

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

Executive Summary: 2007 Proposed Budget – Common Council/City Clerk's Office

1. In the 2007 Proposed Budget, the number of authorized positions is 110, an increase of 8 positions, 7.3%, from the 102 positions authorized in the 2006 Budget. *(Page 3)*
2. In Operating Expenditures, the 2007 Proposed Budget provides \$849,000 in funding, an increase of \$80,950, 10.5% from the 2006 Budget of \$768,050. *(Page 4)*
3. In Equipment Purchases, the 2007 Proposed Budget provides \$82,050, an increase of \$52,100, 174.0%, from the 2006 Budget of \$29,950. *(Pages 4 and 5)*
4. The 2007 Proposed Budget includes funding for 5 special purpose accounts, but 7 accounts are under the City Clerk's jurisdiction during 2006. Funding provided is \$443,355, a decrease of \$1,508,542, -77.3%, from the \$1,951,897 provided in the 2006 Budget. *(Pages 5 and 6)*
5. In Special Funds, the 2007 Proposed Budget provides \$124,035, an increase of \$35,000, 39.3%, from the 2006 Budget of \$89,035. *(Page 7)*
6. The 2007 Capital Improvements provides \$525,000, an increase \$325,000, 200.0%, from the 2006 Capital Improvements Budget of \$175,000. *(Pages 7 and 8)*
7. In the 2007 Proposed Budget, the Comptroller's Office estimates that \$5,710,900 of revenues will be generated by the City Clerk's Office. This is an increase of \$187,078, 3.4%, from the 2006 Budget estimate of \$5,523,822. *(Pages 8 and 9)*

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

2007 Proposed Budget Summary: Common Council/City Clerk's Office

Expense Category	2005 ACTUAL	2006 BUDGET	% CHG	2007 PROPOSED	% CHG
Operating Exp.	\$7,945,561	\$7,829,179	-1.2%	\$8,073,062	3.1%
Capital Improvements	\$0	\$175,000	100.0%	\$525,000	200.0%
Positions	102	102	0.0%	110	7.8%

Departmental Mission Statement

The Common Council establishes city policy and law, oversees administration of city government, adopts the annual budget, and ensures the delivery of services to constituents.

The City Clerk's Office is responsible for the day-to-day administration of the Common Council's activities and staff, including constituent services. The License Division issues various municipal permits and licenses needed to operate a business in the city. The Legislative Reference Bureau provides information services, research, legislative drafting, and fiscal analysis to the Common Council, City departments and the general public. The Public Information Division produces news releases, aldermanic newsletters, and operates the city government cable channel. The department is also responsible for cable television franchise regulation.

Pertinent Historical Information

1. Budgeted O&M FTE's decreased from 99.12 in 2002 to 92.90 in 2006, a decrease of -6.3%. The number of positions decreased from 109 in 2002 to 102 in 2006, -6.4%.
2. In the 2002 Budget, a new special fund, Aldermanic Travel, was created to fund council member travel and provided \$52,000. Two SPA's, the Seminar Fund and Wisconsin League of Municipalities Meetings, used to fund all city departmental costs for seminar, convention and travel, were eliminated.
3. The 2003 Budget combined the functions of 2 positions, Legislative Research Analyst Senior and Fiscal Review Analyst Senior, both salary grade 006, into the position of Legislative Fiscal Analyst Senior, salary grade 007.
4. In the 2003 Budget, 3 positions of Police Liaison Officers were assigned to the City Clerk's budget. These positions represent the Milwaukee Police Association in its labor negotiations and other issues with the City of Milwaukee and were previously included in the Department of Employee Relations (DER). The 2003 Budget consolidated the Fire and Police Commission with DER. The 3 positions could not remain in the new DER structure.
5. In the 2004 Budget, the number of aldermanic districts was reduced from 17 to 15 with the 2004 spring general election. 2 Alderman and 2 Aldermanic Legislative Assistant

positions were eliminated, along with the Staff Assistant to the Finance and Personnel Committee. All of these were funded for one-third of the year.

6. The 2004 Budget eliminated the two Community Services positions. Other personnel changes included the elimination of Administrative Assistant II (2), Production Assistant, Graduate Intern, College Interns (2), Librarian I, and Personnel Payroll Assistant I. The salary grade for the Deputy City Clerk position was reduced.
7. The 2004 Budget added a License Specialist position in the License Division to support the administration of 24-Hour Business Establishment (now Extended Hours) licensing.
8. In the 2005 Budget, 6 Auxiliary Office Assistant I position were added to provide occasional clerical support for members of the Common Council.
9. The 2005 Budget added \$37,000 in Special Funds to publish and print approximately 245,000 copies of the *Call For Action*, a governmental phone directory, compiled to help residents reach those who perform key city services.
10. The 2005 Budget eliminated a Council File Specialist, a Communications Assistant I and a Production Services Coordinator. Funding was restored for 2 Fiscal Review Analyst Sr., an Office Assistant III, a Public Relations Supervisor and 2 Production Technicians; these positions had been scheduled for elimination in the 2005 Proposed Budget.
11. The 2006 Budget provided \$175,000 in capital improvements for a License Information System as the first stage to replace the current mainframe based system in the License Division. The \$175,000 was divided into \$30,000 for a business requirements study to review city department's utilization and the application process and \$145,000 for a new system. The preliminary total cost of the new system is \$700,000.
12. The 2006 Budget funding was restored for Production Technician and Television Production Specialist II positions at Channel 25; these positions had been scheduled for elimination in the 2006 Proposed Budget.
13. The Special Purpose Account for Community Services Staffing was funded in the 2006 Budget at \$1.5 million for public safety related purposes, police overtime and costs related to community service staff and Police Department services.

2007 BUDGET ISSUES AND PROPOSED CHANGES

PERSONNEL

In the 2007 Proposed Budget, the number of authorized positions is 110, an increase of 8 positions, 7.3% from the 102 positions authorized in the 2006 Budget. The number of positions funded by O&M is 94.15, a 1.5% increase from the 2006 Budget of 92.90.

VACANCIES

1. **Production Technician, SG 505** – This position has been vacant since 8/17/06. Located in Channel 25, this position operates equipment for all live and taped programs. In addition, the position creates graphics for the text bulletin board system, operates the webcasting system, handles duplication requests, tape storage, archives the webcast files for permanent storage in the Clerk's Office, handles A/V assistance requests for meeting rooms, assists the Public Relations Supervisor during the Council meetings and operates the audio system during Common Council meetings.
2. **Office Assistant III, SG425** - This position was has been vacant since 4/8/06 in the Legislative Reference Bureau. Clerical duties include answering telephones, making copies, filing, shelving, and order supplies. The responsibilities have been absorbed by the remaining two clerical positions.
3. **Legislative Fiscal Analyst Lead, SG007** – This position has been vacant since 9/13/06 in the Legislative Reference Bureau. The position performs fiscal analysis, legislative research, and bill drafting, for Common Council members and city departments with respect to decision-making and policy initiatives in city government.

ELIMINATIONS

4. **Office Assistant III, SG425** - This position was has been vacant since 4/8/06. Clerical duties include answering telephones, making copies, filing, shelving, and order supplies. The responsibilities have been absorbed by the remaining two clerical positions.

CHANGES (Previously approved by the Common Council)

Through File 051158

5. **Legislative Services Aide, SG400** – Auxiliary positions, increased from 6 to 15.
6. **Lead Staff Assistant, SG007** - Reclassified to Staff Assistant, SG006.
7. **License Specialist, SG455,** - Reclassified to Customer Service Representative II, SG435.

Through File 051546

8. **Graphics Designer I, 505** – Reclassified to Graphics Designer II, SG535.

Not previously approved

9. **Communications Assistant, SG415** – Combined duties to Accounting Assistant III, SG445.

LINE ITEMS

1. In Operating Expenditures, the 2007 Proposed Budget provides \$849,000 in funding, an increase of \$80,950, 10.5% from the 2006 Budget of \$768,050. This includes:

Other Operating Services, \$530,000, an increase of \$66,000, 14.2% from the 2006 Budget of \$464,000 for fees, communication, postage, equipment repair, advertising and printing services. The increases are anticipated for printing costs, particularly aldermanic newsletters; phone service, charges for duplication and mail from Document Services and equipment repair.

2. In Equipment Purchases, the 2007 Proposed Budget provides \$82,050, an increase of \$52,100, 174.0%, from the 2006 Budget of \$29,950. This includes:

Additional Equipment \$39,400:

Books & Maps, \$21,000, is for books, standing orders and periodical subscriptions, an increase of \$7,000, 50%, from the 2006 Budget of \$14,000. This account, under the control of the LRB, has decreased in the recent years. In 2002 it was funded at \$30,000, in 2003 at \$28,000, in 2004 at \$25,000 and in 2005 at \$24,000. A number of periodicals have been cancelled in 2006 to meet current budget allocations, but publishing costs continue to rise; periodicals subscriptions are increasing at a 13% annual rate.

Neutral Density/Color Corrections/Shades, \$16,500 - Currently, in Room 301-B, the windows are covered with a neutral density/color correction filter that restricts the amount of sun coming in and allows some shades to open without causing problems for television coverage. These filters will be removed in 2007 as part of the window replacement project in City Hall. Under historic preservation guidelines, the new windows cannot be tinted. Therefore, the filters in 301-B will be replaced with "shades" that are made of the same material now being used. The filters will also be replaced with these shades in 301-A and in the Council Chambers so that all of the rooms used for telecasts have the same environment.

DVD/CD-R Duplicator, \$1,900 - Council Records Section and City Channel 25 are able to meet open records requests with a CD or DVD copy of the webcast of meetings, which are now archived off-line by the Council Records Section. During 2007, the Council Records Section is working to transition from using audiocassettes to recording meetings in a digital format. The material will be saved on CD-R or DVD and all open records requests for copies of meetings will be on a disk. The DVD/CD-R duplicator will allow the office to meet these requests in an efficient and timely manner.

Replacement Equipment - \$42,650:

OPS Units Council Section, \$23,300 – Open Partition System are the panels that surround the workstation in the Council Records Section. The panels in the Council Records Section were purchased in 1986. They are worn, torn and water stained from a fire a number of years ago.

Master Control Playback System, \$16,550 – The 2006 Requested Budget included \$33,000 to replace the VCR system used for recording and replaying meetings on the City Channel. The request was cut in half. The 2006 Budget provided \$15,950 to purchase the replay equipment for this system and the 2007 funding will be used to replace the recorders in this system. The previous equipment was purchased in 1997 and has reached the end of its useful life. The new equipment will be digital based and have better picture resolution than the current analog equipment. It is anticipated that the new equipment will be functional for at least 8 years.

SPECIAL PURPOSE ACCOUNTS (SPA)

SPAs are budgeted outside of departmental operating accounts. Control over such accounts is provided to departments by resolution. The 2007 Proposed Budget includes funding for 5 special purpose accounts, but 7 accounts are under the City Clerk's jurisdiction during 2006. Funding provided is \$443,355, a decrease of \$1,508,542, -77.3%, from the \$1,951,897 provided in the 2006 Budget. The SPAs are listed as follows:

CITY CLERK'S SPA'S 2006

	2005 ACTUAL	2006 BUDGET	2007 PROPOSED	2006-2007 % CHG
AUDIT FUND	\$205,000	\$215,800	\$226,000	4.7%
BOARD OF ETHICS	20,890	26,341	26,340	0.0%
CABLE TV FRANCHISE REG.	2,595	8,500	2,595	-69.5%
CONSTITUENT SVC REF SYS.*	3,666	0	0	0.0%
COMMUNITY SERVICES STF.*	0	1,500,000	0	-100.0%
ECONOMIC DEVELOPMENT	32,314	54,351	38,000	-30.1%
MEMBERSHIPS, CITY	138,213	146,905	150,420	2.4%
TOTAL	\$402,678	\$1,951,897	\$443,355	-77.3%

* Not funded in the 2007 Proposed Budget.

Audit Fund, \$226,000 – The 2007 Proposed Budget provides an increase of \$10,200, 4.7% over the 2006 Budget of \$215,800 due to increased cost of contracting for a 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, NIDC) pay directly for the cost of their audits as part of the contract. The contract's primary deliverable is an independent opinion regarding the quality of the City's financial status, reviews

financial systems controls and provides for three management audits of city departments annually. The opinion is essential to the evaluation of the City's credit-worthiness by the financial markets. The audit contract was put out for bids through a RFP. KMPG-Peat Marwik was awarded the contract. 2007 represents the last year of a 4-year contract.

Board of Ethics, \$26,340 - The Board of Ethics SPA 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. This SPA supports expenditures for the administrative costs related to the Board of Ethics. The proposed expenditures are for salaries for the board's research assistant, legal consultant, and operating expenditures for supplies, materials and computer maintenance.

Cable TV Franchise Regulation, \$2,595 - These funds are used to refer complex rate increase requests and other cable television issues to outside consultants. The city has no personnel with the expertise to analyze these issues. In 2007 the city expects to see an increased amount of activity due to competition to traditional cable television services by telephone companies. The 2007 Requested Budget was \$10,000 as the department anticipates additional activity by the entry providers in the cable industry marketplace.

Economic Development Committee Fund, \$38,000 - For a number of years the Economic Development Committee has funded 2 activities totaling almost \$20,000: participation in the International Council of Shopping Centers annual convention and partial funding for Wisconsin Minority Business Opportunity Center services. Such funding is likely to continue. Beginning in 2005, the fund was also used for travel and training opportunities for Common Council Community and Economic Development Committee members; it is likely that this practice will continue in 2007, with expenditures estimated at \$3,000 to \$5,000. While no other specific expenditures are identified for 2007, it is likely that the type of activities to be funded will include national conventions attracting participants and tourists from around the country, and other economic initiatives not funded through other city departments. The Fund's budget is subject to approval by the Common Council, and is administered by the City Clerk's Office. The Requested Budget for 2007 for this fund was \$100,000.

Memberships, City \$150,420 - 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 2007 include:

Wisconsin Alliance of Cities	\$ 67,500
League of Wisconsin Municipalities	\$ 51,000
National League of Cities	\$ 23,000
American Management Association	\$ 2,500
National Forum for Black Public Administrators	\$ 2,020
Government Finance Officers Association	\$ 1,800
Sister Cities International	\$ 1,500
Public Policy Forum	\$ 1,000

SPECIAL FUNDS

In Special Funds, the 2007 Proposed Budget provides \$124,035, an increase of \$35,000, 39.3% from the 2006 Budget of \$89,035. This includes:

Computer System Upgrades, \$67,000, is an increase of \$32,000, 91.4%, from the 2006 Budget of \$35,000. Funding is used for hardware and software purchases for system and equipment upgrades replacing outdated, obsolete technology. This includes the purchase of laptop computers, monitors, computers, printers, servers, software upgrades and wireless access points.

The department requested \$110,000. The department anticipated purchasing the following:

Replacement of two servers: \$30,000.

Integration of video files with Legistar: \$20,000.

ConTrack upgrade: \$12,000.

License Division computer replacements: \$8,000.

Legistar Online Introduction System: \$5,000.

Laptop for Public Relations Section: \$2,000.

Miscellaneous hardware and software upgrades/replacements: \$33,000.

CAPITAL IMPROVEMENTS

The 2007 Capital Improvements provides \$525,000, an increase \$325,000, 200.0%, from the 2006 Capital Improvements Budget of \$175,000. This includes:

License Management System - \$525,000

The License Division is responsible for the processing, administration and issuance of over 100 types of licenses and permits. License fees collected by the division exceed \$1.9 million annually. The License Division has eleven staff members who perform the duties of the division.

In 2005, the division processed over 20,000 applications for licenses and permits. These applications include alcohol beverage establishments, bartenders, taxicab owners, public passenger vehicle drivers, bicycles, direct sellers (street merchants), used car dealers, secondhand dealers, private waste collectors, home improvement contractors, loading zones, domestic partnership and lobbyist registrations.

The current license information system used by the License Division is more than 20 years old and has many limitations. The system is inflexible to change and is limited for search and reporting capabilities. Adaptations are difficult to facilitate, and if done, produce undesired and unpredictable results. For search and reporting requests, a complex program has to be written to extract the needed information from the database. This requires assistance from the Information Technology and Management Division or one of the License Division managers.

The division has taken on additional responsibilities, and customers demand a timely response and quality improvement, but the current license system cannot meet the needs of the division or its customers. The division's responsibilities have expanded to include lobbyist registration, accepting required plans of operation and floor plans from alcohol beverage licensees and producing required certificates of authorized entertainment for Tavern Amusement licenses. In some cases, licenses or requirements must conform to the limitations of the current license system, but in many other cases, independent Access databases and manual tracking systems have to be developed. To date, more than five Access databases are being used to supplement the license system. Examples of external databases are a daily cash log, insurance tracking database, database for generating committee notices, delinquent liquor bill database, database for creating certificates of authorized entertainment, and special privilege tracking database. (Pending legislation for newspaper vending boxes may require an additional database for tracking the locations of the boxes.)

The License Division has limited effectiveness and efficiency due to the current system. Services for external and internal customers are impeded. With a system that can process applications more efficiently, the division can meet legal requirements, provide more reliable consistent service to customers, and become proficient in dealing with different types of licenses.

Improving our quality and response time to citizens while being responsive to fiscal costs and personnel management becomes more difficult to attain without addressing the Division's basic computer needs. Eventually without the License Information System, additional staff may become a necessity to meet the ever changing legal requirements and other License Division functions.

In August 2006, a consultant began to review the business process study and parameters with the division and various other departments. The expected timeline for the study is sixteen weeks.

DEPARTMENTAL REVENUES

REVENUES	2005 ACTUAL	2006 ESTIMATE	2007 PROPOSED	2006 – 2007 % CHANGE
Charges for Services	\$3,691,773	\$3,687,800	\$3,801,900	3.1%
Licenses and Permits	1,940,068	1,836,022	1,909,000	4.0%
Total	\$5,631,841	\$5,523,822	\$5,710,900	3.4%

According to the Comptroller's Office, the 2007 Proposed Budget estimates that \$5,710,900 in revenues will be generated by the City Clerk's Office. This is an increase of \$187,078, 3.4%, from the 2006 Budget estimate of \$5,523,822. This major estimated revenue is:

1. **Licenses and Permits, \$1,909,000** - The revenue fluctuates due to biennial amusement, bartender, dance and music, liquor and malt license fees.

REVENUES	2005 ACTUAL	2006 ESTIMATE	2007 PROPOSED	2006 – 2007 % CHANGE
<i>Licenses</i>				
Amusement Dance/Music	\$552,396	\$671,100	\$825,000	22.9%
Liquor & Malt	977,273	1,035,500	995,000	-3.9%
Miscellaneous	363,947	6,840	35,000	411.7%
<i>Permits</i>				
Curb Space Spec. Priv.	34,180	107,800	40,000	-62.9%
Special Privilege–Misc.	12,272	14,782	14,000	-5.3%
Total	\$1,940,068	\$1,836,022	\$1,909,000	4.0%

2. **Charges for Services, \$3,801,900**

Telecommunication Franchise Fees - This revenue is derived from the cable franchise fees. This is a \$114,100, 3.1% increase, in the projected 2006 revenues by Time Warner.

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 September 29, 2006