

2019



Legislative Reference Bureau

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# DPW-PARKING



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## 2019 Proposed Plan and Executive Budget Review

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Budget Hearing: 10:30 am on Friday, October 12, 2018  
Last Updated: October 9, 2018

Version 1.0



**\$30,835,892**

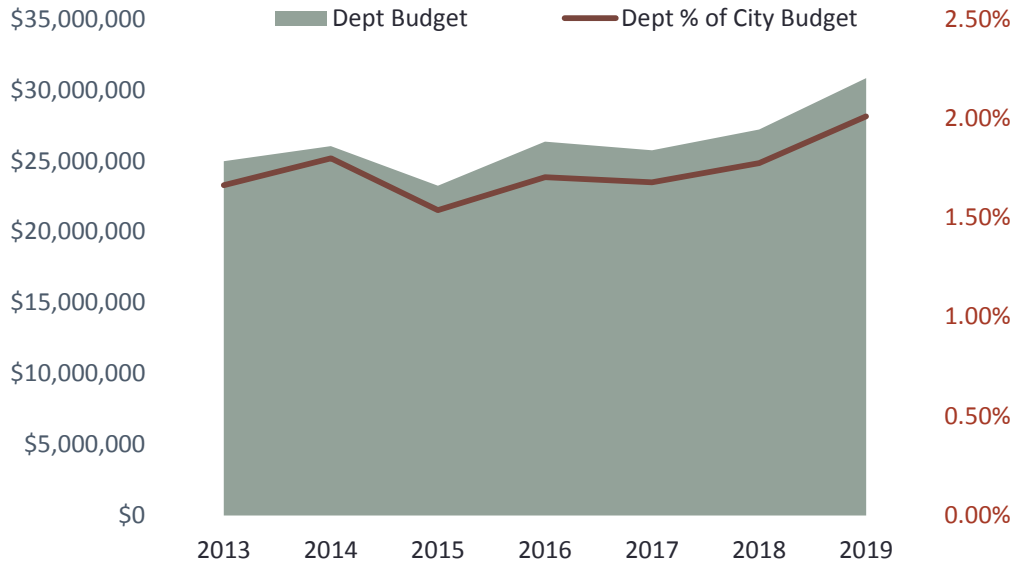
Proposed 2019 Budget

**\$3,623,749**

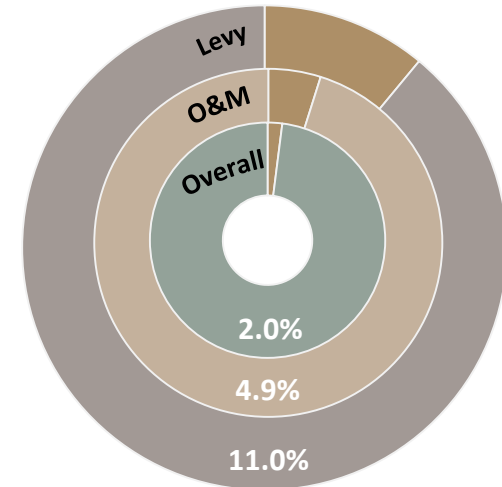
Change in Proposed Budget

**13.3%**

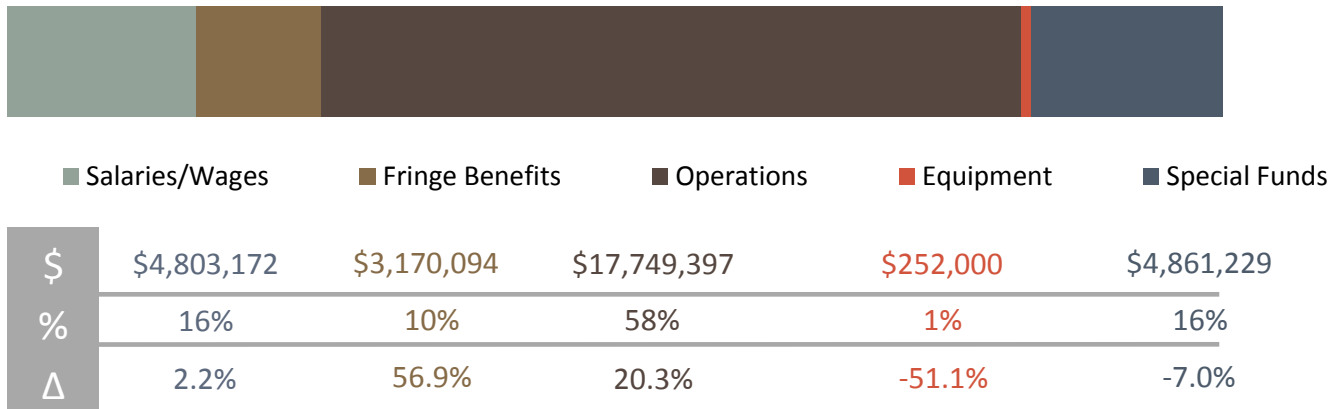
% Change in Proposed Budget



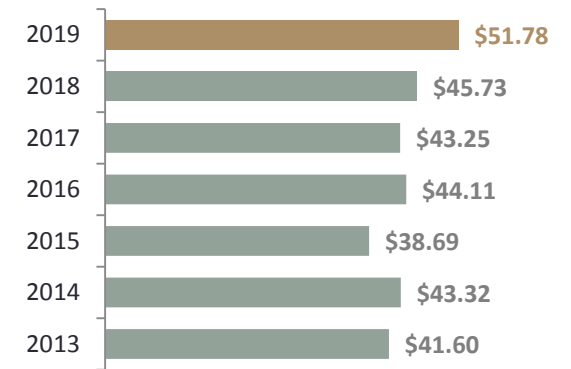
Departmental Budget Impact



Departmental Budget Appropriation Category



Budget per Capita



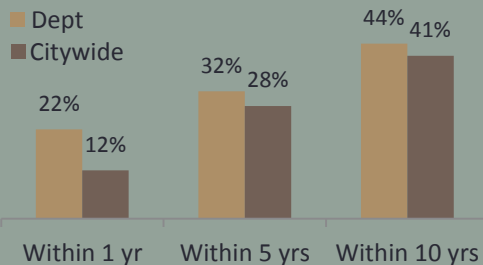
**-\$61,278**

Reduction in salaries and wages including \$47,709 due to position turnover.

**\$631,120**

Increase in combined projected fringe benefit costs and pension contribution to refine fringe benefit cost projection.

**Retirement Eligible**



**8**

Change in Positions

**6.8%**

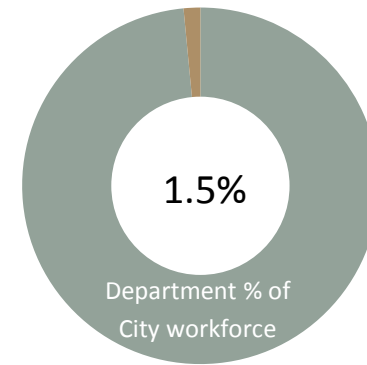
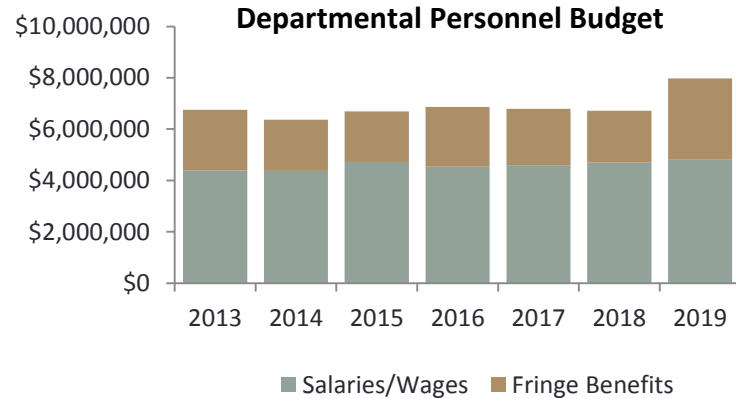
% Change in Positions

**6**

Current Vacancies

**9**

Voluntary Separations

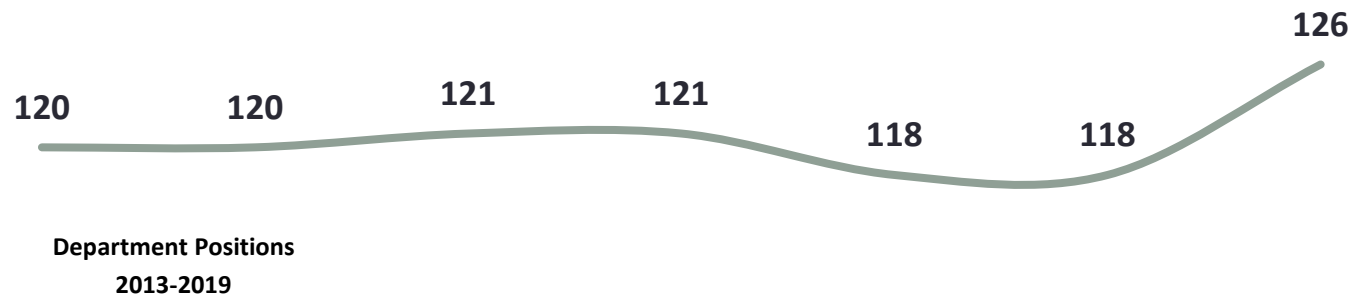


**Parking Checker Vacancies**

As of October 5, 2018, 5 of the department's 58 authorized parking checker positions were unfilled, down 38% from the 13 vacancies at the same time in 2017.

**Parking Enforcement Officers**

Parking Checkers were reclassified by DER as Parking Enforcement Officers to upgrade duties and pay in an effort to reduce turnover in this position. Revenues from parking citations written by Enforcement Officers are projected to be \$15 million in 2019.



**\$4,399,424**

Funds budgeted for operating THE HOP streetcar in 2019.

**\$5.3 million**

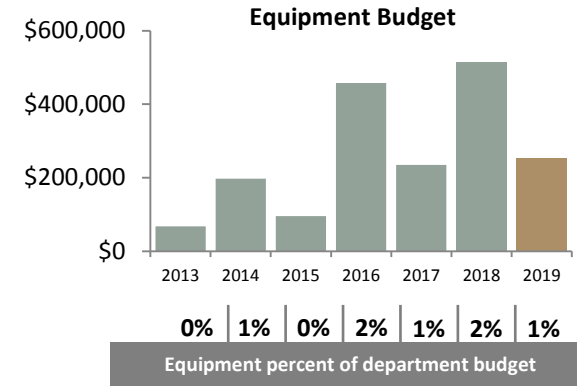
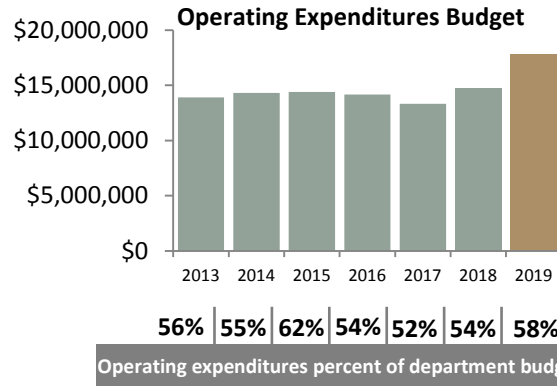
Combined 2018 and 2019 Budgets for capital improvements to the MacArthur Square parking facility.

**\$-1,123,005**

Reduction in projected 2019 transfer to the general fund, from the 2018 Adopted Budget of \$17,123,005.

**54%**

Percent of parking citations issued in 2017 for night parking violations, down 2% from the 56% in 2016.



**Potential Unbudgeted Reclassification Costs**

The 2019 fiscal impact of reclassifying parking checkers as enforcement officers was estimated at \$173,593, while the department’s 2019 Budget projects a \$54,542 decline in these costs, a combined unbudgeted cost increase of \$228,135, potentially affecting the department’s transfer to the general fund.

**THE HOP streetcar funding sources for 2019**

- Potawatomi Sponsorship \$ 691,670
- Sponsorship Advertising \$ 250,000
- CMAQ grant \$3,457,754
- Total \$4,399,424

**Individual-space, “Coin” Meter Replacement**

The department has installed 330 “smart” meters covering 475 parking spaces to replace individual space “coin” meters. The department projects it will take 2-3 years to switch over the City’s 7,000 plus metered parking spaces to smart meters.

**Parking Meter “Coin” Payment Decline**

Percentage of parking meter payments made in cash:

- 2015 49.6%
- 2016 42.8%
- 2017 40.8%
- 2018 38.3%

**786,834**

MKE Park 2017 mobile parking payment app transactions through in 2017 – 40.5% of LUKE meter transactions.

**54.3%**

Percentage of LUKE meter transactions paid through MKE Park mobile parking payment app in 2017.

**7,000**

Approximate number of “coin” parting meters slated for replacement with “smart” meters over 2-3 years.

**\$-4.5 million**

23% decline in citation revenue from 2014 to proposed 2019.

**MKE Park Mobile App Parking Meter Payments**

35.4% of parking meter revenues in the first 6 months of 2018 were paid through the department’s MKE Park mobile phone app.

**Parking Citation Decline**

Parking citation revenues may decline over time as parking compliance gets easier through greater use of MKE Park online payments, the acceptance of credit card payments at meters and the ready availability of “virtual” overnight parking stickers.

**Current Ratio Remains Strong**

Cash reserves in 2017 of \$9,904,000 were down \$2,874,000, or 23%, from 2016. LRB calculates the Transportation Fund’s 2017 current ratio (a measure of the department’s liquidity and financial vitality) at 2.6:1, down 39% from 2016’s current ratio of 4.2: 1.

**Payment in Lieu of Taxes**

In addition to its projected \$16 million transfer to the General Fund, the Transportation Fund will pay a PILOT for use of City facilities of \$1,409,000. The Fund’s PILOT payment in 2017 was \$1,594,302.

**Total Parking Revenue Decline**

Projected 2018 parking revenue of \$37.5 million is virtually unchanged from actual 2017 revenues, though down \$1.9 million, or 4.7%, from actual 2016 revenues. Average annual parking meter revenue from 2013 to 2017 was \$41.3 million.

**Net Fund Increase**

Net fund increase for the Transportation Fund for 2017, after the transfer of \$16.6 million to the general fund, was \$422,908, down \$2 million from 2016.

Income Summary	Actual 2014	Actual 2015	Actual 2016	Actual 2017	'18 Adopted	'19 Proposed
Parking Citations	\$ 19,466,196	\$ 18,643,025	\$ 15,563,351	\$ 14,399,491	\$ 16,000,000	\$ 15,000,000
Parking Structures	\$ 6,821,100	\$ 8,092,968	\$ 7,404,939	\$ 7,259,996	\$ 6,524,000	\$ 6,773,600
Parking Meters	\$ 4,996,818	\$ 5,140,894	\$ 5,179,881	\$ 4,569,945	\$ 5,378,500	\$ 4,765,400
Parking Permits	\$ 4,055,331	\$ 4,087,152	\$ 4,552,754	\$ 4,208,558	\$ 4,647,000	\$ 4,391,600
Vehicle Towing	\$ 5,625,092	\$ 5,741,287	\$ 5,567,088	\$ 5,978,324	\$ 5,400,000	\$ 5,418,900
Parking Lot Leases	\$ 34,465	\$ 26,955	\$ 19,114	\$ 24,470	\$ 15,000	\$ 23,400
Miscellaneous	\$ 1,184,190	\$ 1,464,576	\$ 1,037,336	\$ 957,886	\$ 1,200,000	\$ 1,086,300
Total Revenues	\$ 42,183,192	\$ 43,196,857	\$ 39,324,463	\$ 37,398,671	\$ 39,164,500	\$ 37,459,200
Total Operating Exp.	\$ 20,642,009	\$ 21,194,286	\$ 21,080,883	\$ 20,270,779	\$ 21,985,776	\$ 21,575,239
Debt Service	\$ 2,749,815	\$ -	\$ 2,899,529	\$ 2,828,771	\$ 2,910,000	\$ 3,000,000
Payment in Lieu of Taxes	\$ 1,585,940	\$ 1,669,268	\$ 1,566,944	\$ 1,594,302	\$ 1,455,000	\$ 1,409,000
Pension Contribution	\$ 808,000	\$ 360,000	\$ 409,000	\$ 954,000	\$ 409,081	\$ -
Pay to Water Works	\$ 27,286	\$ 27,286	\$ 27,286	\$ 27,229	\$ 27,286	\$ 27,229
Opr Fund Increase	\$ 16,370,142	\$ 19,946,017	\$ 13,340,821	\$ 11,723,590	\$ 12,377,357	\$ 11,447,732
Capital Improvements	\$ 1,486,330	\$ 1,353,606	\$ 689,708	\$ 941,679	\$ 3,424,500	\$ 3,385,000
New Borrowing	\$ -	\$ -	\$ 6,780,000	\$ 6,240,997	\$ 3,424,500	\$ 3,385,000
Net from Parking Fund	\$ 1,486,330	\$ 1,353,606	\$ (6,090,292)	\$ (5,299,318)	\$ -	\$ -
Net Fund Increase	\$ 14,883,812	\$ 18,592,411	\$ 19,431,113	\$ 17,022,908	\$ 12,377,357	\$ 11,447,732
Transfer to Gen.Fund	\$ 17,425,000	\$ 17,000,000	\$ 17,008,956	\$ 16,600,000	\$ 17,123,005	\$ 16,000,000
Net Income	\$ (2,541,188)	\$ 1,592,411	\$ 2,422,157	\$ 422,908	\$ (4,745,648)	\$ (4,552,268)