
Department of Administration

2015 Budget Overview

Finance & Personnel Committee

October 9th, 2014

Community Goals and Objectives

Goals:

1. Build safe and healthy neighborhoods.
2. Increase investment and economic vitality throughout the city.
3. Improve workforce development and connect more citizens to family supporting jobs
4. Help children succeed, prepare for post-secondary education, and meet their full potential
5. Sustain Milwaukee's natural environmental assets
6. Promote racial, social, and economic equity for all citizens

Community Goals and Objectives

Objectives:

1. Reduce economic disparities that affect Milwaukeeans.
2. Provide mission critical city services through annual budgets that limit the impact of tax levy and municipal service charge changes on the typical residential property to 3% or less
3. Limit the proportion of the 2013-2016 city tax levies allocated to debt service and employer pension contributions to 60% or lower, in a fiscally responsible manner.
4. Increase efficiency and effectiveness in citywide operation information technology.
5. Improve energy efficiency in homes and business firms.

Community Goals and Objectives

Key Performance Measures

Measure	2013 Actual	2014 Projection	2015 Projection
Combined percentage increase from prior year of changes to the property tax levy and municipal service charges on the average valued residential property.	-1.9%	1.3%	1.4%
Percent of tax levy allocated to debt service and employer pension contribution ^A .	50.8%	47.9%	45.8%
Combined number of jobs created and persons trained and placed in jobs through CDBG and HOME funded projects.	442	420	420
Number of firms receiving SBE certification.	26	50	50
Average speed time for response at Unified Call Center {minutes:seconds}.	:31	:36	:36
Days needed to resolve IT service requests.	6.54	4.45	4.40
Number of homes receiving energy efficiency upgrades via Me2.	754	400	100
Number of manufacturing firms receiving Me3 grants.	9	4	10

2015 Budget Summary

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
FTEs – O&M	98.37	99.37	1(1%)
FTEs - Other	37.47	38.47	1 (2.7%)
Salaries & Wages	\$5,622,079	\$5,982,654	\$360,575 (6.4%)
Fringe Benefits	2,642,377	2,692,193	49,816 (1.9%)
Operating Expenditures	1,164,461	1,211,899	47,438 (4.7%)
Equipment	50,600	25,300	-25,300 (-50.0%)
Special Funds	1,500,701	1,722,965	222,264 (14.8%)
TOTAL	\$10,940,218	\$11,635,011	\$694,793 (6.4%)

Special Purpose Accounts

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
E-Government Payment Systems	\$65,000	\$60,000	-\$5,000 (-1.5%)
E-Civis Grants Locator	\$26,675	\$26,675	0
Wages Supplement Fund	\$13,100,000	\$19,300,000	\$6,200,000 (47.33%)
Job Scan, Industry Assessment & Evaluation	\$0	\$75,000	\$75,000
Total	\$13,191,675	\$19,461,675	\$6,270,000 (47.53%)

Revenues

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
Charges for Service	\$773,100	\$77,000	\$-696,100,(-90.%)
Miscellaneous	\$424,500	\$575,500	151,000, (35.6%)
TOTAL	\$1,197,600	\$652,500	\$-545,100, (-45.5%)

Capital Improvements Budget

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
IT Upgrades/ Replacements	\$285,000	\$250,000	-\$35,000 (-12.3%)
Public Safety Communications	500,000	\$550,000	50,000 (10%)
Workplace Safety & Efficiency	\$0	\$400,000	400,000
Web Application Server Equipment	125,000	\$0	-125,000 (-100%)
Webcasting	150,000	\$0	-150,000 (-100%)
MapMilwaukee Upgrade	\$0	\$400,000	400,000
Mobile Device Security & Management	\$0	\$160,000	160,000
Tax Collection System	\$0	\$1,200,000	1,200,000
DSS E-Vault Upgrade	\$0	\$300,000	300,000
TOTAL	\$1,060,000	\$3,260,000	\$2,200,000 (207.6%)

Budget Changes

- Office Of The Director
 - Public Information Officer added to educate and inform the public on safety issues
- A Project Coordinator position added to ITMD for Major Capital Projects(LMS, Tax collection system)
- New Special Funds
 - City wide computer replacement and maintenance
 - Certification Processing
- New SPA for Compete Milwaukee
 - Job Scan, Industry assessment and Evaluation

DOA Initiatives and Programs

- Budget and Financial Planning and Management
- Information Technology Management
- Unified Call Center and Customer Service
- Environmental Sustainability
- Intergovernmental Relations
- Grant Cultivation, Management and Administration
- Purchasing, Procurement and Small Business Assistance

BMD Accomplishments

- 2012-14 3 year actual average combined annual impact of levy & municipal service charge changes on typical residential property owner: 3/10 of 1 % (.3%). No layoffs as a result of O&M Budget.
- Developed 4-year plan for structural budget balance, with lead role in generating \$31 million of improvement in 2013 and 2014
- Led development and implementation of stable pension contribution policy for 2014-2018 contribution years
- Initiated pre-payment of 2013, 2014 and 2015 employer pension contributions, generating ~ \$4.3 million in annual reduced cost
- Lead role in developing new investment strategy for the Employer's pension reserve, initiated in October 2011.
- Financed significant improvements to core infrastructure replacement cycles within a stable debt service levy.

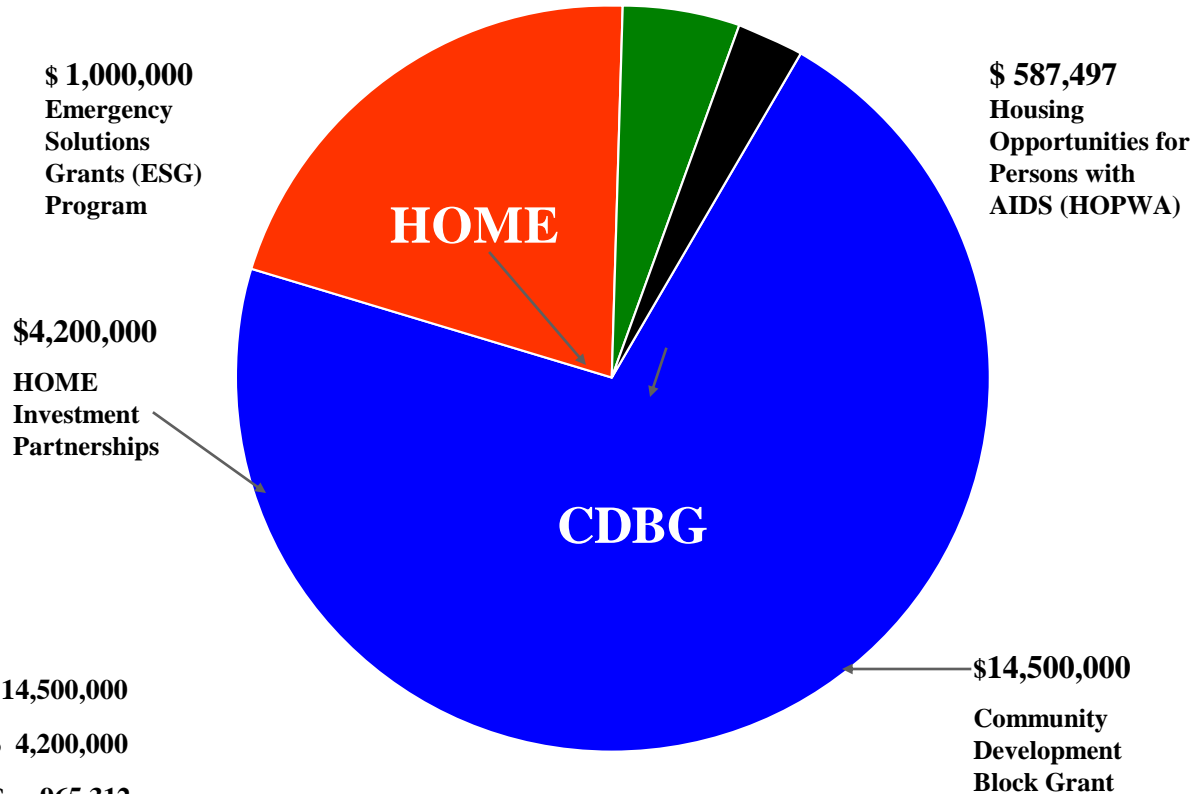
BMD 2015 Plan

- Continue implementation of structural balance plan.
- Annual updates of Capital Improvements Plan that stabilizes levy requirements while maintaining progress on core infrastructure funding levels.
- Integrate call center data into management reporting and analysis

Community Development Grants Administration Division

- 2014 - Division led efforts to win approximately \$1.2M in new grant funds including:
 - \$400,000 Awarded Federal Substance abuse and mental health services Administration(SAMHSA)
 - \$200,000 Awarded Environmental Protection Agency (EPA)
- 2015 - Division will administered approximately \$20M in Federal Block Grant Funding consistent with the City's Community and Economic Development goals

2015 Proposed City of Milwaukee Block Grant Entitlement Allocation



CDBG	\$ 14,500,000
HOME	\$ 4,200,000
ESG	\$ 965,312
HOPWA	<u>\$ 509,907</u>
Total	\$20,287,497

Office of Environmental Sustainability



2014 Highlights:

- \$416,000 New grants
- 35 Solar installs
- 30+ Vacant lots improved
- 90%+ ReFresh MKE Target implementation

Since 2010:

- \$540,000 Annual energy savings
- 7:1 Programmatic ROI
- 1,600+ Homeowners assisted
- 200+ Businesses assisted

2014 Programs:

- ReFresh Milwaukee
- Me2 Residential/Commercial
- ME3 Sust. Manufacturing
- Milwaukee Shines
- HOME GR/OWN
- Mayor's Energy Reduction Team
- Green Infrastructure Planning

Milwaukee Energy Efficiency



Residential

- 1,286 homes upgraded (332 loans)
- \$10.7m in projects
- National recognition
- Plan is to continue to pair affordable Me² loans with Focus on Energy incentives
- Community Workforce Agreement
- Streamline staff and process



Business

- 134 Businesses Improved (\$14.7 million projects)
- Small Business Program Partnership with Focus on Energy (330 Projects in 2014)
- First PACE Project Completed in Wisconsin: University Club





ECONOMY
ENERGY
ENVIRONMENT

ME3 Sustainable Manufacturing Program

- 9 Small/med manufacturers in 2014
- 15:1 ROI (best estimate YTD)
- \$90,000 matching grant from WEDC
- \$20,000 MEDC contribution
- First true small manufacturer engagement
- Participants have more “skin in the game”
- US Conference of Mayors Climate Award (2014 Honorable Mention)
- Small and Medium Sized Manufacturer Sustainability Roundtable





FOR A SUSTAINABLE SOLAR FUTURE

Milwaukee Shines Solar Program

Record Solar Year for Milwaukee

- 35 YTD
- 30 in all of 2013 (also record year)
- Solar Loan Program: 30 loans in 3 years
- Solar Group Buys:
 - 35 in Bay View, 17 in Riverwest
 - In Process: Washington Heights & Layton Blvd West
- Streamlined permitting process (flat fee)
- New Dept of Energy solar grant for 2015
 - 0.5 FTE for 18 months
 - PACE financing for solar on businesses



HOME GR/OWN



2014 Highlights:

- First full year of operation
- \$230,000+ in new grants and donations
- Every \$1 of City investment attracted \$4 of external funding
- 31 vacant lots being converted to new uses: pocket parks, community gardens and urban farms
- MMSD green infrastructure and workforce development on 7 lots
- Updated urban agriculture ordinance in May
- All projects are unique public/private partnerships
- Strong collaboration with City departments and Strong Neighborhoods
- National media attention

2015 Plans:

- Repurpose an incremental 40 lots
- Formalize relationship between City and Milwaukee Food Council



OES City Operations Impact

2014 Highlights:

- ReFresh MKE Targets: 20x2020 and 25x2025
- \$416,000 New grants in 2014
- Sustainable Municipal Water Management Report & Tracking
- Green Infrastructure Baseline Inventory

Since 2010:

- Annual energy savings = \$540,000
- 18 Buildings Audited; 37 Buildings Improved
- 18+ million kBTU's energy reduction
- 27,000 metric tons of CO2 avoided
- Mayor's Energy Reduction Team
- Better Buildings Challenge (5 million sq. ft.)



Office Of The Director

- Milwaukee Fatherhood Initiative (MFI)
 - Proposed:
 - Strengthen collaborative efforts with State Department of Corrections and County House of Corrections by facilitating at least 5 Nurturing Fathers Programs (NFP) workshops at correctional facilities and sites
 - Target population includes men currently on probation or parole deemed as “high” or “medium” risk
 - Nurturing Fathers Program
 - Teach fathers effective skills for healthy family relationships and child development
 - Recognized by the Substance Abuse and Mental Health Services Administration – a U.S. DHHS agency
 - Program is included in the National Register of Evidence-based Programs and Practices
- Northwestern Mutual Workforce Development Program
 - Planning is well underway
 - Progress reports for quarters one and two will be presented to the Community and Economic Development Committee late October, 2014

Office Of The Director

- Milwaukee Civic Partnership Initiative(MCPI)
 - Phase I Completed: The Asset Valuation Report and Sponsorship Policy is pending Common Council consideration.
 - Phase II Is pending Council consideration and will allow the Superlative Group, the chosen MCPI firm, to negotiate and market City assets in areas including advertising, sponsorships and naming rights
 - Legislation has been drafted by LRB to proceed with Phase II and is pending Council approval on:
 - Establish guidelines for agreements
 - Hire vendor to actively market and negotiate agreements involving City assets
 - Adopt necessary ordinance changes

Business Operations Division

■ Citywide Toner Program

- Savings in the amount of \$88K have been accrued to date related to the purchase of remanufacturing toner initiative

■ Chapter 370

- Minor revisions are being to Chapter 370 to eliminate reference to the metropolitan Milwaukee area for certification now that the program is race and gender neutral

■ Competitive Bidding Cost Savings

- As a result of issuing competitive bids in 2013, the Procurement Services Section realized cost savings in the amount of \$5.6 million

■ LCP Tracker

- Contract executed in September 2014
- Software will be used to track labor compliance on NML and public works projects
- Training for administrators and contractors has started

2014 ITMD Accomplishments

- Number of requests for IT Support (RITS) in 2014 approximately 10% more than in 2013
 - 10,195 service requests to date in 2014
 - 12,493 requests for all of 2013
 - Response time improved by 29%
- All ITMD technical staff in one location (809 building)
- Completed Email Upgrade
 - Migration of over 6,000 mailboxes to Outlook in the Cloud
 - Alleviated mobile device problems
- IT Consolidation of DCD and Port
 - Savings realized by the reduction of IT consultant and file backup services

2014 ITMD Accomplishments

- Standard set of 3 desktop units
 - Creates a more efficient support model
 - Centralize desktop model purchasing in ITMD
- Web site redesign completed
- MKE Mobile service app deployed
- GIS Strong Neighborhood application developed
- Maintained a secure and functional network
- Deployed E-Performance for MPD with implementation to all City departments in the future

2014 UCC Accomplishments

- Total Call Center interactions (phone, web and mobile) continue to increase
 - 511,513 in 2013
 - Projected 540,000 in 2014
- Call rate Abandonment continues to decline
 - 9.8% in 2013
 - Projected 7.6% in 2014
- Develop Standard Operating Procedures
- Provide services to other departments (special initiatives and major events)

2015 ITMD/UCC Major Initiatives

- Complete the LMS Phase 1 implementation
 - Decommissioning of several aging custom systems in DNS, DCD, BOZA and DPW
- Define a series of standard printing devices
- Implement LMS Phase 2 – LIRA migration to LMS
- Select a new vendor solution for Tax Collection System and begin implementation
- Deploy a new E-Procurement module in FMIS
- Deploy more efficient Mobile app for field personnel

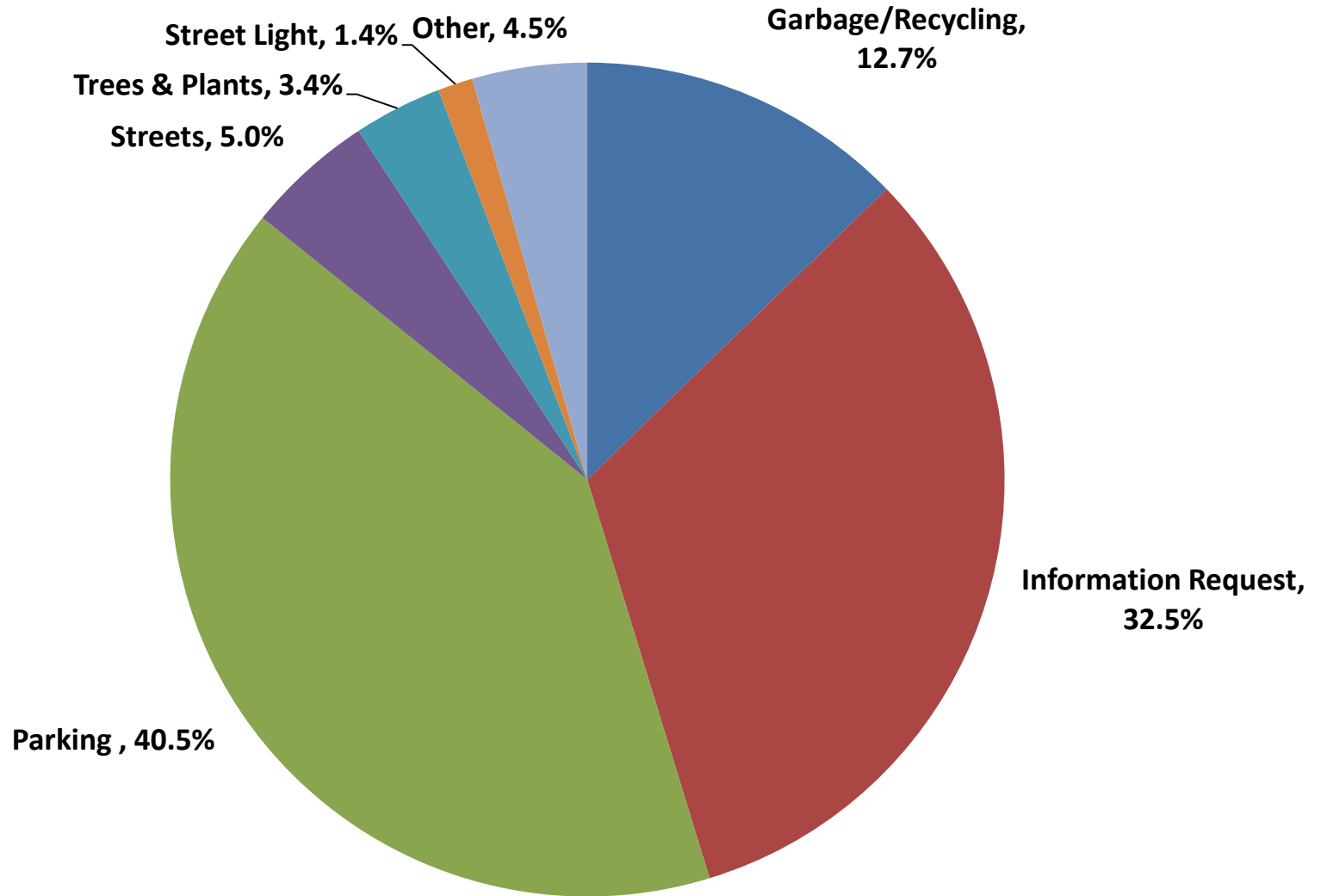
UCC -MKE mobile application

- Launched on September 22nd, 2014
- Data as of September 30th
 - iPhone / iPad = 925
 - Android = 469
 - Total = 1,394

UCC Customer Service Data Update

	2012	2013	2014 Projected	2012 to 2014 Proj. Change
Total (Lagan) Interactions	294,835	511,513	540,000	48% over 2012 6% over 2013
Average Speed of Answer	5:34	:35	:45	Mins:Seconds
Abandonment Rate	16.9%	9.8%	7.6%	9.3 % decrease '12 2.2% decrease '13
Call Answered	72.6%	+91.8%	90.8	

UCC Interaction by Service in 2013



Intergovernmental Relations

- Protected approximately \$270 million in annual intergovernmental revenue and \$130 million in federally funded grant and aids.
- Secured a \$10 allowable increase to Municipal Court Fees
- Secured \$350,000 toward ShotSpotter expansion from the County and State.
- Gained passage of various legislative and administrative acts requested by city departments related to Certified Survey Maps, food licensing, domestic violence prevention, mortgage broker licensing, and DNS interactions with the Dept. of Safety and Professional Services.
- Defeated various legislation including some that would have required us to actuarially fund post-retirement healthcare benefits, eliminated the Police and Fire Protection Fee which partially funds Shared Revenue, and prohibited us from using automated license plate readers.
- Helped secure our federal Manufacturing Community designation.

Intergovernmental: 2015 Focus

- Advance state legislation that will:
 - Enhance Fiscal Stability and Operational Efficiency
 - Preserve Local Control and Flexibility
 - Spur Economic Development
 - Advance Mobility and Infrastructure
 - Promote Racial, Social and Economic Equity
 - Sustain our Neighborhoods
 - Improve Public Health and Safety
- Secure a meaningful federal commitment toward a National Center for Freshwater Science and Technology and maximize the benefit of our federal Manufacturing Community designation.