18.
Department of Administration, 2014

Proposed Plan and Executive Budget Review

18. Department Of Administration

I. EXECUTIVE SUMMARY.

Table 18.1. Statement of Changes in Operating Budget, 2013 to 2014.

2012 Actual Budget	$8,772,385
2013 Adopted Budget	$10,334,585
Personnel Costs	
Salaries & Wages	$207,133
Fringe Benefits	$41,250
Total Changes	$248,383
Operating Expenses	$333,605
Equipment Purchases	$25,500
Special Funds	($1,855)
Total Changes	$605,633
2014 Proposed Budget	$10,940,218

1. Total Expenditures. The total 2014 Proposed Budget for is $10,940,218, an increase of $605,633 (5.8%) from the 2013 Adopted Budget amount of $10,334,585.

2. Personnel Changes. Personnel costs in the 2014 Proposed Budget are $8,264,456, an increase of $248,383, (3.1%). The total number of authorized positions in the department under the 2014 Proposed Budget is 146, an increase of 2 positions from the 144 authorized in the 2013 Adopted Budget.

3. Equipment Purchases. Equipment purchases in the 2014 Proposed Budget are $50,600, an increase of $25,500 (101.6%) from the 2013 Adopted Budget amount of $25,100.

4. Special Funds. The 2014 Proposed Budget provides $1,460,701 in special funds, a decrease of $1,855 (-0.1%) from the 2013 Adopted Budget amount of $1,462,556. Proposed for 2014 is a new Me3 Sustainable Manufacturing Program special fund.

5. Special Purpose Accounts. The 2014 Proposed Budget contains $13,191,675 in SPAs, an increase of $7,378,531 (126.9%) from the 2013 Budget.

6. Revenues. Estimated revenues in the 2014 Proposed Budget are $1,197,600 will be generated in revenues by the department, a $741,500 (162.5%) increase from the 2013 Budget estimate.

7. Capital Projects: The 2014 Proposed Budget includes capital improvement funding for 4 projects for the Department of Administration, totaling $1,060,000, a decrease of $1,315,000 (55.4%) from the 2013 Budget.

II. INITIATIVES AND PROGRAMS.

1. Office of the Director/Budget and Management Division.

Milwaukee Civic Partnership Initiative.

The goal of the Milwaukee Civic Partnership Initiative (MCPI) is to identify and create partnerships between the City and businesses or non-profit entities in which the City will grant certain naming, sponsorship, advertising or marketing rights on or related to City-owned property in exchange for revenues or savings. The MCPI aims to develop marketing partnerships to leverage the City's physical assets and high profile for additional revenue and improved public services.

Common Council Resolution File Number 120396, was adopted September 25, 2012, directed the DOA to issue a request for proposals for a consultant to develop and execute the Milwaukee Civic Partnership Initiative. On September 24, 2013, Common Council Resolution File Number 130676, was adopted. Approving a contract between the City and The Superlative Group, Inc., to identify and create marketing partnerships between the City and private sector businesses or nonprofit organizations in the areas of advertising, naming rights, sponsorships and in-kind contributions.

The Department of Administration proposes to implement the MCPI in 2 phases. Phase 1, will begin in October 2013 and is expected to be completed in 3 to 4 months and will involve a valuation of the City's assets. Phase 2 is expected to begin in early 2014 and will involve the facilitation of marketing partnerships with private sector businesses and nonprofit organizations based on the Phase 1 asset valuation.

Restoring Structural Balance: Resizing, Restructuring, Reinvesting Strategy.

The 2013 Budget initiated a 4-year plan to eliminate the structural gap through a strategy that combines resizing, restructuring and reinvesting. This strategy integrates cost reduction with organizational changes, technology and capital improvements to address City operations and financial issues.

2. Office of Environmental Sustainability.

Milwaukee Energy Efficiency Program (Me2).

OES provides free energy evaluations and low-cost loan options for homeowners and businesses in Milwaukee who would like to make their homes more energy-efficient. Me2 can help homeowners save on energy bills and upgrade homes with new insulation and other energy saving equipment with limited upfront costs. In 2014, OES will continue to operate residential and commercial programs under the Me2 umbrella. Because grant funding has expired, the Me2 program will be scaled back.

- **Residential Me2**: Through August 2013, Me2 has supported 2,226 home energy assessments, and home energy upgrades were completed in 1,237 homes (with anecdotal evidence that other homeowners complete work on their own). Fifty-six percent of homeowners who had energy assessments went on to do home energy upgrades.

- **Commercial Me2**: The Commercial Me2 program has improved 1,333 businesses with 6 businesses using Commercial Me2 financing. OES will administer the PACE financing program approved by Common Council Resolution File Number 121591, to provide energy-efficiency financing to businesses. OES will also promote the Focus on Energy program offerings to residents, with the goal of leveraging as much statewide program funding as possible in Milwaukee.

Milwaukee Sustainable Manufacturing Program (Me3).

OES uses stimulus dollars to leverage technical assistance to increase the efficiency of small to medium-size manufacturers. The Me3 team works with manufacturers to identify cost-effective practices and projects that help firms increase material and resource efficiency reduce energy costs, water use and decrease waste.

OES has had sufficient funding to add 4 small- or medium-sized manufacturers to its Me3 portfolio of 18 firms in 2013. Since program inception, OES has assisted 22 small- or medium-sized manufacturers through Me3.

Every firm has received a no-cost diagnostic and assessment to determine best return-on-investment projects to increase competitiveness by decreasing resource inefficiency and waste. Seventy percent of the participants followed through on implementing at least one improvement identified in the diagnostic and assessment phase. Preliminary data reveals $3.3 million in aggregate firm investments; $1.8 million in aggregate annual savings; 3.1 million kWh in annual reductions; and simple payback averaging just under 2 years.

The "return" on the tax payers' dollar of Me3 is over 19:1. In other words, for each dollar OES spent to implement ME3, the local economy received $19 in benefits (through investment or savings). Additionally, the kWh annual reductions are equivalent to removing over 360 homes from the electrical grid in Milwaukee.

Milwaukee Shines Program.

OES manages the City's solar program, which works to expand solar energy use through a comprehensive, citywide approach. Milwaukee Shines provides funding for City departments, schools, and non-profits to add solar energy to facilities. The program also helps homes and businesses invest in solar energy by providing education and training.

Year-to-date, the City has seen a record number of solar installations because of neighborhood programs initiated by Milwaukee Shines. This year there will be over 30 new solar installations (compared to 12 in 2012). These neighborhood programs began with a pilot solar group-buy program – Solar Riverwest. The plan is to offer this type of group-buy program in other neighborhoods in 2014.

Mayor's Energy Reduction Goal.

As a result of the 2005 Green Team report, Mayor Barrett directed City departments to reduce energy use in operations by 15%. OES provides funding and support to City departments to help reduce energy use, and helps track and monitor the reduction goals.

Energy-efficiency technologies have been installed in most City buildings, LED traffic lights replaced inefficient ones, and conventional vehicles are being replaced by hybrid vehicles. The OES has focused its tracking efforts on core City buildings by storing energy data in Portfolio Manager, a free program offered by the US EPA.

The Energy Reduction Team meets quarterly and is expanding its energy focus to include reducing water costs (which are tied to the cost of energy due to energy needed to heat and distribute water).

ReFresh Milwaukee: City of Milwaukee Sustainability Plan 2013-2023.

In February 2012, Mayor Barrett appointed the Milwaukee Green Team to create a vision and new ideas for a more sustainable city. Nearly 18 months later, *ReFresh Milwaukee* was published in July 2013, and is Milwaukee's first sustainability plan. During the planning process the Green Team collected over 1,000 resident surveys and met with an additional 435 people and 85 businesses in person via 5 town hall meetings and 4 business outreach sessions.

ReFresh Milwaukee outlines the need for action and baseline conditions, identifies goals and targets, and highlights priority strategies in 8 issue areas: buildings, energy, food systems, human capital, land and urban ecosystems, mobility, resource recovery and water. There is a mix of short- and long-term targets

ReFresh Milwaukee project implementation has begun, annual progress indicators will first be reported in 2014. The Green Team will continue to be involved and called upon to implement and help track *ReFresh Milwaukee* progress. It is anticipated that the Green Team will be expanded to new volunteers from the community in 2014.

HOME GR/OWN Initiative.

In 2013, HOME GR/OWN was a Top 20 Finalist in the Bloomberg Philanthropies Mayors Challenge. The HOME GR/OWN proposal, aims to take foreclosed properties around Milwaukee and convert them into urban agriculture centers. The goal is to increase access to and demand for healthy foods in targeted low-income neighborhoods.

The 2014 Proposed Budget provides $45,000, from CDBG funds to support this initiative.

3. Community Development Grants Administration.

CDGA anticipates $14 million in Community Development Block Grant entitlement funding for 2014. All personnel and operating expenses of the Community Development Grants Administration Division are wholly funded by the City's annual CDBG and HOME allocations. The 2014 Proposed Budget for the division (excluding the Grant Compliance Manager position) is $1,443,564; this amount includes fringe benefits. $885,000 of the total amount is CDBG funds, and $335,200 is HOME funds, $46,335 is ESG funds, $13,204 is HOPWA funds, $138,825 is Continuum of Care, $25,000 is CDBG Continuum of Care grant funds.

The cost of one position of Grant Compliance Manger, is $88,635 (salary and benefits), and is supported entirely by City operating funds. The Grants Compliance Manager assists DOA in working with City departments to identify grant opportunities, apply for grants, ensure compliance with grant requirements and evaluate opportunities for improving and streamlining

current grant procedures.

In 2013, the Grants Compliance Manager position worked with City departments when developing and implementing MY GRANTS web-based system in compliance with Milwaukee Promise. MY GRANTS is a new grants management system and central repository of grants that is used to track and report on grants submitted by City departments. Together with the Information Technology Management Division, the position developed MY GRANTS and trained City staff on using it.

Twenty-eight grant opportunities were identified: 16 have been pursued, 10 have been funded/awarded, and 3 applications are pending. The Grants Manager also assists in the American Recovery and Reinvestment Act (ARRA) reporting process. The fedreporting.gov system demands quarterly reports on the 2013 disbursement of ARRA funds.

Food Stamp Employment and Training Program (FSET) 50-50 Match.

CDGA, working collaboratively with the Milwaukee Area Workforce Investment Board (MAWIB), will develop a transitional jobs program using CDBG, philanthropic and private funds. The transitional jobs program will work in conjunction with the Food Stamp Employment and Training Program (F-SET). The U.S. Department of Agriculture (USDA) provides annual funding for program administration for the FSET program, which is designed to help food stamp participants gain skills, training, work experience and secure work. There are 2 types of funding from USDA:

1. The 100 % federal amount for states that is capped. The 100 % funds are allocated to states based on a formula that takes into account the number of work registrants in the state; and

2. The uncapped 50-50% federal/state/other reimbursement program. Under the 50-50 formula, the federal government reimburses states 50-cents of every non-federal dollar spent on allowable employment and training services or activities. Non-federal dollars can come from state, county or city revenue, foundation grants, employer-paid costs, private tuition payments and private funds raised by community-based organizations. As noted, the source of match cannot be federal, with the exception of Community Block Grants and some types of federal tribal funding.

Using the match potential of CDBG and private funding sources, CDGA will work with existing proven workforce job programming to expand job opportunities for Milwaukee residents.

4. Business Operations Division.

Procurements.

BOD has initiated a new program to the procurement of printing toner which is environmentally friendly and saves money. By recycling empty toner cartridges through Office Max and Clover Technologies and purchasing remanufactured toner instead of brand name toner, the estimated savings for 2014 will be $75,000.

Under the new program, each department will have a designated Green Captain who keeps a collection box for his or her area. When the collection box is full of used toner cartridges, the box is then shipped, free of charge via UPS to the toner remanufacturing facility. In addition,

these departments will also be purchasing remanufactured toner through OfficeMax.

Procurements has been consolidating IT (hardware and software) procurement requests that are purchased from cooperative purchasing contracts. Outside of cooperative purchasing contracts, IT purchases are consolidated across City departments when appropriate.

Office of Small Business Development Program – **Disparity Study.**

The Disparity Study conducted by D. Wilson Consulting Group was concluded in December 2010. Since then, a plan has been developed to aid in implementing all of the recommended programmatic changes. The Hispanic Chamber of Commerce of Wisconsin filed a lawsuit in April 2012, contending the Disparity Study results are based on flawed data and flawed interpretation of data, and a failure to show the necessity of adopting a race-based program for women, minority and small business contractors.

As a result of the Disparity Study lawsuit, the City is now legally required to administer a race- and gender-neutral program that focuses on Small Business Enterprises (SBE's) as opposed to Minority, Women and Small Businesses. The operational changes are primarily focused on the structural changes to the program as a result of the lawsuit.

5. Intergovernmental Relations Division.

The 2013-14 Wisconsin Legislative Sessions began on January 7, 2013. In 2013, IRD led the legislative efforts to secure the following:

- Critical amendments to the original version of Senate Bill 179, a revision to landlord-tenant law, which would otherwise have eliminated the City's authority to manage problems or blighting conditions that may result from private property ownership.

- An important clarification to the statutory language enabling local governments to set the design and selection of healthcare plans for protective service employees. This clarification resolves a legal battle over $1.9 million in projected annual cost avoidance for the City's healthcare plan.

- A provision enacted in the 2013-15 State Budget that eliminates the negative property taxpayer impacts of the school choice funding flaw. Over the next 12 years, this change is projected to eventually save Milwaukee property taxpayers $120 million a year as school choice enrollment continues to expand.

- The commitment of $2 million in funds from the Wisconsin Department of Financial Institutions for the demolition of blighted property.

In 2014, IRD's primary focus will be on the following areas:

- Coordinating a strategy and securing commitments for a collaborative multiagency state and federal investment in the 30th Street Industrial Corridor.

- Continuing efforts to amend state and federal laws to reduce access to illegal firearms.

- Continuing efforts to secure state or federal funding for foreclosure demolition in the wake of a gubernatorial budget veto of the $3.5 million fund the IRD secured in a Joint Committee on Finance amendment.

- Maximizing the City's ability to benefit from the federal government's Ladders of Opportunity investments in high-poverty urban communities.

6. Information Technology Management Division.

Citywide IT Services.

During 2013, ITMD has grown from 42 to 78 positions, represented by 14 DPW, 3 Health, one City Clerk, one DOA and 18 UCC positions. Consolidation and restructuring allow the City to right-size IT support, provide a career ladder for IT professionals that is not available with small departmental IT staffs as well as provide a better fit of skills with job duties.

Citywide IT has historically been decentralized which has led to redundancies of hardware, software, personnel, skills, systems and data. Initiatives and projects over the last 5 years have started a phased-in approach to consolidate IT, for example, the Lagan system, the Land Management System, DCD program support, database administration, firewall consolidation and active directory consolidation all represent collaborative efforts across multiple departments to simplify and improve IT services. In 2013, the City's computing environment has been simplified through the consolidation of active domain (AD) servers. Previously, 6 different departments maintained AD servers for login management; consolidation eliminates this redundancy with no difference in user experience. Single AD also allows inter-departmental applications like E-mail or Land Management System to operate in a seamless manner.

Departments that are currently fully-supported by ITMD include DOA, Mayor, DER, Election Commission, DPW and Health. Departments that are not fully-supported by ITMD include DCD, Port, DNS, Fire, Police, Municipal Court, Treasurer, Comptroller, City Attorney and City Clerk. ITMD is working to align projects and resources through further assessment of IT staff and functions in each department, monitoring compliance with City IT policies, decommissioning substandard and redundant server rooms, and decommissioning duplicate systems such as server and file backups and the processing of service requests.

Unified Call Center.

The 2010 Budget created the Unified Call Center and provided capital funding for Customer Relationship Management (CRM) technology. The purpose of the Unified Call Center is to centralize the City's call intake environment, provide a single IT platform for service requests and case management, and provide seamless data transfer between departments. The long-term goal is to discontinue several legacy systems when the CRM solution is in place and operational.

Originally, 29 positions were funded for the 4th quarter of 2010 and were to be transferred and consolidated from existing communications positions within the DPW-Administration Call Center, the Parking Enforcement Call Center, Water Works Control Center, City Hall Operator, and DNS Code Enforcement Center. For 2011, these positions were funded in their current departments due to the uncertainty at the time of budget publication regarding final cost and implementation timeline of the CRM solution. In 2011, 286-CITY call center agents were moved to the UCC. Also during 2011, Lagan, a Citizen Relationship Management (CRM) IT Solution was selected.

In 2012, the Call Center consolidated the call-taking functions from DPW-Admin. and DPW-Parking. The UCC provides ad-hoc services to departments as needs arise, such as the handling of "where do I vote" calls on Election Day. In 2013, the UCC was reestablished as a section under ITMD. This move established a more centralized approach to IT development

and maintenance and allows for better integration of the UCC into enterprise systems and programming.

During 2013, the UCC has assumed a considerable amount of additional workload associated with service to parking-related inquiries and service requests. In the 2nd quarter of 2013, the UCC handled almost 29,000 parking-related calls. The UCC is now handling more than 90% of Parking information, permission, and complaint calls on a daily basis. The UCC is currently the first stop for residents calling for Night Parking permission and to register parking complaints. The calls that go to Parking Enforcement as of May 10, 2013, are highly escalated, enforcement- specific calls, or occur when the UCC is closed during 3rd shift.

The UCC is expected to respond to approximately 550,000 requests for information or services during 2014. The UCC will continue to organize Call Center data into a knowledge base and a business intelligence system that will improve performance information reporting and documentation for all UCC service call intake.

Table 18.2. UUC Calls Answered by Type, 2012; Number of Transactions, 2012-2013.

Type of Call, 2012	% of Calls
Parking	35.96%
Information Request	31.00%
Garbage and Recycling	16.47%
Street Maintenance	4.72%
Trees and Plants	4.03%
Unknown	2.49%
Various Types *	2.37%
Street Light	1.64%
Sewers	1.32%

Call Origin	2012	2013 YTD	2013 Projected
Calls for Service or Information	294,835	298,233	385,513
Web Requests	87,752	110,620	159,336
Total Transactions	382,587	408,853	544,849

*Various types includes categories that were less than 1% of calls answered by the UCC including but not limited to: administrative, animal issues, assessment, building disrepair, graffiti, illegal work, property tax, street signs and road markings, traffic controls, vacant building, and abandoned and illegally parked vehicles.

See also ISSUES TO CONSIDER, Section VIII.

III. EXPENDITURES.

Table 18.3. Changes in Expenditure Amounts by Account.

Expenditure Account	2012 Actual Budget	2013 Adopted Budget	% Chng.	2014 Proposed Budget	% Chng.
Salaries and Wages	$4,562,245	$5,414,946	18.7%	$5,622,079	3.8%
Fringe Benefits	$2,201,487	$2,601,127	18.1%	$2,642,377	1.6%
Operating Expenditures	$791,092	$830,856	5.0%	$1,164,461	40.1%
Equipment Purchases	$11,558	$25,100	117.2%	$50,600	101.6%
Special Funds	$1,206,003	$1,462,556	21.3%	$1,460,701	-0.1%
Total Operating Budget	$8,772,385	$10,334,585	17.8%	$10,940,218	5.9%

1. Budget Summary.

The total 2014 Proposed Budget for is $10,940,218, an increase of $605,633 (5.9%) from the 2013 Adopted Budget amount of $10,334,585.

2. Personnel Costs.

Personnel costs in the 2014 Proposed Budget are $5,622,079, an increase of $248,383, (3.1%). Salaries and wages increase $207,133, (3.8%). Fringe benefits increase $41,250 (1.6%).

3. Operating Expenditures.

Operating Expenditures in the 2014 Proposed Budget are $1,164,461, an increase of $333,605 (40.1%) from the 2013 Adopted Budget amount of $830,856. The changes can be attributed to the following:

- **Office of Environmental Sustainability**: Operating expenditures proposed in 2014 for EOS total $9,000, an increase of $9,000. This increase is attributed to the expiration of grant funding EOS had received in 2013.

- **Intergovernmental Relations Division:** Professional Services line item is budgeted at $17,000, an increase of $12,000. After the November 2012 elections, IRD determined that it needed to supplement its staff with a contract lobbyist who had good connections with the new state leadership. Carryover funds from savings in 2012 funded the contract lobbyist through 2013. IRD would like to extend the contract through the end of the legislative session in April of 2014.

- **Information Technology Management Division:** Information Technology Services line item is budgeted at $833,915, an increase of $315,915. This increase reflects the cost of Microsoft Office 365 email services and additional costs associated with the consolidation of IT services in ITMD. Included in this figure are the funds for Health, previously segregated as a special fund, and miscellaneous software licensing expenses for DCD, Port and DPW.

4. Equipment Purchases.

Equipment purchases in the 2014 Proposed Budget are $50,600, an increase of $25,500 (101.6%) from the 2013 Adopted Budget amount of $25,100. The changes can be attributed to the following:

- **Information Technology Management Division**: Additional Equipment-Computer Equipment is budgeted at $43,600, an increase of $26,600. The increase represents the replacement of computers for former DPW employees, now in ITMD. These computers were scheduled to be replaced in 2013, but budget money for the purchase was not transferred from DPW to ITMD in last year's budget process.

5. Special Funds.

The 2014 Proposed Budget provides $1,460,701 in special funds, a decrease of $1,855 (-0.1%) from the 2013 Adopted Budget amount of $1,462,556.

ME3 Sustainable Manufacturing Program $75,000.

The 2014 Proposed Budget includes $75,000 in special funds to continue the ME3 program. The ME3 Sustainable Manufacturing program helps businesses lower their costs by reducing waste pollution and other production inefficiencies. The ME3 Sustainable Manufacturing Program special fund will operate very similarly to OES's current ME3 program. The new ME3 special fund will offset the cost of process evaluations in up to 8 small and medium sized city of Milwaukee manufacturers. These process evaluations, or "diagnostics," identify sustainable manufacturing practices that improve firm competitiveness by decreasing resource inefficiency and waste. Money saved by participating manufacturers can then be re-invested back into plant, equipment or human capital. Additionally, local pollution, waste to landfill and other environmental concerns will be significantly reduced.

Operation of the new ME3 special fund will draw on best practices of the successful current ME3 program and will seek to leverage investment dollars for Milwaukee manufacturers in an equal amount from the state and other partners. Investing City funds in small- and medium-sized manufacturers strengthens local job creators and improves the environment on a scale that cannot be matched in non-industrial sectors.

Continuum of Care $50,000.

The 2014 Proposed Budget provides $50,000 in special funds for the Continuum of Care grant; this is the same funding level as the 2013 Adopted Budget. The Community Development Grants Administration took over as lead agency for this grant in 2013. Continuum of Care Grant - The Milwaukee Continuum of Care is a consortium of about 70 local non-profit agencies that annually applies for approximately $10 million in federal funding for programs that serve the homeless and at-risk-of-being-homeless populations in Milwaukee. Since 2009, the Continuum has used contributions from the City ($50,000 annually), Milwaukee County and the Continuum's member agencies to hire a full-time staff person and to contract with consultants for 2 projects, preparation of a 10-year plan to end homelessness and preparation of the application for $10 million in HUD funding for homeless projects.

Milwaukee Fatherhood Initiative $50,000.

The Proposed Budget provides $50,000 in special funds for the Milwaukee Fatherhood Initiative, a decrease of $53,806 (-51.8%) from the 2013 Adopted Budget. This fund was created last year through an amendment to the 2013 Budget, which transferred $103,806 from the Police Department to the Department of Administration.

The Milwaukee Fatherhood Initiative (MFI) evolved from a 2-day training session held in October 2005. The session was conducted by staff from the Maryland-based National Fatherhood Initiative (NFI) at the request of Mayor Barrett. Father absence is associated with poverty, teen pregnancy, juvenile delinquency and other social problems. The MFI has connected over 7,000 men to services related to education, employment, child support, driver's license recovery and men's health. The 8th Annual Milwaukee Fatherhood Summit was held on Friday October 4 and Saturday, October 5, 2013. The MFI summit is the largest annual gathering of men in the state; the majority of participants are African American.

The Mayor placed the MFI under the oversight of the Department of Administration and established the following 4 goals:

1. Strengthen the MFI governance and infrastructure.
2. Engage, equip and empower fathers by connecting them to new and existing resources to promote responsible fatherhood.
3. Strengthen MFI data collection, performance measurement and reporting systems.
4. Develop a funding strategy to ensure MFI's future sustainability.

Spring 2013, MFI established a satellite office on the south side at La Luz Del Mundo Family Services (1570 West Greenfield Avenue). Luz Del Mundo is playing a role in expanding MFI services to Spanish speaking and other South Side residents.

Enterprise Resource Management, $1,285,701.

This fund pays for support of the City's human resources and financial management systems, particularly license fees and hosting fees. Expenditures from this fund include Oracle/Peoplesoft annual software maintenance, CedarCrestone hosting services, training and miscellaneous services. The 2014 Proposed Budget provides $1,285,701, in special funds, an increase of $70,701 (5.8%) from the 2013 Adopted Budget.

Computer Maintenance/Upgrade, $0.

This special fund was previously used by the Health Department for IT expenses. When Health Department IT support positions were transferred to ITMD, this special fund was moved as well. After the initial year of the consolidation, ITMD has absorbed the IT costs related to the Health Department into regular operating accounts.

IV. PERSONNEL.

Table 18.4. Changes in Full-Time Equivalent (FTE) and Authorized Positions.

Position Category	2012 Actual	2013 Adopted Budget	Change	2014 Proposed Budget	Change
O&M FTEs	72.05	92.47	20.42	98.37	5.90
Non-O&M FTEs	65.80	40.37	-25.43	37.47	-2.90
Total Authorized Positions	114	144	30	146	2

1. Personnel Changes.

The total number of authorized positions in the department under the 2014 Proposed Budget is 146, an increase of 2 from the 144 in the 2013 Adopted Budget. The position changes are summarized below.

- **Budget and Management Division**: Proposed for 2014, one position of Fiscal Planning Specialist-Senior is added, and one position of Fiscal Planning Specialist is eliminated. This change involves the one ongoing auxiliary position of Fiscal Planning Specialist in BMD, which is currently vacant. The change in pay grade provides flexibility for promotion from within the division in case a regular Fiscal Planning Specialist-Senior position is temporarily vacated as a result of a leave of absence or some other form of non-terminal leave.

- **Office of Environmental Sustainability**: 0.60 FTE's will be transferred to the tax levy due grant expiration. 0.30 FTE each for the Environmental Sustainability Director and Program Manager positions. 0.5 FTE of the Project Manager – Milwaukee Shines position is proposed to be reimbursed by the Sewer Maintenance Fund in 2014. This is not a reimbursement; the transfer proposed from the SMF is reflected as a general fund revenue offset for this amount of funding. Technically, the offset is for up to 0.5 FTE within the OES and Budget and Management Division although for convenience purposes the narrative assigns the allocation to this OES position. In addition, OES is working with DER to change the title of this position from "Project Manager – Milwaukee Shines" to "Sustainability Project Manager".

  One position of Graduate Intern (0.5 FTE) is proposed for elimination in 2014. This position is vacant and is being eliminated due to the expiration of the Energy Efficiency and Conservation grant which expired on June 2, 2013.

- **Community Development Grants Administration**: Two positions in CDGA are proposed for elimination in 2014. One position of NSP Business Coordinator and one position of Business Services Specialist NSP will be eliminated due to the Neighborhood Stabilization Program grant expiring on February 1, 2014. Both positions are vacant.

- **Information Technology Management Division**: ITMD has grown from 42 positions to 78 positions. As a result of ITMD consolidating Health Department and DPW IT positions during the last budget, ITMD requested a reclassification of several titles to reduce the number of unique titles in the department and better group the jobs by duty. The maintenance of IT support functions by individual departments has resulted in IT staff being raised to higher job classifications than needed for basic support duties. The reclassification has been done to counter high staff turnover in the IT field. The reclassification provides a career ladder for IT professionals which was not available with small departmental IT staffs.

  One position of Project Coordinator B.I.G. is proposed for elimination in 2014. This position is filled and is associated with an ARRA grant that expires in 2013. Five positions created in the 2014 Proposed Budget. One position of Administrative Assistant II is being created to serve both as an additional member of the administration staff for payroll, billings and administrative support to the division. Currently, ITMD has a single administrative position responsible for payroll, purchasing and other administrative duties for 50+ positions. These numbers do not include the UCC, which has one employee that spends half her time on administrative duties for that section and the other half of her time working as a customer service representative.

  Two positions, Network Coordinator Senior and Network Analyst Assistant, are to be transferred from DCD and RACM, respectively, into ITMD as part of the consolidation efforts. Both positions are currently filled.

  Within the UCC, the proposed addition of a Program Assistant III position is created to assist in organizing Call Center data into a knowledge base and a business intelligence system will improve performance information reporting and documentation for all UCC service call intake. The proposed addition of one UCC Customer Representative IV is provided in response to increased call volumes in 2013 and an expected additional increase in 2014.

  In addition, the proposed $92,000 of additional reimbursable funding from the Parking Fund for the Unified Call Center (UCC) is directed to 2 FTE equivalents, not to 2 specific positions. The reimbursement for 2 FTE's reflects that the UCC will be taking on the majority of parking information, permission, and compliant calls. The UCC is now handling more than 90% of parking information, permission, and complaint calls on a daily basis.

2. Vacancies.

- **Budget & Management Division:** There has been a vacancy of one Budget & Management Special Assistant position for most of 2013. BMD has maintained this vacancy to ensure that the DOA as a whole achieves projected personnel cost adjustment savings as projected for the 2013 Budget. In addition, BMD chose not to take on the training of two new analysts at the same time during 2013. BMD plans to fill this budgeted position no later than the end of the 1st quarter, 2014.

- **Information Technology Management Division:** ITMD has 6 vacant positions.

  (1) Telecommunications Analyst – Senior: vacant since July 5, 2013; request to fill approved; awaiting DER listing.

  (1) Geographic Info. Tech II: vacant since June 21, 2013; request to fill approved; reviewing candidates.

  (1) Enterprise Systems Manager: vacant since August 2, 2013; request to fill approved; interviewing internal candidate.

  (2) IT Support Specialist – Lead: one vacant since July 12, 2013; the other vacant when reclassified during 2013 consolidation.

  (1) IT Support Specialist – Senior: vacant since June 28, 2013.

  (3) IT Support Specialist: one vacant since June 22, 2013; the remaining 2 were vacant when reclassified during 2013 consolidation.

V. SPECIAL PURPOSE ACCOUNTS (SPA).

SPAs are budgeted outside of departmental operating accounts, and control over SPAs is provided to departments by resolution. The 2014 Proposed Budget includes funding for the SPAs identified in Table 18.6.

Table 18.6. Changes in Special Purpose Accounts by Account.

Account	2012 Actual Budget	2013 Adopted Budget	% Change	2014 Proposed Budget	% Change
E-Government Payment Systems	$60,000	$66,000	10%	$65,000	-1.5%
E-Civis Grants Locator	$28,079	$28,079	--	$26,675	-5.0%
Wages Supplement Fund	$7,850,000	$5,719,065	-27.1%	$13,100,000	129%
Total	$7,938,079	$5,813,144	-26.7%	$13,191,675	126.9%

1. E-Government Systems SPA, $65,000.

This special purpose account provides funding for development and ongoing maintenance of applications that enable City residents and businesses to conduct business through the City's website. Examples include online payment, via credit card or electronic check, of Health Department license fees, Municipal Court fines and property taxes. The proposed funding level for 2014 is $65,000, a decrease of $1,000, (-1.5%) as provided in the 2013 Budget. Expenditures include:

- Northwoods web maintenance and support - $43,500.

- Websphere annual software maintenance - $18,000.

- US Bank E-Payment services - $2,000.

- Domain name renewal & SSL certification - $1,500.

2. E-Civis Grants Locator SPA, $26,675.

E-Civis grants locator software is used by City departments in locating grants that may be available to support their functions. The proposed funding level for this special purpose account for 2014 is $26,675, a decrease of $1,404 (-5.0$) as provided in the 2013 Budget. The Grant Compliance Manager was able to secure 5% discount in the annual payments to e-Civis for 2013 and 2014.

E-Civis is the nation's leading online grants management software system for local governments and community-based organizations. Dollars requested in the eCivis Grants Locator SPA cover costs associated with the annual fee for allowing City employees access to the eCivis system to track public and private grant opportunities.

At this point, over 140 City employees are signed onto the system (same as 2011-2013). Used for both current searches of grant opportunities and as a reference for historical funding patterns, the site does save employee time when examining funding opportunities. The site has also expanded services, offering more intricate detail about viable grants that pertain to City needs. The information is more complete and explains guidelines in a more direct and succinct manner than the usual federal sources.

3. Wage Supplement Fund SPA, $13,100,000.

The 2014 Proposed Budget provides an allocation of $13,100,000 to the Wages Supplement Fund. (The department had requested $11,500,000.) This is an increase of $7,380,935 (129%) from the 2013 Budget amount of $5,179,065.

This special purpose account provides the funding needed for increases in salaries and fringe benefits for City employees, including increases resulting from labor contract settlements.

VI. REVENUES.

The 2014 Proposed Budget estimates that $1,197,600 will be generated in revenues by the department, an increase of $741,500 (162.5%) increase from the 2013 Budget estimate. The largest sources of revenue are generated from Charges for Services ($773,100). The increase in Charges for Services reflects a transition of conduit rental from DPW to ITMD. The increase in Property Sales is due to the BOD toner recycling initiative and auction of more DPW Fleet, Fire Department and Police Department vehicles.

Table 18.7. Changes in Revenue by Category.

Revenue Account	2012 Actual Budget	2013 Adopted Budget	% Change	2014 Proposed Budget	% Change
Charges for Services	$157,893	$75,700	-52.1%	$773,100	921.2%
Property Sales	$553,389	$380,400	-31.2%	$424,500	11.5%
Total	$711,282	$456,100	-35.8%	$1,197,600	162.5%

VII. CAPITAL PROJECTS.

The 2014 Proposed Budget includes $1,060,000 in funding for 4 capital projects, a decrease of $1,315,000 (55.4%) from the 2013 Budget. The decrease is related to a remodeling project on the 4th floor of the 809 Building. No funding was provided to continue this project. Capital projects for 2014 are summarized in Table 18.8 and the discussion that follows.

1. Currently-Funded Projects.

IT Upgrades/Replacement Program, $285,000.

The program was created in 2012 to fund a variety of small- to mid-sized IT capital projects. Projects consist primarily of updates to existing systems or replacement of systems which are reaching the end of their useful lives. This program allows greater flexibility to respond to emerging technological issues by re-prioritizing planned projects and will allow more consistent budgeting. $325,000 and $300,000 in cash levy financing was provided in 2012 and 2013 respectively. Because this program is funded with cash, there is no carryover borrowing authority.

Projects proposed for 2014 include the consolidation of City printing services and the build-out of the City Hall wireless network.

Projects proposed for 2013 included a project to create a disaster recovery site; the creation of a backup site for Milwaukee.gov; the provision of backup for e-mail, Oracle, City Clerk and City Treasurer applications; and mobile access to the Lagan system.

Public Safety Communications, $500,000.

This program provides for the installation and maintenance of the City of Milwaukee Optical Network (COMON). The network provides circuits for data, telephone, SCADA, security, building management, fuel management, telemetry and video systems. The network has been developed to serve other public entities including UWM, MATC, Marquette University, MIAD, WisDOT, Discovery World, and the Milwaukee Public Museum. Police locations are used as hubs to connect other City sites. Projects are designed to increase system redundancy and to provide diverse routes to critical public safety locations. The 2014 program will continue the extension of the optical network to the Housing Authority and libraries.

The 2014 Proposed Budget provides the same level of funding as the 2013 Budget. Average annual funding since 2001 is $530,000. This program has $371,000 in carryover borrowing authority.

Until 2013 this capital account was requested and administered by the Department of Public Works – Administration section. Authority for the account has been moved to ITMD. ITMD prioritizes and oversees planning for projects and coordinates with DPW which provides field implementation.

DPW notes that the City designs, installs and manages its own "wide area network" built with City fiber in City conduit. Almost all governments and businesses purchase WAN circuits from entities like AT&T, Time Warner, Telecom, Quest and other carriers. DPW provides those services directly to the City. The value of these circuits can be roughly estimated by the cost of

getting those circuits from AT&T or other providers. COMON provides about 175 Gigabit Ethernet circuits to various entities. AT&T charges between $2,500 and $4,000 per month for their "Gigaman" circuits depending on distance. Based on this value of the "gigabit" circuits, DPW estimates the value of the circuits it provides is about $450,000 per month.

Web Application Server Equipment, $125,000.

This is a one-year project for the scheduled replacement of servers. Replacing the servers in a timely manner will ensure warranty coverage and support applications on the City's website. ITMD maintains 5 web application servers. Applications hosted on these servers include public-facing apps like My Milwaukee Home and Where Do I Vote? They also host critical internal production apps such as time entry.

Webcasting, $150,000.

This one-year project will add streaming ability to the City's website. On-going annual costs are estimated to be $15,000. The project is expected to reduce operating costs, increase productivity and ensure inter-departmental compatibility and consistency.

Table 18.8. Capital Program Summary, 2014.

Program	2014 Proposed Budget	2013 Actual Budget	Increase (decrease)	% Chng.	6-year Request
IT Upgrades/ Replacements	$285,000	$300,000	($15,000)	-5%	$585,000
Public Safety Communications	$500,00	$500,000(1)	$0.0	0%	$4,137,000
Workplace Safety & Efficiency	$0	$750,000	($750,000)	-100%	$1,626,700
Web Application Server Equipment	$125,000	$0	$125,000		$125,000
Webcasting	$150,000	$0	$150,000		$150,000
Storage Area Network	$0	$325,000	($325,000)	-100%	$0
eAps for Procurement Life Cycle	$0	$500,000	($500,000)	-100%	$0
Total	$1,060,000	$2,375,000(1)	(1,315,000)	-55.4%	$6,623,700(2)

(1) The 2013 Budget total includes $500,000 in the Public Safety Communications capital account which was budgeted in 2013 in the Department of Public Works – Administration Section; (2)The total does not include projects that were not funded in 2014. The total 6 year capital request for ITMD is $15.1 million.

2. Unfunded Capital Requests.

PC Replacement Cycle and Minimum Operating Standards, $525,000.

DOA-ITMD has been directed to coordinate technology across departments and to look for opportunities to share resources and reduce costs. This program would have coordinated the purchase and the replacement cycles for the computers used by various departments. It would also ensure that minimum operating standards are maintained by all departments. As technology continues to evolve and the City continues to increase the number of internal and external services that are available electronically, maintaining minimum operating standards and system compatibility throughout the City becomes increasingly important. ITMD recently reported (Common Council File Number 130485) that the City has approximately 4,760 desktop computers.

For 2014, funding related to the purchase of new computers remains in each department's budget, typically as a line item under Equipment Purchases. Funding for the purchase of computers may be consolidated in ITMD's budget in 2015.

The 6-year capital request for this program is $525,000 each year through 2019 for a total of $3,150,000.

Workplace Safety and Efficiency, $1,626,700.

This project received $750,000 in 2013 to begin to address the workplace safety-related items in the remodeling plan for the offices of ITMD on the 4th floor of the 809 Building to address. This request was supported by a 2004 space study and has been submitted each year since 2006. Due to the specialized nature of the equipment in the department, relocating to a new space that does not require substantial renovation was not generally considered to be a viable option. Additional funding of $1,626,700 will be required to complete the project.

Funding provided in 2013 is being used to update the life safety systems, bring the workspace up to code, and to provide workspace for the entire ITMD staff. (with the exception of the Unified Call Center which is located on the 10th floor of the ZMB) Work began in August 2013 and is 25% complete. The first of 3 areas is expected to be completed by early November. The remaining areas are scheduled for March or April of 2014.

Mobile Device Security Management, $160,000.

This one year project would provide security and management software for employees who use personal mobile devices to access City systems. Once the software has been installed on a mobile device, it will allow the device to be secured remotely, wiped in case of loss or theft and managed from a central location.

3. Project Updates.

Unified Call Center (UCC)

In 2010, $950,000 of capital funding was budgeted for the development of the UCC. Through the end of 2012, $905,728 has been expended. Initiatives and improvements planned for 2014 are not expected to require capital funding.

Storage Area Network (SAN) Expansion

Funding was provided in 2013 ($325,000) to replace the SAN installed in 2008 which reached its capacity in 2012. The proposed expansion project will provide increased capacity, increased redundancy and better recovery options. The expansion will allow City departments to utilize centralized network storage.

eAps for Procurement Life Cycle

Funding was provided in 2013 ($500,000) to purchase 2 FMIS modules which will help automate and integrate procurement activities. It will allow vendors to review various procurement documents directly to obtain the status updates at any point during the process.

4. Future Capital Requests.

The department has submitted 11 capital requests for various future capital projects related to databases, web applications, GIS infrastructure and mobile devices. Projects anticipated for 2015 total $3.5 million. The total 6 year capital request for projects scheduled after 2014 is $5 million. Further information about these requests can be found as an attachment to Common Council File Number 121728.

VIII. ISSUES TO CONSIDER.

1. Implications of the Milwaukee Civic Partnership Initiative on other City departments that receive contributions.

2. A mandatory meeting or meetings with all City employees regarding the budget outlook for the next 4 to 6 years. Educate and inform City employees of the structural deficit and budgetary implications.

3. Creation of a Citywide policy relating to grant-funded positions. There is no policy relating to grant-funded positions adding positions to the operating budget after grants expire places more strain on the City budget with limited operating funds.

4. Separating the Community Development Block Grant Funding Allocation Plan process from the City budget process.

5. Identifying and inventorying used IT hardware that although decommissioned by the department that purchased it may be of use to a different department.

6. ITMD has been directed to consolidate City computer and IT functions. However, no dedicated funding has been provided in ITMD to manage the physical inventory of computers. IT purchases are still distributed throughout the various departmental operating budgets.

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