



City of Milwaukee Meeting Minutes

200 E. Wells Street
Milwaukee, Wisconsin
53202

FINANCE & PERSONNEL COMMITTEE

ALD. MICHAEL J. MURPHY, CHAIR
Ald. Michael S. D'Amato, Vice-Chair
Ald. Joe Davis, Sr., Ald. Robert Donovan, Ald. James Witkowiak

Staff Assistant, Terry MacDonald
Fax: (414) 286-2233, E-mail: tmacdo@milwaukee.gov
File Specialist, Charlotte Rodriguez, E-mail: crodri@milwaukee.gov

**Italicized comments following the titles of Council files are explanatory only and not intended to limit the scope of the debate or any possible amendments.*

Friday, October 1, 2004

9:00 AM

Room 301-B, City Hall

BUDGET HEARINGS

Meeting Convened: 9:08 A.M.

Members Present: ALD. MURPHY, ALD. D'AMATO, ALD. DONOVAN and ALD. WITKOWIAK

Members Excused: ALD. DAVIS

1) [040795](#)

Communication from Mayor Tom Barrett transmitting the 2005 Proposed Budget for the City of Milwaukee.

[2005 Proposed Plan & Executive Budget Summary.doc](#)
[Comparison of the 2005 Proposed Expenditures and Funding Source with prior years](#)
[10-1-04 Budget Overview - 2005 Proposed Budget powerpoint presentation.ppt](#)
[10-7-04 letter from DPW employees.PDF](#)
[10/12/04 Dept. Employee Relations and Employee Benefits powerpoint presentations](#)
[10-7-04 DPW-Sanitation presentation.ppt](#)
[10-15-04 ERS 2005 Budget Presentation.ppt](#)
[040795 Ald. Hines 2005 Budget News Release 9-23-04.pdf](#)
[10-22-04 DCD's 2005 budget presentation.ppt](#)
[11-4-04 2005 Budget Amendments 1-77.pdf](#)
[11/4/04 Amendments to the Amendments.PDF](#)
[Municipal Court-Fiscal Report.PDF](#)
[Municipal Court-Map.PDF](#)
[Department of Employee Relations-Fiscal Report.PDF](#)
[DER-Employee Benefit Accounts-Fiscal Report.PDF](#)
[Port of Milwaukee-Fiscal Report.PDF](#)
[Deferred Compensation-Fiscal Report.PDF](#)
[Grant & Aid Fund-Fiscal Report.PDF](#)
[Comptroller and Public Debt-Fiscal Report.PDF](#)
[City Debt-Fiscal Report.PDF](#)
[Delinquent Tax Fund-Fiscal Report.PDF](#)
[City Revenues-Fiscal Report.PDF](#)
[Tax Stabilization Fund-Fiscal Report.PDF](#)
[Common Council Contingent Fund-Fiscal Report.PDF](#)
[Mayor's Office-Fiscal Report.PDF](#)
[City Clerk's Office-Fiscal Report.PDF](#)
[Election Commission-Fiscal Report.PDF](#)
[City Attorney-Fiscal Report.PDF](#)
[Assessor's Office-Fiscal Report.PDF](#)
[DOA-Fiscal Report.PDF](#)
[DPW-Administration-Fiscal Report.PDF](#)
[DPW-Sanitation -Fiscal Report.PDF](#)
[DPW - Forestry Executive summary.PDF](#)
[DPW-Forestry-Fiscal Report.PDF](#)
[DPW-Bldgs and Fleet-Fiscal Report.PDF](#)
[Capital Improvement Plan.PDF](#)
[DPW-Infrastructure-Fiscal Report.PDF](#)
[DPW-Sewer Maintenance Fund-Fiscal Report1 \(6\).PDF](#)
[DPW-Parking-Fiscal Report.PDF](#)
[DPW-Water Works-Fiscal Report.PDF](#)
[Employes' Retirement System-Fiscal Report.PDF](#)
[Policemen's Annuity & Benefit Fund-Fiscal ReportPDF](#)
[Treasurer-Fiscal Report.PDF](#)
[Health-Fiscal Report.PDF](#)
[Department of Neighborhood Services-Fiscal Report.PDF](#)
[Department of City Development-Fiscal Report.PDF](#)
[Special Purpose Accounts Overview & Misc. SPA'S-Fiscal Report.PDF](#)
[Communication from Chief Wentlandt-Fiscal Report.PDF](#)
[Communication from Health Dept.PDF](#)
[E-mail Communication.PDF](#)
[Communication from City Engineer.PDF](#)
[Communication from Office of the Chief-MPD.PDF](#)

[MPD-Communication re: 2005 Budget.PDF](#)
[Fire Department-Fiscal Report.PDF](#)
[Library-Fiscal Report.PDF](#)
[Police Department-Fiscal Report.PDF](#)
[Part 1 and 2 Approved amendments & 24 hr. Amendment Pack 1 & 2 and more.PDF](#)
[11/12/04 Comptrollers Office letter.pdf](#)

President Hines appeared and addressed the Committee. He thanked the members for their willingness to serve on the Finance & Personnel Committee. He also thanked all the city departments for their role in putting forth this budget in collaboration with the Mayor. He then continued with his comments regarding the 2005 proposed budget.

Also appeared: Mark Nicolini, Director (DOA-Budget), Wally Morics (Comptroller's Office), Marianne Walsh, Manager (Fiscal Review)

BUDGET OVERVIEW

Mark Nicolini and Marianne Walsh appeared.

Mr. Nicolini, Budget Director, introduced his staff and then gave a Powerpoint presentation entitled, "2005 Proposed Executive Budget", which included numerous supporting graphs relating to appropriations, expenditures, revenue sources, economic and fiscal context, property tax levy and rate, etc. He noted that this budget can be summarized in the following five key points: "Delivers Property Tax Relief", "Controls the cost of City Government", "Focuses funding on service priorities", "Limits new borrowing" and "Transition Budget to 2006-2008 Plan". He continued his presentation by discussing the "Local Economic Context" relative to the strong property value growth that has continued, which has reflected in the increase in property values. He stated that the negative household income trend, which has fallen by 33,900 households in 2000 and 32,300 households in inflation-adjusted terms in 2003 and as a result of that the City has housing value/income trends moving apart, the ratio being a 3 to 1 level. On a positive side there has been a slow rebound in employment, the city was up 10.7% one year ago and has declined to 8.7%, which is still too high, but from a statewide prospective the manufacturing outlook has improved. The Departments revenue is projecting an 11% increase in exports in 2005. He then referred to the Terms of Fiscal Context in regards to the historical state/local relationship relative to shared revenue to equalize taxes for local services in exchange for limits on "own Source" revenue authority. In 2003-2005 there was a \$19.5 million decline in shared revenue payments to Milwaukee and is the major factor in respect to rating agencies in term of evaluation of the city's potential credit risk. He then referred to the 2005 Revenue Sources Budget Request Summary and a graph showing the trends in intergovernmental aid, noting a property-tax supported budget of \$8 million and property-tax levy of \$2 million. And in the past 5 years, the charges for services have been taken a larger role, and have grown to \$60

million from a \$34 million base line in 2000 or 75%. He then referred to the 2005 Budget request Summary, noting a Property Tax Supported Budget of \$858 million, with a Property Tax Levy of \$229 million. He gave a brief summary of the Structural Budget Basics relative to Revenues and Expenditures, Structural Budget Results and referred to an Estimated Structural Imbalance. He referred to a three year fiscal plan that Ald. Hines mentioned earlier, noting that the goal is to improve the budget's sustainability over a 3-year time period. He then referred to the 2005 Proposed Budget "Bottom Line" advising that the Total Budget is 1.6% above the 2004 level. This is due in part due to the tax levy going up 2% and the tax levy increases by \$4 million and there is no increase to the major user fees. He noted that they are focusing on priorities, such as: Public Safety, Neighborhood Quality, Education and School Readiness, Economic Development and Infrastructure.

MAYOR'S OFFICE

Patrick Curley (Mayor's Office), Jennifer Meyer and Emma Stamps appeared.

Ms. Meyer gave a brief overview, noting the 2005 Proposed Budget is \$1.05 million an increase of \$96,432 or 10.11% from 2004. These changes are due to salaries and benefits. Ms. Stamps then recited her fiscal highlights, noting in addition to Ms. Meyer's comments, the Mayor's Office 2005 total operating expenditures are expected at \$43,450 compared to \$44,697 in 2004. She noted that the increase in U.S. postage is also responsible for the 2005 increase. She further noted that Property Services provides \$14,200 for Telephone Services, a budgetary item previously funded in the Reimburse Other Departments. She also noted that the significant increases in salaries are due to adjustments in pay scales for 2004 and 2002.

Ald. D'Amato asked if it is fair to say that the 10% increase in the Mayor's budget is mostly from salary and wages and is reflective of a 12 month budgeting for staff, versus a 9-10 month cycle and not because of any additional staff or any staff making more wages. Ms. Meyer and Ms. Stamps concurred.

Chairman Murphy asked what is the status of the performance audit that the Mayor is planning to conduct. Mr. Curley replied that they are talking to a number of foundations and are continuing those conversations with them as well as with UWM and they hoped that they can move on such an audit in early 2005. He also noted that they will be working closely with the Finance & Personnel Committee members and the president of the Council before they announce an initiative and move forward with it.

Chairman Murphy asked what is the intention of Mayor Barrett on the organization that lobbies on behalf of major large cities across country. Mr.

Curley replied that they haven't decided yet. Ms. Meyer's advised that it cost \$35,000 a year to join the U.S. Conference of Mayors.

Chairman Murphy commented that the mayor's office has taken a very positive initiative on contacting 22,000 businesses to seek their input on ways cities can help small businesses, mainly in improving the climate. He asked how many responses have been received, how far along is the project, how is it going and if they could supply the council members with that information? Mr. Curley replied that they have received quite a few phone responses and they will forward the information to the council members.

Alderman D'Amato commented about the Mayor's introduction of a lobby ordinance and he noticed that there were no funds reflected in any of the departments' budgets for the staffing that will be needed to do the registration, review and research of lobbyist. Mr. Curley replied that they didn't want to get ahead of themselves. Ms. Meyer replied that there are some funds budgeted in the Election Commission under the contracting consultant budget. She also noted that there is a footnote in the City Clerk's Office, License Division, for funding of a part time person to review that information if the ordinance passes.

Alderman D'Amato asked how the mentor program and tax credit is being structured. Mr. Curley replied that there would be an agreement with the tutor, that if the tutor complies and meets the requirements of the program, a two party check will be issued to the tutor and the City. The payment is directed toward their taxes.

CITY CLERK

Ronald Leonhardt-City Clerk, Barry Zalben - Manager (City Clerk - Legislative Reference Bureau) and Joe Pecor - Publications & Info. Manager (City Clerk - Public Relations), John Ledvina and Angelyn Ward appeared.

Mr. Ledvina read his budget overview, noting that the 2005 Proposed Budget is a \$6.7 million decrease of \$498,000 or 7% from 2004. Grant funding of \$44,000 supplements the City Clerk's operating budget. There is no capital funding included in the proposed Common Council/City Clerk's budget. In addition the Common Council/City Clerk's budget has an expenditure authority of \$417,000 in several Special purpose Accounts. This funding will enable the Common Council/City Clerk to perform its legislative and constituent service and public information functions in an effective manner. He then noted that there were a number of changes that took place in 2004 including the elimination of 2 Aldermanic Districts and the position of the Finance & Personnel Committee Special Assistant. Other changes includes a reduction of City channel discretionary programing, while continuing official

meeting telecast, the realigning of the council records section into a component of the Central Administration Division and realigning the Legislative Reference Bureau staff to meet the budget constraints while still providing flexibility for analysis and special requests. Ms. Ward then gave a summary of her fiscal report. She reiterated what Mr. Ledvina stated and then added that in order to meet the Mayor's budget allocation for 2005 there were a number of changes, primarily in positions. The positions being eliminated are, Communication I, Council File Specialist, Production Services Coordinator, two Production Technician, Office Assistant III and two Fiscal Review Analyst positions. Of those positions mentioned a number of those aren't vacant, including the Production Service Coordinator and the two Production Technicians. She also noted the projected revenue for 2005 is \$5.3 million, a decrease of \$25,235 from 2004.

Mr. Leonhardt appeared and addressed the Committee. He noted that he presently is not in favor of the budget he originally submitted. He noted that a lot of changes have taken place since he was requested to present the Common Council/City Clerk's Office 2005 budget allocation. He discussed that as he looks at the overall budget as it had been proposed by the Mayor, with the cuts that have been proposed for various city departments and the increases that are being given to some city departments, he doesn't recommend the budget as it stands. They have had to recommend severe and substantial cuts in certain services to the public and Council. The cuts are primarily in two areas Public Relations and Legislative Reference Bureau. They cut four positions in their Public Information Services, which includes three layoffs. This will also reduce television news programs through channel 25 and resulted in a reduction in the staff for writing news releases and newsletters, a means of communication to the general public. They also reduced funding for Aldermanic Newsletters and no funding was budgeted for the Call for Action booklets. In the area of research support and budget analysis, they had recommended three cuts in the Legislative Reference Bureau and that would include one layoff. He noted that these cuts will cause a reduction in levels of service that they will be able to provide to the Council and the members of the public. He asked the Committee to find a way to restore some, if not all those proposed cuts, during the Committee's budget consideration.

Mr. Zalben appeared and addressed the Committee. He commented that they are currently in a terrible fix. They have two vacancies that are scheduled for elimination and currently they are having a hard time keeping up with demand. One of the vacancies occurred in March and the other in July of 2004. They have a substantial backlog right now in legislative research requests and GIS mapping requests. They are trying to keep up, but they are also currently dealing with the budget. He then noted that they just don't have enough staff. He asked that the Committee consider restoring part, if not all, of the positions eliminated in the Bureau.

Mr. Pecor appeared and addressed the Committee. He commented that eliminating the supervisor's position would definitely cause a hardship on the Public Relations Div. He noted that with two people there is a check and balance that would be lost and also with vacation and sick time that would leave no one there and the news can't wait. Mr. Pecor asked that the Committee reconsider eliminating that position.

Ald. D'Amato referred to the list that he received from the City Clerk and noted that the City Clerk's Office decreased their budget by 13% from 2002 to 2005. Mr. Leonhardt noted that it would be 13% if the 2005 Proposed Budget were approved as submitted. Ald. D'Amato asked Mr. Leonhardt to run through the 2002-2005 list of positions eliminated in the Common Council/City Clerk's Office. Mr. Leonhardt read from the list. He noted that they had maintained the hiring freeze the Finance Committee requested, so they currently have a number of vacancies still open.

Mr. Leonhardt referred to the lobby ordinance and stated that in the License Division Budget they hadn't eliminated any position, but they did reduce funding for a License Specialist based upon some anticipated vacancies and again to meet their allocation. They would all be vacant positions when they occur for the remainder of the year. But if the lobbying ordinance is passed by the Council they would need funding for those positions restored to full level. They believe they could implement the lobbying ordinance without additional positions, but would need the existing positions fully funding.

Ald. D'Amato questioned the revenue reduction. Mr. Leonhardt replied that is due to some licenses expiring every two years. The revenues change every year, with one up and the next one down.

Chairman Murphy asked Mr. Leonhardt if he could elaborate a bit on what the impact would be to Channel 25 due to the changes in positions? Mr. Leonhardt advised that three of the positions that are to be eliminated were added in 2003 for the purpose of adding more news and programs, such as the CityScene Inside Milwaukee. He noted that if the positions are eliminated, they would have to eliminate those programs.

Chairman Murphy asked Mr. Pecor how many calls do they get for the Call for Action Booklets. Mr. Pecor replied that every Alderman has requested the booklets and they have a tremendous amount of other requests for the booklets. He noted that they also have some booklets left over from former Council members and people are asking for those. Alderman Witkowiak commented that they get more phone calls, since those booklets have not been updated and sent out. He feels that it would be a mistake to eliminate those booklets.

ELECTION COMMISSION

Ms. Lisa Artison - Exec. Director (Election Commission), John Ledvina and Angelyn Ward appeared.

Mr. Ledvina gave a summary of his budget highlights, noting that the Election Commission's 2005 Proposed Budget totals \$1.1 million, a 31% decrease from 2004. The decrease is largely due to the bi-annual election cycle. In 2005 there will be a spring primary and general election that will include school board members, circuit court judgeships and an Associate Supreme Court Justice. He also noted that the position changes are due to a reduction of 40 temporary Office Assistant who helped with the 2004 elections. In 2005 the Election Commission will continue its efforts to implement the provision of the Federal Help America Vote Act of 2002, including participation in the statewide voter registration initiative. Ms. Ward then read her fiscal report, noting that their 2005 proposed operating budget is \$1 million, a decrease of 33% from the 2004 budget.

Ms. Artison appeared and addressed the Committee. She briefly summarized the 2004 elections and their preparations for the Nov. 2, 2004 election. She then noted that after the November 2004 general election, they would start their preparations for the 2005 spring elections. She advised that in view of recent reports associated with the conduct of various voter registration efforts and as a result of her observation as they approach the primary she convened a summit of representatives from each of the local voter registration groups here in City Hall on September 10, 2004. She also extended invitations to the City Attorney's Office, the Dist. Attorney's Office and the executive director of the State Elections Board. She further noted what was discussed at that meeting. The staff of the Election Commission is tremendously talented and committed team.

Ald. D'Amato commented that the intimidation by certain groups has already begun to intimidate uneducated first time voters not to vote in the next election. He hopes it doesn't discourage the City's efforts to make sure every citizen in this City has an opportunity to vote.

Chairman Murphy first sent the Council's appreciation to all the poll workers for their hard work. He then asked Ms. Artison what efforts the Election Commission is making to recruit more poll workers. He noted that they have a very dedicated group of senior citizens, who has taken up the burden of providing this service to our community, but it is hard work and they really need some younger workers. Ms. Artison replied that their focus right now is to get through the November election. For that they will require 1240 poll workers and they are about 110 short right now. They need 313 registrars, one for each ward and they are about 91 short right now. They are recruiting

primarily to fill those holes. They realize that as soon as the election is over they will have to develop some mechanisms to recruit people on an on going basis and to address what Chairman Murphy mentioned. They will be working with the corporate and educational community here in Milwaukee. They also have reached out to some special interest groups to try and set something up, for instance the Hmong Friendship Association. They realize that Hmong are a growing population and want to involve them, and they can also offer translator services. Ms Daisy Cubis from the Mayor's office is also working with the Election Commission to develop mechanisms for the Mexican American community. Chairman Murphy asked that Ms. Artison include the Council members in their efforts and requested her to write an article for their respective newsletters asking for people to contact the Election Commission. He also suggested that she go to the unions and they can put something in their newsletters.

CITY ATTORNEY

Grant Langley, Barbara Woldt, Jeff Altenburg - Community Prosecutor - Dist. Attorney's Office, Patrick Hartmann and Mark Ramion appeared.

Mr. Hartmann gave a brief overview, noting the 2005 Proposed Budget is \$6.0 million and represents a decrease of \$271,000 from 2004. He noted that some of the budget highlights include the elimination of one vacant Office Assistant II position. They reduce the cost of legal information services by \$75,000. In 2005 the City Attorney will begin charging the Tax Incremental District (TID) Capital Account for legal services provided to TIDs. These services are estimated at \$100,000. Some non City Attorney Budget items will be the relocation costs of the City Attorney's staff due to the restoration of City Hall, which will be funded in the Restoration Capital Account. And finally, the 2005 Proposed Budget provides \$1.8 million for the damages and Claims Account, a decrease of \$600,000 from the 2003 budget. This decrease is due to the city's third and final payment of \$600,000 for the settlement with the Milw. Brotherhood of Firefighters. The 2005 Special Purpose Account is adjusted to reflect the conclusion of these payments. Mr. Ramion gave his fiscal report summary, noting the 2005 Proposed Budget represents an approximate 4% decrease in operating expense from 2004 budget. The Special Purpose Accounts under the authority of the City Attorney are decreased by 12% and finally the Kohn Law Firm who is contracted to collect delinquent property taxes and accounts receivable, estimates that approximate \$6.2 million will be collected each year for 2004 and 2005.

Mr. Langley appeared and addressed the Committee. He asked the Committee to consider a technical amendment to their Budget. He noted that several years ago they took one of their Special Purpose Accounts and they broke out

from the Damage and Claims fund an amount and they established a Special Purpose Account to track payments made to counsel for police officers who are subject to criminal investigation and were exonerated or not charged or were subject to citizen complaints before the Fire and Police Commission and they were exonerated. The reason they separated the accounts are no longer present and asked that they consider folding that \$75,000 into the SPA - Damage and Claims Account and eliminate that separate Special Purpose Account. He then commented briefly on what they call in personam In-RE, which is really actions against properties, rather than against individuals. Several years ago, as a result of an initiative by the City Treasurer and working with the City Attorney's Office, they made a determination to refer all tax delinquent properties to the Kohn Law firm for in personam action, action against the individual, opposed to the property. The numbers show that it has been a successful initiative. He also briefly commented on the Nuisance Abatement Initiative. He noted that there will be some changes in the structure of nuisance abatement and they will be looking at additional resources that might be appropriately applied to the Nuisance Abatement Initiative.

Ald. Donovan asked Mr. Langley if he could bring him up to date on the new approach to nuisance abatement. Mr. Langley replied that in terms of the new approach, they are presently evaluating what they had done up to this time and are trying to identify how best to prioritize properties so that they can use their resources more efficiently. He will report back to Ald. Donovan when they have established some kind of protocol or procedure for prioritizing properties. Ald. D'Amato referred to the fiscal report and asked whether or not the City Attorney has the resources to deal with the demand. Mr. Langley replied that he allocated what resources that he could out of the 2005 Budget. He is hoping that working with the Community prosecutor will enhance those resources. He noted that he plans to train a lawyer in his prosecution office, but at this time doesn't know how much time they will have to commit to it. Ald. D'Amato asked Mr. Langley if he could put together a program for the Committee to consider as an amendment for additional funds to be put into the nuisance budget.

Ald. Witkowiak asked if the neighborhoods in the city would better be served if they could expand the Community Prosecutor Program into other areas of the City. Mr. Langley replied that he would assume that it would be a good idea. Chairman Murphy replied that the funding for that position doesn't come from the Dist. Attorney's Office, it comes from the Community Development Block Grant Funding.

Ald. D'Amato commented on the revenue received from the Redevelopment Authority for reimbursement on the first time charges for TID services and noted that he didn't see any reimbursements from Milw. Public Schools or from the Housing Authority. He then asked if the City Attorney will get

reimbursements from them. Mr. Langley replied that they are reimbursed from both, the Housing Authority which is dollar for dollar and he noted that the City has an agreement with MPS for services provided by City Atty., Comptrollers, City Services, Treasures Office, etc. and they are paid for by the interest the city receives and holds for MPS.

ASSESSOR

Mary Reavey, Dennis Yaccarino and Jeffrey Osterman appeared.

Mr. Yaccarino read his budget highlights, noting the 2005 Proposed Budget is \$4.1 million, roughly the same as 2004. He noted the major changes are a proposed permit service charge placed on all new construction and alteration permits and is expected that revenue would generated about \$550,000. The other program they are looking at is a Fair Share Program, an attempt to negotiate with tax-exempt properties for a voluntary donation in lieu of taxes. There is also a mapping change and that would be a change of position to improve the mapping process. Mr. Osterman gave a summary of his fiscal report, noting that in addition to what Mr. Yaccarino stated, he pointed out that the Department of City Dev. will reduce its expenditures for professional services by \$23,000 primarily by using existing staff to perform some functions that were previously provided by consultants. No capital projects or equipment purchases will be funded. However there is a \$45,000 in a special fund titled Maintain and Upgrade Property System. This money would be used primarily for hiring a consultant to recommend, develop and maintain new database software for the department's property database systems. This initiative is a continuation of the Assessor's ongoing efforts to improve, maintain and integrate its database systems. The department is continuing the practice of annual property revaluation, which is partly responsible for the decline in assessment appeals. This year the department has processed over 1600 appeals and of those about 50% lead to changes in assessments. The department's public information and education function continues to grow, with the number of queries on the department's web site projected to top 2 million this year and 2.4 million in 2005. The department's major 2005 Budget initiative is the creation of a service charge for its inspections and appraisals of new construction, remodeling and additions and that charge will be paid at the same time the initial building permit is issued and the code change for this would be included in the omnibus budget implementation ordinance.

Ms. Reavey appeared and addressed the Committee. She commented that since she began in 1999 they have eliminated 15 positions in her department. The allocation that was provided to them by the Acting Mayor's Pratt would have required them to eliminate another 6 positions, which she felt would seriously threaten their ability to provide fair, equitable and uniform

assessments at market value. She explained the ideal behind the service charge for inspections and appraisals of new construction, remodeling and additions. And noted that it would allow the City to recover the costs associated with the department's provision of those services. Currently, all property taxpayers subsidize inspection and appraisal costs for properties. With the new service charge, only the owners of properties for which inspections and appraisals are required would pay the costs of providing those services. Chairman Murphy asked how much would the fees generate. Ms. Reavey replied that about \$500,000 to \$600,000.

Chairman Murphy asked what is the current status of the appeals filed for this past year and what is the backlog? Ms. Reavey replied that they had received 2344 appeals and they had processed 2149 and there is 170 left as of today. They have 11 more days to process the remaining amount and she doesn't see any problem getting those through the Board of Assessors. They have made great progress on the backlog. Chairman Murphy asked how many vacancies are there on the Board of Review. Ms. Reavey advised there is one vacancy and there is an appointment going before the next Council cycle.

Ald. D'Amato asked Ms. Reavey to brief the Committee on the issues relative to the Columbus Park and the new Task Force that she had been assigned to and how it would affect the City. Ms. Reavey briefly explains what went on at the Task Force's first meeting, which they just had. She noted that the odds seem to be stacked against them, but she also seen some movement toward or a realization on the part of the legislators that something needs to be done. She noted that they are still gathering data and comments and that these senior citizen homes seem to be the biggest problem they have right now. Some of the senior residents are moving into these senior homes that are tax exempt. She feels that it should be a statewide mandate not solely an unfunded mandate for the City.

DEPT. OF ADMINISTRATION (all divisions, including CDBG)

Sharon Robinson, Cheryl Oliva, Randy Gschwind, Chris Martin, Steve Mahan, Eric Pearson and Jeffrey Osterman appeared.

Mr. Pearson read his budget highlights, noting that the 2005 Proposed Budget is \$7.2 million, a decrease of 2.3% from 2004. Positions also decreased by 3 from 108 to 105. Some of the more significant budgetary program changes include funding for both the Budget and Management Director and Legislative Liaison Director, which provides high-level staff dedicated to looking at the financial challenges of the City and Intergovernmental Relations and lobbying. The Safety Commission, which is responsible for citywide safety related duties moved from DOA back to the Police Dept. The Community Development

Block Grant Funding for Emerging Business Enterprise program is increased to reflect the benefits that program provides to businesses and residents in the block grant areas. The e-government Special Purpose Account is funded again this year to provide continuing support for expanding e-governmental capabilities. The department's 2005 Proposed Budget includes several initiatives that have no specific funding allocations associated with them, including: a.) Developing a strategic and fiscal plan to provide a "three-year stability approach to the City's budget and programs" for the 206-2008 period. b.) Implementing a comprehensive performance initiative to identify and monitor goals and outcomes for major City programs supporting strategic and fiscal goals. c.) Developing a proactive and coordinated approach to securing grant funding for the City from various Federal and State foundations and other funding sources. Mr. Osterman then summarized his fiscal report, noting that three DOA Divisions will each lose one position, but only one is currently filled. Also the 2005 Proposed Budget reclassifies 2 Budget & Management Analyst-Lead positions from salary grade 006 to Budget and Management Special Assistant at salary grade 008. The department's operating expenditures decreased by 26% with the bulk of the decrease occurring in ITMD where expenditures for outside consultants and software support cost will be reduced. The CBGA budget will increase 1.5% and the number of employees there remains the same at 15. ITMD's funding for its Enterprise Resource Management Special Fund, which supports the City's Human Resource and FMIS technology will increase \$60,000 to cover the maintenance cost for new FMIS modules that had been purchased in 2004. And finally, there are no capital improvement projects in DOA's 2005 budget.

Ms. Robinson appeared and addressed the Committee. She introduced the directors for each of the Department of Administration Divisions and commended each for their hard work in preparing the Mayor's 2005 Proposed Budget. She then noted that she doesn't have any major issues with the 2005 Proposed Budget and stated that it will provide the support they need to continue their operations and find a more cost affective ways to do business. She then briefly explained the few key initiatives in the budget that will help them move toward more sustainable future budgets.

Ald. D'Amato asked Mr. Gschwind if he had taken a look at this budget and all the IT related initiatives and spending and reviewed them. Mr. Gschwind replied that he has been working very closely with the Budget Office to determine where exactly all the IT dollars are being spent, but they haven't review those in detail as of yet. He referred to Ms. Robinson's comment earlier about their plan to form some interdepartmental and collaborating with other government entities instead of continuing to spend money on different systems and determine where they can bring it together. Ald. D'Amato asked if Mr. Gschwind to provide the Committee with a report by the time this budget is complete.

Ald. Murphy commented that the 2004 Budget combined the print shop with the police department printshop, which eliminated one, and he further commented that there is nothing in this budget on the print shop. He asked if there was any discussion on the print shop issue or the Milwaukee Public Schools print shop? Ms. Oliva replied that they are in the midst of a study on consolidating the different print shops throughout the City, They are presently in the final stages of evaluating the proposals that were received in responses to the RFP that was issued earlier this year. That RFP came after meeting with all the major Departments in the City and looking at all their printing needs, analyzing them and formulating the proposal, which is a key component to the study. They are at the point now that they can look at the different cost factors, etc. so that they can make the right decision on whether they could combine print shops.

Chairman Murphy asked if the two Budget & Management Analyst-Lead positions that are being reclassified from salary grade 006 to Budget and Management Special Assistant at salary grade 008 are comparable to other departments? Mr. Nicolini replied that he looked at the responsibility the people were doing and it appeared to him those two positions were assuming the roles that matched the description assigned the salary grade 008.

Ald. Murphy asked Mr. Mahan of the CBGA what are the percentages proposed in 2005 allocation plan committed to City Departments. Mr. Mahan replied that there would be a 3% increase due to the job initiative through Dept. of City Development. Ald. Murphy asked if the \$50,000 for the Community Prosecution Unit for both north and south sides are still in the allocation plan. Mr. Mahan replied yes. Chairman Murphy then commented that the past funding for the DA came from reprogramming funds. He then asked what was the total budget for that position this past last year. Mr. Mahan noted that the reprogramming year is June to June and advised that the total was \$125,000, but that it is not all-direct DA salary. The DA Salary for that Community activity ranges from \$60,000 to about \$75,000.

Ald. D'Amato noted that in the past the Budget noted \$1.7 million of reprogramming funds. Asked if this budget is fully confident that they will have \$1.7 million in reprogramming. Mr. Mahan replied that the last three years had produced about \$2.3 million each reprogramming cycle, less then what was appropriated in the Budget. Ald. D'Amato asked as the City's part of the three-year financial plan if they are looking at a three-year plan on spending of Block Grant Funds. Mr. Mahan replied that they are in a cycle right now of a five year consolidated plan and it is due this year. He also noted that the plan will note what is the intended use over the next five years. Ald. D'Amato asked the Comptroller how many of his staff is paid with Block Grant Funds. Mr. Morics replied about 7.5 positions. Ald. D'Amato asked if they considered

consolidation of CBGA staff and Comptrollers staff to prevent redundancies. Mr. Morics replied that the CBGA staff does reprogramming monitoring, such as looking for quality of housing, whereas the Comptroller's staff does fiscal monitoring.

A motion was made by Vice Chair D'Amato that this matter be HELD TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 4 - ALD. MURPHY, ALD. D'AMATO, ALD. DONOVAN and ALD. WITKOWIAK

Noes: 0

Excused: 1 - ALD. DAVIS

Meeting Adjourned: 12:03 P.M.

*Terry J. MacDonald
Staff Assistant*