Milwaukee Justice Center expansion.

WO215 **Storage Expansion**
Expenditure: \$400,000
Revenue Reimbursement: \$0
Net County Commitment: \$400,000 in general obligation bonds.

This project will increase data storage capacity to meet the growing needs of County departments. This phase will allow for the purchase of hardware to increase disk to disk backup to provide an additional four Terabytes of storage capacity. Future year costs are expected to total \$1,289,000 from 2014 to 2017 to complete this project.

WO218 **Infrastructure Replacement**
Expenditure: \$500,000
Revenue Reimbursement: \$0
Net County Commitment: \$500,000 in general obligation bonds.

This appropriation will be used to replace network and server equipment that has reached the end of its useful life. Equipment to be replaced: telecommunications equipment; switches that connect personal computers to the network; wireless controllers and access points; VPN equipment; firewalls which secure Internet communications; and routers.

WO221 **Data Center Equipment and Construction**
Expenditure: \$1,075,800
Revenue Reimbursement: \$0
Net County Commitment: \$1,075,800 in general obligation bonds.

An appropriation of \$897,600 is included to ensure sufficient capacity to meet the projected demand for both current and future IT initiatives. This will allow the current data center in Courthouse Room G2A to be moved to the Mechanical and Electrical Room at the Criminal Justice Facility. The first phase of the project was approved in 2011. This phase will allow for proper cooling systems and power sources to be deployed. An additional \$178,200 is provided for a Clean Agent Fire Suppression System. This special system replaces the wet (water) system with a gaseous system that will not harm critical IT components.

WO433

Glass Barrier at Criminal Justice Facility

Expenditure: \$143,000

Revenue Reimbursement: \$0

Net County Commitment: \$143,000 in general obligation bonds.

This project allocates funding to replace the glass partition in the lobby reception area of the Criminal Justice Facility with a new glass partition to increase safety. Included in this project are the following upgrades: bullet resistant glass; a structure that extends to the ceiling and surrounds the entire work area, and a new door with a security lock.

WO517

War Memorial Renovations

Expenditure: \$1,346,700

Revenue Reimbursement: \$0

Net County Commitment: \$1,346,700 to be financed by general obligation bonds.

Funding is budgeted for the renovations of the War Memorial Center to include the following:

- Replacement of the concrete in Veterans Courtyard;
- Repair and replacement of south stairs at the Veterans Courtyard south entrance;
- Repair of the concrete on the south canopy, interior columns and delamination of roof slabs;
- Engineering and initial planning to replace the HVAC system for the Kahler Building; and
- Engineering costs associated with these improvements

The 2013 appropriation is the first year of a five-year plan created by the War Memorial and Milwaukee Art Museum to renovate the War Memorial facility. It will fund the highest priority items of the plan:

- Building Exterior Envelope
- Exterior Stairs
- Concrete and Structural
- HVAC Improvements

The overall cost of the entire renovation program is estimated at \$11,797,359, to which Milwaukee County will contribute \$9,230,959.

The War Memorial Center Board of Trustees (WMB) and the Milwaukee Art Museum (MAM) have had some disagreement in the last few years over which organization should have management and facility control over the building, in light of the facility's worsening deferred maintenance conditions. These concerns were outlined in depth in the 2011 audit, "New Strategies are Needed to Revitalize the War Memorial Center and Fulfill its Dual Mission to Honor Veterans and Promote the Arts".

A substantial portion of the MAM is housed in the War Memorial Center's Saarinen Building and in the Kahler Building. The MAM administrators are concerned that the artwork in these facilities is in jeopardy of irreparable damage due to the poor conditions of the buildings.

Currently, the governance structure of the War Memorial Inc. is headed by the WMB, and includes the Veterans Board of Directors, the MAM Board of Trustees, Charles Allis/Villa Terrace Board of Directors, Marcus Center for the Performing Arts Board of Directors, and the War Memorial Center Facility Board of Directors.

The WMB and MAM have had multiple cooperative meeting sessions in 2012 to work out a mutual agreement on how to proceed with the governance of the War Memorial buildings.

WO602

Mainframe Applications Migration

Expenditure: \$250,000

Revenue Reimbursement: \$0

Net County Commitment: \$250,000 in sales tax revenues.

This appropriation will fund the first phase of a mainframe replacement project to create a design plan for replacement of all legacy mainframe applications including the Criminal Justice Information System (CJIS), Advantage Financial System, SCRIPTS check generation, and Genesys historical payroll data. The current legacy systems are more than 30 years old, and it is becoming increasingly more difficult to retain staff with the knowledge base to support these systems, as well as the added licensing costs. This appropriation will allow for a plan to be developed and estimates for future phases of the project.

WO614

Build Out Ten Sites to Digital

Expenditure: \$1,842,168

Revenue Reimbursement: \$0

Net County Commitment: \$1,842,168 in general obligation bonds.

This appropriation will help replace the analog, public safety 800MHz trunk radio system, consoles and radios to newer digital technology. Milwaukee County operates an analog 800MHz trunked radio system that provides support to the Sheriff's Department, Transit System, Department of Public Works, Zoo, Parks and first responder agencies (police/fire/EMS) of seventeen municipalities throughout the region. A partnership with Waukesha County, which is also on track to replace its own analog trunked system, is expected to lower costs for both counties. A total of \$22.5 million of costs are projected from 2014-2017 to complete this project.

WO621

Windows Migration

Expenditure: \$3,440,160

Revenue Reimbursement: \$0

Net County Commitment: \$1,501,013 in sales tax revenues and \$1,939,147 in general obligation bonds.

This project, phased in over 2013-2015, is expected to cost \$8,095,670 to replace the County's obsolete personal computers and soon to be unsupported operating system (Windows XP) with the newest Windows operating system and Office 365 collaborative suite of applications (Exchange email, SharePoint team sites, instant messaging and conferencing). This migration will render some current County software systems unusable; \$500,000 of the 2013 appropriation will be to replace the Medical Examiner's Case Management system.

WO870

County Special Assessments

Expenditure: \$250,000

Revenue Reimbursement: \$0

Net County Commitment: \$250,000 to be financed by sales tax revenue.

Funding is budgeted for special assessments levied on the County by local municipalities for improvements to streets, sidewalks and other items that are adjacent to abutting County lands or facilities.

WO888

Marcus Center Elevator Modernization (Uihlein #2)

Expenditure: \$564,800

Revenue Reimbursement: \$0

Net County Commitment: \$564,800 to be financed by general obligation bonds.

Funding is budgeted for the modernization of the Uihlein Theatre #2 elevator at the Marcus Center. The existing elevator is over 40 years old, and a new elevator will meet current safety and ADA standards that the current elevator does not.

Five-Year Capital Improvements Plan

The Five-Year Capital Improvements Plan is a schedule showing identified capital improvement projects that are awaiting funding from 2013 through 2017. It is not a plan that is approved by policymakers, as each year the Capital Improvement projects are reviewed and voted on separately from the five-year plan. It should be noted that the list, excluding airport projects, has \$159.4 million in projects requiring \$96.2 million in bonding in 2014 alone. Since the self-imposed annual general obligation bonding limit for 2014 is approximately \$35.8 million, it is clear that many projects will be pushed off to 2015 and beyond, which are already projected to far exceed the self-imposed bonding limits. Policymakers may wish to get a better explanation as to how the County will address the growing infrastructure needs this county faces in the coming years.