

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

Executive Summary: 2008 Proposed Budget – Common Council/City Clerk’s Office

1. The City Clerk’s Office operating budget will decrease by less than 1% between the 2007 Budget and the 2008 Proposed Budget (page 2).
2. There are currently 2 vacancies in the department: the Legislative Fiscal Analyst in the LRB has been vacant since August, 2007; and the Production Technician position has been vacant since August, 2006 (page 3).
3. The 2007 reorganization of the Central Administration Division decreased that division’s annual salary expenses by \$40,000 (page 3).
4. Operating Expenditures decreases from \$849,000 in the 2007 Budget to \$795,476 in the 2008 Proposed Budget (a decrease of \$53,524, or 6.3%). The decrease is primarily due to reduced postage and printing expenses due to restrictions on mailings during the election cycle. The net change of all other items included in Operating Expenditures is +\$2,000 (page 3).
5. The amount included in the Economic Development Special Purpose Account in the 2008 Proposed Budget is \$37,000 lower than the department’s request of \$75,000, and funds the SPA at the 2007 level (pages 4-5). The remaining 4 SPAs are funded at levels the department requested, and are not markedly different from 2007 levels. The overall increase for the 5 SPAs under the City Clerk’s Office authority is 6% (page 4).
6. The 2008 Proposed Budget provides \$125,400 for computer upgrades, which is nearly a 100% increase from its 2007 level. This funding will be used for hardware replacement, the on-line Legislative Notification System and software upgrades. All remaining Special Funds are funded at 2007 levels (pages 5-6).
7. No funding is included in the 2008 Proposed Budget for capital improvements. Carryover funds from 2006 and 2007 will be used for the department’s only capital improvement, the License Information System. Total project costs is estimated as \$700,000, which includes \$175,000 in capital funding from 2006 and \$525,000 from 2007. The overall completion date of the project is expected to be by the end of 2008 (page 6).
8. According to the Comptroller’s Office, the 2008 Proposed Budget estimates that \$5,719,100 will be generated in revenues by the City Clerk’s Office. This is a 0.1% increase from the 2007 Budget estimate. The largest source of revenue is the Cable Franchise Fee (\$3,600,000 estimated in 2008), and is included in Charges for Services (page 7).
9. The City Clerk’s Office has employed various strategies to reduce costs while making processes more efficient and accessible to the public. Included in these are converting committee paper books to E-books, increasing the use of Council members’ Internet pages to convey information, unrolling the on-line submission system and exploring putting informational kiosks in City Hall (pages 7-8).

Research & Analysis Section – Legislative Reference Bureau

2008 Proposed Budget Summary: Common Council/City Clerk’s Office

Expense Category	2006 Actual	2007 Budget	2006-2007 Change	2008 Proposed	2007-2008 Change
Operating Expenditures	\$8,053,596	\$8,051,323	-0.02%	\$7,990,033	-0.76%
Capital Improvements	\$15,610	\$525,000	+3,263%	0	Funds carried over
Revenue	\$5,905,462	\$5,727,000	-3%	\$5,719,100	-0.1%
Special Purpose Accounts	\$352,842	\$446,855	+27%	\$473,932	+6%
O&M FTE Positions	92.9	94.15	+1.25	91.0	-3.15

Departmental Mission Statement

The City Clerk’s Office is responsible for the day-to-day administration of the Common Council’s activities and staff, including ensuring the delivery of services to constituents, and is composed of the *Central Administration Division, Legislative Reference Bureau, License Division* and the *Public Information Division*.

Fifteen Common Council members representing 15 districts comprise the Common Council. The Common Council, and its 8 standing committees, establishes city policy and law, oversees administration of city government, adopts the annual budget and ensures the delivery of services to constituents.

Historical Information

1. The 2006 Budget provided \$175,000 in capital improvements for a License Information System as the first stage to replace the current system in the License Division. The \$175,000 was divided into \$30,000 for a business requirements study to review city departments’ utilization and the application process, and \$145,000 for a new system. The 2007 Budget provided the remaining \$525,000 in capital funding. The preliminary cost of the new system was \$700,000.
2. In the 2004 Budget, the number of aldermanic districts was reduced from 17 to 15; 2 Common Council and 2 Aldermanic Legislative Assistant positions were eliminated.
3. In the 2003 Budget, 3 positions of Police Liaison Officer were assigned to the City Clerk’s budget when the Fire and Police Commission consolidated with DER. These positions represent the Milwaukee Police Association in its labor negotiations and other issues with the City that were previously included in DER.

PERSONNEL

Number of Authorized and Funded Positions

Changes in number of positions, 2007 Budget and 2008 Proposed Budget:

	2007 Budget	2008 Proposed	Change
Authorized Positions	111	111	No change
O&M Funded Positions	94.15	91.0	-3.15*

*There is no reduction in department staff in 2008; the 3.15 decrease represents an adjustment in the actual FTE’s using 2007 experience data.

Vacancies

- *Legislative Fiscal Analyst – Lead (Legislative Reference Bureau)*. Vacant since August 11, 2007. Budget analysis and other duties assigned to this position are being reassigned to other staff in the Legislative Reference Bureau. The Finance and Personnel Committee has approved filling this vacancy.
- *Production Technician (Public Information Division)*. Vacant since August 6, 2006. Duties are being performed by the 2 other Production Technicians on the Channel 25 staff, occasionally resulting in overtime. The Finance and Personnel Committee has approved filling this vacancy, and it is the department's intention to fill this as a part-time position. This position was scheduled for elimination in the 2006 Proposed Budget, but was restored through an amendment. The 2007 Proposed Budget included an amendment to eliminate this position; the amendment failed by a vote of 2-13.

Reorganization of Central Administration

With the retirement of Deputy City Clerk Carolyn Hill Robertson in 2006, the City Clerk appointed Jim Owczarski, then Council Records Manager, as the new Deputy City Clerk. The Deputy City Clerk oversees all legislative operations and coordinates the work of the Council Records Section, Legislative Reference Bureau, License Division and City Channel 25, as they relate to the Common Council. The position of Council Records Manager has not been filled, but is in the 2008 Proposed Budget as an unfunded position.

A new position, Council Administration Manager, was created to oversee personnel matters and coordinate the work of the Council secretaries, receptionist/switchboards and legislative assistants. The City Clerk appointed Angelyn Ward, then a Legislative Fiscal Analyst – Lead, in the Legislative Reference Bureau, to this position.

The net fiscal effect of these personnel changes was an annual decrease in salary expenses of more than \$40,000.

LINE ITEMS

- \$28,050 is provided for *Replacement Equipment*, including intercom equipment, microphones used in committee rooms, and TV replacements for Council offices. Much of the equipment being replaced is between 8 and 20 years old.
- *Operating Expenditures* decreases from \$849,000 in the 2007 Budget to \$795,476 in the 2008 Proposed Budget (a decrease of \$53,524, or 6.3%). The decrease is primarily due to reduced postage and printing expenses due to restrictions on mailings during the election cycle. The net change of all other items included in Operating Expenditures is +\$2,000.

SPECIAL PURPOSE ACCOUNTS (SPA)

SPAs are budgeted outside of departmental operating accounts, and control over SPAs is provided to departments by resolution. The 2008 Proposed Budget includes funding for 5 SPAs:

	2006 Actual	2007 Budget	2008 Proposed	2007-2008 Change
Audit Fund	\$195,000	\$226,000	\$250,000	+11%
Board of Ethics	\$22,384	\$26,340	\$28,999	10%
Cable TV Franchise Reg.	\$2,940	\$2,595	\$3,000	16%
Economic Development	\$16,835	\$38,000	\$38,000	No change
Memberships, City	\$115,683	\$153,920	\$153,933	0.01%
TOTAL	\$352,842	\$446,855	\$473,932	+6%

- Audit Fund, \$250,000. This account funds the annual financial audit of the City that assesses the accuracy of the City’s financial data, including the private audit of the City’s Annual Financial Report (CAFR). This account also provides partial funding for the preparation of the CAFR by a certified public accountant. Component units (RACM, HACM, MEDC and NIDC) pay directly for the cost of their audits as part of the contract. The contract’s primary deliverables are an independent opinion regarding the quality of the City’s financial status reviews of financial systems controls and 3 annual management audits of city departments. The current audit contract is a 4-year contract with KMPG-Peat Marwik, which expires in 2007. An RFP was issued in September, 2007, for a 2008 – 2011 contract, and is due back in October, 2007. Audit fees have risen significantly in recent years and could be higher than estimated when the City receives the RFP responses. The amount included in the 2008 Proposed Budget matches the department’s request, and is 11% greater than 2007 (+\$24,000).
- Board of Ethics, \$28,999. This account supports the administration and application of the Ethics Code for the City, and is included within the City Clerk’s Office for administrative purposes only. The City Clerk’s Office exerts no control over budget development; the Board of Ethics prepares its budget request which is submitted to the Mayor without modification. The proposed expenditures are for salaries, materials and computer maintenance. The amount included in the 2008 Proposed Budget matches the department’s request, and is 10% greater than 2007 (+\$2,659).
- Cable TV Franchise Reg., \$3,000. Since the City has no staff position to deal with cable television regulatory matters, there is a continuing need to engage consultant assistance to review technical matters such as FCC rate filings and other regulatory matters related to cable television franchises, especially if the number of companies providing such service in the City increases. Over the last few years, the amount of funds requested for this purpose has gradually declined. The amount included in the 2008 Proposed Budget matches the department’s request, and is 16% greater than 2007 (+\$405).
- Economic Development, \$38,000. This account, assigned to the Common Council under the purview of the Council’s Community and Economic Development Committee, funds activities related to economic development, including but not limited to marketing the City for industrial and commercial development, business attraction and retention, tourism and support of emerging business enterprises (EBEs).

Services supported in the past have had citywide application, such as participation in the International Council of Shopping Centers annual convention, partial funding for Wisconsin Minority Business Opportunity Center services, travel and training opportunities for Council Community and Economic Development Committee members, including National League of Cities' activities, and funding for ethnic celebrations attracting participants and tourists from around the country.

Funds are available in other departments and programs – Department of City Development and Community Block Grant programs – to support economic development. This fund, however, established more than 20 years ago, constitutes the Common Council's discretionary initiative in funding various economic activities not undertaken elsewhere in the budget. Furthermore, in light of the Governor's recent designation of Milwaukee to serve as the lead agency for workforce development, there may be an opportunity for the Common Council to play a role in this area.

The amount included in the 2008 Proposed Budget is \$37,000 lower than the department's request of \$75,000, and funds the SPA at the 2007 level.

- Memberships, City, \$153,933. This account provides funding for memberships to various organizations that support the City's lobbying, policy research and professional development programs. The estimated cost for memberships for 2008 include:

American Management Association	\$2,500
League of Wisconsin Municipalities	\$53,013
Government Finance Officers Association	\$1,800
Public Policy Forum	\$1,000
National Forum for Black Public Administrators	\$2,020
Wisconsin Alliance of Cities	\$65,000
National League of Cities	\$23,500
Sister Cities International	\$1,600
ICLEI – Local Governments for Sustainability	\$3,500
TOTAL	\$153,933

The net change in all of these memberships combined is an increase of \$13.

SPECIAL FUNDS

The 2008 Proposed Budget provides \$182,435, an increase of \$58,400 (47%) from the 2007 Budget of \$124,035. Included in Special Funds is: Expense Fund for the Common Council President; Legislative Expense Fund; Sale of Code and Charter; Computer System Upgrades; and Aldermanic Travel. All Special Fund accounts are funded at 2007 levels, with the exception of Computer System Upgrades.

The Computer Systems Upgrades account under Special Funds provides \$125,450 and matches the department's request. The account is increasing between 2007 and 2008 by nearly 100%, from \$67,000 in 2007 to \$125,400 in 2008. The account also increased between 2006 and 2007, by 67% (from \$40,150 to \$67,000). Funding is used for hardware and software purchases for system and equipment upgrades and replacing outdated technology. This includes the purchase of laptop computers, monitors, computers, printers, servers, software upgrades and wireless access points.

The department requested \$125,400, anticipating the following purchases:

Hardware Replacement <ul style="list-style-type: none"> • 25 computers for LRB and License Division (\$12,500) • PDA replacements (\$10,000) • 2 Security cameras for License Division (\$2,000) 	\$24,500
Projects: Online Legislative Notification System*	\$24,000
Software Upgrades	\$60,200
Miscellaneous	\$16,700
TOTAL	\$125,400

***Online Legislative Notification System:** The online notification system will allow web users to subscribe to a whole range of categories and receive immediate E-mail notifications whenever information on those categories is updated. That category could be as general as “Common Council” or as specific as “Tax Incremental Districts”. It is hoped the system will reduce reliance on the labor-intensive hearing notice system. The estimated completion date is 2008. Total estimated expenditure for the project is provided in the 2008 Proposed Budget, though the on-going cost for vendor maintenance of the notification database is estimated at \$6,000 per year.

CAPITAL IMPROVEMENTS – License Information System

The License Division processes more than 20,000 applications for licenses and permits per year. The current system used by the License Division to process these applications is more than 20 years old and cannot meet the needs of the division or its customers.

The 2007 Budget provided \$525,000 for a new License Management System. To date, Phase I of the License Information has been completed. This phase resulted in a Scope of Services document for the development of the system that includes 30 pages of requirements necessary to build an information system that is functional for the License Division. The review of current business highlighted the need to streamline the processing and administration of licenses. Phase II of the project will commence by the end of 2007, and the department is currently working with the Department of Administration to publish an RFP for Phase II of the project. The overall completion date of the project is expected to be by the end of 2008.

Total project costs are estimated at \$700,000, which includes \$175,000 in capital funding from 2006 and \$525,000 from 2007. No funding was provided in the 2008 Proposed Budget, as all funds will be carried over from 2006 and 2007.

DEPARTMENTAL REVENUES

According to the Comptroller’s Office, the 2008 Proposed Budget estimates that \$5,719,100 will be generated in revenues by the City Clerk’s Office. This is a 0.1% increase from the 2007 Budget estimate. The largest source of revenue is generated from the Cable Franchise Fee (\$3,600,000 estimated in 2008), and is included in Charges for Services.

REVENUES	2006 ACTUAL	2007 ESTIMATE	2008 PROPOSED	2007 – 2008 Change
<i>Licenses</i>	<i>\$1,989,427</i>	<i>\$1,871,100</i>	<i>\$1,938,300</i>	<i>+4%</i>
Amusement Dance/Music	\$584,127	\$825,000	\$450,000	-45%
Liquor & Malt	\$1,093,373	\$1,011,100	\$1,067,000	+6%
Miscellaneous	\$311,927	\$35,000	\$421,300	+\$386,300
<i>Permits</i>	<i>\$118,048</i>	<i>\$54,000</i>	<i>\$63,500</i>	<i>+18%</i>
Curb Space Special Privilege	\$105,755	\$40,000	\$50,000	+25%
Special Privilege – Misc.	\$12,293	\$14,000	\$13,500	-4%
<i>Charges for Services</i>	<i>\$3,797,987</i>	<i>\$3,801,900</i>	<i>\$3,717,300</i>	<i>-2%</i>
Miscellaneous	\$77,439	\$126,900	\$117,300	-8%
Cable Franchise Fee	\$3,720,548	\$3,675,000	\$3,600,000	-2%
<i>TOTAL</i>	<i>\$5,905,462</i>	<i>\$5,727,000</i>	<i>\$5,719,100</i>	<i>-0.1%</i>

ONGOING STRATEGIES TO REDUCE COSTS AND IMPROVE EFFICIENCIES

Following are some of the strategies that have been employed by the City Clerk’s Office to reduce costs while making processes more efficient and accessible to the public. These strategies will be continued into 2008.

1. Improving efficiencies through electronic resources

- The Council Records Section has converted 7 of 8 of the Council’s standing committees, as well as the Administrative Review Appeals Board, to electronic books (E-books) from the previous paper briefing books. The preparation of the paper books is extremely labor intensive and consumed large amounts of paper. For one committee over only 2 months, transiting to E-books saves approximately 50,500 sheets of paper.
- The Public Information Division has started to send invitations via E-mail, saving the cost of printing and mailing invitation cards and envelopes.
- Increased use of Council members’ Internet web pages to convey information.
- Webcasting and video archives have greatly reduced the need for City Channel 25 to produce dubs. The on-line video archives make for efficient and easy viewing for members of the public.

2. On-Line Submission System

- This system allows any user to visit a secure website and directly input text and any attachments for any Council file. The system has been introduced in the LRB, DCD and the City Attorney’s Office. It is anticipated all municipal agencies will be using the

system by the end of 2007, and its use will likely become mandatory by some time in 2008.

3. Informational Electronic Kiosks in City Hall

- The department has begun investigating the installation of electronic kiosks at locations within City Hall. Although more research needs to be done, it is hoped these kiosks will provide meeting information as well as the ability to purchase parking permits and pay fines and forfeitures.

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September 26, 2007