

FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU

Executive Summary: 2005 Proposed Budget – Mayor’s Office

1. Total budgetary authority for the Mayor’s Office increases \$96,432 or 10.11% to \$1,050,410 from the \$953,978 authorized in 2004. The substantial changes are reflected in salaries and fringe benefits. (Page 2)
2. Total authorized positions decreases from 15 in 2004 to 14 in 2005, as a result of the elimination of 1 Administrative Assistant I (PR 435) position. (Page 2)
3. The 2005 Proposed Budget reflects a –0.79 FTE reduction in O&M FTE to reflect the elimination of the aforementioned position and the restoration of 3.5 months of salaries and fringe payments for the mayor position. (Page 2)
4. The 2005 Proposed Budget provides \$43,450 for Total Operating Expenditures, compared to \$44,697 provided in 2004. (Pages 3 and 4)
5. In general, US postage increases from \$2,800 in 2004 to \$3,600 in 2005. (Page 3)
6. In 2005, Property Services provides \$14,200 for Telephone Services, a budgetary item previously funded in Reimburse Other Departments. (Page 3)

Prepared By: Emma J. Stamps (286-8666)
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FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU

2005 Proposed Budget Summary: Mayor's Office

Expense Category	2003 Actual	2004 Budget	% Change	2005 PROPOSED	% Change
Operating	\$1,216,325	\$953,978	-21.57%	\$1,050,410	10.11%
Capital	0	0	-	0	-
Positions	18	15	-16.67%	14	-6.67%
DLH approximation	24,300	23,778	-522	22,500	-1,278

As the City's Chief Executive Officer, the Mayor is responsible for assuring that the laws of the State and the ordinances of the City are observed and enforced, and that all officers of the City discharge their respective duties. In addition, the Mayor is responsible for the executive direction of the City's operating departments.

Departmental Mission

To enable the citizens of Milwaukee to prosper and achieve a high quality of life and to allow the City to serve as the economic, social and cultural hub of the metropolitan area by effectively managing City government, providing community leadership, and advancing Milwaukee's interest with other governments.

Historical Information

1. From 2001-2002, the Mayor's Office, assisted by DOA-Information Technology Management Division (ITMD), the Milwaukee Police Department, and various community agencies, participated in the COMPASS Grant Program. Three new grant funded positions were created: one in the Mayor's Office and two in the DOA – ITMD.

In 2002, after the COMPASS grant expired, the initiative received a one-time CDBG program funding from the 2003-CDBG-DPW-Infrastructure Tot Lot reallocation. No alternative grants have been identified to continue the Mayor's Office role in the COMPASS program.

2. In 2004, Personnel Cost Adjustment was calculated at 8% of salaries, or \$-54,257 to reflect an estimated -0.29 reduction in mayoral FTEs. The reduction reflected 3.5 months of salaries and fringes paid to former Acting Mayor/Common Council President Pratt from the Common Council/City Clerk budget during his appointment as mayor.

The 2004 Budget also downgraded 2 full-time Staff Assistant to the Mayor positions, from SG 7 to SG 2.

3. On April 20, 2004, a new administration was sworn into office, initiating significant policy, staff and administrative changes throughout city government.

2005 Budget Highlights & Issues

Total budgetary authority for the Mayor's Office increases \$96,432 or 10.11% to \$1,050,410 from the \$953,978 authorized in 2004. The substantial changes are reflected in salaries and fringe benefits.

Personnel Changes:

1. Total authorized personnel is reduced by 1 unit, from 15 in 2004 to 14 in 2005, while O&M FTE's are expected to decrease from 13.21 to 12.50, or by 0.71 units. Each FTE reflects 1,800 direct labor hours (DLH), a performance measure reporting in years 2004 and prior.

O&M FTE's reflect the following proposed changes:

- *Reduce 1.00 FTEs due to eliminating 1 Administrative Assistant I-PR 435 position funding; position authority and -1,800 DLHs are eliminated.*
- *Restore 0.29 FTEs to reflect full year staffing of Mayor-SG 20 position; in 2004 a reduction of -0.29 FTEs and -522 DLH was attributed to Norquist's 3.5-month early departure being filled by the Common Council President.*
- *Net reduction of -0.71 FTEs translates to -1,278 fewer DLHs.*

The aforementioned proposed O&M changes may affect administrative services, as College Interns may assume responsibility for providing those services.

2. Funding for Net Total Salaries and Wages increases by \$75,159 or 11.32%, from \$663,709 authorized in 2004, to \$738,868 proposed in 2005. Salaries and wages for most management positions were reduced to step 1 of salary grades in 2004. The 2005 Proposed Budget increases salaries for the following:

- Special Assistant to the Mayor (SG 10) – 21.29% increase, advancing to Step 7+
- Mayor's Liaison Officer (SG 9) – 27.13% increase, advancing to Step 7+
- Policy Planning Coordinator (SG 13) – 9.62% increase, advancing to Step 4
- Staff Assistant to the Mayor (SG 2) – 32.90% increase, advancing to Step 10+
- All other personnel cost increases reflect normal step advances

(+ Indicates salaries are calculated slightly above the rates or pay effective Pay Period 1, 2004)

Accounting Changes

3. Personnel Cost Adjustments, as a percentage of salaries, should reflect the amount of salary appropriations anticipated to be unexpended as a result of staff turnover or other changes. In 2005, the department proposes to not expend 4% of salaries, compared to 8% in 2004, and 2% in 2003. The spike in 2004 was attributed to (1) the installation of a newly elected administration and (2) 2004 budget amendments that reduced several position salary classifications (see table on next page).

	2003 Adopted	2004 Adopted	2005 Proposed	3-Yr. Change
No. Authorized Positions	18	15	14	(4)
Salaries before adjustments	\$843,527	\$717,966	\$769,654	(\$73,873)
Personnel Cost Adj. (Pct of Salaries)	(\$15,112) 2% of Salaries	(\$54,257) 8% of Salaries	(\$30,786) 4% of Salaries	\$+15,674
O&M FTE's	13.50	13.21	12.50	(1.0)

Operating Expenditure Total

4. The 2005 Proposed Budget provides \$43,450 for Total Operating Expenditures, compared to \$44,697 provided in 2004.
5. The 2005 Proposed Budget provides \$6,200 for travel compared to \$6,500 provided in 2004 and \$6,200 in 2003. The anticipated uses are primarily reserved for the Mayor's travels to promote Milwaukee.
6. In 2005, the Mayor's Office anticipates using \$12,000 General Office Expense funding for the following purchases:
 - > Supplies; \$8,000
 - > Subscriptions; \$1,000
 - > Postage Expenses; \$3,000 *\$600 additional funding is allocated under Reimburse Other Departments (see #6)
 - > Total = \$12,000
7. Beginning in 2003, DOA-ITMD services were no longer reimbursable expenses. The 2005 Requested Budget provides \$4,200 for Reimburse Other Departments, compared to \$19,425 in 2004, to support the following activities:

Category	2003	2004	2005
Telephone services	\$14,000	\$13,500	\$ *
Postage	3,400	2,800	600*
Printing	2,000	2,725	3,000
Record Retention	207	400	600
Mailroom Services	3,400	0	
Additional Record Retention & Printing Services	1,594	0	
Adjust 2003 requested to 2004 adopted	<u>149</u>	<u>0</u>	
Totals	\$24,750	\$19,425	\$4,200

The difference in the 2005 Budget Request from the 2004 Budget for Reimburse Other Departments is due to the following:

- Funding for Telephone Service in the 2005 Budget is included under Property Services. In general, Telephone Service increases from \$13,500 in 2004 to \$14,200 in 2005.
 - Partial funding, \$3,000, for US postage in the 2005 Budget is included under General Office Expenses. In general, US postage increases from \$2,800 in 2004 to \$3,600 in 2005.
8. In 2005, Property Services provides \$14,200 for Telephone Services, a budgetary item previously funded in Reimburse Other Departments.

Equipment Purchases

9. The department anticipates needing \$2,100 in O&M funds to replacement a printer.

Capital Improvements Projects – Special Purpose Accounts - Grants and Revenues

10. None

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