

MAYOR'S OFFICE

RESEARCH AND ANALYSIS SECTION - LEGISLATIVE REFERENCE BUREAU

EXECUTIVE SUMMARY: 2011 PROPOSED BUDGET

HEARING DATE: OCTOBER 1, 2010

Mayor's Office – Budget Comparison			
	'09 Actual	'10 Budget	'11 Proposed
Salaries & Fringes *	\$1,129,403	\$1,087,400	\$1,160,101
<i>year-to-year change</i>	-3.94%	-3.72%	6.69%
Staff Census	14	13	13
Operating Expenditures			
General Office Expenses	9,278	11,000	11,000
Non-vehicle Equip Rental	2,223	4,000	3,600
Other Operating Services	10,151	13,000	12,000
Reimbursement Other Depts	16,768	16,000	16,000
Total Operating Expenditures	\$38,420	\$44,000	\$42,600
<i>year-to-year change</i>	15.71%	14.52%	-3.18%
Equipment Purchases	\$0	\$4,000	\$0
Total Operating Budget	\$1,167,823	\$1,135,400	\$1,202,701
<i>year-to-year change</i>	-3.76%	-2.78%	5.93%
Revenues		36,135	34,000
Net Operating Budget	\$1,167,823	\$1,099,265	\$1,168,701
	-3.76%	-5.87%	6.32%
<i>* includes furloughs of</i>		(\$12,468)	(\$12,634)

The Mayor's Office 2011 Proposed Budget is up \$69,436, or 6.32%, over its cost-cutting 2010 Adopted Budget.

Staff Census

In both the 2010 and 2011 budgets, the Mayor's Office has an authorized but un-budgeted Staff Assistant to the Mayor position. This analysis does not include this unfilled position in the staff census.

2011 Budget Change Summary

The following lists the differences between the 2011 and the 2010 Budgets:

2011 Budget changes from 2010 Budget	
Payroll (including furlough)	\$10,644
Personnel Cost Adjustment	(8,505)
Fringe Benefits - Stemming from:	
Increased Payroll	18,372
Payroll before Increase	52,190
Operating & Capital Purchases	(5,400)
Revenues - MAWIB* Reimbursement	2,135
Total Change	\$69,436
* Milwaukee Area Workforce Investment Board	

2011 Payroll Change

Changes in 2011 budgeted payroll over 2010 budgeted payroll are as follows:

'11 Payroll Change	Amount	Percent
Chief of Staff	\$2,519	2.50%
Program Assistant II	2,718	6.14%
Office Assistant III	1,960	6.14%
College Interns	914	8.14%
Other	2,533	0.54%
Total Change	<u>\$10,644</u>	

Personnel Cost Adjustment & Fringe Benefits

As directed by the Budget Office, the Mayor's Office increased its Personnel Cost Adjustment rate from 2% to 3% to estimate normal personnel turnover.

As directed by the Comptroller, the Mayor's Office also increased the rate for fringe benefits from 41% to 48% to reflect the substantial increase in employee benefits, especially for healthcare where HMO premiums are up 17.5% in the aggregate and Basic Plan premiums are up 14.9%. Overall fringe benefits are up \$70,562 from 2010's budget - \$52,190 stems from the base 2010 payroll budget and \$18,372 results from the reclassification of the MAWIB reimbursement as a revenue item (it was previously an offset against payroll) plus payroll increases for 2011, net of the increased Personnel Cost Adjustment deduction.

Operating & Capital Purchases

The 2011 Operating budget is down slightly (\$1,400, while the Mayor's Office saves \$4,000 by forgoing capital purchases in 2011. The Mayor's Office spent \$4,456 on capital in 2008 and was budgeted to spend \$4,000 for computers in 2010.

Revenue - MAWIB Reimbursements

The Office of the City Comptroller now recognizes reimbursements received by the Mayor's Office for services rendered to the Milwaukee Area Workforce Investment Board as Revenues rather than offsets against payroll. The 2010 budgeted reimbursement of \$36,135 has been reclassified as a revenue for this analysis. The Mayor's Office estimates "Revenues" from the MAWIB reimbursements for 2011 will be \$34,000 – down slightly for the 2010 Budget – effectively increasing costs by \$2,135.