

2017



Legislative Reference Bureau

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# DEPT OF ADMINISTRATION

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## 2017 Proposed Plan and Executive Budget Review

Prepared by: Tea Norfolk, Legislative Fiscal Analyst

Budget Hearing: 9:30 am on Thursday, October 6, 2016

Last Updated: October 4, 2016

**Final Version**



**\$13,713,494**

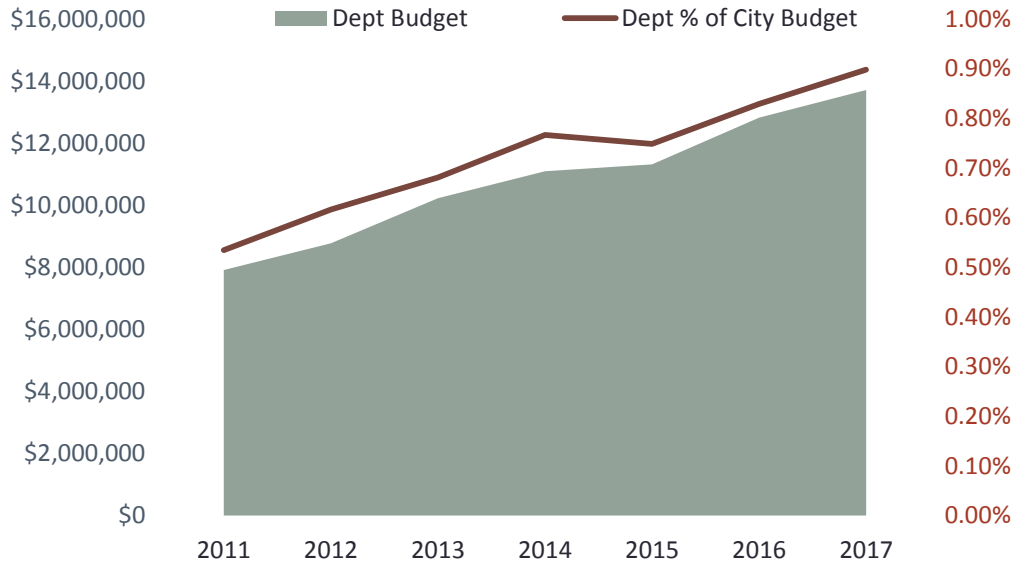
Proposed 2017 Budget

**\$890,926**

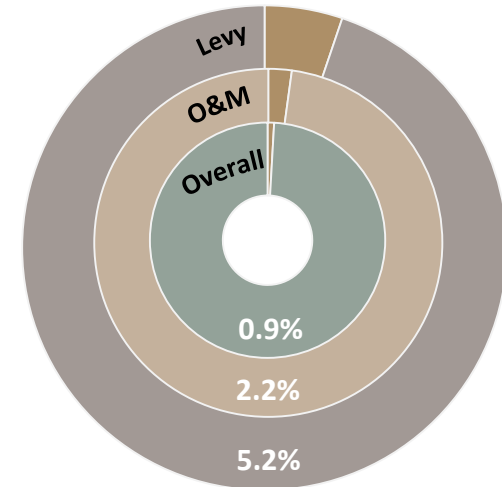
Change in Proposed Budget

**6.9%**

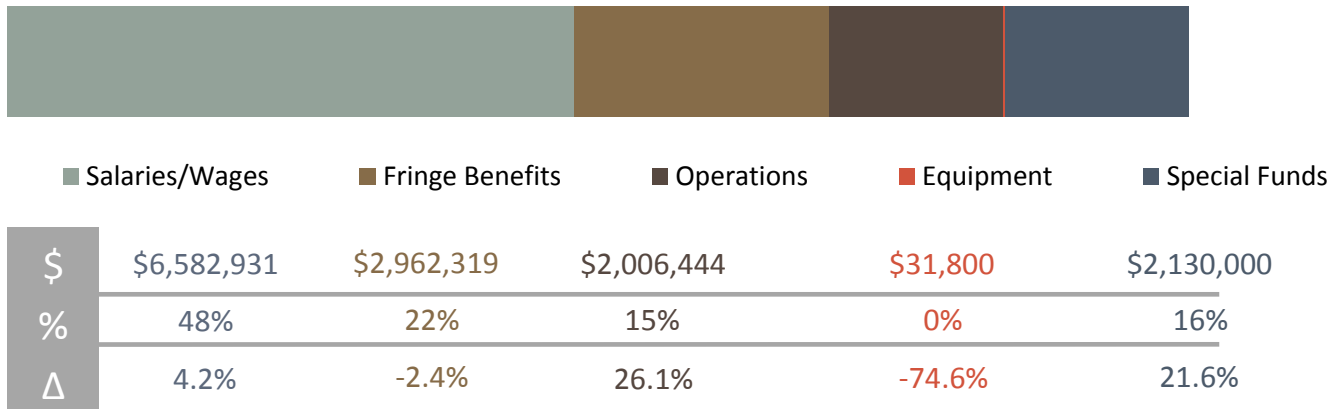
% Change in Proposed Budget



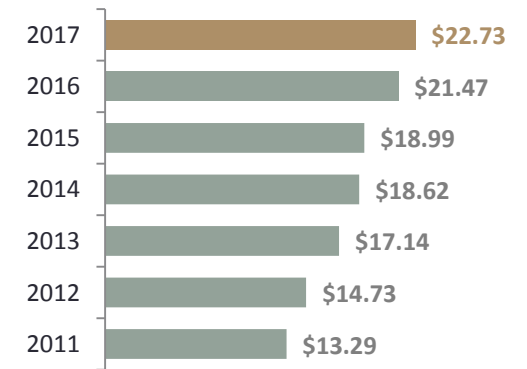
Departmental Budget Impact



Departmental Budget Appropriation Category



Budget per Capita



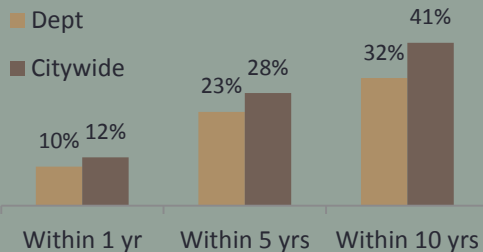
**-\$71,322**

The amount fringe benefits decreased (-2%) in the 2017 Proposed Budget for the department.

**\$262,845**

Increase in salaries proposed for the department, up 4% from the amount allocated in 2016.

**Retirement Eligible**



**8**

Change in Positions

**5.5%**

% Change in Positions

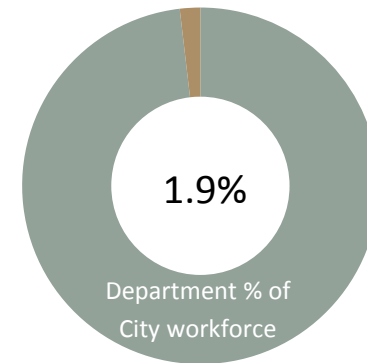
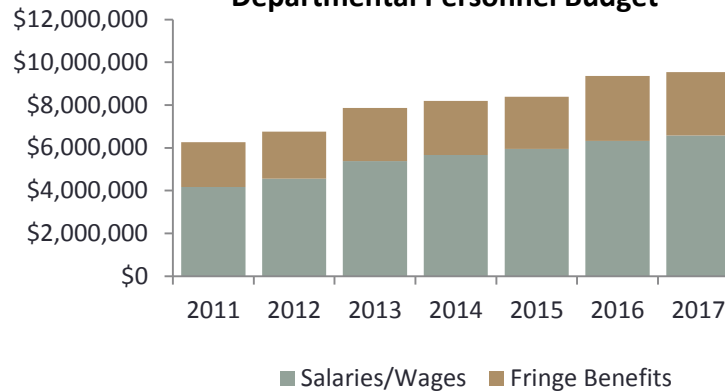
**15**

Current Vacancies

**6**

Voluntary Separations

**Departmental Personnel Budget**



**Proposed New Positions (8)**

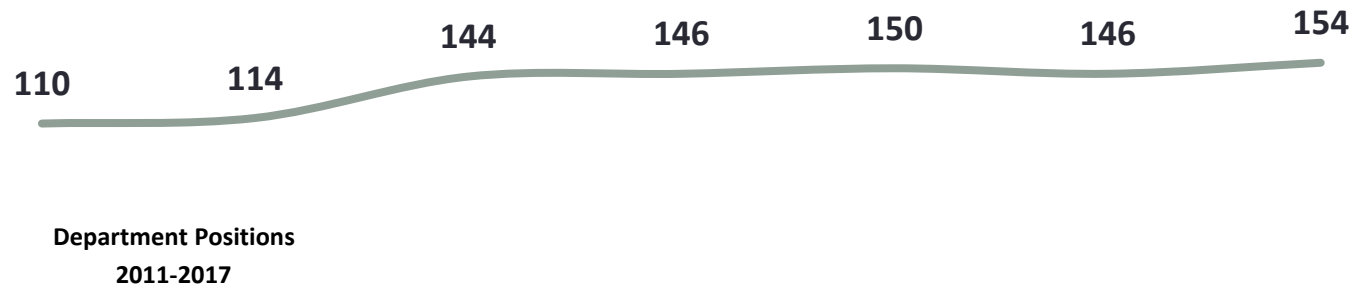
- 1 – Administrative Specialist Senior
- 7 – Equal Rights Commission (unfunded)

The Administrative Specialist Senior is an upgrade for one employee; authority for prior title was retained but not funded, resulting in net increase. Equal Rights Commission positions (7) were moved from the Department of Employee Relations.

**Proposed Reclassifications (3)**

- 2 – Intergovernmental Policy Manager
- 1 – Project Coordinator

The Intergovernmental Policy Managers are to be reclassified in IRD (formerly Legislative Fiscal Manager and Legislative Fiscal Manager Senior). The Project Coordinator is to be reclassified in ITMD (formerly Systems Analyst/Project Leader).



**-\$17.6 million**

Proposed amount the Wages Supplement Fund SPA is decreased (-94%) from the amount allocated in 2016.

**\$3,045,000**

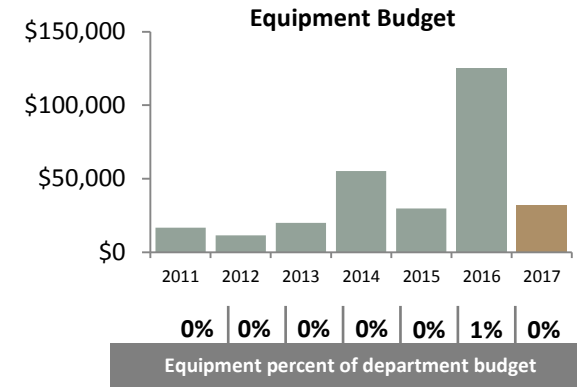
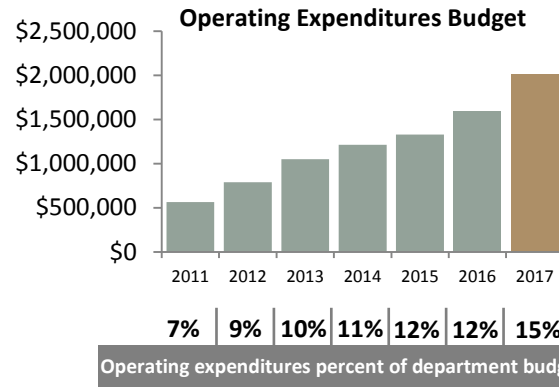
Capital improvements funding for 8 DOA projects. FMIS upgrade (\$1.3 million) was a scheduled upgrade that had been planned for previously.

**\$20.3 million**

The total anticipated amount of HUD entitlement funding (CDBG, HOME, ESG, HOPWA, and SAMHSA) for 2017.

**\$45.2 million**

The department's 2017 Grant and Aid budget – an increase of \$2.9 million (7%) from 2016.



**Revenue**

- \$80,500 – Charges for Services
- \$342,200 – Property Sales

The 2017 Proposed Budget estimates that \$422,500 will be generated in revenues by the department, a \$309,800 (42.3%) decrease from the 2016 Budget estimate.

**Special Purpose Accounts**

- \$50,000 – Children’s Savings Account
- \$27,000 – E-Civis Grants Locator
- \$70,000 – E-Govt Payment Systems
- \$0 – Job Scan, Industry Assmnt & Eval\*
- \$1,200,000 – Wages Supplement Fund

\* Part of Compete Milwaukee Initiative.

**Grants**

- \$1,564,500 – HUD Entitlement Program Adm. (CDBG, HOME, ESG, HOPWA) – CDGA
- \$73,892 – Adm. Of U.S. Dept. of Health & Human Services (SAMHSA) – CDGA
- \$202,000 – CDBG Funds – BOD-OSBD

**Capital Requests**

- \$300,000 – IT Upgrades
- \$575,000 – Public Facility Communications
- \$200,000 – Corp. Database Server Upgrade
- \$250,000 – CSWAN-COMON Upgrade
- \$1,300,000 – FMIS Upgrade
- \$170,000 – City Assessor Modernization
- \$150,000 – Open Data Dashbd & Analytics
- \$100,000 – Better Buildings Challenge

**21.6%**

The proposed increase in special funds over the Adopted Budget for 2016.

**\$310,000**

Proposed ADA Compliance special fund for an independent licensed architect and training for employees who regularly come in contact with disabled individuals.

**\$250,000**

Cost savings in 2015 from mandated use of recycled printer toner. In 2017, Purchasing anticipates an additional cost savings of \$200,000.

**\$500,000**

Anticipated revenue over 5 years from agreement with Verizon Wireless to rent space on City's streetlight poles for technology to serve its customers.

**Special Funds**

- \$35,000 – ME3 Program
- \$50,000 – Continuum of Care
- \$25,000 – Milwaukee Fatherhood Initiative
- \$1,435,000 – Enterprise Resource Management
- \$275,000 – Computer Maintenance/ Upgrade
- \$310,000 – ADA Compliance Architect

**Discontinued Special Purpose Accounts**

Summer Jobs for Adults Initiative was created in 2015 and In School Youth Program was created in 2016, both as part of the Compete Milwaukee initiative. They are both discontinued in 2017.

**Children's Savings Accounts**

Starting in the 2017-18 school year, MPS kindergarteners will be offered \$25 apiece as a seed deposit to start a college fund. Families can contribute to and receive matches for this fund. The program is a public-private partnership with City government, MPS, the Greater Milwaukee Foundation, the United Way, and other community stakeholders. The \$50,000 special purpose account assists with implementation and administrative costs. Seed deposits and matching funds will be provided by partner organizations.

**Sustainable Pension Financing**

Annual budget for employer pension contributions has been essentially stable at approximately \$60 to \$63 million since the 2013 adoption of a stable employer contribution policy; the City will continue to contribute the employer share of cost after the system's funded status returns to 100%.

**Purchasing Division**

The 2017 Proposed Budget includes funding to continue the use of BonFire, a web-based solution that streamlines the RFP process, reducing time needed to process and score proposals and make RFP more efficient. The RFPs in the 2015 pilot experienced a 48% decrease in processing time and 30% decrease in time spent evaluating proposals.

**Office of Small Business Development**

In 2015, loans totaling more than \$50,000 were issued to small businesses, with another \$122,000 available for 2016 and \$90,000 available for 2017.

OSBD works with DCD to track and report on the Residents Preference Program (RPP). In 2015, RPP workers completed 296,000 hours of work, or 41% of the total work hours, on eight private development projects.

**Environmental Collaboration Office**

The Me3 program helps manufacturers reduce costs by reducing waste, pollution, etc. In 2016, Me3 supported the largest rooftop solar installation in the City at Jonco Industries. The 2017 Proposed Budget includes \$35,000 of tax levy funding to continue this program.

The Milwaukee Shines solar program facilitates group buys to make solar panels more affordable for homeowners. Through 2015, Milwaukee Shines has helped 92 homeowners install solar.

In 2015, HOME GR/OWN converted 21 vacant lots into green infrastructure, pocket parks, orchards, and community gardens. In 2016/17, HOME GR/OWN plans to concentrate vacant lot beautification on commercial corridors.

ECO’s intervention in the 2014 WE Energies rate case has prompted WE Energies to create a new rate tariff that saves the City \$800,000 annually on electricity costs for streetlights.

**ITMD**

**Update**

The 2017 Proposed Budget moves \$198,000 in IT funding from DNS to ITMD for a net savings of over \$40,000. IT staff from DNS transferred to ITMD in 2016.

In 2016, ITMD worked with DNS, DCD, DPW, Health, and City Clerk to implement a new Land Management System to create one unified system, to be completed in 2017. In 2016, ITMD also upgraded the Human Resources Management System and planned for implementation of the City Treasurer’s new tax collection system in 2017.

The 2017 Proposed Budget provides \$2.9 million for other ITMD projects, including updating software and replacing equipment.

**Unified Call Center**

During the first half of 2016, service and information requests from Click for Action and other web channels increased 5% over the first half of 2014. The percentage of abandoned calls decreased from 7% to 4.6% over the same time period. The UCC handles more than 90% of parking information, permission, and complaint calls.

**Land Management System**

The 2017 Proposed Budget includes the first year of annual maintenance costs (\$366,000) for the new Land Management System, which will be used by multiple City departments.

**Key Performance Measures**

Measure	2015 Actual	2016 Projected	2017 Planned
Percent of tax levy allocated to debt service and employer pension contribution	45.9%	47.4%	2.5%
Jobs created & people placed through CDBG and HOME	551	450	450
Firms receiving SBE certification (new & renewed)	63	60	60
RPP hours worked as percent of total project hours	41%	40%	40%
Speed time response at UCC	0:33	0:30	0:30
Days needed to resolve IT service requests	6.5	6	6
Number of homes receiving energy effic’y upgrades Me2	20	40	75
Number of manufacturing firms receiving Me3 grants	6	5	5