

**MEMORANDUM**

Thurs., October 9, 2003

To: Ronald D. Leonhardt, City Clerk  
Ald. James Bohl, 5<sup>th</sup> DistrictFrom: Marianne Celeste Walsh, Fiscal Manager  
Legislative Reference BureauRe: **24-HOUR BUSINESS ESTABLISHMENT LICENSE FEE**

Per your request, I have reviewed the City of Milwaukee's costs related to administration of the new 24-hour business establishment license as set forth in Common Council File Number 030511, a substitute ordinance regulating certain 24-hour establishments.

After discussions with the License Division-City Clerk's Office, Milwaukee Police Department, Treasurer's Office, Health Department, Department of Neighborhood Services (DNS), and Comptroller's Office, I have concluded that a fee of **\$190.00** for each 24-hour business establishment license is reasonable and justifiable.

Please be advised that the fee calculation includes the overhead cost rate to reflect the percentage of overhead cost required to support each dollar of organization direct cost, as well as fringe benefit and indirect salary rates. These cost rates are set by the Comptroller.

It should be noted that staff from the Health Department and the Department of Neighborhood Services both indicated that there appears to be no cost to their operations directly related to the 24-hour business establishment license. Hence, the fee calculation does not reflect any costs for the Health Department or DNS.

**Breakout of License Fee Costs:**

|                                       |                 |
|---------------------------------------|-----------------|
| License Division-City Clerk's Office: | \$88.34         |
| Milwaukee Police Department:          | 74.96           |
| Treasurer's Office:                   | 26.69           |
| <b>TOTAL:</b>                         | <b>\$189.99</b> |

|                     |                 |
|---------------------|-----------------|
| <b>LICENSE FEE:</b> | <b>\$190.00</b> |
|---------------------|-----------------|

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**Detailed Breakout of 24-Hour Business Establishment License Fee****License Division-City Clerk's Office:**

Salaries: \$26.00 (License Coordinator, SG 4)  
17.32 (License Specialist, SG 455)  
Salary Total: \$43.32  
Overhead: 20.52 (47.37%)  
Indirect Salary: 6.44 (14.86%)  
Fringe Benefits: 18.06 (41.68%)  
TOTAL COST: \$88.34

**Milwaukee Police Department:**

Salary Total: \$40.00 (Personnel from License Investigation Unit and  
Administrative Services Division, per Deputy Inspector Raymond Sucik)  
Overhead: 8.52 (21.31%)  
Indirect Salary: 11.46 (28.65%)  
Fringe Benefits: 14.98 (37.44%)  
TOTAL COST: \$74.96

**Treasurer's Office:**

Salary Total: \$16.43 (Teller, SG 445)  
Overhead: 0 (Not Applicable)  
Indirect Salary: 3.16 (19.23%)  
Fringe Benefits: 7.10 (43.26%)  
TOTAL COST: \$26.69

**LICENSE FEE TOTAL: \$190.00 (rounded upward from \$189.99)**