



COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

REVISED

DATE : October 2, 2009
TO : Milwaukee County Board of Supervisors
FROM : County Board Research Division
SUBJECT: **Overview of County Executive's 2010 Recommended Budget**

Attached is the County Board Research Division's overview of the County Executive's 2010 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 2010 Recommended Budget with the 2009 Adopted Budget.
- 3) **Section 3** provides a summary of **Major Changes**, including policy changes, proposed by the County Executive in the 2010 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 and Audit Committee will begin its formal review of all budgets as a full committee beginning October 5th at 1:00 p.m.

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SECTION 1 –GENERAL OVERVIEW 2010 RECOMMENDED BUDGET

Fiscal Synopsis

The County Executive's 2010 Recommended Milwaukee County Budget calls for total expenditures of \$1,481,577,120, an increase of \$87,476,463, or 6.3 percent, over the 2009 Adopted County Budget. The recommended property tax levy is \$257,637,284, the same as the 2009 levy. The recommended tax levy is comprised of two components: debt service levy of \$64,727,090 and operating levy of \$192,910,194.

The equalized property tax rate for Milwaukee County is \$4.05 per \$1,000, an increase of 10 cents from the 2009 Adopted Budget. The total equalized value for Milwaukee County decreased in the past year by 2.44 percent.

The Recommended Budget uses \$82.44 million in General Obligation bonds for non-Airport projects, a \$49,976,337 increase from the 2009 Adopted Budget amount. This increase reflects the policy of issuing two bond issuances in 2009¹ and two in 2010 to take advantage of stimulus funding provided through the American Recovery and Reinvestment Act (ARRA). This amount is \$13.6 million over the self-imposed debt cap of \$68.9 million that was adopted as part of the 2003 debt restructuring. (*See Capital Improvements later in Section 1 of the Overview.*)

Tax Levy/Rate Caps

The State-imposed tax levy cap was modified in the 2009-11 State Budget. This more restrictive tax levy cap is in addition to the existing tax levy rate cap that was imposed in 1993, which is still in effect. The tax levy rate cap imposed in 1993 was the 1992 actual tax rate adopted for the 1993 budget. For Milwaukee County, this resulted in a combined rate of \$5.508 per \$1,000 of equalized value, which includes an operating rate of \$4.084 and a debt levy rate of \$1.424. The tax levy rate cap adjustment is related to changes in equalized values that are published by the State in August of each year. Based on calculations provided by the State Department of Revenue to the Department of Administrative Services (DAS) – Fiscal Affairs, and shared with County Board staff, the estimated operating levy for the 2010 Recommended Budget is \$90,708,032 under the 1993 tax levy rate cap that is still in effect.

The new, more restrictive tax levy cap limits the levy increase to the political subdivision's valuation factor. The valuation factor means a percentage equal to the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed ("net new construction") between the previous year and the current year but not less than three percent, plus the terminated tax incremental district (TID) percentage of approximately 0.04 percent. In other words, Milwaukee County is permitted to increase its tax levy a maximum of the percentage increase of net new construction or 3.04 percent, whichever is higher.

¹ The first Capital Improvement Budget for 2009 was approved as part of the 2009 Adopted Budget. The County Board of Supervisors approved the second Capital Improvement Budget on September 24, 2009. General Obligation Bonding for non-airport projects was \$32,468,511 and \$45,256,060, respectively. The total G.O. Bonding for non-airport projects for 2009 is \$77,724,571.

The Department of Revenue recently reported that the net new construction percentage for Milwaukee County did not exceed 3.04 percent (0.83 percent); therefore, the allowable tax levy limit increase is 3.04 percent plus an adjustment for recently issued debt. DAS-Fiscal Affairs staff, with review by the County's bond counsel and financial advisor, has calculated the estimated maximum tax levy permitted under current law to be \$330,534,125 million, or \$72,896,841 above the 2010 Recommended Budget amount. This reflects an allowable maximum tax levy increase of 28.3 percent.² This amount reflects allowances for new pension obligation note debt issued in 2009 and unused tax levy cap room that may be carried over from the previous year under current law.

Budget Presentation

The 2010 Recommended Budget includes a revised narrative format that is intended to make the narrative more consistent amongst departments and easier to read. In most cases, the revised narrative format has been a significant enhancement from past budget narratives. The improved readability is likely to also benefit the general public who may not be as familiar with County programs and services. Even the simple implementation of continuous pagination has made navigation of the budget document less frustrating.

DAS-Fiscal Affairs staff indicate that the narratives include: 1) any extra-ordinary change; 2) any change that will impact service levels, employees, constituents or other departments; 3) any change with a policy implication; and 4) greater than a 10 percent change in an entire series (e.g. services, commodities, capital outlay funding, etc.)

However, the streamlined revamp of the budget has resulted in the loss of some information that was previously incorporated. This includes detailed analysis of some county-wide revenues, such as earnings on investments and shared revenue. Despite the need to fine-tune the new format in future narratives, the modifications are a positive step in making the budget document a more useful resource.

Overall Analysis

The 2010 Recommended County Budget was developed within the context of spirited discussions in the community about what the structure of County government should be in the future and even, as proffered by some, whether there should be a County at all. Much of this discussion during the course of the year appeared to be "off the cuff" without a lot of hard data to back up specific arguments.

One study that actually did shed light on the topic was the Public Policy Forum's "Milwaukee County's Fiscal Condition: Crisis on the Horizon?," which utilized a series of measurements from the International City/County Management Association (ICMA) to measure Milwaukee County's fiscal health. Overall, the study found that, while the County has managed to produce balanced budgets up until now, an overall structural problem may prevent this from continuing. This structural problem consists of: over-reliance on State and other revenues that have limited or no flexibility, a large increase in employee fringe benefit costs, depletion of available reserves and deferral of needed equipment purchases and maintenance, and unfunded health and pension liabilities. The study

² Southeastern Wisconsin Regional Planning Commission (SEWRPC) charges of \$837,070 and Other State Charges of \$47,737, totaling \$884,807, are included in the 2010 County levy limit.

indicated that unless the County found a way to address these structural problems, the fiscal future might not look very bright.

As with past budget proposals, the 2010 Recommended County Budget contains a number of privatization efforts, fee increases, restructurings and program eliminations or modifications. But these initiatives are not the main way in which the County Executive was able to get to a zero tax levy increase budget over the previous year. The main building block of this budget, which allowed the County Executive to avoid major program reductions and layoffs, is a series of employee wage and benefit reductions purported to address the structural deficit by reducing expenditures \$41.6 million and tax levy \$32 million. The issues here for policy makers will be: 1) is this how they want to address the County's structural problems? and 2) if it is, can it be done in the context of recently approved and pending labor agreements which seem diametrically opposed to what is proposed in the budget? and 3) if this is not a path decision makers want to follow, what are the realistic alternatives to produce a reasonable and manageable budget?

In the end, the budget that is ultimately adopted may have a huge impact in determining what Milwaukee County government will look like well into the future. Earlier this year, the County Board adopted a resolution that called for convening the Long Range Strategic Planning Steering Committee that was re-established in 2008. Appointments to the Steering Committee, as facilitated by the Strategic Planning Operations Team, have since been made. Clearly, while the County is faced with so many important issues that directly impact its long term fiscal future, there can be no better time than the present to initiate a full strategic planning process.

Regardless of the outcome of strategic planning, however, the 2010 budget has the power to profoundly shape the future of Milwaukee County government.

Reduction in Positions

The 2010 Recommended Budget continues the trend of reducing the number of funded positions in order to reduce tax levy. While mostly tied to outsourcing initiatives, other positions are simply abolished or unfunded. The 2009 Adopted Budget included 5,649 funded full-time equivalent (FTE) positions. The 2010 Recommended Budget includes 5,256 funded FTE's, a reduction of 393, or 7 percent from the 2009 amount. The Department of Administrative Services indicates that approximately 300 to 310 employees are at-risk of layoff at the time this overview was published. (The FTE reduction is net of position creates, abolishments and unfunding.) This at-risk number includes 226 AFSCME DC-48 represented employees. The actual number of layoffs that may occur is determined by further attrition and retirements, and may be subject to rules governing represented employees contained in various labor agreements. More detailed information regarding the impact of proposed position actions will be presented by DAS during the County Board's budget deliberations this month.

Wage and Benefit Reductions

The County Executive proposes unprecedented reductions in wages and employee fringe benefits for all employees – both non-represented and those subject to collective bargaining agreements. These reductions have been included in each departmental budget and are shown for presentation purposes in a new Org. Unit 1972 – Wage and Benefit Modification Account. (*See the wage and benefit reductions by department in a chart included at the end of Section 1.*) The expenditure savings from these reductions total \$41.6 million, offset by \$9.6 million in less revenue, for a net tax levy savings

of \$32 million. Per the County Executive's 2010 Recommended Budget, these modifications include:

Salary

- Employees' wages are reduced in 2010 by three percent and step increases are eliminated.
- All employees except deputy sheriffs, correctional officers and patient care workers under the Sheriff will be required to take either up to 12 furlough days (unpaid leave) or work up to 21 weeks on a reduced 35-hour weekly work schedule.

Overtime

- Overtime pay will not be paid for hours in excess of eight during the workday unless the employee has exceeded 40 hours in the workweek.
- Employees will only receive overtime pay for hours worked instead of credited.
- Management will be provided with the discretion to either pay out overtime or allow deputy sheriffs and nurses to accrue the overtime as paid time off to provide staffing flexibility and reduce overtime cost.
- Amend Chapter 17.16(1)(b) to eliminate overtime for salaried non-represented employees in positions that are exempt from the overtime requirements of the Fair Labor Standards Act (FLSA). *(Note: This matter has already been in front of the Committee on Personnel and was referred to the Department of Audit. A report is pending.)*

Health Benefit

- Employees will contribute 15 percent of the County's health care premium.
- The out-of-network co-insurance co-payment will be increased from 20 percent to 30 percent. The County's HMO plan is less costly and migration from the PPO to the HMO will decrease health care costs long term.
- Deductibles for the PPO plan will increase by \$100 for a single and \$300 for a family plan.
- Out-of-pocket maximums for the PPO plan will increase by \$500 for single plans and \$1000 for family plans.
- Emergency room co-pays will increase to \$100 to reduce County costs associated with emergency room visits.
- The CarePlus Dental Plan currently has unlimited benefits. Participants enrolled in the Care Plus DMO Dental Plan will have a \$1,500 annual limit on services consistent with the County's other dental plan.
- Participants who purchase 90-days (3 months) of prescription medication through mail order will pay 2½ co-pays rather than 1 co-pay.

Pension Benefit

- Employees eligible for pension benefits (regardless of vesting status) will contribute 5 percent of their annual salary to the County's pension system.

Impact on Collective Bargaining

Each wage and benefit reduction item proposed by the County Executive's 2010 Recommended Budget is considered bargainable for represented employees under Wisconsin collective bargaining laws. As County leaders are well aware, the collective bargaining process is often a months-long process to reach a voluntary settlement, and often longer when the negotiation moves into interest

arbitration. Additionally, although the County Executive advances some priorities for negotiation in this budget, under Milwaukee County Ordinances, the County Board's Committee on Personnel is charged with establishing the County's collective bargaining direction.

Approximately 85 percent of the County's workforce is represented by one of the County's eight collective bargaining units, one of which has an agreement in place that covers 2010 (Nurses) and three others which have reached tentative agreements with Milwaukee County (AFSCME DC48, Attorneys and TEAMCO). The proposed wage and benefit cuts are contrary to those agreements, potentially undercutting the budgeted savings from that initiative.

On September 24, 2009, the County Board considered a tentative voluntary agreement for 2009-10 with its largest union, AFSCME DC-48. The proposed agreement would, among other things, provide no wage increases for 2009 and 2010 and increase health care cost participation in exchange for a no layoff or privatization of employees provision. The tentative agreement with AFSCME DC-48, which represents approximately 63 percent of the County workforce, provides a net savings to the County of approximately \$1.1 million in 2010 over the most recent agreement with DC-48.³ Conversely, approximately \$32 million in tax levy savings are anticipated in 2010 from the proposed employee wage and benefit concessions contained in the Recommended Budget. In light of the stark fiscal challenges that the 2010 Recommended Budget reflects, it is difficult to envision the corrective measures that would be necessary to balance the budget if the agreement were approved. In addition to the gap in wage and benefit savings, if the tentative agreement were to be approved, the tax levy savings from layoff/privatization measures in the Recommended Budget related to AFSCME employees would need to be restored. DAS-Fiscal Affairs estimates that these restorations would cost approximately \$6.7 to \$7.5 million in tax levy to accomplish. Moreover, since the wage and benefit reductions outlined above would not apply to AFSCME employees if the tentative agreement were approved, the related savings would need to come from the remaining workforce – the majority of which are still subject to collective bargaining rules. A significant tax levy increase, layoffs in non-AFSCME employees, massive program or service reductions or some combination of these would be seemingly unavoidable.

It should be acknowledged that the current tentative agreement with AFSCME DC-48 would most likely be financially better than a protracted arbitration process where the arbitrator must choose between final offers from the County and Union. In this winner-takes-all process, the County would face the potential of a higher cost agreement and, in the interim, forgo anticipated health care cost savings for both union employees and retirees.

For the Nurses, Attorneys and TEAMCO, the labor agreements cover 2009 – 2011 and include health care premium and cost increases, offset by 2 percent wage increases in 2010 and 2011. The agreement for the Attorneys and TEAMCO were approved by the Board during the September County Board meeting and have been forwarded to the County Executive. The Mercer agreement has been signed the County Executive and remains in full force.

Approximately 15 percent of Milwaukee County's workforce consists of non-represented employees (non-reps). Historically, a wage and benefit package that is similar to that negotiated with District Council 48 has been applied to non-represented employees. However, because non-reps are not

³ An additional \$2.1 million of savings is anticipated due to health care changes affecting retirees, for a total savings of \$3.2 million. However, the additional retiree participation in health care costs will not be effective until after the agreement with DC-48 is adopted.

covered by collective bargaining laws, the proposed wage and benefit reductions could be applied effective on January 1, 2010 through adoption of the budget and passage of conforming ordinances.

The wage and benefit changes in the 2010 Recommended Budget are not quantified in terms of represented and non-represented employees. In addition to any direct savings realized from implementing these changes, there may be indirect impacts, such as increased retirements, increased sick payouts at retirement and the potential for litigation. Furthermore, while there has traditionally been general consistency on benefits between represented and non-represented employees, varying wage increases and compensation policies in recent years, coupled with the proposed reductions, serve to highlight the need for a comprehensive compensation plan review.

The most visible alternative to proposed reductions in employee wages and benefits would be severe cuts to departmental programs and services that would undoubtedly include the layoff of hundreds of employees in addition to deep cuts in services for the public. Given that there is one labor agreement and several tentative agreements already in place that cover 2010, and given the complexities of collective bargaining, it is difficult to envision fully realizing \$32 million in labor savings. The 2010 Recommended Budget clearly was developed to force employee unions into concession bargaining on wages and benefits. What is not clear is the exact magnitude of the corrective actions that will be necessary to balance the budget – especially if the ability to layoff/privatize AFSCME workers is not an option.

It should be emphasized that budgeting the savings from these proposed reductions effective January 1, 2010, runs counter to approved and pending labor agreements, and therefore could be termed highly unrealistic, likely requiring significant fiscal corrections in 2010 to the extent that they are not achieved.

Employee Impact

The Department of Audit has assisted in calculating the estimated impact to an average County employee based on the County Executive's proposed wage and benefit reductions that are included in departmental budgets and summarized above. The impact is as follows:

WAGE AND BENEFIT CONCESSIONS

	<u>County Average</u>	
	Minimum	Maximum
	<u>Total Impact</u>	<u>Total Impact</u>
Average Hourly Wage Rate	\$24.63	\$24.63
Annual Wage Total (2,080 Hours)	\$51,230	\$51,230
	Minimum	Maximum
3 percent Wage Reduction	-\$1,537	\$1,537
12 Furlough Days (96 Hours)	-\$2,294	
OR 21 Weeks at 35 Hours (105 Hours)		-\$2,509
Pension Contribution at 5 percent of Wages	-\$2,370	-\$2,359
Total Annual Wage Reduction	-\$6,200	-\$6,405
Percentage Wage Reduction	-12.1%	-12.5%
Reduced Annual Wage Total	\$45,030	\$44,826
Health Care Premium Concessions		
Increase in Annual Health Care Premiums	-\$592	-\$1,992
Percent of Current Wages	-1.2%	-3.9%
Total Wage Reduction and Premium Increase	-\$6,792	-\$8,397
Total Percentage Wage Reduction from Concessions	-13.3%	-16.4%
Total Wages After Concessions	\$44,438	\$42,834
<i>May not sum to total due to rounding.</i>		

1. *Average wages rates as of 3/10/09.*
2. *2009 health care premium costs adjusted upward 8 percent for assumed 2010 trend.*
3. *Does not include estimated impact of increased Rx mail order co-pays; increased ER co-pays or increased out-of-network co-insurance payments and increased out-of-pocket caps for PPO plan participants.*
4. *Step increases are eliminated. Consequently, employees eligible for step increases also forgo increases averaging 3% to 4% of annual wages.*
5. *The fiscal impacts of proposed changes to eliminate or curtail overtime compensation vary and are not shown in the table above.*

Under the County Executive’s budget proposal, all employees are expected to take wage and benefit reductions of approximately 13.3 to 16.4 percent, or \$6,800 to \$8,400 on an annual basis for the average County employee. The actual impact is even greater when proposed overtime compensation changes and increased costs for medical prescriptions, emergency room, and co-insurance payments are considered. Moreover, those employees eligible for a step increase in 2010 – which average 3 to 4 percent of salary – would be denied advancement in the pay range.

Privatization Initiatives

The County Executive continues to put forth privatization initiatives that, in many cases, have been previously rejected by the County Board. As the County’s fiscal challenges mount, the ability to rebuff privatization initiatives and their purported savings are becoming more difficult. Staff has previously provided information on privatization that bears repeating again this year.

A May 2004 report from County Board and Department of Audit staff defined privatization as a process that transfers services that had previously been performed by the government to the private sector. The private sector entity can be either a for-profit or a not-for-profit entity. The purpose of privatization is to provide services at a better value to the taxpayers. In many cases, the availability of privatization opportunities may focus on “commercial activities.” This is sometimes referred to as a “yellow pages test” in recognition of the fact that the services are commonly available from private businesses. These are activities that the government performs with its employees or resources that could also be performed by the private sector. Examples of government operations that are often cited as commercial activities include printing, golf, payroll processing and vehicle maintenance. Other types of services may be classified as “inherently governmental.” These are activities that are so clearly and directly related to a public interest without regard to profitability that they are best performed by the government. These may also have a statutory requirement for the provision of the identified service. Examples include law enforcement, corrections, stewardship of natural resources, fire fighting, and judicial functions.

In the past, Milwaukee County has implemented a number of privatization initiatives. The following examples provide a track record of previous County privatization efforts: Doyne Hospital, Transit, County Grounds/Power Plant, Information Technology, House of Correction and BHD Food Service, Milwaukee Public Museum, Construction Management, Health and Human Services and Aging Services, Golf Management, Lake Park and O’Donnell Park Restaurants and claims processing to name a few.

The 2010 Recommended Budget proposes numerous privatization initiatives, including:

□ DAS – Information Management Services Division (IMSD)

Mainframe functions are proposed for outsourcing on a contracted basis at a cost of \$1.4 million for 2010. Fifteen FTE’s are abolished (13 filled) and the anticipated net tax levy savings is \$450,000. The proposed three-year contract is with Stratagem. No service level impacts are anticipated for departments that use mainframe services.

□ **DTPW – Facilities Management/DHHS/DHHS-Behavioral Health Division**

Housekeeping services are proposed for outsourcing at DTPW-Facilities Management, the Behavioral Health Division and the DHHS Children's Detention Center. DTPW-Facilities Management and DHHS-BHD issued a joint request for proposals (RFP) this year that indicates tax levy savings of \$2,448,184 could be achieved if housekeeping services at the Courthouse Complex and the Behavioral Health Division were privatized. This would result in the abolishment of 87 positions; 36 in DTPW-Facilities Management and 51 in DHHS-BHD.

In addition, DTPW-Facilities Management proposes to abolish 31 security positions and hire a private security firm to perform these duties. The anticipated savings from this initiative is \$694,322. This is based on an RFP that was issued in 2009 for security services.

Another \$187,435 in savings is expected from the abolishment/unfunding of 2.5 FTE facility worker positions and the discontinuation of security and housekeeping contracts related to the proposed closure of City Campus April 1, 2010.

□ **Register of Deeds**

The Register of Deeds proposes to outsource data-entry indexing functions by abolishing six positions and entering into a contract for these services. The net tax levy savings are anticipated to be \$170,624. The private firm pledges to match or exceed the 98 percent accuracy rate achieved by Register of Deeds staff. The Register of Deeds indicates that the work may be brought back in-house by the end of 2010, but enhanced technology deployed over the next year will significantly reduce the number of employees needed to perform these functions.

□ **Department of Transportation and Public Works – Airport Division**

The Airport would terminate all 23 positions (31.66 FTE) in the fire department effective July 1, 2010, and enter into an agreement with the Air National Guard to provide crash and fire rescue services. It is estimated that an agreement with the Air National Guard, which currently provides these services at Dane County Regional Airport, would cost approximately \$1 million per year. This represents a savings of \$1.2 million per year. The savings for 2010 are estimated to be \$619,150 based on a half-year savings.

Typically there is no tax levy impact to Airport initiatives because all charges are paid by the airlines and other airport related revenues. In future budgets, there will be a loss of legacy fringe benefit charges that would simply be distributed to other County departments, resulting in a tax levy increase. DAS – Fiscal Affairs provided an analysis that the legacy costs associated with the Airport firefighter proposal would result in a redistribution of more than \$472,000 in costs to other County departments by 2012.

□ **DHHS – Behavioral Health Division**

In addition to the proposed outsourcing of housekeeping functions, BHD would completely privatize the two Community Support Programs (CSP) and Targeted Case Management (TCM) program. BHD staff currently serves 334, or 25 percent, of the 1,357 CSP slots. A total of 33 FTE positions would be abolished effective April 1, 2010 and a commensurate amount of slots would be purchased from private providers. Due to the implementation of a new 1915(i) Federal Waiver, conflict of

interest regulations would prohibit BHD from referring clients to their own internally run TCM program. BHD staff currently serves 234, or 20 percent, of the 1,171 slots. A total of nine FTE positions would be abolished effective April 1, 2010 and 180, or 54 fewer slots would be purchased from private providers. Total tax levy savings from these initiatives are estimated to be \$593,390 in 2010. It should be noted that both CSP and TCM programs have been proposed to be privatized numerous times in past budgets.

❑ **Zoological Department**

The County Executive proposes the creation of a steering committee to investigate the creation of an independent, not-for-profit corporation that will operate and manage the Milwaukee County Zoo. The committee would be made up of representatives from the Zoological Society of Milwaukee, Zoological Department, Corporation Counsel, Department of Administrative Services, County Executive and County Board staff. The goal is to develop a change in governance that could be implemented October 1, 2011. There are no cost savings associated with this initiative. An appropriation of \$60,000 has been placed in the Corporation Counsel budget to retain outside legal counsel for the development of this new privatization initiative.

Advantages and Disadvantages of Privatization

The County Board and Department of Audit staff report referred to earlier provided some advantages and disadvantages that should be considered when evaluating these proposals. These include:

Advantages

- ❑ Control might be enhanced because the manager is in a position to terminate a vendor contract and seek another provider. In many cases, privatized service arrangements can be terminated or modified with less notice/greater ease than with a public sector, unionized civil service workforce.
- ❑ Depending on the cost of fringe benefits and overhead, as well as productivity levels, a government's cost may be higher regardless of the absence of a profit factor. By definition, privatization efforts should be implemented only if cost-effectiveness can reasonably be demonstrated.
- ❑ Shifting work from a government monopoly to a competitive environment with a public or private winner could yield improvement in service. When there is more than one viable, prospective vendor that can compete for the provision of a service, the County can benefit from those competitive forces in terms of a vendor that is motivated to surpass performance expectations. This may manifest itself in different ways, such as superior customer service, or the private sector's tendency to make better use of cutting edge technology and premium-grade equipment.

Disadvantages

- ❑ Managers might lose significant control if much of their work was contracted out because employees under their direct control would no longer perform the work.

- ❑ Privatized cost may be higher because the government does not charge fees designed to generate profits from its services as businesses do.
- ❑ Dependence could develop on sole source vendors. Such dependence could leave the County vulnerable to large price increases until such time as the County could gear up for resuming in-house operations.
- ❑ Performance may deteriorate because industry might focus on profits, rather than public needs. While, short of divestiture, the County remains ultimately responsible for the provision of services, it must go through a third party to respond to client/customer concerns.
- ❑ Government employees might be laid off.

To address these concerns, there are a number of questions that should be asked when considering privatization of County services.

Does Milwaukee County have complete and accurate figures for costs and revenues associated with the program that can be used to compare County costs to the proposed privatization? The present cost allocation system within Milwaukee County is generally not adequate to make such a determination. In particular, analysis of cross charges and overhead as to their applicability to the provision of a given service is necessary.

Will services be solicited through a competitive request for proposals process? Consideration should be given to competition whenever possible. There may, however, be times when a sole-source approach is appropriate (e.g. Doyne Hospital sale, Milwaukee Public Museum privatization).

Will all service elements be put out for private bid or will the privatization be limited to specific elements? In some instances, vendors may only be interested in service areas with the highest revenue potential and/or the lowest cost. For example, contractors might only be interested in operating premium golf courses, not the County's par three courses. Activities that are not viewed as profitable by the private sector could continue to be operated by the County, contracted out with a subsidy, or the need to provide the service could be reassessed.

Does the proposed contract for privatization prohibit near term cost increases? The County would need to be mindful of bids structured artificially low and then adjusted later. Transition costs should also be factored into any analysis of cost savings.

What are the accountability provisions of the proposed privatization? Are there measures of performance? One of the better methods of privatization would be to require defined outcomes relative to quantity and quality of the services provided. Contract terms can be developed to provide financial incentives / penalties for failure to attain defined quantity and quality outcomes. This should be done irrespective of privatization. These measures could also include provisions for incentives/penalties.

Does the privatization bind the County to the provider in a manner that is difficult to reverse? Extra care should be exercised when the cost of reinitiating the service is excessive. Classic examples are privatization of snow plowing and garbage pick-up, where the government's cost to re-capitalize is high. While the venues identified in this resolution have significant capital costs,

depending on the type of privatization considered, short-term reversal of the privatization decision might be possible.

What impact will the privatization have on existing employees? Significant numbers of former County employees may be employed by the new provider of the services in the event of privatization. Short-term costs may increase if employees retire under a privatization model. Lower long-term retirement costs may be achieved if employees retire early because of privatization. In some situations, Milwaukee County has retained responsibility for long-term benefits of employees who are transitioned to a private operation.

Other Major Initiatives

□ Parks Department

The corrective actions necessary to address the County's annual fiscal shortfalls are most often apparent in the Parks Department. As a majority of County functions are subject to state and federal mandates, the discretionary appropriations within the Parks are often a target of budget cuts. This is especially true in the 2010 Recommended Budget where many popular park facilities are closed and staffing is slashed. The debate over the Milwaukee County Parks System and what needs to be done to preserve its 15,000 acres and recreational amenities continues to intensify as annual budget cutbacks and deferred maintenance take a large toll. Despite the passage of a local referendum in the Fall of 2008 supporting a local sales tax option for transit, parks, recreation and culture and emergency medical services, it appears that the Governor and State Legislature have narrowed their focus to regional transit authorities. Without a dedicated source of funding, the Parks Department will remain on the front line of program and service cuts.

The 2010 Recommended Budget proposes saving \$2.5 million by abolishing 39.12 FTE Park Maintenance Worker 2 positions and reallocating 14 other similar positions to 33 week per year jobs in the Parks and the remaining 19 weeks to assist DTPW – Highway Maintenance Division with snow and ice control operations. Another fourteen vacant positions, including five Forestry Workers, three Horticulturist 1, three Office Assistant 3, two Park Unit Coordinators and one Forestry Maintenance Worker are abolished for a savings of \$974,964. Five of these positions were filled at some point in 2009.

Six positions are abolished with the initiative to close the Martin Luther King, Jr. and the Kosciusko Park Community Centers. Savings are estimated at \$804,601. Lessees of the Centers will be afforded an opportunity to present alternative proposals to the County to continue operating their programs in the leased space.

The Noyes and Pulaski Indoor pools are closed per the recommendation of the County Executive for a net savings of \$398,966 despite the demand from users who need accessible, year-round aquatic facilities. Outdoor deep well pools at Holler, Jackson, Pelican Cove and Washington would also be closed. A splash pad was installed in 2008 at Washington Park and new splash pads will be installed at the sites of the other closed deep well pool sites at a cost of \$553,000. The Department's Aquatic Master Plan includes Capital Improvement funding of \$11.7 million for a new aquatic facility at a site to be determined on the south side. An additional \$1.5 million of Capital Improvement funding will be used to leverage \$6.5 million in private donations to renovate the Hoyt Aquatic Center.

The County Executive again recommends parking meters along Lincoln Memorial and Lagoon Drive as well as parking lots in order to generate an additional \$450,000 in revenue. Overall, revenue projections have been reduced by \$653,557 to better match historical amounts. The Parks Director would also be provided the authority to adjust park fees in order to respond to changing market and weather conditions, seasonal needs and special events in an overall effort to maximize revenues. A partial parks fee schedule was included in the budget document.

The issuance of two capital improvement budgets in 2009 and 2010, to take advantage of Federal stimulus funding, did provide the Parks Department with some much needed funding for its capital needs. A total of \$38.8 million in improvements were included in the second of the 2009 issuances and the two 2010 planned issuances. In addition to the capital improvements noted earlier for the aquatics program, \$3.7 million is included for playground equipment and \$1.8 million for restroom renovations. Parkway and parking lot improvements totaling \$4.4 million are also included in the Department of Transportation and Public Works budget. Major maintenance, which is cash financed with land sales proceeds, is budgeted at \$750,000 for 2010 within the capital budget. This represents an increase of the \$250,000 in tax levy that was included in the Parks budget for this purpose in 2009.

A consolidation of skilled trades staff removes 24 FTE skilled trades positions from the Parks Department and places them within DTPW-Facilities Management. Using an estimated 48,000 hours of skilled trades work performed in 2008, DTPW-Facilities Management is budgeted to provide the same hours of service to park facilities in 2010. This consolidation is anticipated to streamline work orders, provide consistent management oversight and deployment of staff. A total of \$230,000 of time and materials contracting is cut from the DTPW/Parks skilled trades budget as part of this consolidation effort.

□ Department of Public Works – Transit/Paratransit

The 2010 Recommended Budget cuts some route segments, but avoids whole route reductions (such as Freeway Flyer service) while raising the adult cash fare by 25 cents to \$2.25. In addition, a \$0.25 transfer fee is implemented. Other fares are increased \$1.00 for the adult weekly pass and student weekly passes, \$3.00 for U-Passes and \$12.00 for Commuter Value Passes. Additional revenue generated from fare increases is \$3.6 million. Further route reductions were avoided due to a \$6.6 million savings anticipated from lower cost fuel in 2010. Another \$900,000 in savings will be achieved by eliminating live operators at the Call Center and using an automated phone system as well as an interactive web-based system to access route, schedule and fare information.

The Freedom Pass initiative that began in 2009 and allows Paratransit eligible riders to ride the fixed route bus system for free will be continued and expanded in 2010. Paratransit fares remain at \$3.25 per one-way trip. Total expenditures for paratransit operations increase \$2.8 million, or 11.6 percent, from 2009. A new utilization effort will be coordinated with Aging, DHHS – Disabilities Services Division, Paratransit and the Department of Administrative Services–Office of Persons with Disabilities to try to ensure the most effective method of transportation (i.e. van, taxi, fixed route, residential facilities) for paratransit riders. This effort is anticipated to save \$741,969 in 2010.

A significant initiative is the Bus Rapid Transit (BRT) proposal that would create a ten-mile long BRT line along a corridor from UW-Milwaukee, through downtown, and west to the Milwaukee Regional Medical Complex. Funding would be provided through Milwaukee County's 40 percent share of the local \$91.5 million Interstate Cost Estimate (ICE) funds, or \$36.6 million. These Federal

funds require a local match of 15 percent, or \$6,459,000, which would be provided from land sale revenue generated from the UW-Milwaukee Innovation Park on the northeast quadrant of the County Grounds. Twenty low-floor, 60-foot diesel-electric hybrid buses would be purchased as part of the BRT initiative.

The 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 review of the Milwaukee County Transit System’s funding history and portended an eminent crisis resulting from heavy reliance on property tax revenues and a finite pot of Federal formula funds, originally intended for capitalized maintenance. The 2010 Transit/Paratransit operating budget again relies upon a combination of property tax, federal, state and increased fare box revenues. The Governor and State Legislature are expected to consider legislation this fall that may create a regional transit authority for Milwaukee County. Dedicated sales tax funding proposed in the legislation would allow Milwaukee County to remove the cost of operating the Transit/Paratransit systems from the local property tax.

In addition to the ICE funds for the BRT proposal, Federal stimulus funding is also aiding in the replacement of new buses. A total of 125 new diesel buses are authorized in the 2009-10 Capital Improvements Budget to replace buses purchased in 1996 and 1997.

Department of Health and Human Services

When the Department of Health and Human Service’s 2010 Requested Budget was submitted earlier this year, concerns were raised regarding massive programmatic cuts. Overall, the Recommended Budget maintained 2009 funding for some programs, reduced others, and in relatively few cases eliminated funding entirely.

Funding for General Assistance Burials, contributions to IMPACT 211, and all programs in the Housing Division continue to be funded at 2009 service levels. Purchase of service contracts for clients in the Disabilities Services Division were reduced, but not eliminated, including those for Day Services, Work Services, and Employment Services. An effort was made to match funding decreases to the reduction of clients currently utilizing these contracts who will transition into the Family Care program in 2010.

In the Behavioral Health Division, there will not be a reduction in beds at the Rehabilitation Center-Hilltop. However, there is an initiative to close the Day Hospital and revamp the Day Treatment program as well as the complete outsourcing of Community Support Programs and Targeted Case Management.

Total funding cuts were recommended for the Interim Disability Assistance Program (IDAP) and the Sports Authority.

Facility Closures

The 2009 Adopted Budget closed the Community Correctional Center (CCC) at 10th and State Street and did not outline future plans for this facility. The 2010 Recommended Budget remains silent on the future of the CCC, and also proposes to vacate and mothball City Campus at 27th and Wells Street effective April 1, 2010. Noyes and Pulaski indoor pools, the Martin Luther King, Jr. and Kosciusko Community Centers, and the Behavioral Health Division Day Hospital would also be closed without a plan for their future disposition.

Fee Increases

The County Executive's 2010 Recommended Budget contains several fee increases. An updated schedule of all County fees has been requested from DAS – Fiscal Affairs. The following is a summary of notable fee increases that are identified in the Budget:

- **DAS-Office for Persons with Disabilities.** Rental charges for the two Wil-O-Way facilities increase \$15-\$20 depending on off-peak or peak season. An additional \$22,000 of revenue is anticipated.
- **Milwaukee County Transit System.** The adult cash bus fare increases 25 cents to \$2.25. A new \$0.25 cent transfer fee is also implemented. Other fare increases include a \$1.00 increase to \$17.50 in the adult weekly pass and \$16.50 in student weekly passes, a \$3.00 increase in U-Passes and a \$12.00 increase in Commuter Value Passes. Paratransit eligible riders will continue to be eligible to ride the fixed route bus system for free under the Freedom Pass program begun in 2009.
- **Parks Department.** The Parks Director is given the authority to adjust park fees in order to respond to changing market and weather conditions. The County Board recently approved a resolution limiting the Parks Director ability to set fees lower or to increase fees up to an additional 10 percent higher than the established rates. Parking meters are proposed for Lincoln Memorial and Lagoon Drive as well as nearby parking lots. Hourly rates have not yet been determined, but \$450,000 in new revenue is anticipated.
- **Office of the Sheriff/County Correctional Facility-South.** A new daily room and boarding fee of \$6 day will be charged to sentenced inmates. The Sheriff intends only to charge non-indigent inmates and will refer outstanding balances to the County's collection agency. Revenue of \$100,000 is anticipated in 2010 due to this initiative.
- **Medical Examiner.** The cremation permit fee increases \$40, from \$185 to \$225. A new fee of \$150 is charged to recover the cost of transporting decedents to the Medical Examiner's Office. Charges for professional testimony provided by medical doctors in civil lawsuits and external government entities increase by \$100 to \$500 per hour. These fee changes are anticipated to increase revenue \$325,799.
- **Zoo.** Zoo parking and admission fees increase by \$1 across a broad range of categories. An additional \$916,206 is anticipated due to these increases.

Future Fiscal Issues/Immediate Challenges

In past Budget Overviews, staff outlined various fiscal challenges that policymakers may wish to consider as the County prepares to meet future fiscal challenges. But State Aid and other general revenue reductions, exacerbated by the economic recession, have thrust the County closer to a fiscal crisis point. The challenges are now greater and the corrective options necessary to balance the budget are more severe.

Capital Improvements Program

Taking advantage of Federal tax credits enacted as part of the American Recovery and Reinvestment Act (ARRA), Milwaukee County has chosen to accelerate its capital financing program for 2009 and 2010. By issuing “four years worth” of capital improvement budgets within the two-year ARRA eligibility window, Milwaukee County will have more than doubled its normal bonding amounts. The County Board of Supervisors recently approved the “second” issuance of capital improvement projects for 2009. The first issuance was approved as part of the 2009 Adopted Budget. In order to hold down future debt service costs, it is intended that no new capital improvements will be authorized for 2011 and 2012.

The 2010 Recommended Capital Improvements Budget reflects at least twice the amount of normal capital improvements authorized each year. Coupled with the “double” bonding authorized in 2009, Milwaukee County will have addressed many of the critical needs outlined in the 2009 five-year capital improvement plan.

The Recommended Capital Improvement Budget includes 79 separate projects at a total cost of \$251.8 million. County financing for those projects totals \$128.3 million. The 79 projects consist of 61 non-Airport projects at a total cost of \$158.8 million, plus 18 Airport projects at a total cost of \$93 million. The 61 corporate purpose (non-Airport) projects result in net County financing of \$99.3 million to be financed by \$82.4 million in General Obligation Corporate Purpose bonds, \$420,000 in sales tax revenues, \$1,025,000 in Passenger Facility Charges (PFC) revenue, \$480,000 in construction fund investment earnings, \$8,297,700 in land sale proceeds and \$6,604,400 in private donations.

Cash financing in the 2010 Recommended Capital Improvement Budget is \$24.3 million, or 19 percent of net County financing. Cash financing for non-airport projects is \$16.8 million, or 13 percent of net County financing. The County goal for cash financing of capital improvement projects is 20 percent.

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. The following table outlines the bonding limits for the issuances for 2009 and proposed for 2010:

Self-Imposed Bonding Limit

<u>Issuance</u>	<u>Cap Amount</u>	<u>Bonding Amount</u>	<u>Difference</u>
2009 Adopted	\$30,900,000	\$31,980,000	\$1,080,000
2009 “2 nd Issuance”	<u>\$32,940,000</u>	<u>\$46,330,000</u>	<u>\$13,390,000</u>
Total for 2009	\$63,840,000	\$78,310,000	\$14,470,000
2010 Rec. Capital	\$33,930,000	\$40,720,000	\$6,790,000
2010 Rec. “2 nd Issuance”	<u>\$34,950,000</u>	<u>\$41,729,000</u>	<u>\$6,779,000</u>
Total for 2010	\$68,880,000	\$82,449,000	\$13,569,000

The following briefly summarizes a few of the capital projects in the Recommended Budget: *(See Section 5 of the Overview for a complete listing of the Capital Improvement projects.)*

- Eighteen capital projects are scheduled for General Mitchell International Airport at a total cost of \$93 million. This includes \$37.5 million for the **Runway Safety Area Improvements** to help meet Federal Aviation Administration design standards. Another \$13.3 million is appropriated for the **Snow Equipment Storage Building**. The \$93 million in total expenditures for the 18 Airport projects are offset with \$64 million in Airport reimbursement revenue resulting in net County financing of \$29 million. This amount includes \$21.6 million in General Airport Revenue Bonds (GARB's), and \$7.4 million in PFC revenue bonds and/or pay-as-you-go PFC financing.
- An appropriation of \$43 million is included to begin the **Bus Rapid Transit** initiative. The 15 percent required local match is provided through land sale revenue anticipated from the sale of property on the County Grounds to UW-Milwaukee. The **Bus Replacement Program** is allocated \$17.5 million to purchase 35 new buses.
- An appropriation of \$11.2 million is included to begin construction of the **Southside Family Aquatic Center**. The exact location has not yet been determined. Renovation of **Hoyt Pool** in Wauwatosa is budgeted to cost \$8 million, offset with \$6.5 million in private contributions. **Countywide Play Areas** are provided \$2.5 million to continue the replacement of deficient play areas throughout the County Park System.
- An appropriation of \$12.6 million is provided for the refurbishment of the **Behavioral Health Facility**. The plan calls for the consolidation of BHD operations into the main Psychiatric Hospital, leaving the Day Hospital vacant. Patient Unit and office space remodeling are aimed at upgrading and improving patient security, privacy and workflow.
- Total expenditures of \$14.5 million are allocated for **Fleet Equipment Acquisition**. This is in addition to the \$6.5 million authorized for Fleet by the County Board in September 2009. A detailed listing of the vehicles/equipment to be purchased is included in Org. 5300 – DTPW Fleet Management.

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

WAGE AND BENEFIT REDUCTIONS BY DEPARTMENT

Org	Name	Wage and Benefit Adjustment			
		Personal Services Reduction	Expenditure Reduction	Revenue Reduction	Levy Impact
1000A	County Board	\$ (515,657)	\$ (527,781)	\$ -	\$ (527,781)
1001A	County Board - Department of Audit	\$ (187,211)	\$ (192,319)	\$ -	\$ (192,319)
1040	County Board - Comm Business Dev Partners	\$ (59,496)	\$ (60,602)	\$ -	\$ (60,602)
1011A	County Executive - General Office	\$ (102,626)	\$ (106,392)	\$ -	\$ (106,392)
1021A	County Executive - Veterans Service	\$ (19,746)	\$ (20,923)	\$ -	\$ (20,923)
1031A	County Executive - OEA	\$ (37,799)	\$ (37,799)	\$ -	\$ (37,799)
1110A	Civil Service Commission	\$ (756)	\$ (757)	\$ -	\$ (757)
1120A	Personnel Review Board	\$ (16,446)	\$ (17,078)	\$ -	\$ (17,078)
1130	Corporation Counsel	\$ (271,352)	\$ (274,902)	\$ -	\$ (274,902)
1019	DAS - Office for Persons with Disabilities	\$ (41,362)	\$ (42,357)	\$ -	\$ (42,357)
1135A	DAS - Labor Relations	\$ (41,068)	\$ (41,306)	\$ -	\$ (41,306)
1140	DAS - Human Resources	\$ (137,659)	\$ (150,738)	\$ -	\$ (150,738)
1188B	DAS - Employee Benefits	\$ (206,914)	\$ (208,444)	\$ (140,747)	\$ (67,697)
1150	DAS - Risk Management	\$ (51,994)	\$ (53,294)	\$ (51,994)	\$ (1,300)
1151	DAS - Fiscal Affairs	\$ (459,370)	\$ (471,042)	\$ -	\$ (471,042)
1152	DAS - Procurement	\$ (58,819)	\$ (60,757)	\$ -	\$ (60,757)
1160	DAS - IMSD	\$ (711,036)	\$ (748,713)	\$ (711,715)	\$ (36,998)
1905A	Ethics Board	\$ (4,411)	\$ (4,413)	\$ -	\$ (4,413)
2000	Combined Court Related Operations	\$ (2,418,941)	\$ (3,108,841)	\$ (68,402)	\$ (3,040,439)
2430	Department Of Child Support	\$ (1,125,224)	\$ (1,183,821)	\$ (763,626)	\$ (420,195)
4000	Sheriff	\$ (6,895,296)	\$ (5,869,548)	\$ -	\$ (5,869,548)
4300	House of Correction	\$ (2,913,466)	\$ (2,979,113)	\$ -	\$ (2,979,113)
4500	District Attorney	\$ (1,308,645)	\$ (1,326,887)	\$ (209,191)	\$ (1,117,696)
4900A	Medical Examiner	\$ (336,237)	\$ (342,615)	\$ -	\$ (342,615)
3010A	Election Commission	\$ (33,035)	\$ (34,066)	\$ -	\$ (34,066)
3090A	County Treasurer	\$ (76,255)	\$ (79,614)	\$ -	\$ (79,614)
3270A	County Clerk	\$ (56,300)	\$ (58,294)	\$ -	\$ (58,294)
3400	Register of Deeds	\$ (269,152)	\$ (283,083)	\$ -	\$ (283,083)
5040	Airport	\$ (2,231,995)	\$ (2,813,354)	\$ (2,813,354)	\$ -
5070	Transportation Services	\$ (137,850)	\$ (155,404)	\$ -	\$ (155,404)
5080	Architectural, Engineering & Environmental Svcs	\$ (420,241)	\$ (416,232)	\$ (253,322)	\$ (162,910)
5100	Highway Maintenance	\$ (993,170)	\$ (1,164,920)	\$ (940,752)	\$ (224,168)
5300A	Fleet Services	\$ (314,034)	\$ (336,531)	\$ (315,369)	\$ (21,162)
5500	Water Utility		\$ -	\$ -	\$ -
5600	Transit/Paratransit System		\$ (42,955)	\$ -	\$ (42,955)
5700	Facilities Management	\$ (1,079,264)	\$ (1,111,129)	\$ -	\$ (1,111,129)
5800	Director's Office	\$ (138,399)	\$ (44,202)	\$ -	\$ (44,202)
6300	DHHS - Behavioral Health Division	\$ (6,851,272)	\$ (7,016,640)	\$ -	\$ (7,016,640)
7900	Department On Aging	\$ (1,563,460)	\$ (1,594,419)	\$ (902,363)	\$ (692,056)
8000	DHHS	\$ (5,251,022)	\$ (5,272,647)	\$ (2,418,734)	\$ (2,853,913)
9000	Parks, Recreation & Culture	\$ (1,957,383)	\$ (2,074,767)	\$ -	\$ (2,074,767)
9500	Zoological Department	\$ (1,260,580)	\$ (1,283,223)	\$ -	\$ (1,283,223)
9700	Milwaukee Public Museum		\$ -	\$ -	\$ -
9910A	UW Extension	\$ (4,677)	\$ (5,026)	\$ -	\$ (5,026)
9960A	Debt		\$ -	\$ -	\$ -
COUNTY		\$ (40,559,620)	\$ (41,616,948)	\$ (9,589,569)	\$ (32,027,379)

SECTION 2 - TAX LEVY CHANGES IN 2010 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2009 Adopted</u>	<u>2010 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
Non-Departmental					
REVENUES					
1901	Unclaimed Money	\$ (950,000)	\$ -	\$ 950,000	100.00%
1933	Land Sales	\$ (6,030,117)	\$ -	\$ 6,030,117	100.00%
1937	Potawatomi Revenue**	\$ (3,911,477)	\$ (4,058,477)	\$ (147,000)	-3.76%
1969	Medicare Part D Revenue	\$ (3,593,974)	\$ (2,932,000)	\$ 661,974	18.42%
1992	Earnings on Investments	\$ (5,962,842)	\$ (2,709,111)	\$ 3,253,731	54.57%
1993	State Shared Taxes	\$ (37,733,754)	\$ (36,720,729)	\$ 1,013,025	2.68%
1994	State Exempt Computer Aid	\$ (2,788,956)	\$ (2,635,563)	\$ 153,393	5.50%
1996	County Sales Tax Revenue	\$ (67,435,903)	\$ (65,362,190)	\$ 2,073,713	3.08%
1997	Excess Power Plant Revenue	\$ (356,880)	\$ (356,880)	\$ -	0.00%
1998	Surplus/Deficit from Prior Year	\$ (7,946,529)	\$ (4,144,018)	\$ 3,802,511	47.85%
1999	Other Misc. Revenue	\$ (40,000)	\$ (370,000)	\$ (330,000)	-825.00%
<i>Non Departmental Revenues Subtotal</i>		\$ (136,750,432)	\$ (119,288,968)	\$ 17,461,464	12.77%
EXPENDITURES					
1905	Ethics Board	\$ 58,675	\$ 45,174	\$ (13,501)	-23.01%
1908	Milwaukee Cty. Historical Society	\$ 242,550	\$ 242,550	\$ -	0.00%
1912	Visit Milwaukee	\$ 25,000	\$ 25,000	\$ -	0.00%
1913	Civil Air Patrol	\$ 10,500	\$ 10,500	\$ -	0.00%
1914	War Memorial Center	\$ 1,504,594	\$ 1,504,594	\$ -	0.00%
1915	Villa Terrace/Charles Allis	\$ 243,656	\$ 243,656	\$ -	0.00%
1916	Marcus Center for the Performing Arts	\$ 1,280,000	\$ 1,280,000	\$ -	0.00%
1921	Human Resource and Payroll System	\$ -	\$ -	\$ -	0.00%
1930	Internal Service Abatement	\$ 67,407	\$ -	\$ (67,407)	-100.00%
1935	Charges to Other County Org Units	\$ (7,905,809)	\$ (11,376,730)	\$ (3,470,921)	-43.90%
1945	Appropriation - Contingencies	\$ 7,760,427	\$ 6,000,000	\$ (1,760,427)	-22.68%
1950	Employee Fringe Benefits	\$ -	\$ -	\$ -	0.00%
1961	Litigation Reserve Account	\$ 200,000	\$ 275,000	\$ 75,000	37.50%
1966	Federated Library System	\$ 66,650	\$ 66,650	\$ -	0.00%
1974	Fund for the Arts	\$ 377,688	\$ 377,688	\$ -	0.00%
1985	Capital Outlay/Depreciation Contra	\$ (5,745,126)	\$ (3,703,645)	\$ 2,041,481	35.53%
1987	Debt Issue Expense	\$ 11,500	\$ 11,500	\$ -	0.00%
1989	Investment Advisory Services	\$ 245,000	\$ 245,000	\$ -	0.00%
<i>Non Departmental Expenditures Subtotal</i>		\$ (1,557,288)	\$ (4,753,063)	\$ (3,195,775)	205.21%
Departmental					
Legislative & Executive					
1000	County Board	\$ 6,601,544	\$ 6,427,090	\$ (174,454)	-2.64%
1001	Audit Department	\$ 2,693,890	\$ 2,474,348	\$ (219,542)	-8.15%
1040	Community Business Development Partners	\$ 733,260	\$ 518,659	\$ (214,601)	-29.27%
1011	County Exec. - General Office	\$ 1,324,623	\$ 1,282,963	\$ (41,660)	-3.15%
1021	County Exec. - Veterans Service	\$ 322,364	\$ 288,689	\$ (33,675)	-10.45%
1031*	County Exec. - Office of Business Development	\$ -	\$ 378,296	\$ 378,296	0.00%
<i>Legislative & Executive Subtotal</i>		\$ 11,675,681	\$ 11,370,045	\$ (305,636)	-2.62%

**An additional \$1,488,523 is budgeted in DHHS and BHD for a total of \$5,547,000 in Potawatomi revenue for 2010.

SECTION 2 - TAX LEVY CHANGES IN 2010 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2009 Adopted</u>	<u>2010 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
Staff Agencies					
1110	Civil Service Commission	\$ 61,694	\$ 52,912	\$ (8,782)	-14.23%
1120	Personnel Review Board	\$ 199,086	\$ 203,400	\$ 4,314	2.17%
1130	Corporation Counsel	\$ 1,689,488	\$ 1,503,772	\$ (185,716)	-10.99%
1019	DAS - Ofc. For Persons w/Disabilities	\$ 662,429	\$ 708,674	\$ 46,245	6.98%
1135	DAS - Labor Relations	\$ 613,151	\$ 502,656	\$ (110,495)	-18.02%
1140	DAS - Human Resources	\$ 2,972,491	\$ 2,237,835	\$ (734,656)	-24.72%
1188	DAS - Employee Benefits	\$ 919,228	\$ 799,787	\$ (119,441)	-12.99%
1150	DAS - Risk Management	\$ -	\$ -	\$ -	0.00%
1151	DAS - Administration and Fiscal Affairs	\$ 3,602,527	\$ 3,864,787	\$ 262,260	7.28%
1152	DAS - Procurement Division	\$ 892,381	\$ 740,615	\$ (151,766)	-17.01%
1160	DAS - Information Mgt Services Division	\$ 855,857	\$ 1,050,807	\$ 194,950	22.78%
<i>Staff Agencies Subtotal</i>		\$ 12,468,332	\$ 11,665,245	\$ (803,087)	-6.44%
Courts & Judiciary					
2000	Combined Court Related Operations	\$ 39,737,454	\$ 40,931,817	\$ 1,194,363	3.01%
2430	Dept. of Child Support	\$ 1,157,401	\$ 835,546	\$ (321,855)	27.81%
<i>Courts & Judiciary Subtotal</i>		\$ 40,894,855	\$ 41,767,363	\$ 872,508	2.13%
General Government					
3010	Election Commission	\$ 562,215	\$ 1,024,374	\$ 462,159	82.20%
3090	County Treasurer	\$ (1,060,045)	\$ (1,212,367)	\$ (152,322)	-14.37%
3270	County Clerk	\$ 320,911	\$ 262,655	\$ (58,256)	-18.15%
3400	Register of Deeds	\$ (959,364)	\$ 127,059	\$ 1,086,423	113.24%
<i>General Government Subtotal</i>		\$ (1,136,283)	\$ 201,721	\$ 1,338,004	117.75%
Public Safety					
4000	Office of the Sheriff	\$ 77,517,732	\$ 119,341,278	\$ 41,823,546	53.95%
4300	House of Correction	\$ 45,575,989	\$ -	\$ (45,575,989)	-100.00%
4500	District Attorney	\$ 11,851,682	\$ 11,312,279	\$ (539,403)	-4.55%
4900	Medical Examiner	\$ 3,469,470	\$ 3,136,936	\$ (332,534)	-9.58%
<i>Public Safety Subtotal</i>		\$ 138,414,873	\$ 133,790,493	\$ (4,624,380)	-3.34%
Public Works and Transportation					
5040	DTPW - Airport	\$ (1,859,396)	\$ (1,232,032)	\$ 627,364	33.74%
5070	DTPW - Transportation Services	\$ 227,586	\$ 59,936	\$ (167,650)	-73.66%
5080	DTPW - Arch/Eng/Env Services	\$ 664,985	\$ 463,323	\$ (201,662)	-30.33%
5100	DTPW - Highway Maintenance	\$ 854,624	\$ 845,434	\$ (9,190)	-1.08%
5300	DTPW - Fleet Management	\$ 39,118	\$ (2,062,782)	\$ (2,101,900)	-5373.23%
5500	DTPW - Water Utility	\$ -	\$ -	\$ -	0.00%
5600	Milwaukee County Transit/Paratransit	\$ 22,765,417	\$ 17,920,598	\$ (4,844,819)	-21.28%
5700	DTPW - Facilities Management	\$ (2,294,950)	\$ (2,060,624)	\$ 234,326	10.21%
5800	DTPW - Director's Office	\$ (535,992)	\$ (706,732)	\$ (170,740)	-31.85%
<i>Public Works and Transportation Subtotal</i>		\$ 19,861,392	\$ 13,227,121	\$ (6,634,271)	-33.40%

SECTION 2 - TAX LEVY CHANGES IN 2010 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2009 Adopted</u>	<u>2010 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
Health and Human Services					
6300	DHHS - Behavioral Health Division	\$ 42,513,280	\$ 52,546,693	\$ 10,033,413	23.60%
7200	DHHS - County Health Programs	\$ 14,322,901	\$ -	\$ (14,322,901)	-100.00%
7900	Dept. on Aging	\$ 2,893,651	\$ 1,297,591	\$ (1,596,060)	-55.16%
7990	Dept. on Aging-CMO	\$ (1,923)	\$ -	\$ 1,923	100.00%
8000	Dept. of Health and Human Services	\$ 20,373,611	\$ 27,564,019	\$ 7,190,408	35.29%
<i>Health & Human Services Subtotal</i>		\$ 80,101,520	\$ 81,408,303	\$ 1,306,783	1.63%
Parks Recreation & Culture					
9000	Parks, Recreation and Culture	\$ 24,565,212	\$ 16,282,169	\$ (8,283,043)	-33.72%
9500	Zoological Dept.	\$ 5,455,950	\$ 3,396,802	\$ (2,059,148)	-37.74%
9700	Milwaukee Public Museum	\$ 3,502,376	\$ 3,502,376	\$ -	0.00%
9910	University Extension Service	\$ 373,729	\$ 340,268	\$ (33,461)	-8.95%
<i>Parks, Recreation & Culture Subtotal</i>		\$ 33,897,267	\$ 23,521,615	\$ (10,375,652)	-30.61%
Debt Service					
9960	General County Debt Service	\$ 59,767,367	\$ 64,727,410	\$ 4,960,043	8.30%
<i>Debt Service Subtotal</i>		\$ 59,767,367	\$ 64,727,410	\$ 4,960,043	8.30%
Capital Improvements					
1200-1876	Capital Improvements - Exp	\$ -	\$ -	\$ -	100.00%
<i>Capital Improvements Subtotal</i>		\$ -	\$ -	\$ -	100.00%
GRAND TOTAL DEBT SERVICE		\$ 59,767,367	\$ 64,727,410	\$ 4,960,043	8.30%
GRAND TOTAL OPERATING PURPOSE		\$ 334,620,349	\$ 312,198,843	\$ (22,421,506)	-6.70%
GRAND TOTAL REVENUES		\$ (136,750,432)	\$ (119,288,968)	\$ 17,461,464	12.77%
GRAND TOTAL		\$ 257,637,284	\$ 257,637,284	\$ -	0.00%

* Indicates new budget

**SECTION 3 – OVERVIEW/MAJOR CHANGES
2010 RECOMMENDED BUDGET**

Non-Departmental – Revenues:

1901 Unclaimed Money

Unclaimed Money is budgeted at \$0, a decrease of \$950,000 from the amount budgeted in 2009. Every other year unclaimed funds are forfeited and recognized by the County.

1933 Land Sales

This budget contains \$400,000 which is budgeted in the Real Estate section of the Department of Public Works – Director’s Office. \$8,297,700 in land sales revenue proceeds is contained in the capital improvements budget of several projects. This revenue also provides cash financing for the capital budget.

1937 Potawatomi Revenue

This non-departmental revenue was created to reflect the receipt of revenue from the Potawatomi Tribe. The 2010 budget includes a total of \$5,547,000 in Potawatomi Revenue, an increase of \$146,000, based on monthly class III Net Win proceeds at the Potawatomi Bingo Casino. A total of \$1,488,523 of this revenue is budgeted within DHHS to offset various programs, the same as 2009. This non-departmental account reflects the remaining revenue amount, \$4,058,477 for general County purposes and overall reduction of tax levy.

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% tax-free subsidy for allowable drug costs. The budget includes \$2,932,000 in Medicare Part D revenues, a decrease of \$661,974 from the amount anticipated in 2009. The decrease is due to a one-time extra payment that was received in 2009.

1991 Property Taxes

Property Tax revenue is budgeted at \$257,637,283 the same as the 2009 Adopted amount. It is \$7,747,333 more than the amount recommended in the County Executive’s 2009 Budget.

1992 Earnings on Investments

Earnings on Investments decrease \$3,253,731 from \$5,962,842 to \$2,709,111. This decrease is due to low interest rates in the current investment market. Investment management services funding is budgeted at \$245,000 and is included in non-departmental account 1989 – Investment Advisory Services. This amount is the same as 2009.

1993 State Shared Taxes

State Shared Taxes (Shared Revenue) decreases \$1,013,025 from \$37,733,754 to \$36,720,729. 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. The amount is based on Legislative Fiscal Bureau estimates of expected payments in the 2009-11 State Budget.

Gross shared revenue payments are approximately \$56.8 million, with \$20.1 million intercepted by the State for the Child Welfare reallocation, for the twelfth 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 \$2,635,563 a decrease of \$153,393 from the 2009 budgeted amount of \$2,788,956. 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. Because it is formula driven, the amount will change with any changes to the budget.

1996 County Sales Tax Revenue

Total County sales tax receipts are projected to decrease by \$2,073,713, from \$67.4 million in 2009 to \$65.4 million in 2010. A total of \$64.7 million in net sales tax revenue is earmarked for debt service costs and \$420,000 is dedicated to cash finance capital improvement projects. Net County sales tax revenue is projected to exceed debt service costs by \$959,111. The Sales and Use Tax Ordinance, Section 22.04, indicates that 'surplus' sales tax revenue may be used to fund pension, employee health care or the appropriation for contingencies through 2007. The 2009 Recommended Budget proposed to eliminate the 2007 sunset of the provision so that sales tax revenues may be used to fund these operating budget costs. The Committee on Finance and Audit has not yet acted upon the requested ordinance change submitted as part of the 2009 Recommended Budget.

1997 Excess Power Plant Revenue

The Recommended Budget contains \$356,880, the same as 2009. 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 County is anticipating level payments of \$356,880 per year through 2011.

1998 Surplus (or Deficit) From Prior Year

The 2008 adjusted surplus applied to the 2010 budget is \$4,144,018, a decrease of \$3,802,511 over the 2009 budgeted surplus of \$7,946,529. 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 \$370,000, an increase of \$330,000 over 2009. This is primarily due to the anticipated closing of three City of Milwaukee tax incremental districts in 2010.

Non-Departmental – Expenditures:

1905 **Ethics Board**

The Ethics Board continues to pursue implementation of 2008 changes to the Ethics Code. The 2009 Adopted Budget contained an allocation of \$175,000 in the Appropriation for Contingencies to address expenditures that may be necessary due to the implementation of a revised Ethics Code. That allocation is not included in the 2010 Recommended Budget.

1908 **Milwaukee County Historical Society**

No change.

1913 **Civil Air Patrol**

No change.

1912 **VISIT Milwaukee**

No change.

1914 **War Memorial Center**

No change.

1915 **Villa Terrace/Charles Allis Art Museums**

No change.

1916 **Marcus Center for the Performing Arts**

No Change.

1921 **Human Resource and Payroll System**

The non-departmental account established in 2006 for the implementation of the contracted Ceridian system continues according to the funding schedule established in 2005. Operational costs of \$1,662,145 are included for 2010.

1923 **Milwaukee County Automated Mapping and Land Information System (MCAMLIS)**

Revenues and expenses formerly budgeted in Org. unit 1923-MCAMLIS are now budgeted in the Register of Deeds Office (3400) to reflect MCAMLIS activity and has no tax levy impact. (The DTPW-Architectural, Engineering & Environmental Services budget indicates MCAMLIS is transferred to a division within Org. 5080.)

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 2010, 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 2010 are based upon the 2010 Cost Allocation Plan, which uses 2008 actual costs as its basis.

1945 **Appropriation for Contingencies**

The Recommended Budget includes \$6 million, a decrease of \$1,760,427 from the \$7,760,427 provided in 2009. The policy that any unanticipated revenue received during the year be first placed in the Appropriation for Contingencies is continued for 2010. An earmark of up to \$200,000 is included related to the Estabrook Dam to be used in compliance with Department of Natural Resources order that directs the County to perform detailed stability analysis for the entire structure. The analysis must be submitted to the Department of Natural Resources for review and approval by October 1, 2010.

1950 **Employee Fringe Benefits**

Employee fringe benefit expenditures, including health, pension and other employment benefits, increase \$19,725,987 (10.3%) to \$211,281,065. Most of the increase is due to an increase in the pension contribution by 38.1% to \$68,284,376. The category Other Employee Benefits also increases 76.3% to \$5,726,565 (*see discussion on Other Employee Benefits elsewhere in this section*). Net health expenditures are expected to remain relatively constant.

All employee fringe benefit expenditure and revenue projections are exclusive of the proposed wage and benefit changes outlined in Org. Unit 1972 – Wage and Benefit Modification Account. The extent to which wage and benefit changes are realized in 2010 will have a significant impact on actual 2010 employee fringe benefit expenditures and revenues. *Please see Section 1 for a discussion of the Wage and Benefit Modification Account.*

Health, Dental and Other Related Expenditures

Total health benefit expenditures are reduced 1.15% to \$137,270,124, but the 2010 Recommended Budget assumes an 8% increase in the overall cost of providing health insurance. The increase in health costs is offset by a \$3.9 million reduction in expenditures due to having fewer employees covered under the plan.

Expenditures for mental health/substance abuse and the employee assistance program are collectively reduced 50.6% as a result of a renegotiated contract with the provider of these services. The wellness and disease management program continues for all active employees and their spouses.

Changes in state law that broaden the definition of dependent child and expand coverage for Autism Spectrum Disorder are expected to increase County health costs by \$750,000.

Expenditures for the dental insurance products (County Dental Plan and DMO) are mostly unchanged, although one dental maintenance organization has withdrawn from the market (First Commonwealth). An allocation of \$25,000 is included to transition First Commonwealth orthodontia patients to the remaining dental programs.

Other Employee Benefits Expenditures

An expenditure allocation of \$1,264,623 is included for unemployment costs for potential layoffs. An additional allocation of \$250,000 is included for placement and/or employee retraining services.

Milwaukee County offers group life insurance for eligible employees on a shared-premium basis. For 2010, group life insurance costs are flat, although revenues from employee contributions increase 19% from an anticipated increase in salaries.

Expenditures for the corporate transit pass program increase five percent.

5405-Annuity-County Mandatory Contribution remains at \$31,500. 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 is increased by \$237,900 to \$786,000.

5409-Retirement System Contribution account includes an increase of \$18,107,146 from \$48,359,730 to \$66,466,876. This amount reflects the full pension payment of \$73,730,113 less an anticipated “credit” of \$7,263,237 due to the five-year amortization of the Mercer lawsuit settlement proceeds of approximately \$30 million. The pension contribution includes a normal cost contribution of \$22,144,383, an unfunded actuarial accrued liability payment of \$16,403,617, a stabilization fund payment of \$2 million, and debt service costs of \$33,182,113.

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, 2009, the pension fund is 95.7 percent funded. However, pension contributions are expected to rise as the 2008 market losses are amortized over the next five-years.

1961 **Litigation Reserve Account**

The Litigation Reserve Account is increased \$75,000 to \$275,000. A total of \$150,000 of this account is allocated for labor negotiation expenses.

1966 **Federated Library System**

No change.

1972 **Wage and Benefit Modification Account**

The 2010 Recommended Budget includes \$41.6 million in expenditure reductions, \$9.6 million in revenue reductions and property tax savings of \$32 million through a wage and benefit reduction initiative to be applied to all employees and, where applicable, retirees. *(Please see Section I of this Overview for a more complete discussion of this non-departmental account.)*

1974 **Milwaukee County Fund for the Arts**

No change.

- 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). 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 2009. DAS-Fiscal Affairs will charge this account for staff associated with the preparation and issuance of the general obligation bond issues, totaling \$176,349 in costs. These are offset with \$176,349 in general obligation and airport revenue 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 2010, an appropriation of \$245,000 is included, the same as 2009.

Departmental:

- 1000 **County Board**
Tax levy decreases \$174,454 over 2009 due to wage and benefit modifications. Two vacant positions of Grants Writer and Legislative Assistant are unfunded half the year. Outside lobbying expenditures are reduced \$10,000 to \$40,000, and a \$10,000 appropriation is included to host the 2010 Wisconsin Counties Association Conference. Due to State takeover of Income Maintenance function, revenue of \$25,500 related to constituent services assistance with income maintenance issues is eliminated.
- 1001 **Department of Audit**
Tax levy decreases \$219,542 over 2009 due to wage and benefit modifications and removal of crosscharge for space at City Campus which is to be mothballed in 2010, requiring the Department of Audit to relocate. County-wide audit costs increase \$15,000, to \$400,000, and a vacant Performance Auditor 3 position is unfunded.
- 1040 **Office of Community Business Development Partners (CBDP)**
Tax levy decreases \$214,601 over 2009 due to wage and benefit modifications, no Men of Color Task Force funding and removal of crosscharge for space at City Campus which is to be mothballed in 2010, requiring the CBDP Office to relocate. A \$220,000 crosscharge to capital projects is repeated, to be based on actual time spent on projects. Also, \$25,000 is crosscharged to the Airport and Transit System.
- 1011 **County Executive – General Office**
A \$29,000 loss of Income Maintenance revenue is anticipated related to constituent services provided by County Executive staff.
- 1021 **County Executive – Veterans Service Office**
Expenditures decrease \$33,675 to \$301,689 from \$335,624 and revenue remains steady at \$13,000 for a net tax levy decrease of \$33,675. Overall changes reflect a vacancy and turnover deduction due to the deployment of the Veteran Services Officer and an \$8,678 increase in rent.

1031 **County Executive – Office of Business Development**

A new Office of Business Development is created as part of the County Executive’s Office, staffed by a newly created Director of Business Development and three newly created Business Specialists with a total net cost of \$378,296. This office would coordinate a comprehensive strategy for job development, retention and expansion in Milwaukee County by working with the 19 municipalities and other economic development representatives through 1) Real Estate Coordination 2) Local Compliance and Incentives 3) Marketing 4) Coordination and Communication and 5) Pursuing Recovery Zone Facility Bonds.

1110 **Civil Service Commission**

No changes.

1120 **Personnel Review Board**

The crosscharge for a portion of Personnel Review Board staff that had been assigned to the Ethics Board is now reflected directly in the Ethics Board budget.

1130 **Corporation Counsel**

Tax levy is reduced \$185,716 (11%) to \$1,503,772. A new expenditure of \$60,000 is included for legal services that may be necessary to assist in the proposed transfer of management of the Zoo to a non-profit corporation. Crosscharges for legal services to other departments increase more than 10% based on experience.

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

Expenditures increase by \$78,245 to \$879,174, and revenues increase \$32,000 to \$170,500 for a net tax levy increase of \$46,245.

The Office will continue the two six-week Wil-O-Way summer camps for people with disabilities ages 7 through 60 at current levels without raising camp fees. In previous years, the Department of Health and Human Services Disabilities Services Division provided \$88,266 in funding to OPD for the camp, but in 2010 OPD will absorb that amount along with a \$12,000 increase in Purchase of Service Contract expenditures and a \$14,000 increase in transportation services for a net increase of \$104,266. The budget also contains an initiative to share revenue with the Department of Parks, Recreation, and Culture for rental of the Holler Park facilities. Rental rates for the Wil-O-Way Facilities will be increased in 2010 as follows:

Wil-O-Way Rental Fees	2009 Fee	2010 Fee	Change
<i>Peak Season (June through August)</i>			
Milwaukee County Residents (4 hours)	\$275	\$295	\$20
Non-Milwaukee County Residents (4 hours)	\$350	\$400	\$50
Disability Related Organizations (4 hours)	\$190	\$200	\$10
Wil-O-Way Key Card Members (4 hours)	\$190	\$200	\$10
<i>Additional Hours (Per hour)</i>	\$60	\$75	\$15
<i>Non- Peak Season (Jan.-May & Sept.-Dec.)</i>			
Milwaukee County Residents (4 hours)	\$225	\$240	\$15
Non-Milwaukee County Residents (4 hours)	\$300	\$325	\$25
Disability Related Organizations (4 hours)	\$175	\$180	\$5
Wil-O-Way Key Card Members (4 hours)	\$175	\$180	\$5
Additional Hours (Per hour)	\$60	\$60	\$0

There is a \$14,497 decrease in Personal Services expenditures from \$63,762 in 2009 to \$49,265 in 2010 reflecting a decrease in expenditures for accommodation services for sign language interpreters. Additionally, a position realignment (abolishing Administrative Secretary, Community Compliance Coordinator, 1.0 FTE and creating Community Center Manager, 1.0 FTE) reflects \$6,884 in savings.

1135 DAS – Division of Labor Relations

Tax levy support is reduced \$110,495 (18%) to \$502,656 due primarily to a transfer of legal expenditures to the Litigation Reserve account (Org. Unit 1961). The Litigation Reserve Account now holds \$150,000 for legal services related to labor relations.

1140 DAS – Division of Human Resources

The Division of Human Resources is decentralized in 2010. Fourteen positions of HR managers, coordinators or management assistants are transferred budgetarily and administratively to various departments. Departmental directors in Child Support, the Sheriff's Office, Transportation and Public Works, Aging, Health and Human Services, Behavioral Health, Parks and Zoo will now have direct control over department staffing, as well as the management and evaluation of HR personnel in the department.

With the reorganization, the Division shifts its focus to managing policies and coordinating training. One position of HR Manager – Compliance is created at a salary and fringe total of \$118,101 to ensure Countywide HR policies are applied appropriately at the department level.

In addition to the 'decentralized' positions, three positions are unfunded and one is abolished, reducing the number full-time equivalent positions in DHR from 30.6 to 13.5.

The Summer Youth Employment Program is eliminated for an expenditure reduction of \$150,000 and a revenue reduction of \$50,000, and the Human Resources Internship program is also discontinued. Several outside consultant contracts are reduced or eliminated for an additional savings of \$129,715.

In anticipation of layoffs in 2010, the Employee Fringe Benefits budget (Org. Unit 1950) includes \$250,000 for job training that will be coordinated by DHR and other agencies. A Reduction in Force strategy will be developed to assist in placing or training employees to work in other County positions or training for occupations in regional demand.

1188 DAS – Division of Employee Benefits

This division was created in the 2007 Adopted Budget to manage healthcare and retirement benefits. For 2010, expenditures increase 3.2% and revenue from the Employee Retirement System increases 13.5% for a net property tax levy reduction of 13%. Approximately 67.4% of the Division's expenditures are offset by direct revenue from the ERS.

The V3 Pension System will be fully implemented with the completion of the 'Self-Service' module, allowing for retirees to directly update pension plan status information.

1150 Department of Administrative Services – Risk Management

DAS-Risk Management is an internal service fund that charges its expenses to other County departments. Expenditures for Workers' Compensation self-insurance increase

\$322,450, from \$3,434,797 to \$3,757,247 based on the severity of the claims and higher medical costs. Occupational Health Services, which provides for the health and safety of employees in the workplace, is transitioned from the Department of Health and Human Services to Risk Management in 2010. Risk Management will assume management of the contract with Aurora to establish and provide necessary Occupational Health Services. The responsibilities of the County Safety Coordinator will be expanded to oversee this program.

1151 Department of Administrative Services – Administration and Fiscal Affairs

Professional Services expenditures are reduced \$89,590 primarily due to the discontinuation of a contract with the vendor for the Tax Refund Intercept Program (TRIP). Under the new agreement, the vendor will retain a portion of the revenues collected as their payment. Also, TRIP revenue will be budgeted within individual departments to provide an incentive to use the collection program. This results in a \$305,155 tax levy increase in DAS-Fiscal Affairs but is completely offset by decreases in other departments.

Temporary help appropriations increase by \$50,000 to \$52,000. A few positions, including 1.50 FTE Student Intern and .50 FTE Accountant 4 are unfunded. New revenue of \$25,000 is realized from purchasing card rebates that had not been booked previously.

1152 Department of Administrative Services - Procurement Division

Due to a Countywide space reallocation plan for 2010, (*See Section 1 of the Overview for more information*) City Campus will be vacated by April 1, 2010. DAS-Procurement Division will be relocated to a location that has not yet been determined.

A savings of \$66,000 is expected through a reduction in the use of contract personal services. This will allow a Purchasing Manager position, previously filled by a contract employee, to be hired. Two vacant positions of Office Support Assistant II and Buyer 2 are unfunded. The Purchasing Administrator will be reassigned as an Executive Compensation Plan (ECP) non-classified position. The position is currently in the civil service system.

1160 DAS – Information Management Services Division

Total revenue decreases \$2,349,674 (13.5%) and expenditures decrease \$2,154,724 (11.8%) for a tax levy increase of \$194,950 (22.7%) to \$1,050,807. Tax levy support will have increased for this division from the 2008 actual of \$166,355 by \$884,452.

IMSD will execute a three-year contract with Strategem to provide all mainframe support services, producing an estimated \$450,000 in annual savings. Thirteen filled positions and two vacant positions are eliminated, including six Operations Specialists, six Applications Specialists, one Software Systems Specialist, one Network Tech Specialist and one IT Operations Manager.

IMSD will vacate City Campus and transfer to a location to be determined by the Space Planning Work Group.

An RFP will be issued for landline services, with an expectation of receiving \$100,000 in incentive revenue from the selected vendor. Additionally, the Division will continue to seek concessions from vendors, reducing expenditures by \$250,000.

As reflected in the 2010 Recommended Capital Budget, IMSD will begin to transition desktop technologies to virtual environments, reducing hardware replacement costs by \$150,000 annually.

2000 Combined Court Related Operations

After facing substantial cuts in the Recommended Budget in recent years, the budget for Combined Court Related Operations (Courts) is presented as a cost-to-continue budget. Expenditures increase and revenues decrease slightly, resulting in a total property tax levy increase for the Courts of \$1,194,363 (3%) to \$40,931,817. Four vacant positions are unfunded for a salary and fringe savings of \$251,724.

The Universal Screening proposal is included, contingent upon grant funding for a period of not less than two years and a demonstration of measurable reductions in criminal justice-related expenditures. The proposal was developed in conjunction with the Community Justice Council and a model of the jail-screening program was presented to the Judiciary Committee in 2009. Universal Screening was included in the 2009 Recommended Budget with \$608,000 in funding but was not included in the 2009 Adopted Budget.

Expenditures for professional service contracts for the provision of pre-trial services increase \$138,592 to \$3,243,029. The contracts for this service are included for approval during the budget adoption process.

Grant funding for the Drug Treatment Court, the Treatment Alternatives and Diversion program (TAD) and the Assess, Inform and Measure program (AIM) are included for a total of \$1,216,195. The State Operating While Intoxicated program (OWI) is funded with revenue of \$109,470 from the state.

Funding from the State Circuit Court Support Grant program is reduced \$118,237 or 3.3% for 2010.

Fees paid by the Courts for Guardian ad Litem, adversary counsel, and interpreters increase \$447,632 (9.9%) to \$4,925,000. Juror expenses are reduced \$120,000 (16.2%) through cost-reduction efforts by the Department.

Bailiff staffing for the Courts is set at 90 Deputy Sheriff 1 positions, three Deputy Sheriff Sergeants, one Captain, and one clerical position, an increase of three Deputy Sheriff 1 positions. Crosscharges from the Sheriff's Office increase \$544,536.

Revenue from investment returns are reduced from \$600,000 to \$300,000.

2430 Department of Child Support

Total property tax levy is reduced \$321,855 (27.8%) to \$835,546. Revenue is increased \$748,029 (4.5%) to \$17,217,546 and expenditures increase \$426,174 to \$18,053,092.

In 2009 the Department issued a Request for Information for contracting child enforcement services and determined contracting for these services was not cost effective.

Revenues derived from State performance funds decrease \$299,254 (7.7%) based on an estimation of available incentive funds, and a revenue decrease in Patient Services results in a \$588,235 overall reduction due to the loss of federal matching funds.

Federal reimbursement revenue increases \$3,051,240 (32.5%) to \$12,427,977 due to the reinstatement of matching revenue provided through the American Recovery and Reinvestment Act. The Department leverages additional ARRA funding to eliminate a case review backlog and to launch an imaging initiative to improve efficiency and service delivery.

The Department assumes administrative control of one Human Resource Coordinator position in accordance with the decentralization of Human Resources. *See Section 3 – Org. Unit 1140.*

3010 Election Commission

Expenditure and property tax levy are increased \$462,159 to accommodate four elections in 2010. Expenditures for ballot supplies increase \$350,000.

3090 County Treasurer

The Treasurer will continue an aggressive effort to collect delinquent taxes on behalf of all municipalities. The City of Milwaukee performs this service on behalf of its own municipality. The initiatives that were begun in 2009 to intensify tax enforcement include increased collection efforts, piloting a tax-intercept program, fine-tuning foreclosure processes, and streamlining the management of escalating numbers of bankruptcy filings will continue in 2010. Delinquent tax revenues are expected to increase \$182,874, from \$2.6 million to \$2,782,874.

The number of parcels submitted to the Treasurer with unpaid property taxes is expected to increase by 2,600, from 3,400 to 6,000. In 2008, 5,483 delinquent parcels were submitted to the Treasurer.

3270 County Clerk

The County Clerk adds a .5 FTE Student Intern to assist in reviewing Milwaukee County Ordinance accuracy and recordkeeping, and to assist, in conjunction with IMSD, in improving the County Clerk website.

Revenues are increased \$31,725 (6.6%) due to previously approved increases in marriage license and marriage license waiver fees.

3400 Register of Deeds

Revenues in the Register of Deeds decrease \$1,208,454 (23.1%) to \$4,027,500 while expenditures are reduced \$122,031, resulting in a tax levy increase of \$1,086,423. The revenue decrease and resulting levy increase are due to a reduction in the number of real estate transfers, a loss of value in the properties transferred, and a loss of recording revenue.

Four positions of Office Support Assistant 2 and two positions of Clerical Assistant 1 are unfunded due to the outsourcing of the data-entry indexing function. Salary and fringe savings of \$340,624 are offset by contract expenses of \$170,000 for a net savings of \$170,624. The Register of Deeds may resume this function in late 2010 after deploying new technologies that allow for reduced staffing.

Several positions are transferred internally to increase cross-training efficiencies and reduce overtime for off-time coverage.

4000 **Sheriff**

Total property tax levy is decreased by \$3,752,443 (3.0%) to \$119,341,278 and expenditures decrease \$3,713,987 (2.6%) to \$139,804,027. The Recommended Budget reflects the 2009 transfer of management of the House of Correction to the Sheriff's Office.

Twenty-three positions are unfunded, five are abolished and one created. As part of the continuing conversion from Deputies to Correction Officers, 42 Deputy Sheriff 1 positions are abolished and 42 CO1 Sheriff positions are created in the Detention Services Bureau. Personnel changes produce salary savings of \$1,888,896.

Inmates at the Community Correctional Facility – South will be charged \$6.00 per day to offset boarding expenses. A revenue increase of \$100,000 is included for this charge.

The Sheriff's Electronic Medical Records system will be replaced through a capital project (*See Section 5 – Capital Budget Project WO444*).

Inmate Programming

The Criminal Justice Resource Center is eliminated for a levy savings of \$979,996. Savings will be redirected to utility costs, wage and benefit increases, and medical services. Funding for the Farm and Fish Hatchery is discontinued and the three Correction Officers assigned to the program are abolished. Other inmate programming, including AODA treatment, job seeking skills and development, print shop, welding and library services, remain funded.

Electronic Monitoring

The daily home detention population under electronic monitoring is reduced from 500 to 300 based on experience, and the Huber population at the downtown facility is set at 150. Additionally, revenues are adjusted based on the number of employed inmates paying the daily electronic monitoring rate, and expenditures are increased for electronic monitoring devices. Property tax levy for this function increases \$1,037,064.

Police Services

Three FTE Deputy Sheriff 1 positions are added to Expressway Patrol, restoring the unit to 2008 staffing levels after a 2009 reduction due to the loss of grant funding from the state. Expenditures are offset by \$5,938,068 in various revenues and levy support of \$2,203,592. The three additional positions are specifically to support patrols during reconstruction of Interstate 94.

Staffing at the Airport is reduced from 68 personnel to 63. Crosscharges to the Airport to support this patrol increase slightly to \$7,227,279.

Expenditure authority for Parks Patrols increases 14.7% to \$538,148 from \$459,060. Justice Assistance Grant support of \$150,000 helps reduce levy support by \$50,912.

The Tactical Enforcement Unit and the High Intensity Drug Trafficking Area grant program are largely unchanged. The Drug Enforcement Unit, with two staff positions, continues at \$410,139.

Facility Operations

Expenditure authority of \$260,000 for IT consulting is included to implement a management and accountability instrument and to retain IT services for the Sheriff's IT infrastructure.

Commissary operations at the Franklin facility will be contracted in 2010. The costs for four Store Clerks positions will be absorbed in vacancy and turnover. Inmate meal expenditures increase due to increased prices and the implementation of in-dorm dining.

Repair, maintenance and utility costs increase a combined \$566,987 based on identified facility needs and expected increases in natural gas, sewage, and water charges.

Medical Services Expenditures

Expenditures for ancillary medical services increase \$251,638 due to an increase in dental services costs and an increase in the usage of outside psychiatric services.

Revenues

Sheriff sales revenues increase \$125,000 to \$500,000 due to continuing economic conditions. Inmate telephone revenues increase \$244,008 to \$2,173,200.

Emergency Management

No major changes.

4300 **House of Correction**

Management of the House of Correction was transferred to the Sheriff's Office in the 2009 Adopted Budget. Org. Unit 4300 – House of Correction has been deleted from the 2010 Recommended Budget and is fully incorporated into Org. Unit 4000 – Office of the Sheriff.

4500 **District Attorney**

Total property tax levy decreases \$539,403 (4.6%) to \$11,312,279, due mainly to a decrease in expenditures of \$1,249,170 (6.1%). Two positions are abolished due to loss of grant funding.

State revenue increases and federal revenue decreases resulting in a marginal net gain.

4900 **Medical Examiner**

Total property tax levy in the Medical Examiner's Office decreases \$332,534 (9.6%) to \$3,136,936.

The cremation permit fee is increased another \$40 (after a \$20 increase in 2009) to \$225 and a new fee of \$150 is added for transporting decedents, generating a total of \$314,496. Additionally, the hourly rate for expert testimony increases from \$400 to \$500 dollars, producing an additional \$6,000 in revenue.

5040 **Department of Transportation and Public Works – Airport Division**

Expenditures increase \$345,060 from \$76,622,183 to \$76,967,243 and revenues decrease \$282,304 from \$78,481,579 to \$78,199,275.

In 2010, the Wisconsin Air National Guard will provide crash fire rescue services. As a result, 18 firefighter equipment operator positions are abolished for a projected cost savings of \$1,046,726.

In 2010, expenditures for the former 440th Air Lift Wing Facility property decrease \$56,831 to \$741,980. It is anticipated that the Air Force Base will be transferred to the County in late 2009 after which the Airport Division will be responsible for operations and maintenance.

In 2010, commodities expenditures increase by \$795,241 primarily due to the increased cost of potassium acetate from \$2.20 per gallon to \$7.95 per gallon.

Charges to signatory airlines will significantly increase for 2010 due to an anticipated reduction of \$2,905,000 in parking fees and \$800,000 in car rental revenue.

5070 **Department of Transportation and Public Works – Transportation Services**

Expenditures decrease \$24,775 from \$2,296,447 to \$2,271,672. Revenues increase \$142,875 from \$2,068,861 to \$2,211,736.

One position of Transportation Design and Construction Engineer is created to monitor design and construction phases of transportation projects to ensure projects are completed on time and on budget.

5080 **Department of Transportation and Public Works – Architectural, Engineering & Environmental Services**

Expenditures increase \$266,409 from \$6,313,363 to \$6,579,772 and revenues increase \$468,071 from \$5,648,378 to \$6,116,449.

Starting in 2010, the Milwaukee County Automated Mapping and Land Information System (MCAMLIS) is transferred from non-departmental budget Org. Unit –1923, to a new budget unit in AE&ES Division Org. Unit-5084.

One vacant position of Managing Engineer Environmental Services is abolished for a salary and fringe benefit savings of \$96,062. One position of Clerical Assistant 1 is abolished for savings of \$61,332.

5100 **Department of Transportation and Public Works – Highway Maintenance**

Expenditures increase \$619,988 from \$17,630,145 to \$18,250,133 and revenues increase \$629,178 from \$16,775,521 to \$17,404,699.

In 2010, temporary staffing is reduced by three weeks during winter operations from 22 weeks to 19 weeks for a net savings of \$247,905.

County trunk highway maintenance costs are reduced by \$448,556 in 2010.

In 2010, 3.5 vacant positions of highway maintenance worker are abolished and the Division reconciles all positions for a net savings of \$259,974.

5300 **Department of Transportation and Public Works – Fleet Management**

Expenditures decrease \$1,629,708 from \$9,414,622 to \$7,784,914 and revenues increase \$472,192 from \$9,375,504 to \$9,847,696.

In 2010, Fleet Management will purchase vehicles through its new purchasing program. It is estimated that the County currently owns \$18,000,000 worth of vehicles past their useful life. All new vehicle and equipment purchases will be placed on a replacement schedule of three, five, or eight years. As a result of the new purchasing program, \$357,335 in savings is anticipated in avoided maintenance and parts costs.

In 2010, personnel changes result in costs savings of \$359,077.

5500 **Department of Transportation and Public Works – Water Utility**

Expenditures increase \$471,929 from \$1,769,657 to \$2,241,586. Revenues increase \$471,929 from \$1,769,657 to \$2,241,586.

No operational or programmatic changes will be made in 2010.

5600 **Department of Transportation and Public Works – Transit/Paratransit System**

Expenditures increase \$47,545 from \$172,348,262 to \$172,395,807 and revenues increase \$4,892,364 from \$149,582,845 to \$154,475,209. Tax levy decreases \$4,844,819.

Due to decreased fuel costs, savings of \$6,618,803 is budgeted for 2010.

In 2010, Milwaukee Transit Services (MTS) has an initiative to outsource all janitorial and security guard services for a projected savings of \$585,967.

In 2010, MTS will eliminate funding for all “live” call operators at its call center for a savings of \$900,000, replacing them with an automated phone system and interactive website.

Transit Operations

Operating expenditures for Transit are budgeted at \$139,425,797, a decrease of \$2,387,744. Passenger revenue is budgeted at \$46,171,450 in 2010.

Paratransit Operations

Operating expenditures increase \$2,789,574 to \$26,853,098 in 2010. Cash fare for paratransit riders remains at the 2009 level of \$3.25 a trip (one-way).

Route and segment modifications and eliminations for 2010 are as follows:

<i>Segments of Routes to be Eliminated</i>
Route 28 - Eliminate service via North, 124th, and Watertown Plank
Route 14 - Eliminate service on 43rd & Howard branch
Route 35 - Eliminate service south of 35th & Howard to Southridge
Route 80 - Eliminate service south of MATC to Puetz Road
<i>Other Service Modification</i>
Route 33 - Vliet Street, Eliminate one bus (from three to two buses)
<i>JARC-Funded Service to be Eliminated (loss of state grant revenue offset)</i>
Route 12 Saturday North of Good Hope Rd to Cherrywood Lane
Route 12 Sunday- North of Good Hope Rd to Cherrywood Lane
Route 28 - Weekday midday headway improvement
Misc Routes - Various Early AM and Late PM Service
Route 27 - Trips to Glendale Industrial Park
Route 68 - Port Washington, Sunday
Route 68 - Port Washington, Saturday Night

Proposed fee increases for 2010 are as follows:

FARE STRUCTURE

<i>Fare Type</i>	<i>Current Fare</i>	<i>2010 Fare</i>	<i>Fare Change</i>
Adult Cash	\$2.00	\$2.25	\$0.25
Adult Ticket	10/\$16.50	10/\$17.50	\$1.00
Premium Cash	\$3.00	\$3.25	\$0.25
Premium Ticket	10/\$22.50	10/23.50	\$1.00
All Half Fares Cash	\$1.00	\$1.10	\$0.10
All Half Fares Tickets	10/\$10.00	10/\$11.00	\$1.00
Transfer Fee	\$0.00	\$0.25	\$0.25
Adult Weekly Pass*	\$16.50	\$17.50	\$1.00
Monthly Pass	\$60.00	\$64.00	\$4.00
Adult Weekly Pass*	\$16.50	\$17.50	\$1.00
Student Pass - Special*	\$15.50	\$16.50	\$1.00
U-Pass**	\$42.00	\$45.00	\$3.00
Commuter Value Pass***	\$183.00	\$195.00	\$12.00
* Per week			
** Per school term			
***Per Quarter			

These fee increases, in combination, are projected to generate \$3,662,000 in revenue.

5700 **Department of Public Works – Facilities Management**
 Expenditures increase \$462,835 from \$22,643,776 to \$23,106,611. Revenues increase \$228,509 from \$24,938,726 to \$25,167,235.

Housekeeping services are proposed to be outsourced for costs savings of \$1,047,996 in 2010.

Security services are proposed to be outsourced for costs saving of \$694,322 in 2010.

Starting in 2010, the Parks Department will transfer 24 FTE skilled trades staff to Facilities Management in order to achieve labor efficiencies. It is anticipated that enhanced work order generation, review and assignment will create costs savings of \$1,035, 228

In 2010, all County tenants of City Campus will be relocated to other County-owned facilities in an attempt to more effectively utilize space. It is anticipated that this consolidation will generate costs savings of \$433,539.

5800 Department of Public Works – Director’s Office

Expenditures decrease \$273,637 from \$1,743,405 to \$1,469,768. Revenues decrease \$102,897 from \$2,279,397 to \$2,176,500.

One vacant position of Accountant 4 is abolished for cost savings of \$97,814.

6300 Department of Health and Human Services – Behavioral Health Division

Expenditures decrease \$6,757,642 from \$187,598,123 to \$180,840,481, revenues decrease \$2,468,154 from \$130,761,942 to \$128,293,788, and the tax levy decreases by \$4,289,488 from \$56,836,181 to \$52,546,693.

Major changes throughout the division include the reorganization of the BHD facility, operations, and program delivery, including full privatization of housekeeping services and Targeted Case Management (TCM) and Community Support Program (CSP) slots, resulting in anticipated savings and a decrease of 146.5 FTEs throughout the division. In addition, due to the sunset of the General Assistance Medical Program (GAMP), the County Health Programs Division is eliminated in 2010. Occupational Health services are transferred to DAS-Risk Management and Emergency Medical Services are under the direction of the BHD Administrator.

The budget continues reductions submitted in 2009 as part of the County Executive’s 3% reduction plan, including a \$100,000 reduction in unallocated Community Services contracts, and the abolishment of the following positions: 2.0 FTE RN, 1.0 FTE Psychometry Tech., 1.0 FTE Accounting Coordinator (CHRP) and 1.0 FTE Exec. Dir. 2 – Associate Hospital Administrator. These positions were unfunded in 2009 and are currently vacant. This effort is anticipated to save \$592,698 in 2010.

Additional department-wide position cuts are as follows:

- The Administration “consolidated duties and services” to save \$623,923 by abolishing the following positions: 3.0 FTE Certified Occupational Therapy Assistants, 1.0 FTE Distribution Asst., 1.0 FTE Stores Clerk 3, 1.0 FTE Sewing Machine Operator 2 (offset with a \$15,000 contract for alteration services), 1.0 FTE BH Emergency Service Clinician, 1.0 FTE Contract Services Coordinator, and 1.0 FTE Accountant 4 (Hospital)

- An additional \$494,184 is saved through “clerical consolidation” and the abolishment of: 2.0 FTE Clerical Asst. 2, 1.0 FTE Admin Asst. NR, 1.0 FTE Office Asst. 2 and 4.0 FTE Secretarial Asst.
- Additional “position adjustments” yield \$21,511 in total salary and fringe benefit savings: Create 0.2 FTE Clinical Program Director – Psych; transfer 1.0 FTE Exec. Director 1 – Fiscal Services from DHHS; create 1.0 FTE Assistant Director of Nursing; abolish 1.0 FTE Nursing Administrator, 1.0 FTE Safety Compliance Officer, 1.0 FTE Administrative Assistant

Finally, the division implemented a revenue budget reconciliation plan, checking accounts to ensure they were a reflection of actual experience, which reduced revenue by \$2,468,154.

Management/Support Services

As of January 1, 2010, BHD plans to completely vacate and close off the Day Hospital, achieving \$471,136 in utility savings. Operations will be consolidated within the Psychiatric hospital (see Adult Community Services: Mental Health section for additional details on resulting programmatic changes). Wraparound Milwaukee will be relocated to another County facility (no monetary change is assumed for this relocation).

Housekeeping Services will be outsourced, saving a total of \$1,400,188, including personnel services, services and commodities. The budget includes \$1,330,000 for housekeeping services at the Psychiatric Hospital, including paper products and supplies. The Dietary Outsourcing initiative continues in 2010. A “reduction in force strategy” is included in the HR budget and is based on the measures put in place for County workers affected by the outsourcing of Dietary Services in 2009.

An initiative approved in 2009 giving facility management to DHHS-Operations yields various operational efficiencies, saving the division \$393,931. In Medical Records, 2.0 FTE Medical Records Supervisor are abolished upon vacancy. In their place, 1.0 FTE of Asst Medical Records Administrator is created and transcription services are provided by a new vendor for \$102,924 in total savings. As with other Departments, 2.0 FTE Human Resources positions are transferred into the department from DAS-Human Resources (the \$175,687 levy increase printed in the budget narrative is a technical error as this initiative is budget neutral).

Inpatient Services/Nursing Facility Services

Expenditures increase \$1,246,481 from \$24,153,385 to \$25,399,866. Revenues decrease by \$401,875 from \$9,270,013 to \$8,868,138 for a net tax levy increase of \$1,648,356.

It is assumed that there are no major changes as a write-up is not included in the budget narrative.

Inpatient Services/Acute Adult/Child Services

Expenditures increase \$973,288 from \$35,185,724 to \$36,159,012 and revenue increases \$71,301 from \$15,670,596 to 15,741,897. Tax levy increases \$901,987 from \$19,515,128 to \$20,417,115.

While Milwaukee County was always responsible for paying the non-federal share of the cost of care for adults placed in the State Mental Health Institutes, provisions passed in

the 2009-2011 Biennial State Budget now require counties to also cover the non-federal share of the cost of care for children and elderly patients placed in State institutions. BHD has budgeted \$100,000 for this based on the placement history of these age groups. In addition, \$125,000 is budgeted to pay for interim housing for clients discharged from the inpatient unit. At one time, this money was maintained in a separate trust; however, that trust has long been exhausted.

Adult Community Services: Mental Health

Expenditures decrease \$2,742,781 from \$29,162,481 to \$26,419,700. Revenues decrease \$6,866,512 from \$33,809,712 to \$26,943,200. Potawatomi revenue is maintained at \$837,203 with \$500,000 going to AODA Non-TANF services and \$337,203 going toward Community Services contracts for mental health.

BHD's Day Treatment Partial Hospitalization program is reorganized along with the closure of the Day Treatment Hospital and consolidation of services within the Psychiatric Hospital. In prior years, BHD utilized two treatment teams to provide two models of Day Treatment patient care. In 2010, BHD will focus on continued implementation of one of the treatment models, the Dialectical Behavioral Therapy model. As a result, there is a decrease from two treatment teams in 2009 to one treatment team in 2010, resulting in a net total abolishment of 3.86 FTEs. Twenty-five clients were served through both treatment models in 2009; it is anticipated that 14 will be served by the Dialectical Treatment Model in 2010.

In addition, the two BHD-run Community Support Programs (CSP) will be discontinued and additional community slots will be purchased. In 2009, there were 1,357 total CSP slots, with 334 provided by BHD. In 2010, the Department plans to purchase an additional 334 community slots. The BHD-run Targeted Case Management Program will also be completely outsourced. Of the total 1,171 TCM slots provided in 2009, 234 were BHD-run. In 2010, the department plans to purchase an additional 180 community slots for a net reduction of 54 slots. Provisions of the new 1915(i) Federal Waiver, which will be utilized by the Adult Community Services Division in 2010, do not allow participating entities to "pay themselves" for provision of care. The TCM program falls under this waiver so that if BHD continued to run the TCM program, \$532,000 in revenue from the federal government would be lost. As a result of both initiatives, 42 FTEs will be abolished. Total savings associated with this initiative is \$593,390.

Finally, there was a net decrease of \$215,385 in State funding following the 2009-2010 Biennial budget.

Alcohol and Other Drug Abuse (AODA) Services

Total AODA expenditures decrease \$1,377,945 from \$18,737,108 to \$17,359,163. Revenue also decreases by \$279,300 from \$16,783,420 to \$16,504,120. Tax levy decreases by \$1,098,645 from \$1,953,688 to \$855,043.

Funding for delivery of AODA services is at risk with several reductions within this division. The current Access to Recovery (ATR) grant expires in September of 2010. BHD has been notified that a third ATR grant opportunity is forthcoming, though it is anticipated that due to the structure of the grant (which is looking to expand participation State-wide and focus on Methamphetamine use), BHD may not receive the same amount of funding. The 2010 budget includes funding at the 2009 award level. Purchase of service contracts for AODA are reduced by \$135,220, including Fighting Back's

contract, which is reduced by \$55,263 to \$697,957 and the AIDS Resource Center's contract, which is reduced by \$79,957 to \$184,000. The contract with IMPACT 211 is maintained at current funding levels.

The budget includes plans to redesign the Detox program for \$500,000 in tax levy savings. The Department assumes that the same number clients will likely be served, but at a different level of care. The redesign could result in up to a 10-bed reduction.

The \$5,000 appropriation for the Safe Ride of Milwaukee County program is maintained.

Child and Adolescent Community Services

Expenditures increase \$2,061,768 from \$42,436,567 to \$44,498,335. Revenue is projected to increase \$3,169,212 (1%) from \$42,318,620 to \$45,487,832.

The budget includes \$3,209,212 in increased revenues and corresponding expenditures for Wraparound Milwaukee programs. The Wraparound Milwaukee REACH program is increased to reflect an increase in Medicaid capitation payments received for the care of 200 children. A request for additional REACH slots has been submitted to the State, but Milwaukee County has not yet heard back regarding its approval.

The following position adjustments are included for an increased cost of \$6,319: 2.0 RN 2 are abolished upon vacancy, 2.0 RN 2 WRAP are created, 1.0 Psych Social Worker is abolished upon vacancy and 2.0 Human Service Supervisor is created.

Adult Crisis Services

Expenditures increase \$674,786 from \$17,204,717 to \$17,879,503. Revenues are projected to increase \$3,484,300 from \$8,453,122 to \$11,937,422, resulting in a tax levy decrease of \$2,809,514 from \$8,751,595 to \$5,942,081.

Based on an extension of the existing agreement between DHHS and four major hospital system partners, it is assumed that the hospital systems will again provide \$500,000 in funding to offset costs associated with 16 crisis respite beds in the Adult Crisis Services Area. These resources as well as cooperative agreements with area hospitals and systematic internal reviews have been effective in managing census while easing delays in transferring individuals in psychiatric crisis.

The following position adjustments are also included: 0.5 RN 1 is abolished, 0.5 BH Emergency Service Clinician (RN) is abolished and 1.0 RN 2 Utilization review is created for a net cost increase of \$6,319. In addition, 2.95 FTE House Physician 3 positions are unfunded and a contract to provide these services through the residency program at the Medical College of Wisconsin (MCW) is included for \$535,000. Historically, residents have always filled these positions.

County Health Programs/Emergency Medical Services (EMS)

Total expenditures decrease \$1,293,973 from \$15,849,781 to \$14,555,808. Revenue decreases \$170,880 from \$1,526,880 to \$1,356,000 and levy decreases \$1,123,093 from \$14,322,901 to \$13,199,808.

In 2010, management of the EMS operations and activities are transferred to the BHD Administrator. Some savings are expected due to the consolidation, but no major changes

are anticipated. There are a couple of fee increases for EMS training classes though they do not result in increased revenues because there is a decrease in classes offered.

The County will continue to dedicate \$6.8 million in funds for County residents enrolled in Badger Care Plus-Childless Adults in the 2010 Budget.

7200 Department of Health and Human Services – County Health Programs

As mentioned above, this organizational unit has been eliminated in the 2010 Recommended Budget due to the closure of the General Assistance Medical Program (GAMP). Emergency Medical Services – Paramedics has been moved under the direction of the Behavioral Health Division (Unit No. 6300).

7900 Department on Aging

Expenditures decrease \$1,962,140 from \$19,140,819 to \$17,178,679 and revenues decrease \$366,080 from \$16,247,168 to \$15,881,088. Tax levy decreases \$1,596,060 from \$2,893,651 to \$1,297,591.

Major initiatives in the Department on Aging budget include reductions in programs and services, deferred maintenance at the County-owned senior centers, as well as expenditure reductions and efforts to increase revenue through staff time-reporting for Federally reimbursable items. The Department on Aging will vacate the Reuss building in October of 2010, as the lease expires in December of that year.

Program and Service cuts include reductions of all non-mandated Elder Abuse/Protective Service functions currently provided in the Aging Resource Center for a savings of \$308,598 and the corresponding abolishment of 6.0 FTEs. An additional \$332,056 in Federal Stimulus funding for congregate and home-delivered meals will be applied to the senior meal program in 2010, allowing it to continue at existing levels.

State funding for the Alzheimer's Family Caregiver Support Program (AFCSP) has been eliminated in all Wisconsin counties participating in Family Care during 2008, affecting approximately 75 families in Milwaukee County who received monetary support for adult day care, respite care and other long term support services. The budget accounts for \$24,216 in tax levy savings associated with a 10% reduction for AFCSP administrative support. The department will utilize \$50,000 in revenue gained through their time-reporting initiative to continue payment to its Alzheimer's Association of Southeastern Wisconsin. In addition, funding for the two-year Neighborhood Technical Assistance Extension grant will expire in January of 2010.

Due to the State takeover of IM administration, the Department has signed a Memorandum of Understanding with the State of Wisconsin for the Family Care IM support staff in Milwaukee County. It is anticipated that provisions of this agreement together with changes in expenditures and revenues will result in a net tax levy reduction of \$230,903.

The budget includes a \$50,000 reduction in major maintenance at the five County-owned senior centers, deferring repairs such as tile floor replacement to outlying years. In addition, the department anticipates achieving \$54,833 in savings by reducing non-contract operating expenses across the board. As with other departments, 1.0 FTE Human Resource Coordinator position is transferred to the department from DAS Human Resources, which is not anticipated to have an overall fiscal effect on the department.

7990 **Care Management Organization (CMO)**

Expenditures decrease \$4,715,837 from \$261,513,684 to \$256,797,847 and revenue decreases \$4,717,760 from \$261,515,607 to \$256,797,847.

Major changes surround the expansion of Family Care to serve disabled adults ages 18-59. The CMO submitted a successful proposal to DHS in 2008 to expand services to individuals with disabilities and anticipates receiving certification in November 2009. The Family Care Expansion was initially planned for a single CMO with an April 1, 2009 start date. However, the State delayed expansion until November 1, 2009 and accepted bids from both Milwaukee County and a private organization, Community Care, Inc., to run competing managed care organizations. Position adjustments are being made to coincide with the expansion including the abolishment of 18.0 FTEs of vacant positions, creating 3.0 FTEs, and transferring 11.75 FTEs.

The CMO is focusing on controlling the increased cost of paratransit by utilizing the Freedom Pass program, which allows unlimited transportation on County buses for conditionally eligible paratransit users, and to coordinate paratransit van users to seek alternative, cheaper modes of transportation such as taxi and fixed route services.

8000 **Department of Health and Human Services**

Expenditures decrease \$49,391,206 from \$198,262,487 to \$148,871,281 and revenue decreases \$56,581,614 from \$177,888,876 to \$121,307,262. Tax levy is increased by \$7,190,408 in 2010.

Major changes center on the State Takeover of Income Maintenance (IM) authorized by Wisconsin Act 15 and the expansion of Family Care to disabled adults, ages 18-59.

Economic Support Division (ESD)

Expenditures decrease \$24,204,227 from \$52,124,779 to \$27,920,552 and revenues decrease \$26,204,138 from \$50,457,305 to \$24,253,167. Tax levy increases \$1,999,911.

As of January 1, 2010, the State of Wisconsin Department of Health Services (DHS) will assume control over Income Maintenance (IM) in Milwaukee County, administering the following programs: FoodShare, Medical Assistance, Care Taker Supplement, State Wisconsin Works/Supplemental Security Income (SSI) burials, and Child Care programs. As a result, 328.5 FTE County positions will transition to State management.

The IM State takeover affects Milwaukee County in many ways. The County is required to contribute tax levy to the operation of these programs per Act 15. The required contribution was \$2,700,000 in 2009 and is assumed to rise to \$2,983,500 in 2010, accounting for an average annual increase in wages and benefits as mandated by Act 15.

The County also loses 50% of IM and 100% Child Care reimbursement revenues and has been informed that while Milwaukee County payroll will continue to be utilized for County workers under State management, the State will provide its own information systems, fiscal, and human resources. As a result of this takeover, 48.25 FTEs will be abolished in both the Economic Support Division and the Management Services Division.

An RFP was released earlier this year to provide space for DHS's IM operations in Milwaukee County. DHHS submitted a bid for the Coggs Center, but was informed that

the State selected another site at 2151 Martin Luther King Drive, which results in a loss of \$655,878 in rental revenue at the Coggs Center. The Department has appealed the decision, but has not yet received notice pertaining to the status of that appeal.

The Interim Disability Assistance Program (IDAP), which served an average of 125 cases in 2008, will also be eliminated in 2010 for \$150,729 (the \$150,632 figure included in the budget is a technical error) in tax levy savings. The Department will instead refer individuals eligible for SSI/SSDI access to SOAR (SSI/SSDI Outreach, Access and Recovery Program), which is a Federally funded partnership targeted to adults who are homeless or risk homelessness. While SOAR does not provide an interim loan as IDAP did, it partners the Federal government with local agencies to expedite the appeals process.

Delinquency and Court Services Division (DCSD)

Expenditures increase \$562,920 from \$41,386,444 to \$41,949,364 and revenues decrease \$1,404,588 from \$23,081,656 to \$24,486,244. Tax levy decreases \$841,668.

DCSD maintains current levels of funding for the provision and purchase of the following programs: the Wraparound program serving youth with mental health issues, programs targeting youth involved with firearms, chronic re-offense behavior and the Focus program as well as enhancements for chronic offenders, engagement of siblings and continuation of supportive services for chronic offenders and firearm offenders. However, \$200,000 for the Sports Authority is eliminated and funding for Foster Care Placements and Licensing is reduced by \$50,000.

The Division will continue efforts to pursue a pilot alternative to State Corrections program through the purchase of slots in Racine County's Alternatives to Corrections through Education (ACE) program. DCSD brought an informational report on this initiative to the Board in the July cycle. It is anticipated that while expenditures for this program will be \$446,518 in 2010, they will be off-set by a reduction of \$645,667 in correctional costs paid to the State resulting in a savings of \$199,149.

Detention Center Housekeeping is outsourced February 1, 2010 leading to the abolishment of 6.0 FTEs and \$106,896 in overall savings. In addition, Custody Intake staff will be realigned with the abolishment of 4.58 FTE of Custody Placement Specialist and associated overtime and the creation of 1.67 Human Service Worker and \$120,000 in budgeted overtime resulting in a \$169,635 levy decrease.

Disabilities Services Division (DSD)

Expenditures decrease \$28,484,086 from \$83,756,505 to \$55,272,419 and revenues decrease \$33,225,414 from \$85,690,517 to \$52,465,103 for a tax levy increase of \$4,741,328.

Major changes in this Division center around the expansion of Family Care to individuals with disabilities, ages 18-59. The 12-month conversion of the 2,500 existing clients in the Long Term Support (LTS) waiver programs is set to begin on November 1; gradual enrollment of the 3,000 clients on the waitlist for long-term-care services into Family Care is also expected to begin in November of 2009 and will continue over the following 36 months.

Several budgetary issues arise from this transition. The continued implementation of the Family Care expansion reflects a \$4,741,328 (the \$4,553,902 figure included in the budget is a technical error) total net levy increase for the Division. Included in this amount is the mandatory County Basic County Allocation (BCA) payment to the State for expansion, the gradual transition of 21 FTEs from the waiver program to the Department of Aging Care Management Organization, and a \$934,676 levy increase for Disabilities Resource Center (DRC) operations.

There is also a tax levy reduction of \$1,012,607 for purchased support services to individuals with disabilities. It is anticipated that 83 individuals that utilized these purchased services will be eligible to transition into Family Care and as a result contracts for Supportive Living Options, Advocacy, Day Services, Work Services, and Employment Services will be reduced to reflect that transition.

Finally, the Division anticipates saving \$12,910 in levy toward paratransit service by encouraging van users to utilize lower-cost taxi and fixed route services. The Division will also no longer provide funding for the Officer for Persons with Disabilities (OPD) Wil-O-Way recreation program.

Housing Division

Expenditures increase \$795,908 from \$20,780,802 to \$21,576,710 and revenues increase \$248,843 from \$18,433,998 to \$18,682,841 for a tax levy increase of \$547,065.

It is assumed that program funding levels remain at the same level in 2010 as allocated in 2009 since the budget narrative does not include a write-up on the Housing Division.

Management Services Division

Expenditures increase \$1,880,202 from \$213,943 to \$2,094,145 and revenues increase \$1,142,623 from \$225,400 to \$1,368,023 for a tax levy increase of \$737,579.

The budget abolishes 8 positions (7.75 FTEs) due to a workload reduction associated with the State takeover of IM for a tax levy reduction of \$532,252. Additionally, as with other departments, 2.0 FTEs will transfer into the Department from DAS Human Resources.

9000 **Department of Parks, Recreation and Culture**

Total property tax levy decreases \$8,936,906, from \$24,565,212 in 2009 to \$16,282,169 in 2010. Personal Services expenditures without fringe benefits decrease by \$5,896,484, from \$19,765,488 in 2009 to \$13,869,004 in 2010.

133.8 FTEs are abolished in the 2010 budget, including 39.12 FTE Park Maintenance Worker 2 (currently under-filled as Park Maintenance Worker 1 positions), 24.5 FTE Lifeguards (Seasonal) and 5 FTE Forestry Worker DOT positions. This represents a 24% decrease in total FTEs from 2009 to 2010.

The Martin Luther King, Jr. and Kosciusko Park Community Centers are closed for a savings of \$804,601. This includes the abolishment of 6.0 FTE (e.g., 2.0 FTE Community Center Managers and 2.0 FTE Community Center Supervisors) positions, and savings from reductions in utilities and commodities.

Revenues for the Park Golf Permit Sales and Bath Houses and Pools accounts are decreased by \$723,557 to reflect historical revenues. The Conservatory Admission account is increased by \$70,000 to take into account the increase in revenue and attendance that has occurred since the light show began at the Domes.

Parking meters will be installed along Lincoln Memorial Drive, Lagoon Drive and other lakefront parking lots for a revenue increase of \$450,000. Net revenues will fund lakefront services along Lincoln Memorial Drive. A private vendor, selected through the Request for Proposals process, will install, maintain and manage the meters.

Noyes and Pulaski pools are closed in 2010 for a savings of \$398,966 due to a reduction in personnel, utilities and commodities costs. The outdoor pools at Holler, Jackson, Kosciuszko (Pelican Cove) and Washington Parks are closed for a \$250,000 savings. The capital improvements budget appropriates funding for construction of splash pads at those facilities in 2010. The Parks Department will explore transitioning Hales Corners and Grobschmidt pools to the City of Hales Corners and City of South Milwaukee, respectively.

The major maintenance budget for cash financed maintenance projects is \$750,000. The Land Sales budget also stipulates that proceeds remaining from the sale of Crystal Ridge and/or the maintenance shop on 68th & State Street (after accounting for costs related to the sale of the properties and any existing debt on the properties) will be re-directed toward major maintenance needs within the Parks System.

The Appropriation for Contingencies account includes \$200,000 for the completion of a stability analysis of the Estabrook Dam. The analysis is required by the Wisconsin Department of Natural Resources per the July 28, 2009 order.

The Parks Director will have the flexibility to adjust park fees in order to respond in a timely manner to changing market competition, weather conditions, etc.

Parks Skilled Trades will be transferred to and consolidated with the skill trades in the Facilities Management Division of the Department of Transportation and Public Works at the Facilities West building. Authorized Parks employees will be authorized to access the E-Maintenance work-order system currently employed by Facilities Management in order to streamline the work-order process into one system.

The Parks Department's budget includes funding for 46,000 skilled trades-related work-hours. Any work-hours that surpass the 46,000-hour allotment will be crosscharged directly from Facilities Management to Parks based on the skilled trade position cost plus an additional three percent (3%) administrative overhead cost plus material costs.

9500 **Zoological Department**

Tax levy funding for the Zoo decreases \$2,059,148 from 2009. Personal Services without benefits decreases \$564,825 in 2010.

A not-for-profit corporation will assume operation and management of the Milwaukee County Zoo effective October 1, 2011. In the interim, a Steering Committee is created to oversee the development of draft legal documents and establish the process necessary to implement changes in governance. The Steering Committee would consist of representatives of the Zoological Society, the Zoo Director, DAS and County Board staff,

the County's Chief Corporation Counsel and the Chief of Staff from the County Executive and County Board Chair offices. Draft documents necessary to implement the transition of Zoo governance are to be submitted to the County board for review and approval by no later than December 2010.

General Zoo admission fee increases \$1 and the parking fee increases \$1 for a revenue increase of \$916,206.

Zoological Society support of \$2,549,469 includes the following:

- \$624,865 continuation of support;
- \$310,750 in corporate sponsorship revenue;
- \$74,288 for various ticket reimbursement for Society members;
- \$55,000 for summer exhibit support;
- \$93,712 in miscellaneous support;
- \$1,390,854 in parking revenue received from Zoological Society members for the Zoo Pass Plus membership.

9700 Milwaukee Public Museum

No change per the amended Lease and Management Agreement between Milwaukee County and the Milwaukee Public Museum.

9910 Milwaukee County University Extension Service

Funding for the University Extension Service decreases by \$33,461, from \$373,729 in 2009 to \$340,268 in 2010.

9960 General County Debt Service

The tax levy (or sales tax revenue) needed for the General County Debt Service increases in 2010 by \$4,960,043, from \$59,767,367 to \$64,727,410. Total debt service principal and interest decreases by \$981,690, from \$68,638,134 to \$67,656,444. Contributions from the Debt Service Reserve (DSR) total \$419,911, a decrease of \$2,778,250 from the \$3,198,161 provided in 2009.

Debt Service revenues decrease \$3,163,483, from \$5,672,606 to \$2,509,123 for 2010. This is primarily due to reduction in the payment from Froedtert Memorial Lutheran Hospital based on the sale agreement of Doyne Hospital from \$3,190,000 to \$0. The economic recession has reduced this payment to a projected \$78,0000 for 2009. The hospital payment is based on 5.25% of net operating cash flow and will not be determined until sometime in 2010.

There is one outstanding State Trust Fund loan obligation for 2009, \$1,000,000 to finance housing for persons with mental illness. The total debt service payments budgeted in 2009 for this loan is \$146,610.

The 2010 debt service costs for the pension obligation notes issued in 2009 is \$33,182,113. 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 so as to avoid duplication of costs.

The General County Debt Service also outlines a new policy in regards to land sale proceeds. For 2010, the land sale budget is discontinued. Rather, estimated land sales for 2010 are \$5 million from the sale of a portion of the northeast quadrant of the County Grounds to UW- Milwaukee. Another \$5 million from UW-Milwaukee is expected in early 2011, which will be applied to the 2010 Capital Improvements Budget and its multiyear spending plan. A total of \$8.3 million is allocated in the Capital Improvement Budget as follows: bus rapid transit (BRT) \$6,459,000, Parks major maintenance \$750,000, Oak Leaf Trails \$250,000, fiscal automation \$200,000, electronic medical records \$188,700 and relocation of staff at City Campus, \$450,000. The remaining \$1.7 million is earmarked for the debt service reserve.

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS
2010 RECOMMENDED BUDGET**

Non-Departmental – Revenues:

1992 **Earnings on Investments**

What is the average daily investment balance and assumed interest rate used to calculate the 2010 earnings?

1996 **County Sales Tax Revenue**

Given the projected shortfall in sales tax revenue for 2009, is it likely that the total for 2010 will only be \$2 million less than the amount budgeted for 2009?

Non-Departmental – Expenditures:

1945 **Appropriation for Contingencies**

The 2010 Recommended Budget is largely balanced on the hope that significant wage and benefit concessions from represented employees will be realized beginning January 1, 2010. The \$6 million provided for the Appropriation for Contingencies may not be enough to stem massive program and service cuts if new accords are not reached in a timely fashion.

1972 **Wage and Benefit Modification Account**

Unprecedented employee wage and benefit reductions are proposed to mitigate the need to make even more severe cuts to departmental programs and services that would undoubtedly include the layoff of hundreds of employees. 85% of County employees are represented by collective bargaining units, and each of these reductions is subject to the collective bargaining process. Budgeting savings from these proposed reductions effective January 1, 2010, is contrary to approved and pending labor agreements, and likely would require significant fiscal corrections in 2010 to the extent that they are not achieved. These reductions could be applied to non-represented employees through adoption of the budget and adoption of conforming ordinances, applying the changes to approximately 15% of the County's workforce. But regardless of what reductions are unilaterally imposed on non-represented employees, other employee concessions will have to be negotiated with the County's eight unions.

See Section I (General Overview) for a more detailed discussion related to this non-departmental account.

Departmental:

1000 **County Board**

Due to State takeover of Income Maintenance functions, revenue related to constituent services assistance with income maintenance issues is eliminated. If the County Board continues to perform this function, is there a way to get the State, which clearly benefits, to pay for it? (The same question arises from the budget of the County Executive's office.)

1140 **Department of Administrative Services – Division of Human Resources**
Reports to the Personnel Committee throughout 2009 indicated the Division was working well with Departments to meet HR needs. The field-based HR professionals had faster access to certification lists and were able to more quickly process applicants. Additionally, a significant portion of the HR function – policy and legal compliance – was handled centrally under the current administrative framework. The decentralization as described requires the creation of a compliance manager for managing that which has been centrally managed. What management objectives are achieved by decentralization?

1152 **Department of Administrative Services - Procurement Division**
Why is the Purchasing Administrator position being targeted for transfer from civil service to the Executive Compensation Plan (ECP)? What has happened to the pledge from DAS-Human Resources to study all ECP positions to determine which ones should be placed into civil service?

1160 **Department of Administrative Services – Information Management Services Division**
The 2009 Adopted Budget endorsed an expanded effort to collaborate with area municipalities on information technology initiatives, either through partnerships to achieve efficiencies or ‘insourcing’ work to increase revenue opportunities. Yet the 2010 Recommended Budget continues the recent trend of contracting out for services and reducing IT staffing. The contradictions between the initiative to develop external partnerships and reductions in staff and increased outsourcing appear to be difficult to reconcile.

It may be beneficial to reestablish the Information Technology Steering Committee to refocus the strategic direction for information technology in this government and to plot a path for the alignment of limited IT resources. The recommendation to restore the IT Steering Committee was also included in the 2008 audit of the Sheriff’s Electronic Medical Records system.

4000 **Office of the Sheriff**
Prior budgets included significant narrative detail on medical services for inmates, typically an expenditure line that accounts for well over \$10 million. While the presentation of this budget appears to eliminate some annual narrative items or unchanged items, the medical services budget directly relates to an open consent decree regarding the provision of medical services to inmates. It is important that Supervisors and other parties interested in the Christensen Consent Decree are informed of the resources being devoted to providing medical services for inmates.

2000/4000/4500**Courts/Office of the Sheriff/District Attorney’s Office**
The courts and public safety functions of County government are relatively well-preserved in this recommended budget, especially in light of the massive cuts attempted in prior years. The development and engagement of the Community Justice Council has highlighted the interdependence of these constitutional offices and the role policymakers play in ensuring public safety and justice in Milwaukee County. While the preservation of these offices is welcome, two initiatives that have been strongly supported by members of the Council are underserved in this budget: Universal Screening and the Community Justice Resource Center.

In 2009 the Community Justice Council crafted a proposal for Universal Screening that was intended to serve the needs of the Courts, the District Attorney and the Sheriff. The proposal was based on best practices and sound modeling, but also was cognizant of the County's fiscal realities and the needs of the taxpayers. The final proposal was endorsed by the Council and received favorably by the County Board's Judiciary Committee. The 2010 Recommended Budget allows for Universal Screening, but withholds long-term funding until and unless the program can demonstrate real savings. These conditional terms have the very real potential of preventing the program from succeeding.

Additionally, the members of the Council recognize the value of the Community Justice Resource Center, although the Center hasn't been used to its full potential. The Chief Judge and the Sheriff have both expressed interest in exploring how to make better use of the Center, and the Council currently has a work group to assist in that endeavor. However, the CJRC has been excluded from the recommended budget, effectively negating the efforts of the work group and removing the CJRC as an incarceration alternative for the Courts and the Sheriff.

5040 **Department of Transportation and Public Works - Airport**

What plans are being made for a new lease with GMIA airlines, since GMIA's current 25-year master lease is set to expire in September 2010?

5600 **Milwaukee County Transit-Paratransit System**

Is it the best policy to fund the local share of Bus Rapid Transit (BRT) with proceeds from the UWM land sale on the County Grounds?

Once BRT is established in Milwaukee County, what source(s) will fund on-going operating and maintenance costs of the system?

Will BRT have a negative impact on ridership of the existing fixed route system?

How will a twenty-five cent transfer fee for transit affect ridership? How will the transfer fee affect busdriver/busrider interactions in the event riders do not have the extra 25 cents to pay the transfer fee after paying the cash fare (or paying with a ticket)?

What service cuts will DTPW make to the Paratransit system in order to offset the loss of 100 percent Title XIX reimbursement, due to provisions in the State's 2009-2011 Adopted Budget?

What measures are in place to address a potential spike in gas and fuel costs, should one occur in 2010?

5800 **DTPW-Director's Office**

The budget includes a decrease in parking revenue of \$100,000 due to pending litigation related to a disputed parking lot area. The County Board approved a settlement of the dispute at its September 24, 2009 meeting. When executed on November 1, 2009, the settlement will become effective. Therefore, will the revenue loss still need to be reflected in the 2010 budget?

6300 **DHHS-Behavioral Health Division (BHD)**

The Capital budget includes a \$12.6 million initiative to rehab the Behavioral Health Facility in 2010. Is the schedule provided with planning completed by April, construction for phase 2 beginning in July, and phase 3 beginning in October realistic? How will this all be coordinated to ensure that consistent levels of patient care are provided throughout the rehab?

When is the Day Hospital slated to be “moth-balled” and what affect will the shifting of people from the Day Hospital have on the Psychiatric Hospital? What does BHD plan to do with the vacant Day Hospital site?

There were several model of care redesigns included in the budget. What effect will these have on client care? Were these adjustments made based on successful treatment models or were they made because current treatment models have become too expensive? Will the redesign efforts result in fewer clients being served? And, will the model redesigns and outsourcing of community-based care lead to increases in inpatient and acute care?

The Administrator of the Behavioral Health Division brought a report citing concerns with the accessibility of mental health care for individuals enrolled in the State’s Badger Care Plus Core program to the Committee on Health and Human Needs in September. The report suggested that such accessibility issues could lead to individuals having psychiatric crises requiring inpatient treatment. Since Core does not cover inpatient mental health treatment, many of these patients could end up at BHD. How is this potential increase accounted for in the budget? With the various “efficiency” initiatives included in the BHD Recommended Budget, will the Division be able to handle a potential increase in demand for services in 2010?

8000 **Department of Health and Human Services**

The budget includes several proposals to utilize vacant space at the Marcia P. Coggs Center due to the State takeover of IM and subsequent decision to relocate services from the Coggs Center to 2151 Martin Luther King Drive. However, the Department of Health and Human Services has filed an appeal of this decision with the State. What happens if the Department’s appeal is successful and the State ends up using space at the Coggs Center? Alternatively, what will happen if the State, who currently plans to rent space in Coggs until April 1, 2010, asks to stay longer? Basically, is there a Plan B?

9000 **Department of Parks, Recreation and Culture**

How will the Parks Department manage seasonal workloads with the loss of 39.12 FTE park maintenance worker positions without any additional staffing, not even additional seasonal hours?

The wage and benefit decreases proposed for all county workers may result in a significant amount of retirements from the Parks Department. The potential loss of this group of workers coupled with the proposed layoffs may significantly reduce the number of FTEs in the Parks Department. Would such a loss of staff be sustainable? Would it allow the Parks Department to meet the National Parks and Recreation Association gold medal standards as referenced in the recommended budget?

Will the 46,000 skilled trades-related work-order hours be sufficient given the large amount of capital projects specified in the 2010 capital improvements budget and the bond issuance for capital projects approved September 24, 2009?

The budget eliminates both Community Center Director positions, and the creation of a Community Center Supervisor that will result in the sharing of management for the King and Kosciuszko Community Centers. Can the Parks Department and the communities adjacent to the centers sustain the loss of staffing at these two centers, as recreational programming is important to the health and welfare of the youth and elderly in those areas?

The Parks major maintenance budget is tied directly to proceeds from the sale of the northeast quadrant of the County Grounds to UW-Milwaukee. It is expected that proceeds will not be realized until at least April of 2010. How will this timeframe impact the ability of the Parks Department to work on major maintenance projects, particularly emergency projects that may need to be addressed in the winter months?

The budget includes \$200,000 for the development of a stability analysis of the Estabrook Dam. The appropriation ignores the need to begin planning for other dam repairs and the clean up of sediment and debris directly behind the dam. Without this funding, or funding to remove the dam, the County will be unable to meet the Department of Natural Resources' deadlines prescribed in the July 28, 2009 order.

9500 **Zoological Department**

The Zoo is experiencing a large, mid-year deficit in 2009. Based on 2009 experience, what will be the impact on Zoo admissions, and the ability to achieve direct revenues, given a \$1.00 increase in all admission rates and a \$1.00 increase in the parking fee?

9910 **University of Wisconsin Extension - Milwaukee County**

Milwaukee County already provides a limited amount of tax levy to UW-Extension. How will the decrease in funding of wages and a benefits impact staffing? Will UW-Extension be able to find offsetting funds?

SECTION 5
2010 RECOMMENDED CAPITAL IMPROVEMENTS BUDGET – OVERVIEW

Highways and Bridges (WH)

WH010 **County Trunk Highway Action Program (CHAP)**
WH010023 Expenditure: \$11,695,000
WH010051/3 Revenue Reimbursement: \$8,017,200 of Federal funds
WH010063 Investment Earnings: \$17,000
WH010131 Net County Commitment: \$3,660,800 to be financed with general obligation bonds.

WH010141
WH010161
WH010172 This appropriation will provide for the right-of-way acquisition phase for the West Mill Road (North 43rd Street to North Teutonia Avenue) project, the right-of-way phase for the West College Avenue (South 51st Street to South 27th Street) project, the right-of-way phase for the West Layton Avenue (West Loomis Road to South 27th Street) project, the planning and design phase for the South 13th Street (South County Line Road to West Ryan Road) project, the planning and design phase for the North Port Washington Road (West Daphne Street to West Good Hope Road) project, planning and design phase for the South 13th Street (West Ryan Road to West Rawson Avenue) project, and the construction phase for the South 76th Street (West Puetz Road to West Imperial Drive) project.

WH020 **Major Rehabilitation**
WH020051 Expenditure: \$1,101,500
WH02021 Revenue Reimbursement: \$150,000 of Federal revenue and \$420,000 in State revenue.
Investment Earnings: \$3,000
Net County Commitment: \$528,500 to be financed with general obligation bonds.

This appropriation will provide for the planning and design phase for the West Oklahoma Avenue (South 108th Street to South 76th Street) project, and the planning and design phase of the West College Avenue (South 20th Street to South 13th Street) project.

WH030 **Bridge Replacement Program**
WH030062 Expenditure: \$801,000
Revenue Reimbursement: \$640,000 of Federal funds
Investment Earnings: \$1,000
Net County Commitment: \$160,000 to be financed with general obligation bonds.

This appropriation will provide for the replacement of Whitnall Park Bridge #721 over branch of the root River.

WH080 **Bridge Rehabilitation Program**
WH080141 Expenditure: \$302,000
WH080151 Revenue Reimbursement: \$240,000 of Federal funds
 Investment Earnings: \$2,000
 Net County Commitment: \$60,000 to be financed with general obligation bonds.

Funds are budgeted for the rehabilitation design phase of South 76th Street Bridge #575 (northbound) and #576 (southbound) over the Root River.

Mass Transit (WT)

WT026 **Bus Replacement Program (35 Buses)**
 Expenditure: \$13,202,841
 Revenue Reimbursement: \$2,600,000 of Federal funds
 Investment Earnings: \$27,000
 Net County Commitment: \$10,575,841 to be financed with general obligation bonds.

Funding is budgeted for a three-phase bus replacement plan for 155 forty-foot diesel buses purchase in 1996 and 1997. This three-phase approach will be implemented to ensure MCTS is able to maintain an adequate replacement schedule based on a 12-year useful life for buses.

WT027 **Fare Box Renovation**
 Expenditure: \$7,000,000
 Revenue Reimbursement: \$7,000,000 of Federal ARRA funds
 Net County Commitment: \$0

Funding is budgeted for the replacement of fare boxes and data collection systems of the entire MCTS fleet and at all MCTS facilities.

WT037 **MCTS Maintenance Garage Parking Lot Resurfacing**
 Expenditure: \$261,000
 Revenue Reimbursement: \$208,000 of Federal funds
 Investment Earnings: \$1,000
 Net County Commitment: \$52,000 to be financed with general obligation bonds.

Funding is budgeted for the resurfacing of the parking lot located at the MCTS Maintenance Facility.

WT040 **New Annunciators**
 Expenditure: \$2,200,000
 Revenue Reimbursement: \$2,200,000 of Federal ARRA funds
 Net County Commitment: \$0

Funding is budgeted for the replacement of the Milwaukee County Transit System vehicle annunciators/passenger information system.

- WT044 **Replace Roof at FDL Maintenance Facility**
 Expenditure: \$302,000
 Revenue Reimbursement: \$240,000 of Federal funds
 Investment Earnings: \$2,000
 Net County Commitment: \$60,000 to be financed with general obligation bonds.
- Funding is budgeted to replace the roof at the MCTS Fond du Lac Garage.
- WT045 **Replace Bus Vacuum at FDL Garage**
 Expenditure: \$576,000
 Revenue Reimbursement: \$460,000 of Federal funds
 Investment Earnings: \$1,000
 Net County Commitment: \$115,000 to be financed with general obligation bonds.
- Funding is budgeted for the replacement of the bus vacuum system at the MCTS Fond du Lac Garage.
- WT046 **Bus Rapid Transit (BRT) - Wisconsin Avenue**
 Expenditure: \$43,060,000
 Revenue Reimbursement: \$36,601,000 of Federal funds
 Net County Commitment: \$6,459,000 to be financed with proceeds from anticipated UWM land sale.
- Funding is budgeted to construct and operate a 10-mile long street-running BRT line in a corridor extending from UWM to Downtown Milwaukee and west on Wisconsin Avenue to the Regional Medical Complex near West 92nd Street.

Airports (WA)

- WA022 **GMIA-Abrasive Storage Building**
 Expenditure: \$2,067,060
 Revenue Reimbursement: \$1,550,296 in Federal revenue, \$258,382 in State revenue
 Net County Commitment: \$258,383 of Passenger Facility Charge (PFC) revenues
- This appropriation will provide funding for the construction phase of the Runway Abrasives Storage Facility project, to house snow removal equipment and abrasive materials used for snow and ice control of runways and taxiways.
- WA064 **GMIA-Phase II Mitigation Program**
 Expenditure: \$17,477,600
 Revenue Reimbursement: \$13,982,080 in Federal revenue, \$1,747,760 in State revenue
 Net County Commitment: \$1,747,760 of Passenger Facility Charge (PFC) revenue
- This appropriation will provide funding for the second year of construction of the Phase II Residential Sound Insulation Program (RSIP) at General Mitchell International Airport.

WA072 **Lawrence J. Timmerman (LJT) Runway and Taxiway Rehabilitation**
Expenditure: \$825,000
Revenue Reimbursement: \$783,750 in Federal revenue, \$20,625 in State revenue
Net County Commitment: \$20,625 from LJT Special Capital Reserve Account

This appropriation will provide funding for repaving sections B through E of hangar rows as determined by annual inspections. Existing conditions have caused flooding within hangars. Asphalt grade modifications and storm sewer adjustments are required to eliminate flooding within hangars.

WA094 **Runway Safety Area Improvements (RSA)-NEPA Compliance**
Expenditure: \$37,537,472
Revenue Reimbursement: \$28,153,104 in Federal revenue, \$4,692,184 in State revenue
Net County Commitment: \$4,692,184 to be financed with General Airport Revenue bonds.

This appropriation will provide for continued construction of Runway Safety Area Improvements. A fund transfer was approved in June 2008 that provided \$6,500,000 for the project design phase. The 2009 Adopted Capital Improvements Budget included an appropriation of \$13,221,000 for continued RSA improvements.

WA096 **GMIA Parking Structure Relighting**
Expenditure: \$1,616,000
Revenue Reimbursement: \$0
Net County Commitment: \$1,616,000 to be financed with General Airport Revenue bonds.

This appropriation will provide for the study and design for new lighting and various electrical component upgrades.

WA122 **GMIA-Airfield Pavement Rehabilitation**
Expenditure: \$1,881,000
Revenue Reimbursement: \$1,410,750 in Federal revenue, \$235,125 in State revenue
Net County Commitment: \$235,125 of Passenger Facility Charge (PFC) revenue

This appropriation will provide for asphalt crack filling operations and asphalt overlay and concrete slab replacements of runways.

WA123 **GMIA-Runway Safety Improvements**
Expenditure: \$600,000
Revenue Reimbursement: \$450,000 in Federal revenue, \$75,000 in State revenue
Net County Commitment: \$75,000 of Passenger Facility Charge (PFC) revenue

This appropriation will provide for several airfield safety measures including added signage and airfield lighting system upgrades. Absent any such directives in 2010, 2011, or 2012, this funding will provide for additional airfield lighting system enhancements.

- WA125 **Security & Wildlife Deterrent Perimeter Fencing**
 Expenditure: \$509,000
 Revenue Reimbursement: \$381,750 in Federal revenue, \$63,625 in State revenue

 Net County Commitment: \$63,625 of Passenger Facility Charge (PFC) revenue

 This appropriation will provide for on-going replacement of perimeter fencing in areas where security breaches pose a concern due to deterioration and does not meet Federal standards.
- WA135 **Runways 1L-19R & 7R-25L Intersect Repave Study**
 Expenditure: \$6,000,000
 Revenue Reimbursement: \$4,500,000 in Federal revenue, \$750,000 in State revenue
 Net County Commitment: \$750,000 of Passenger Facility Charge (PFC) revenue

 This appropriation will provide construction of an agreed upon alternative to replace all with 16 inch concrete, mill existing asphalt to a depth of 8 inch and replace it or replace middle section with 16 inch and outsides to a depth of 4 inches.
- WA136 **Lawrence J. Timmerman (LJT) Terminal Parking Lot Repaving & Relighting**
 Expenditure: \$512,000
 Revenue Reimbursement: \$409,600 of State revenue
 Net County Commitment: \$102,400 from LJT Special Capital Reserve Account

 This appropriation will provide for design and construction of LJT terminal parking lot pavement reconstruction and relighting project.
- WA142 **Lawrence J. Timmerman (LJT) Runway 15L-33R Extension**
 Expenditure: \$200,000
 Revenue Reimbursement: \$190,000 in Federal revenue, \$5,000 in State revenue
 Net County Commitment: \$5,000 from LJT Special Capital Reserve Account

 This appropriation will provide for an environmental assessment related to the future extension of Runway 15L-33R at LJT and is a part of the Airport Improvement Program (AIP).
- WA148 **GMIA-Fleet Maintenance Expansion**
 Expenditure: \$3,366,000
 Revenue Reimbursement: \$0
 Net County Commitment: \$3,366,000 of Passenger Facility Charge (PFC) revenue

 This appropriation will provide for the expansion of the fleet section of the combined maintenance facility at GMIA.

- WA149 **GMIA Snow Equipment Storage building**
 Expenditure: \$13,272,000
 Revenue Reimbursement: \$0
 Net County Commitment: \$13,272,000 to be financed with General Airport Revenue bonds.
- This appropriation will provide for the construction of a storage building to store snow removal equipment in a heated environment as recommended by the Federal Aviation Administration.
- WA151 **GMIA Part 150 Study-Noise Monitor System**
 Expenditure: \$1,850,000
 Revenue Reimbursement: \$1,480,000 in Federal revenue, \$185,000 in State revenue
 Net County Commitment: \$185,000 of Passenger Facility Charge (PFC) revenue
- This appropriation will provide for the construction phase of the noise monitor system replacement at GMIA. The current system was purchased in 1997 and lacks modern features to benefit established noise abatement goals.
- WA152 **GMIA Part 150 Study-Vacant Land Acquisition**
 Expenditure: \$1,040,000
 Revenue Reimbursement: \$832,000 in Federal revenue, \$104,000 in State revenue
 Net County Commitment: \$104,000 of Passenger Facility Charge (PFC) revenue
- This appropriation will be used to purchase properties from consenting owners that are not part of a bordering neighborhood and are considered non-compatible land use within the 65 DNL noise contour.
- WA157 **GMIA-Gate D52 Modifications**
 Expenditure: \$2,000,000
 Revenue Reimbursement: \$0
 Net County Commitment: \$2,000,000 to be financed with General Airport Revenue bonds.
- This appropriation will provide for the design and construction phase of gate D52 improvements to accommodate larger narrow-bodied aircraft used by Southwest Airlines.
- WA158 **GMIA-Deicer Pads**
 Expenditure: \$300,000
 Revenue Reimbursement: \$0
 Net County Commitment: \$300,000 of Passenger Facility Charge (PFC) revenue
- This appropriation will provide for design of deicing pads at GMIA to improve environmental compliance and provide a more efficient method of deicing to address increased airline traffic.

WA160 **GMIA-Narrowband Conversion**
Expenditure: \$2,000,000
Revenue Reimbursement: \$1,500,000 in Federal revenue, \$250,000 in State revenue
Net County Commitment: \$250,000 of Passenger Facility Charge (PFC) revenue

This appropriation will provide for private land mobile radio systems to operate on narrow band voice channels in municipal government and public safety systems, which must be changed by January 1, 2013 or possibly, lose communication capabilities.

Environmental Services (WV)

WV012 **Pond and Lagoon Rehabilitation Projects**
Expenditure: \$186,000
Revenue Reimbursement: \$0
Investment Earnings: \$1,000
Net County Commitment: \$185,000 to be financed with general obligation bonds.

This appropriation will fund the design and construction of repairs at the Wilson Park Lagoon. This project represents Phase 3 of the Pond and Lagoon Management Plan to achieve improved water quality in the county ponds and lagoons using lower cost strategies. The Wilson Park Lagoon project involves the use of coir logs made of coconut fiber to provide bank stabilization and plant growth that will promote better water quality.

WV014 **Dretzka Park Groundwater and Soil Remediation**
Expenditure: \$330,500
Revenue Reimbursement: \$0
Investment Earnings: \$1,000
Net County Commitment: \$329,500 to be financed with general obligation bonds.

This appropriation will fund the design and construction of a remediation system at the Dretzka Park service yard to remove petroleum contamination in the groundwater and soil, and achieve site closure from the Department of Natural Resources.

WV016 **NR 216 Stormwater TSS Controls**
Expenditure: \$503,000
Revenue Reimbursement: \$0
Investment Earnings: \$2,000
Net County Commitment: \$501,000 to be financed with general obligation bonds.

This appropriation will fund the design and construction of systems to remove pollutants from storm water discharges in order to comply with Wisconsin Administrative Code Chapter NR 216. The permit requires Milwaukee County to undertake actions designed to reduce the amounts of pollutants discharged in storm water outfalls.

Parks, Recreation and Culture (WP)

WP062 Brown Deer Golf Course Cart Paths

Expenditure: \$302,000

Revenue Reimbursement: \$0

Investment Earnings: \$1,000

Net County Commitment: \$301,000 to be financed with general obligation bonds.

New asphalt cart paths that will allow the Brown Deer Park golf course to remain open in inclement weather will be constructed with this appropriation.

WP069 Countywide Play Area Redevelopment Program

Expenditure: \$2,473,000

Revenue Reimbursement: \$0

Investment Earnings: \$17,000

Net County Commitment: \$2,456,000 to be financed with general obligation bonds.

This appropriation will be used to continue the ongoing replacement of aged, noncompliant countywide playground equipment and resilient safety surfacing in the playgrounds throughout the Parks System. The 2010 budget includes replacement of playground equipment at Cannon, Highland, Humboldt No. 2, Lincoln, Saveland, Sherman, Lake, Washington No. 1, Walker Square, Clarke Square and Smith Parks.

WP129 Athletic Fields and Courts

Expenditure: \$1,932,000

Revenue Reimbursement: \$0

Investment Earnings: \$12,000

Net County Commitment: \$1,932,000 with \$1,670,000 to be financed with general obligation bonds and \$250,000 in land sale proceeds from the UWM sale.

This appropriation will fund the reconstruction of various athletic fields and courts throughout the Parks System including baseball fields at Humboldt and Greenfield Parks, softball fields at Greene Park, soccer fields at Zablocki and Lincoln Parks, basketball courts at Greene, Barnard, KK Sports Center, Pulaski-Milwaukee, Copernicus and Wedgewood Parks, and tennis courts at Columbus, Greene, Rainbow, Kosciuszko, McKinley and Zablocki Parks.

WP131 Oak Leaf Trail Improvements

Expenditure: \$1,213,800

Revenue Reimbursement: \$448,000 in Federal revenue and \$269,928 in State revenue

Investment Earnings: \$3,000

Net County Commitment: \$492,872 to be financed with general obligation bonds.

This appropriation will fund improvements to the Oak Leaf Trail including (1) the section between Bluemound Road to Rainbow Park, (2) Leon Terrace to the replaced bridge and (3) the northwest side to downtown.

- WP132 **Mitchell Park Domes Improvements**
 Expenditure: \$38,800
 Revenue Reimbursement: \$0
 Investment Earnings: \$1,000
 Net County Commitment: \$37,800 to be financed with general obligation bonds.
- The existing sound and security system at the Domes will be replaced with this appropriation.
- WP165 **South Side Family Aquatic Center**
 Expenditure: \$11,161,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$83,000
 Net County Commitment: \$11,078,000 to be financed with general obligation bonds.
- This appropriation will be used for the construction of a south side aquatic center. Planning will be financed in 2009 that will determine a scope of work and final location for the center.
- WP167 **Parks Countywide Restroom Renovations**
 Expenditure: \$1,234,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$9,000
 Net County Commitment: \$1,225,000 to be financed with general obligation bonds.
- The following restrooms will be renovated with this appropriation:
- Greenfield Park, 15th Tee
 - Jackson Park Boathouse Pavilion
 - McKinley Park Roundhouse
 - Veterans Park Comfort Station
 - Wilson Park Comfort/Shelter
 - Zablocki Park Service Building
 - Wilson Park Recreation Center
- WP171 **Pool Liners - Countywide**
 Expenditure: \$242,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$1,000
 Net County Commitment: \$241,000 to be financed with general obligation bonds.
- A polyvinyl chloride liner will be installed in the McCarty Park deep well pool with this appropriation in order to protect the concrete structure of the pool from erosion.

- WP172 **Parks Infrastructure Improvements**
 Expenditure: \$80,200
 Revenue Reimbursement: \$0
 Investment Earnings: \$1,000
 Net County Commitment: \$79,200 to be financed with general obligation bonds.
- This appropriation will be used to replace the Falk Park Pavilion Roof.
- WP173 **Hoyt Park Aquatic Center**
 Expenditure: \$8,030,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$16,000
 Private Donations: \$6,500,000
 Net County Commitment: \$1,514,000 to be financed with general obligation bonds.
- A new aquatic center will be planned, design and constructed at Hoyt Park with this appropriation.
- WP174 **Parks Major Maintenance**
 Expenditure: \$750,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$0
 Net County Commitment: \$750,000 to be financed with land sale proceeds from the UWM sale.
- This appropriation will fund numerous major maintenance projects within the Parks Department.
- WP175 **Holler Park Splash Pad**
 Expenditure: \$553,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$2,000
 Net County Commitment: \$551,000 to be financed with general obligation bonds.
- This appropriation will provide for the design and construction of a splash pad at Holler Park.
- WP176 **Jackson Park Splash Pad**
 Expenditure: \$553,000
 Revenue Reimbursement: \$0
 Investment Earnings: \$2,000
 Net County Commitment: \$551,000 to be financed with general obligation bonds.
- This appropriation will provide for the design and construction of a splash pad at Jackson Park.

WP177 **Kosciuszko Splash Pad**
Expenditure: \$553,000
Revenue Reimbursement: \$0
Investment Earnings: \$2,000
Net County Commitment: \$551,000 to be financed with general obligation bonds.

This appropriation will provide for the design and construction of a splash pad at Kosciuszko Park.

Museum (WM)

WM003 **Electrical Distribution Replacement**
Expenditure: \$408,000
Revenue Reimbursement: \$0
Investment Earnings: \$5,000
Net County Commitment: \$403,000 to be financed with general obligation bonds.

Planning and design for a replacement electrical substation in the basement of the Milwaukee Public Museum will be funded with this appropriation. The current system is 50 years old, 30 years beyond its useful life.

WM004 **Museum Infrastructure Improvements**
Expenditure: \$81,400
Revenue Reimbursement: \$0
Investment Earnings: \$1,000
Net County Commitment: \$80,400 to be financed with general obligation bonds.

This appropriation is budgeted to replace the asphalt pavement at the East Parking Lot and Loading Dock Entry area.

WM005 **Museum Air Handling and Piping Replacement**
Expenditure: \$867,000
Revenue Reimbursement: \$0
Investment Earnings: \$9,000
Net County Commitment: \$858,000 to be financed with general obligation bonds.

This appropriation will fund the continued replacement of the heating, ventilation and air conditioning systems that serve the exhibition and artifact storage areas of the museum.

Zoo (WZ)

WZ014 **Small Mammal Building HVAC Replacement**
Expenditure: \$51,757
Revenue Reimbursement: \$0
Investment Earnings: \$1,000
Net County Commitment: \$50,757 to be financed with general obligation bonds.

This appropriation will fund replacement of the small mammal building's HVAC unit.

WZ037

Zoo Terrace Renovations

Expenditure: \$117,650

Revenue Reimbursement: \$0

Investment Earnings: \$3,000

Net County Commitment: \$114,650 to be financed with general obligation bonds.

The Zoo Terrace, which was built in the mid-1980s, needs renovation in order to maintain its viability as a revenue-generating picnic area.

WZ039

Zoomobile Replacement

Expenditure: \$311,456

Revenue Reimbursement: \$0

Investment Earnings: \$4,000

Net County Commitment: \$307,456 to be financed with general obligation bonds.

This appropriation will fund replacement of three Zoomobiles with energy efficient electrical vehicles.

WZ040

Polar Bear & Seal Exhibit Shade Structure

Expenditure: \$206,988

Revenue Reimbursement: \$0

Investment Earnings: \$3,000

Net County Commitment: \$203,988 to be financed with general obligation bonds.

This appropriation will fund a shade structure over the polar bear and seal exhibit and pools. The lack of shade presents health concerns for the animals. The seals have chronic eye problems due to their lack of eyelids and the sun shining directly into their eyes. The shade structures are required to meet American Zoological Association accreditation standards.

WZ058

Winter Quarters Barn Renovation

Expenditure: \$301,455

Revenue Reimbursement: \$0

Investment Earnings: \$4,000

Net County Commitment: \$297,455 to be financed with general obligation bonds.

The Winter Quarters barn used by the camels, alpacas and zebras will be renovated with this appropriation. The existing wood structure is no longer made from acceptable material and is rotting.

Department of Health and Human Services (WE)

WE033

Behavioral Health Facility

Expenditure: \$12,596,494

Revenue Reimbursement: \$0

Investment Earnings: \$126,000

Net County Commitment: \$12,470,494 to be financed with general obligation bonds.

An appropriation of \$12,596,494 is budgeted, including \$247,000 in capitalized interest, to renovate the existing Behavioral Health Facility. The project contains the following 4 phases: Planning/Strategic Master Plan, Psychiatric Crisis Services Renovation, Patient Unit Remodeling and Refurbishing, and Office Space Remodel/Update. It is assumed that the master plan (phase 1) will be completed by April 1, 2010 and construction bid documents will be completed by July 1, 2010 so that phase 2 construction can begin at that time with phase 3 construction starting in October 2010.

Department of Health and Human Services (WS)

WS035

Coggs Building Roof Replacement

Expenditure: \$743,180

Revenue Reimbursement: \$0

Investment Earnings: \$2,000

Net County Commitment: \$741,180 to be financed with general obligation bonds.

An appropriation of \$743,180 is budgeted, including \$4,000 in capitalized interest to remove the old roof at the Marcia P. Coggs Human Services building and replace it with a new roof. The new roof will be designed to conform to the Green Print Initiative requirements.

Courthouse Complex (WC)

WC013

CJF Pod Workstation Replacement

Expenditure: \$503,000

Revenue Reimbursement: \$0

Investment Earnings: \$2,000

Net County Commitment: \$501,000 to be financed with general obligation bonds.

This project will provide for the first stage of construction and installation for the replacement of workstations within the Criminal Justice Facility (CJF). The workstation is the control center for all inmate cells within a pod. In all, there will be 16 pod workstations replaced as well as a deputy station in the Infirmary and Special Needs pods.

WC027 **Courthouse Light Court Window Replacement**
Expenditure: \$857,000
Revenue Reimbursement: \$0
Investment Earnings: \$9,000
Net County Commitment: \$848,000 to be financed with general obligation bonds.

This appropriation will replace the remaining Courthouse light courts by the end of 2013. This will help provide better insulation from the elements and improve energy efficiency.

WC065 **City Campus Relocation**
Expenditure: \$450,000
Revenue Reimbursement: \$0
Investment Earnings: \$0
Net County Commitment: \$450,000 to be financed with land sale proceeds from the UWM sale.

This initiative will move all tenants from City Campus into other County-owned facilities. The budget anticipates that, effective April 1, 2010, the State will relocate the Income Maintenance and Child Care function out of the Cogs Center leaving 78,887 square feet of available space. Some City Campus tenants will be relocated to the Cogs Center, which has been recently renovated and is more energy efficient.

According to operating budget narratives, various County departments should vacate the building by April 1, 2010.

In addition, two private tenants will be given a lease termination notice January 1, 2010, and will have 180 days to vacate the premises.

House of Correction (WJ)

WJ056 **HOC Video Visitation System**
Expenditure: \$435,000
Revenue Reimbursement: \$0
Investment Earnings: \$2,000
Net County Commitment: \$433,000 to be financed with general obligation bonds.

This appropriation will construct a video visitation area at the House of Correction. The area would include two visitation booths in each of the 33 dorms including wiring, handset installation flat panel video equipment and computers. The visiting area would have viewing booths with similar equipment.

Other County Agencies (WO)

WO038 **Marcus Center HVAC Upgrade**
Expenditure: \$1,013,000
Revenue Reimbursement: \$0
Investment Earnings: \$8,000

Net County Commitment: \$1,005,000 to be financed with general obligation bonds.

This appropriation will continue the design phase and begin construction to replace two of five major air-handling systems at the Marcus Center.

WO060 **Countywide Road Improvement Program**

Expenditure: \$1,726,100

Revenue Reimbursement: \$0

Investment Earnings: \$7,000

Net County Commitment: \$1,719,100 to be financed with general obligation bonds.

This appropriation will reconstruct the lowest rated (32 or less) parkway drives and parking lots. Cost exclude capitalize interest.

Lake Park - Ravine Drive North to Service Drive	\$160,200
Root River Parkway - Service Yard to Recreation Center	53,400
Juneau Park – Landfill to Marina Lots	267,000
Lake Park – North Newberry to Pavilion	267,000
KK Parkway – S 57 th Street to S 60 th St	178,000
Doctor Park – Road to Picnic Area #3 to Fox Lane	89,000
Doctor Park – Parking Lot	390,000
Grant Park – From Fork Northwest to Lake Drive	<u>311,500</u>
	\$1,716,100

WO061 **Root River Parkway Drive – S 76th to Grange**

Expenditure: \$727,000

Revenue Reimbursement: \$0

Investment Earnings: \$2,000

Net County Commitment: \$725,000 to be financed with general obligation bonds.

This appropriation will address pavement replacement.

WO067 **Holler Park Pavilion LL Restrooms Replacement**

Expenditure: \$175,952

Revenue Reimbursement: \$0

Investment Earnings: \$2,000

Net County Commitment: \$173,952 to be financed with general obligation bonds.

This appropriation will renovate the Holler Park Pavilion to make it accessible to people with physical disabilities including replacing the restroom floors, repair and reconstruction of the restroom and vestibule. Additionally, the pavilion front entrance will be made more wheelchair accessible.

WO069 **Underwood Pkwy-Schlinger Ave to Fairview Ave**
Expenditure: \$537,000
Revenue Reimbursement: \$0
Investment Earnings: \$2,000
Net County Commitment: \$535,000 to be financed with general obligation bonds.

This appropriation will address pavement replacement.

WO106 **Fleet Generator/Transfer Switch Replacement**
Expenditure: \$275,600
Revenue Reimbursement: \$0
Investment Earnings: \$1,000
Net County Commitment: \$274,600 to be financed with general obligation bonds.

This appropriation will replace the generator and transfer switch at the Fleet Central Facility and the Sheriff/Highway Building, which is critical for the emergency and safety related responsibilities of the departments.

WO112 **Fleet Equipment Acquisition**
Expenditure: \$14,449,000
PFC Revenue Reimbursement: \$1,025,000
Investment Earnings: \$0
Net County Commitment: \$13,424,000 to be financed with general obligation bonds.

This appropriation is in addition to the \$6,514,000 requested in September 2009. Approximately \$18,000,000 of the current fleet has passed its useful life. Replacing, rather than maintaining these vehicles, could have an estimated net savings of \$7.7 million for the years of 2010-2014.

Debt for equipment acquisition will be structured over three, five and eight year periods to match the useful life. The actual cost including interest will be charged to user departments.

Depreciation on new vehicles will no longer be charged to the user department, rather the actual debt service on the equipment. These charges will be reflected in Fleet Management Division budget, the portion of debt service related to the fleet equipment will be abated in the debt service budget. The purchasing program will be limited to a maximum annual debt service payment of \$5 million.

WO205 **Fiscal Automation Program**
Expenditure: \$452,000
Revenue Reimbursement: \$0
Investment Earnings: \$2,000
Net County Commitment: \$452,000 to be financed with \$100,000 in general obligation bonds, \$150,000 cash from sales tax revenue and \$200,000 in and proceeds from the UWM sale.

This appropriation will pay for consultant services for programming, other needs and software and hardware to promote the efficiency and effectiveness of fiscal budgeting, analysis and reporting.

WO215 **Storage Expansion (formerly WO609 Centralized Disc to Disc backup)**
Expenditure: \$409,386
Revenue Reimbursement: \$0
Investment Earnings: \$4,000
Net County Commitment: \$405,386 to be financed with general obligation bonds.

This appropriation will pay for hard drives that will be connected to new hardware to provide additional storage to meet the projected growth for data storage requirements.

WO216 **Thin Client**
Expenditure: \$451,200
Revenue Reimbursement: \$0
Investment Earnings: \$3,000
Net County Commitment: \$448,200 to be financed with general obligation bonds.

This appropriation provides for the implementation of a thin client solution such as Virtual Desktop. The benefits from this implementation include a reduction in hardware expense and support.

The personal computer towers will be replaced with desktop terminals that include a monitor, mouse and keyboard. These terminals transmit information directly to and from a server. The applications can be linked to and directly managed from a centralized server with reduced staff support.

Savings in software licensing will be realized due to concurrent licensing where fees are based upon actual usage of a particular application at any given time. Additionally, utility costs are expected to decrease.

WO218 **Technical Infrastructure Replacement**
Expenditure: \$429,586
Revenue Reimbursement: \$0
Investment Earnings: \$4,000
Net County Commitment: \$425,586 to be financed with general obligation bonds.

This appropriation implements a network equipment replacement program for switches and routers that connect personal computers to the network. Replacement will be at the following locations: Airport, Register of Deeds, Department of Administrative Services, Courthouse Room G2A and House of Corrections.

WO219

Narrowbanding

Expenditure: \$2,040,000

Revenue Reimbursement: \$0

Investment Earnings: \$21,000

Net County Commitment: \$2,019,000 to be financed with general obligation bonds.

This appropriation will allow Milwaukee County to purchase and install equipment to upgrade or replace systems not currently compliant with new FCC narrowbanding requirements. The following systems are affected: Parks irrigation systems, Zoo voice equipment, EMS medical monitoring equipment and the Sheriff's Office siren system.

The FCC has mandated that all non-Federal public safety licensees migrate to narrowband 12.4 kHz channels by January 1, 2013, or encounter loss of communication capabilities.

After January 1, 2011, the FCC will not grant applications for new voice operations or applications that use 25 kHz. Additionally, the FCC will prohibit manufacturing of new equipment that operates on 25 kHz.

WO444

Electronic Medical Records System

Expenditure: \$2,827,549

Revenue Reimbursement: \$0

Investment Earnings: \$27,000

Net County Commitment: \$2,611,849 to be financed with general obligation bonds and \$188,700 in anticipated land sales.

This appropriation will replace the current EMR system with a new EMR solution that is anticipated to meet the needs of the Sheriff's Office and the Behavioral Health Division. An audit found numerous problems with the current system (TIER) including capabilities not sufficiently specialized for a correctional environment and insufficient technical support. The scope of the project including equipment, software and possible remote access will be determined during the planning and design phase.

WO501

War Memorial North Entrance

Expenditure: \$269,000

Revenue Reimbursement: \$0

Gift & Cash Contribution: \$26,400 from the War Memorial Center

Investment Earnings: \$3,000

Net County Commitment: \$239,600 to be financed with general obligation bonds.

This appropriation will be used to renovate the north entrance, originally constructed as an employee entrance, to provide a canopy covered doorway and glass wall leading to a lobby/waiting area. Additionally the corridor and elevator lobby will be renovated with new lighting, ceiling, wall and floor finishes.

WO513 **War Memorial North Parking Lot**
Expenditure: \$784,000
Revenue Reimbursement: \$0
Gift & Cash Contribution: \$78,000 from the War Memorial Center
Investment Earnings: \$2,000
Net County Commitment: \$704,000 to be financed with general obligation bonds.

This appropriation will renovate and increase capacity of the north parking lot. The reconfiguration would provide improved landscaping, better access to the Art Museum loading dock and provide hardscaping and storm water management features.

WO606 **Rewire County Facilities**
Expenditure: \$1,216,000
Revenue Reimbursement: \$0
Investment Earnings: \$9,000
Net County Commitment: \$1,207,000 to be financed with general obligation bonds.

This appropriation will continue the rewiring of the Criminal Justice Facility. New technologies such as security cameras, video conferencing, wireless technologies and unified messaging that operate on the County's network will be implemented.

WO614 **Build Out Ten Sites to Digital**
Expenditure: \$1,761,000
Revenue Reimbursement: \$0
Investment Earnings: \$5,000
Net County Commitment: \$1,756,000 to be financed with general obligation bonds.

This appropriation will replace the 800 MHz trunked analog radio systems with a digital communication system for public safety agencies. While the standard is not mandated it is prudent to plan for the requirement with a two-phase plan. This will allow Milwaukee County to continue to receive analog signals while moving groups to the new digital system as it grows. The cost of this entire project is approximately \$16,000,000 to build out over the next several years.

WO870 **County Special Assessment**
Expenditure: \$250,000
Revenue Reimbursement: \$0
Investment Earnings: \$0
Net County Commitment: \$250,000 to be financed with sales tax revenue.

This appropriation is for the installation of street and other improvements in lands abutting County lands or facilities.

WO950

Milwaukee County Public Art Program

Expenditure: \$406,682

Revenue Reimbursement: \$0

Sales Tax Revenue: \$20,000

Net County Commitment: \$386,682 to be financed with general obligation bonds.

The following projects appear to be eligible based on the Milwaukee County One Percent for Public Art Program:

Project Name	Construction Budget	1 Percent
Reconstruct Cty Hwy ZZ-College	\$770,000	\$7,700
S 76 th St-Puetz to Imperial	\$4,911,050	\$49,111
Whitnall Park Bridge	\$700,000	\$7,000
Oak Leaf Trail Improvements	\$967,004	\$9,670
South Side Family Aquatic Center	\$9,476,800	\$94,768
Hoyt Park Pool	\$7,500,000	\$75,000
Countywide Play Area Redevelopment Program	\$2,379,300	\$23,793
Behavioral Health Center	\$10,660,015	\$106,600
Root River Pkwy-76 th St to Grange	\$657,000	\$6,570
War Memorial North Parking Lot	\$647,000	\$6,470
Total	\$38,668,169	\$386,682

Project administration costs of \$20,000 are financed with sales tax revenues.