

2018



Legislative Reference Bureau

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# DEPT OF ADMINISTRATION

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## 2018 Proposed Plan and Executive Budget Review

Prepared by: Tea Norfolk, Legislative Fiscal Analyst

Budget Hearing: 1:30 pm on Monday, October 9, 2017

Last Updated: October 4, 2017

Version 1.2



**\$13,107,150**

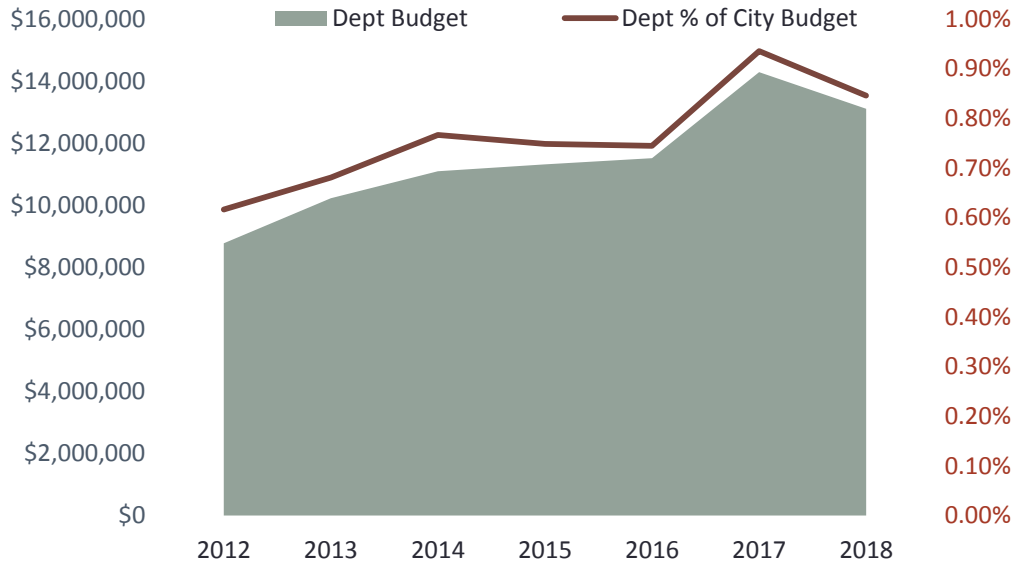
Proposed 2018 Budget

**-\$1,181,241**

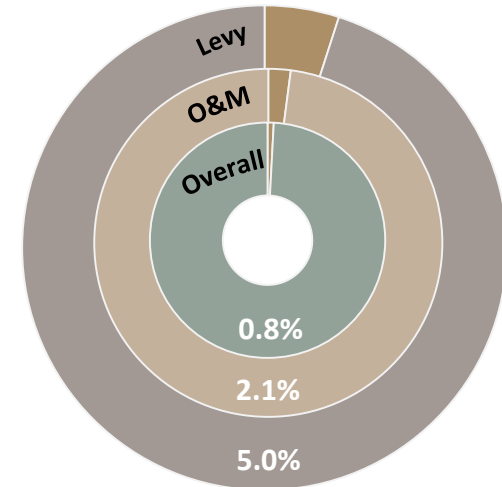
Change in Proposed Budget

**-8.3%**

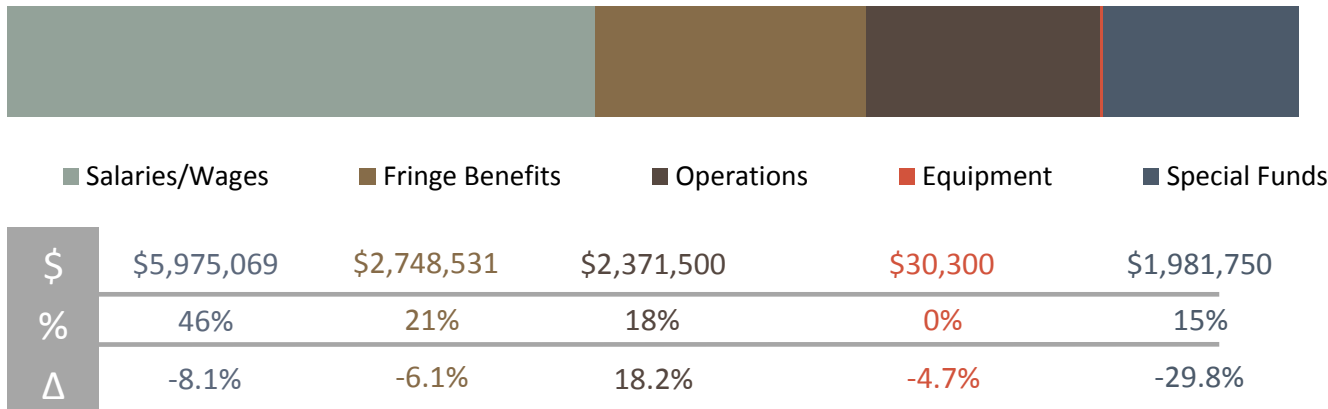
% Change in Proposed Budget



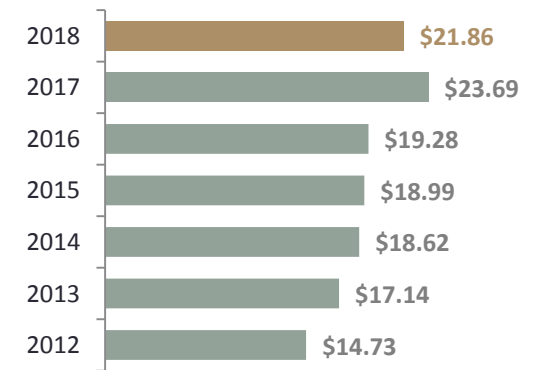
Departmental Budget Impact



Departmental Budget Appropriation Category



Budget per Capita

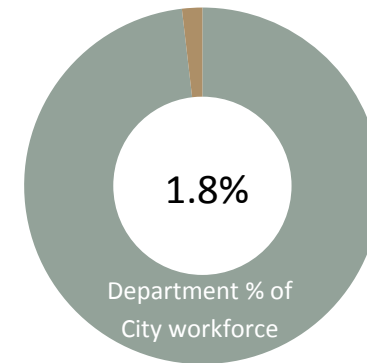
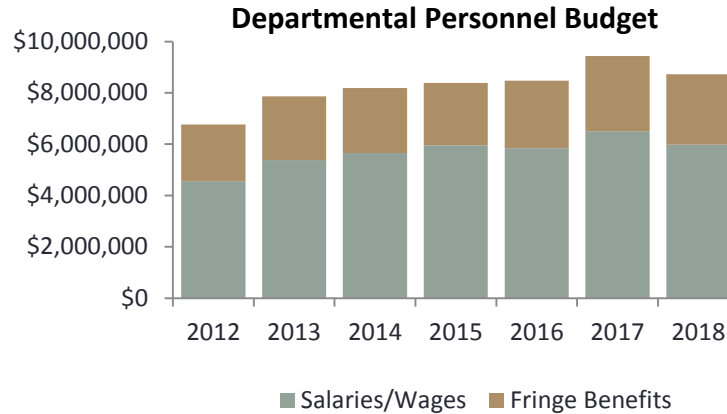


**-\$527,420**

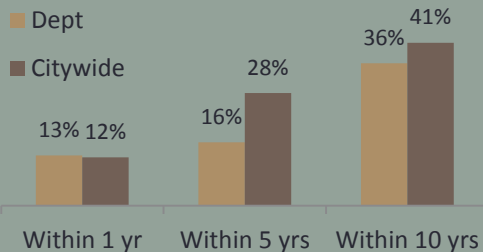
Decrease in Salaries and Wages for the department, down 8.1% from the amount allocated in 2017.

**-\$177,589**

Decrease in Fringe Benefits for the department, down 6.1% from the amount allocated in 2017.



#### Retirement Eligible



#### Proposed Reclassifications (5)

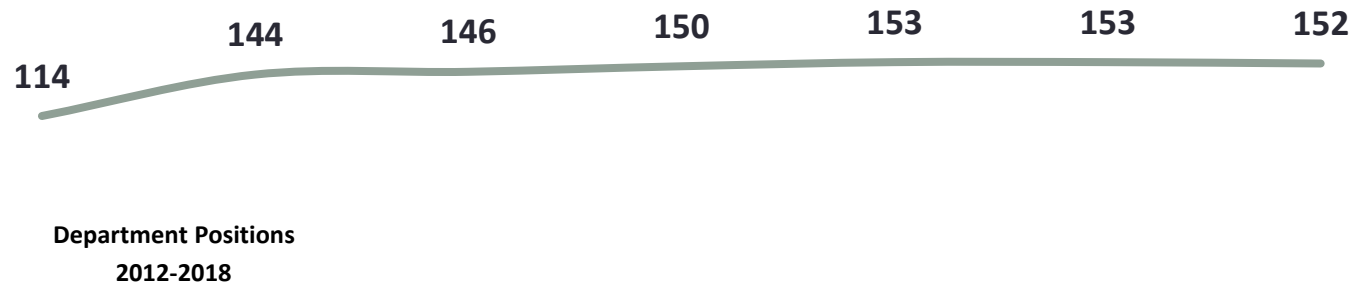
- 1 Small Business Development Director
- 1 Financial Operations Manager
- 2 IT Project Coordinators
- 1 UCC Operations Manager

Dept. of Employee Relations conducted a study of appropriate job titles for these positions. Reclassifications reflect those approved changes.

#### Vacant Positions Eliminated (6)

The following vacant positions were eliminated:

- 1 Administrative Services Specialist
- 1 Office Assistant IV (CDGA)
- 1 Programmer II (ITMD)
- 1 IT Support Specialist Lead (ITMD)
- 1 UCC Customer Service Representative IV
- 1 Program Assistant III (UCC)



**-1**  
Change in Positions

**-0.7%**  
% Change in Positions

**4**  
Current Vacancies

**8**  
Voluntary Separations

**-\$52,000**

Total amount Special Purpose Accounts decreased (-33.1%) from the amount allocated in 2017.

**\$1.6 million**

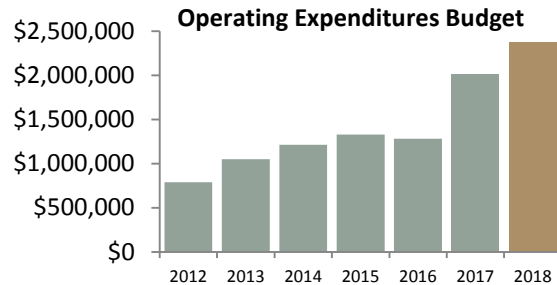
Capital improvements funding for 7 DOA projects. Decrease of \$1,385,000 (45.5%) from 2017 Adopted Budget.

**\$2.3 million**

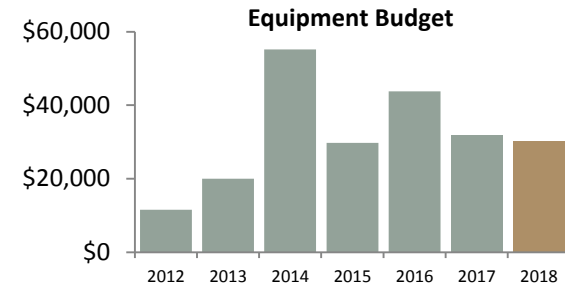
City's expected contribution for HUD entitlement funding (HOME and ESG). Total amount of HUD entitlement funding (CDBG, HOME, ESG, HOPWA, and CoC) with City's contribution: \$22,874,216.

**\$16.1 million**

The department's 2018 Grant and Aid budget – a decrease of \$29.1 million (64.4%) from 2017.



9% | 10% | 11% | 12% | 11% | 14% | 18%  
Operating expenditures percent of department budget



0% | 0% | 0% | 0% | 0% | 0% | 0%  
Equipment percent of department budget

**Revenue**

The 2018 Proposed Budget estimates that \$1,061,900 will be generated in revenues by the department, an increase of \$243,200 (29.7%) from the 2017 Budget estimate.

- Charges for Services \$655,900
- Property Sales \$406,000

**Grants**

- \$20,624,216 – HUD Entitlement Program Adm. (CDBG, HOME, ESG, HOPWA, and CoC) – CDGA
- \$150,000 – CDBG Funds – BOD-OSBD

**Special Purpose Accounts**

- Children's Savings Account \$ 25,000 (Decrease of \$25,000 from 2017)
- E-Civis Grants Locator \$ 15,000 (Decrease of \$12,000 from 2017)
- E-Govt Payment Systems \$ 65,000 (Decrease of \$5,000 from 2017)
- Midnight Basketball League \$ 0 (Decrease of \$10,000 from 2017)

**Capital Programs and Projects**

IT Upgrades/Replacement	\$300,000
Public Facility Communications	\$540,000
City Assessor Modernization	\$170,000
Open Data Dashboard & Analytics	\$150,000
Better Buildings Challenge	\$100,000
ADA Web & Public App Compliance	\$250,000
PeopleSoft PUN Upgrade	\$150,000

**29.8%**

The proposed decrease (-\$839,788) in Special Funds from the Adopted Budget for 2017.

**338,175**

The number of calls and other contacts (parking, DPW service requests, DNS service requests, information requests, and other concerns) handled by the Unified Contact Center in 2016. .

**-\$13 million**

Reduction (-14.2%) to levy supported capital borrowing, as compared to 2017.

**3.75%**

Increase to the four City municipal service charges as compared to 2017.

**Special Funds**

- \$50,000 – Continuum of Care
- \$25,000 – Milwaukee Fatherhood Initiative
- \$150,000 – ADA Compliance Architect
- \$1,506,750 – Enterprise Resource Management
- \$250,000 – Computer Maintenance/ Upgrade

**Intergovernmental Relations Division**

The division’s efforts will include furthering job creation, securing funds for public works infrastructure, including water service lines, advocating for policies that prevent juvenile violence, and improving educational outcomes.

**Promoting Equity and Inclusion**

DOA provides strategic direction and leadership to advance Black Male Achievement Advisory Council, My Brother’s Keeper (MBK), the Milwaukee Fatherhood Initiative, the Community Engagement and Achievement Collaborative (CEAC), and Equal Rights Commission.

In 2017, 5 AmeriCorps workers were hired and will be assigned to 5 community agencies to assist with implementing goals from the MBK action plan. In 2017, the CEAC Director began diversity training for City employees.

**Sustainable Pension Financing**

Based on initial actuarial projections, the 2018 Proposed Budget includes an employer pension contribution of \$83 million for the 2018 plan year. This is an increase of \$22 million (36%) over the budgeted 2017 contribution and \$16 million over the actual contribution, which was determined in mid-2017.

**Purchasing Division**

The division implemented BonFire and other efficiency measures in 2018. Projections for average completion are as follows: 60 days for informal bids, 90 days for formal bids, and 150 days for RFPs.

**Office of Small Business Development**

In 2016, OSBD processed a total of 125 applications and approved 82 certifications, including 26 new applications, 54 renewals, and 2 addendums. In 2016, a loan of \$35,000 was issued to a small business that led to the creation of 4 jobs. In 2017 and 2018, a total of \$313,000 is available for revolving loans to small businesses. A total of 5 loans are anticipated to be issued.

In 2016, RPP workers completed 130,233 hours of work or 39% of the total work hours on private development projects.

**Environmental Collaboration Office**

ECO chairs the Mayor’s Energy Reduction Team, which is tasked with reducing energy usage at City facilities by 20% from a 2009 baseline. To date, City facilities have reduced energy usage by 5%, saving the City \$2.1 million in its municipal buildings. The 2018 proposed capital budget provides \$100,000 in levy-supported borrowing to continue improving energy efficiency in municipal buildings.

ECO’s PACE financing program has leveraged private capital to finance over \$13 million in commercial energy efficiency projects since 2014. The U.S. Department of Energy has designated the City’s PACE program as a national implementation model.

In 2016-2018, the vacant lot beautification program, HOME GR/OWN, is concentrating its efforts on commercial corridors, particularly North Avenue from North 5<sup>th</sup> Street to North 27<sup>th</sup> Street. The program created a stormwater park and community space next to the Fondy Food Center.

**CDGA**

In 2016, the combined number of jobs created and persons trained and placed in jobs through CDBG and HOME-funded projects was 557. Of those, 82% obtained full-time positions and 50% were still employed 45 days after the date of hire. A total of 74 low-income city residents received specialized training at 22 businesses. Of those, 43% obtained a job in their respective field, 61% were full time, and all were still employed 45 later.

The 2018 City Blog Grant entitlement allocation totals \$16.4 million, a reduction of \$3.8 million from 2017. CDBG funds account for the largest portion at \$11.5 million (a \$2.8 million reduction). This will impact several departments and organizations that use this funding for staff and services.

**Unified Call Center**

In the first half of 2017, service and information requests from “Click for Action” and other web channels accounted for 27% of total interactions. The UCC handles more than 90% of parking information, permission, and complaint calls. The section provides critical assistance to the Election Commission during local and national elections by receiving overflow calls.

**ITMD**

In 2017, residents used the Land Management System to pull more than 23,000 permits and paid more than \$4.5 million in related fees. Many of these were done during non-business hours.

**Key Performance Measures**

	2016	2017	2018
Measure	Actual	Projected	Planned
Percent of tax levy allocated to debt service and employer pension contribution	47.4%	47.9%	52.7%
Jobs created & people placed through CDBG and HOME	557	525	475
Firms receiving SBE certification (new & renewed)	82	90	90
RPP hours worked as percent of total project hours	39%	40%	40%
Speed time response at UCC	0:35	0:45	0:45
Days needed to resolve IT service requests	5	5	5
Number of homes receiving energy effic’y upgrades Me2	68	80	80
Number of manufacturing firms receiving Me3 grants	2	0	0