

2018



Legislative Reference Bureau

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# PARKING FUND



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## 2018 Proposed Plan and Executive Budget Review

Prepared by: Aaron Cadle, Legislative Fiscal Analyst  
Budget Hearing: 10:30 am on Monday, October 16, 2017  
Last Updated: October 10, 2017

Version 1.2



**\$27,735,150**

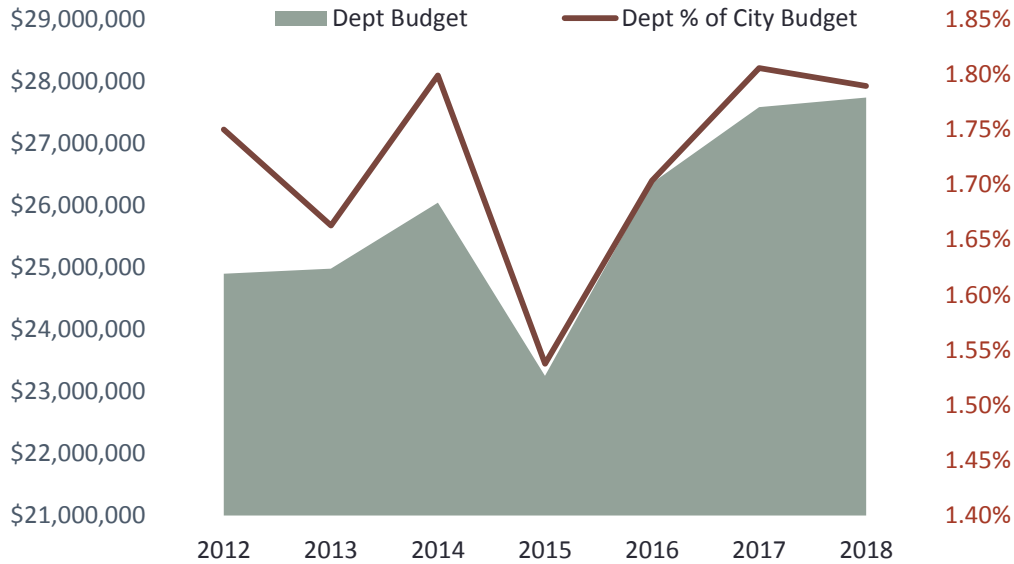
Proposed 2018 Budget

**\$154,576**

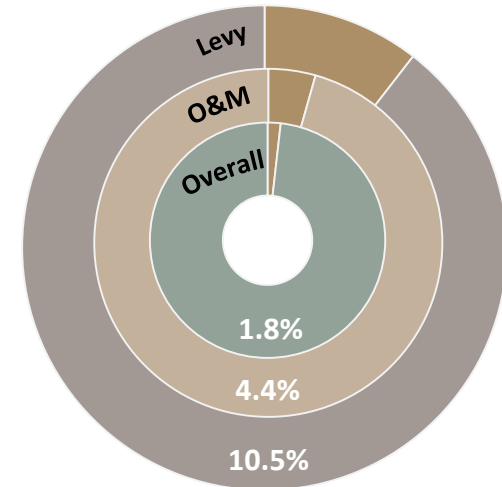
Change in Proposed Budget

**0.6%**

% Change in Proposed Budget



Departmental Budget Impact

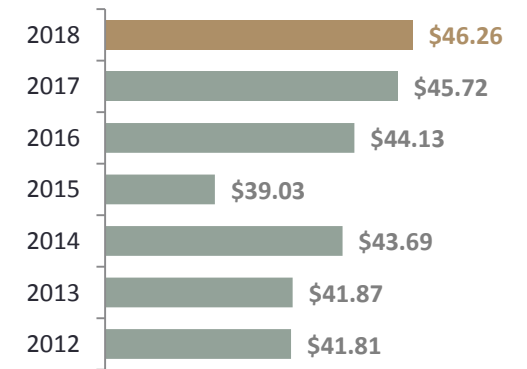


Departmental Budget Appropriation Category



\$	\$4,698,448	\$2,020,333	\$14,960,000	\$515,000	\$5,541,369
%	17%	7%	54%	2%	20%
Δ	-1.0%	-5.4%	-0.6%	479.5%	-0.4%

Budget per Capita



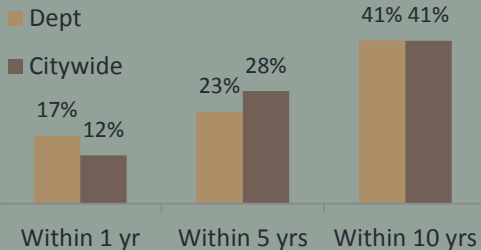
**\$-48,343**

Reduction in salaries and wages, including \$27,000 in projected overtime reductions and \$23,288 due to turnover.

**\$-115,723**

Reduction in projected fringe benefit costs due to reduction of estimated benefit rate from 45% to 43%.

**Retirement Eligible**



**0**

Change in Positions

**0.0%**

% Change in Positions

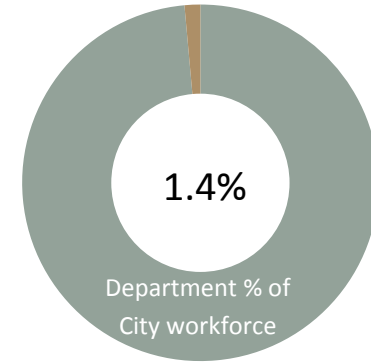
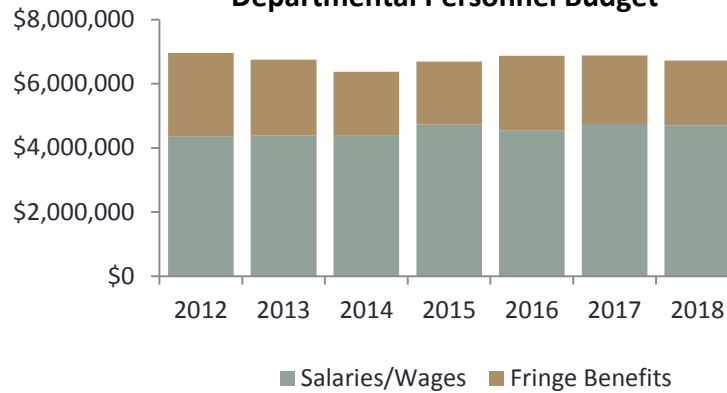
**15**

Current Vacancies

**8**

Voluntary Separations

**Departmental Personnel Budget**

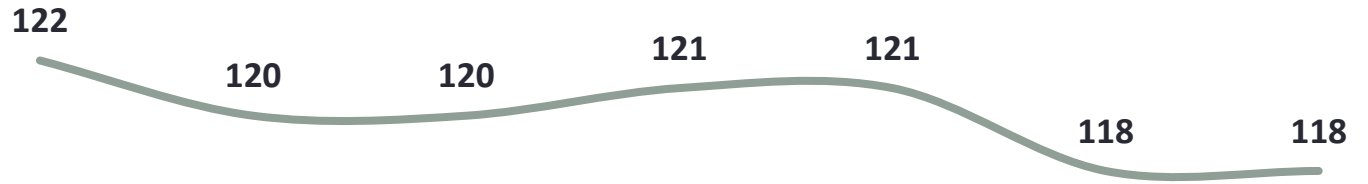


**Parking Checker Vacancies**

- As of September 13, 2017, 13 (22.4%) of the department's 58 authorized parking checker positions were unfilled.
- A class of 8 parking checkers began on September 25.

**Parking Services Ambassadors**

The department is working with DER to upgrade the duties and pay of parking checkers to make these employees Parking Services Ambassadors in an attempt to reduce turnover in this position. Parking citation revenue is projected to be \$16 million in 2018.



**Department Positions  
2012-2018**

**\$523,005**

Fund transfers projected for 2018 to fund streetcar project.

**\$3.4 million**

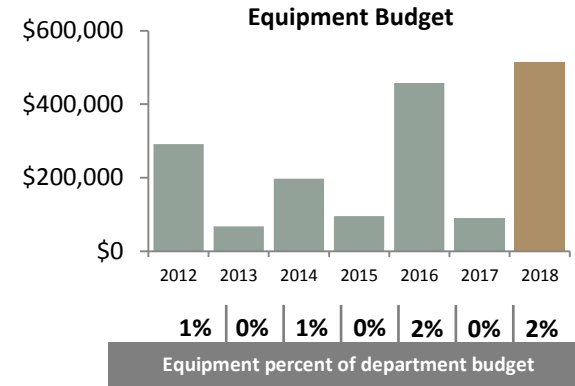
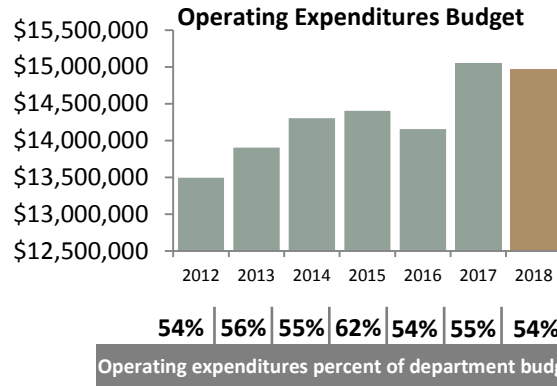
Total capital budget 2015-2018 to purchase individual space “smart” parking meters. Currently negotiating vendor contract.

**\$16,600,000**

Projected 2018 transfer to the general fund, unchanged from the 2017 and 2016 adopted budgets. The \$17 million actual 2016 transfer includes funds transferred for the City’s streetcar project.

**\$2.1 million**

2018 Proposed Budget for renovations or MacArthur Square parking structure. Total \$3.7 million for 2017 and 2018.



**Fund Transfers to Finance Streetcar Project 2017 and 2017**

- 2017 - \$574,700.
- 2018 - \$523,005.
  - \$315,000 –local match for Congestion Mitigation and Air Quality (CMAQ) grant.
  - \$208,005 – personnel salaries and fringe benefits.

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

The department plans to begin installing “smart” meters for 1,000 parking spaces in 2018 every 6-8 weeks with a goal of replacing all 7,000 of its old-fashion individual-space meters in 12-14 months.

**Parking Space Turnover Data and Smart Pricing**

New “smart” meters will be able to monitor parking space turnover and general space availability, enabling the future use of phone apps to provide users with the “odds” of finding a parking space in a particular area at any given time. Parking rates can be changed in real time for any “smart” meter at any time from a center location, making it possible to adjust meter pricing in response to demand or special events.

**Capital Spending**

Total 2018 Proposed Budget capital spending of \$3,424,500 is down \$4,915,500 (59%) from the 2017 Adopted Budget.

**491,141**

MKE Park 2017 mobile parking payment app transactions through August, 2017 – 26.5% of LUKE meter transactions.

**58.75%**

Percentage of “smart” meter transactions paid through MKE Park mobile parking payment app.

**7,000**

Approximate number of “coin” parking meters slated for replacement with “smart” meters over 12-14 months.

**\$-5.3 million**

25% decline in citation revenue from 2013 to proposed 2018.

**No Revenues Expected from Bucks Parking Structure**

The department expects to realize no revenues from its 50% of the “profits” generated by the Bucks parking structure, opening November, 2017, until the TID monies financing the structure are repaid.

**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 ready availability of “virtual” overnight parking stickers.

**Current Ratio Remains Strong**

Cash reserves were up 26% in 2016 from 2015 to \$12.8 million. LRB calculates the Parking Fund’s current ratio (a measure of the department’s liquidity and financial vitality) at 4.1: 1 for 2016.

**Payment in Lieu of Taxes**

In addition to its projected \$16.6 million transfer to the General Fund, the Parking Fund will pay a PILOT for use of City facilities of \$1.45 million. The Fund’s average annual PILOT payment from 2012 to 2016 was \$1,565,421.

**Total Parking Revenue Decline**

Projected 2018 parking revenue of \$39.2 million is virtually unchanged from actual 2016 revenues, though down \$4 million, or 9.3%, from actual 2015 revenues. Average annual parking meter revenue from 2012 to 2016 was \$42.5 million.

**Net Fund Increase**

Net fund increase for the Parking Fund for 2016, after the transfer of \$17 million to the general fund, was \$2.4 million.

<b>Income Summary</b>	<b>Actual 2013</b>	<b>Actual 2014</b>	<b>Actual 2015</b>	<b>Actual 2016</b>	<b>'17 Adopted</b>	<b>'18 Proposed</b>
Parking Citations	\$ 21,344,212	\$ 19,466,196	\$ 18,643,025	\$ 15,563,351	\$ 17,500,000	\$ 16,000,000
Parking Structures	\$ 7,175,291	\$ 6,821,100	\$ 8,092,968	\$ 7,404,939	\$ 7,454,000	\$ 6,524,000
Parking Meters	\$ 4,982,267	\$ 4,996,818	\$ 5,140,894	\$ 5,179,881	\$ 4,768,200	\$ 5,378,500
Parking Permits	\$ 4,283,438	\$ 4,055,331	\$ 4,087,152	\$ 4,552,754	\$ 4,139,500	\$ 4,647,000
Vehicle Towing	\$ 5,382,914	\$ 5,625,092	\$ 5,741,287	\$ 5,567,088	\$ 5,500,000	\$ 5,400,000
Parking Lot Leases	\$ 30,959	\$ 34,465	\$ 26,955	\$ 19,114	\$ 30,700	\$ 15,000
Miscellaneous	\$ 1,114,865	\$ 1,184,190	\$ 1,464,576	\$ 1,037,336	\$ 1,398,174	\$ 1,200,000
<b>Total Revenues</b>	<b>\$ 44,313,946</b>	<b>\$ 42,183,192</b>	<b>\$ 43,196,857</b>	<b>\$ 39,324,463</b>	<b>\$ 40,790,574</b>	<b>\$ 39,164,500</b>
TL Operating Expenses	\$ 20,720,732	\$ 20,642,009	\$ 21,194,286	\$ 21,080,883	\$ 22,015,368	\$ 22,193,781
Debt Service	\$ 2,668,981	\$ 2,749,815	\$ -	\$ 2,899,529	\$ 3,100,000	\$ 2,910,000
Payment in Lieu of Taxes	\$ 1,560,567	\$ 1,585,940	\$ 1,669,268	\$ 1,566,944	\$ 1,600,000	\$ 1,455,000
Pension Contribution	\$ -	\$ 808,000	\$ 360,000	\$ 409,000	\$ 412,920	\$ 409,081
Pay to Water Works	\$ 27,286	\$ 27,286	\$ 27,286	\$ 27,286	\$ 27,286	\$ 27,286
<b>Opr Fund Increase</b>	<b>\$ 19,336,380</b>	<b>\$ 16,370,142</b>	<b>\$ 19,946,017</b>	<b>\$ 13,340,821</b>	<b>\$ 13,635,000</b>	<b>\$ 12,169,352</b>
Capital Improvements	\$ 1,849,162	\$ 1,486,330	\$ 1,353,606	\$ 689,708	\$ 3,340,000	\$ 3,424,500
New Borrowing	\$ 1,849,182	\$ -	\$ -	\$ 6,780,000	\$ 8,340,000	\$ 3,424,500
<b>Net from Parking Fund</b>	<b>\$ (20)</b>	<b>\$ 1,486,330</b>	<b>\$ 1,353,606</b>	<b>\$ (6,090,292)</b>	<b>\$ (5,000,000)</b>	<b>\$ -</b>
<b>Net Fund Increase</b>	<b>\$ 19,336,400</b>	<b>\$ 14,883,812</b>	<b>\$ 18,592,411</b>	<b>\$ 19,431,113</b>	<b>\$ 18,635,000</b>	<b>\$ 12,169,352</b>
Transfer to Gen. Fund	\$ 18,550,000	\$ 17,425,000	\$ 17,000,000	\$ 17,008,956	\$ 16,600,000	\$ 16,600,000
Pay to Pension Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Income</b>	<b>\$ 786,400</b>	<b>\$ (2,541,188)</b>	<b>\$ 1,592,411</b>	<b>\$ 2,422,157</b>	<b>\$ 2,035,000</b>	<b>\$ (4,430,648)</b>