



**Department of Administration
Budget and Management Division**

John O. Norquist
Mayor

David Riemer
Administration Director

Laura J. Engan
Budget and Management Director

June 8, 2001

Ref: 01044

MEMORANDUM

TO: Alderman Michael S. D'Amato

FROM: Laura J. Engan *Laura Engan*
Budget and Management Director

SUBJECT: Council File 010193 - Resolution Directing Expenditure of 2001 Budget Year Departmental Funds

Listed below are answers to your questions about specific proposals in the 2001 Budget Adjustment file. If you need additional information, please contact me or, if I am not available, either Sandy Rotar (x3182) or Eric Pearson (x8554) of my staff. I trust that these answers will assist you in making your decision on these files.

Department of Administration

You asked specifically about operating expenditure reductions in ITMD and BOD.

- **ITMD - \$80,0000**
No projects or services will be delayed, eliminated, or cut to achieve these savings. ITMD will achieve these savings by reducing software purchases.
- **BOD - \$19,003**
No projects or services will be delayed, eliminated, or cut to achieve these savings. BOD will achieve these savings by streamlining their business processes and doing more procurement activities on line, which reduces postage and paper costs.

Department of City Development

- **Savings from brownfield grants - 36,748 by replacing operating funds with grant funds.**
No projects will be eliminated or delayed. Because of an increase in grant funds, DCD will replace operating funds with grant funds to perform the same work. DCD continues to seek additional grants dollars for brownfields and is receiving funds through block grants, DNR, and EPA for various projects.

Election Commission

- **Reduce the use of technical consultant - \$5,000.**
The Election Commission purchases ballot counting equipment and software from Election Systems and Software, Inc (ESS). ESS also provided consulting services at election time to assist with programming and operating ballot counting machines. The Election Commission staff can now perform these functions and do not need to hire ESS for this purpose in 2001.
- **Reduce equipment replacement costs - \$10,125.**
These computers are used by part-time staff to maintain the city's voter registry database. Instead of purchasing new computers and making the replaced computers available for this purpose, five used computers were acquired from the City Attorney's Office. These computers can support the software for the voter registry database.

Fire & Police Commission

- **Reduce operating expense through reduction in printing and advertising budget - \$20,048.**
The Fire and Police Commission will print fewer copies of the 2000 Annual Report and the 2000 Public Safety Report (usually 500 copies of each report are printed) because these reports will now be available on the Internet. Hard copies of the reports will continue to be distributed to the City Clerk - Legislative Reference Bureau and City of Milwaukee neighborhood libraries.

In addition, the Commission is working with the Police Department's Print Shop to print test preparation and recruitment materials for both the Police and Fire Departments. By doing this work in-house, the Commission estimates that its printing costs for these services will be cut in half.

Health Department

- **Operating Expenditures savings of \$118,917.**
No services will be reduced or left undone in order to achieve these savings. The Health Department will achieve savings in the following manner:
 1. Use grants funds from the Consolidated Contract rather than operating funds to fund the Healthiest Milwaukee Consultant.
 2. Purchasing STD supplies with grant funds rather than with operating funds.
 3. Reducing travel and training funds.
 4. Reducing expenditures on supplies by restricting purchase to only absolutely essential supplies. Purchases for Medical and Laboratory non-drug supplies will not be affected.
 5. Reducing expenditures by not purchasing non-essential guard services at the STD Clinic.
 6. Eliminate the need to pay for temporary staff help by purchasing new lab supplies, which generates overall budget savings.
 7. Other miscellaneous reductions in operating supplies.

DPW - Buildings & Fleet

- **Reduction in fleet equipment purchases.**

The equipment involved in this proposal is listed below:

6 Automobiles	\$84,000
1 Sweeper, 3 yard	109,000
3 Tractors, Light Multi-Purpose	204,000
1 Trailer, Cable Reel	30,000
1 Truck, Aerial, 50 ft chip box	115,000
1 Truck, Aerial, 50 ft utility body	112,000
2 Dump Trucks, 2 yard	66,000
1 Pickup Truck, 9200 lb. crew cab	24,000
1 Pickup Truck, 11000 lb. utility	36,000
2 Pickup Trucks, 8600 lb. 4X2	40,000
2 Cargo Vans, 8600 lb.	44,000
Milling Machine Digital Readout	2,000
Diagnostic Tester	4,000
Alignment Rack	30,000
Band Saw	4,400
Wire Welder	6,000
EQUIPMENT TOTAL	\$910,400

- **How long will purchases be delayed and will there be long-term cost increases because of these reductions?**

Buildings & Fleet has included all of the above equipment in its fleet replacement budget in the 2002 Requested Budget.

Reducing equipment purchases in the short-run can result in increased operating and maintenance costs, but whether or not this occurs, and the magnitude of the cost increase, is a function of several factors, including the magnitude of the reduction, the type of equipment reduced, the length of the reduction, and how long replacement is delayed. The proposal is a one-year reduction in replacement of equipment that is not critical to the support of core DPW services, such as snow plowing and garbage collection.

Maintaining adequate replacement cycles for equipment is important, as we did argue last fall, which is why we did not include core equipment used for snow and ice control and garbage collection in the proposed reductions.

- **15% reduction in Custodial Services - eliminate two custodial workers.**

If this reduction occurs, 34 custodial positions will remain. In 1988 there were 29 Custodial Worker II and 33 Custodial Worker I positions. In 1996, there were 42 Custodial Worker II and 7 Custodial Worker I positions.

This reduction will impact outlying buildings such as Sanitation facilities, shops, and service buildings. Buildings & Fleet can manage this reduction by either limiting the regular Monday through Friday cleaning schedule to four days a week with only trash being picked up on the fifth day, or by lengthening the frequency of floor scrubbing/buffing (from every month to every six weeks) and stripping (from every 12 months to every 14 months).

This reduction will also impact the level of cleaning in the City Hall Complex, primarily through reduced frequency of project work such as scrubbing and disinfecting of restroom floors; scrubbing and waxing of lobbies, atrium balconies, landings and hallways; and carpet shampooing. The actual change in service levels will be determined by the level of staff vacations, sick leave, and injury.

- **10% reduction in O & M Painting - eliminate one Painter position.**

This reduction will result in not painting the interior and exterior of the sanitation yard at 33rd & Vliet, the two self help gates houses located at N. Industrial Road and W. Lincoln Avenue, and the exterior of the sanitation yard at 14th and Galena. In addition, some exterior service doors on garages, touch up on restroom stalls and minor requests for painting that come in during the course of the year would be postponed.

There were 12 painters in 1988 and 1996.

- **5% reduction in Electrical Maintenance - eliminate one electrical mechanic.**

This position is currently vacant so the impact will be minimal. Specifically, a longer response time to service needs, such as lighting ballast and circuit breaker maintenance. This affects the outlying buildings more than the City Hall Complex.

In 1990 there were 20 Electrical Mechanics and in 1996 there were 17 Electrical Mechanics. Comparison with years before 1990 is difficult because the positions were split between the Bureau of Bridges and Public Buildings and the Water Works.

ECP:dmr

Cc: Finance and Personnel Committee
Alderman Pratt

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