

**John O. Norquist**  
Mayor, City of Milwaukee

November 13, 2003

To the Honorable, the Common Council  
of the City of Milwaukee  
Room 205 – City Hall  
Milwaukee, WI 53202

Honorable Members of the Milwaukee Common Council:

I want to share with you my concerns about the Finance and Personnel Committee's 2004 budget recommendations before you deliberate and cast votes on the city budget on Friday, November 14<sup>th</sup>.

Several major changes the committee made to the proposed budget send the wrong message to city businesses, to taxpayers and to state government – namely that the City of Milwaukee government is not serious about reducing taxes and restricting spending. I want Milwaukee to remain competitive with the surrounding municipalities when it comes to comparing taxes and spending, and the committee version of the 2004 budget does not meet those criteria.

The Finance Committee recommendations would increase the city's tax levy by \$1.4 million. On its surface, the committee budget appears to live within the limits of the freeze proposed by legislative Republicans, which would allow tax levies to grow to reflect new growth. Unfortunately, the Finance Committee added back much more than \$1.4 million and only stayed within the growth limit by employing unwise budgeting practices – such as using one-time revenue to fund ongoing expenses. Without these maneuvers, the committee's recommendations would result in a levy increase of \$3.3 million. Of course, any time you rely on one-time funds for ongoing expenses, you leave a hole in future budgets. You leave a tax bill for future mayors, future aldermen and future taxpayers.

These are my specific concerns:

1. Transferring \$1.1 million from the parking fund for general purposes is irresponsible. This move undermines the integrity of the parking fund and projects supported by debt supported by the fund. I strongly urge you to eliminate this transfer.

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2. The committee added over \$1 million to the fire department budget to restore five-person staffing on six engine companies. It also added back 113 vacant police officer positions and 36 unfunded firefighter positions. There is no justifiable reason to make these changes. Four-person staffing of engine companies is the big-city standard. And it makes no sense to add back vacant positions when there's no way the city can afford to fund them in the conceivable future.

Only a few months ago, both houses of the Wisconsin legislature adopted a plan that would have cut \$24 million from the shared revenue Milwaukee was to receive, shifting \$14 million to wealthy suburbs. Governor Doyle dealt the plan a veto, which was barely sustained by the legislature. We succeeded by arguing we were good fiscal stewards and said the cut was unfair and damaging to vital services even though the Milwaukee Police Association and Milwaukee Professional Firefighters Association enthusiastically supported the cut. By spending freely you risk sending the message that you, the Common Council, are not good stewards of shared revenue. And by caving into pressure from police and fire unions to restore unnecessary spending, are you telling AFSCME that they too should join the fight to cut shared revenue and shift millions to places like Chenequa and River Hills?

3. Finance and Personnel added back spending on boulevard maintenance, irrigation, tree pruning, special pickups, garbage collection and related services to the tune of more than \$2 million. My budget did not eliminate these services. My proposals would still leave our streets clean, our boulevards attractive and our tree canopy healthy if we adjusted schedules and services strategically and modestly, to save taxpayers a great deal of money. The committee caved into pressure by simply adding back or expanding funding instead of making what were reasonable changes.
4. The creation of two new planner positions adds more than \$85,000 in salaries to the 2004 budget. And with benefits and future years' pay, these positions will be another unnecessary drain on future budgets, year after year. Is the public demanding: "Hire more Planners?" And while it might be nice to add water department and health department workers, DNS positions, and more throughout DPW: Are these absolutely necessary, core positions? Can we claim with a straight face to state officials who oversee our revenue sharing allotment that we are dedicated to being frugal, that we are doing our due diligence when it comes to spending every dollar the state sends us?

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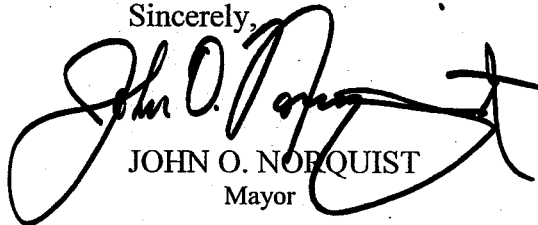
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I am concerned that the committee presented you with a budget that pays more attention to certain narrow interests rather than to the state of the still-slow economy, the tight job market, the already-strained ability of our residents and businesses to pay taxes and to the scrutiny our budget will receive in Madison.

I urge you to return to the options I presented when I submitted my budget. I urge you to show collective leadership to make selective and reasonable cuts in spending, to further trim the levy, and to commit yourselves to protecting core services while leaving taxpayers with more control of their own finances.

Sincerely,

A handwritten signature in black ink, appearing to read "John O. Norquist", with a stylized flourish extending from the end of the name.

JOHN O. NORQUIST  
Mayor

cc: Budget Office  
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