

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

Executive Summary: 2009 Proposed Budget – Common Council/City Clerk's Office

1. The operating budget of the City Clerk's Office increases by \$138,431 from \$8,119,600 in the 2008 Budget to \$8,258,031 in the 2009 Proposed Budget, an increase of 1.7%. (Page 2)
2. In the 2009 Proposed Budget, the number of authorized positions is 111, a decrease of 1 position from that authorized in the 2008 Budget. There are currently 4 vacancies in the department: Administrative Assistant II, Council Records Manager, Legislative Fiscal Analyst-Lead and Customer Service Representative. (Pages 2 and 3)
3. The allocation for Operating Expenditures increases from \$795,476 in the 2008 Budget to \$856,136 in the 2009 Proposed Budget, an increase of \$60,600 or 7.6%. The increase is primarily due to greater postage and printing expenses which, in 2008, were lower due to restrictions on mailings during the election cycle. The net change of all other items included in Operating Expenditures is +\$10,600. (Page 3)
4. The SPA Economic Development Committee Fund account is not funded in the 2009 Proposed Budget. The department had requested \$100,000 for 2009. The 2008 Budget allocated \$38,000 for this fund. (Page 4)
5. The 2009 Proposed Budget provides \$89,000 for computer upgrades, which is a decrease of 29% from its 2008 level. This funding will be used for hardware replacement, the on-line Legislative Notification System and software upgrades. Two of the Special Fund accounts, the Expense Fund for the Common Council President and the Legislative Expense Fund, are funded at 2008 levels. The Aldermanic Travel Fund is funded at \$30,000, \$5,000 more than that of 2008. (Page 5)
6. Funding in the amount of \$350,000 is included in the 2009 Proposed Budget for capital improvements. These funds will be used for the remodelling of the License Division. The remodelling will provide additional space, increase productivity and enhance the safety of employees. (Page 6)
7. The 2009 Proposed Budget estimates that \$6,220,470 will be generated in revenue by the City Clerk's Office. This is a 7.7% increase over the 2008 Budget estimate. The largest source of revenue is the Cable Franchise Fee (\$3,925,000), and is included in Charges in Services, followed by Licenses and Permits (\$2,149,075). (Pages 6 and 7)
8. The City Clerk's Office has employed various strategies for reducing costs while making processes more efficient and accessible to the public. Included in these are the use of E-books for Council standing committees, integration of video clips into Council and committee agendas in Legistar, increased use of the Code of Ordinances online by City departments, distribution of certain LRB materials electronically via the E-Notify system, use of online mailing services of the U.S. Postal Service as well as the use of postcards for mass mailings. (Page 7)

Research & Analysis Section – Legislative Reference Bureau

2009 Proposed Budget Summary: Common Council/City Clerk’s Office

Expense Category	2008 Budget	2009 Proposed Budget	2008-2009 Change
Operating Expenditures	\$8,119,600	\$8,258,091	+1.7 %
Capital Improvements	\$0	\$350,000	%
Revenue	\$5,774,100	\$6,190,470	+7.2%
Special Purpose Accounts	\$473,932	\$504,170	+6.4 %
O&M FTE Positions	93.0	90.5	-2.5 %

Departmental Mission Statement

The City Clerk’s Office is responsible for the day-to-day administration of the Common Council’s activities and staff, including ensuring the delivery of services to constituents, and is composed of the *Central Administration Division, Legislative Reference Bureau, License Division* and the *Public Information Division*.

Fifteen Common Council members representing 15 districts comprise the Common Council. The Common Council, along with its 8 standing committees, establishes city policy and law, oversees administration of city government, adopts the annual budget and ensures the delivery of services to constituents.

Historical Information

1. The 2006 Budget provided \$175,000 in capital improvements for a License Information System as the first stage to replace the current system in the License Division. The \$175,000 was divided into \$30,000 for a business requirements study to review city departments’ utilization and the application process, and \$145,000 for a new system. The 2007 Budget provided the remaining \$525,000 in capital funding. No funding was provided in the 2008 Budget as all funds were carried over from 2006 and 2007. The preliminary cost of the new system was \$700,000.
2. In the 2004 Budget, the number of aldermanic districts was reduced from 17 to 15; 2 Common Council and 2 Aldermanic Legislative Assistant positions were eliminated.
3. In the 2003 Budget, 3 positions of Police Liaison Officer were assigned to the City Clerk’s budget when the Fire and Police Commission consolidated with DER. These positions represent the Milwaukee Police Association in its labor negotiations and other issues with the City that were previously included in DER.

PERSONNEL

Number of Authorized and Funded Positions

Changes in number of positions, 2008 Budget and 2009 Proposed Budget:

	2008 Budget	2009 Proposed	Change
Authorized Positions	112	111	-1
O&M Funded Positions	93.00	90.5	-2.5

Vacancies

- *Administrative Assistant II.* This position in Central Administration, which served as a secretary for Common Council members, has been vacant since January 31, 2008. Duties have been absorbed by other secretarial and switchboard staff. The City Clerk’s Office has agreed with the Division of Budget and Management that the position may be eliminated in the 2009 budget.
- *Council Records Manager.* This position in Central Administration has been vacant since Jim Owczarski was appointed Deputy City Clerk on December 17, 2006. He has retained the responsibilities for this position in addition to other duties as Deputy. The department has requested that position authority be retained without funding.
- *Legislative Fiscal Analyst-Lead.* This position in the Legislative Reference Bureau (LRB) has been vacant since August 29. A Request to Fill was submitted in September. Duties are reassigned to other LRB personnel.
- *Customer Service Representative.* This position in the License Division has been vacant since September 7, 2009. The License Division is currently using the services of a temporary help agency to fill in until the position can be filled.

LINE ITEMS

- \$11,675 is provided for *Replacement Equipment*, including microphones used in committee rooms, and TV replacements for Council offices, monitors for cameras, a scan converter, etc.
- *Operating Expenditures* increases from \$795,476 in the 2008 Budget to \$856,136 in the 2009 Proposed Budget, an increase of \$60,660 or 7.6%. The increase is primarily due to greater postage and printing expenses for aldermanic newsletters, which were lower in 2008 due to restrictions on mailings during the election cycle. The increase also reflects increased rates for copier upgrade leasing for all divisions of the City Clerk’s Office. The net change of all other items included in Operating Expenditures is +\$10,600.

SPECIAL PURPOSE ACCOUNTS (SPA)

SPAs are budgeted outside of departmental operating accounts, and control over SPAs is provided to departments by resolution. The 2009 Proposed Budget includes funding for 5 SPAs:

	2007 Expenditure	2008 Budget	2009 Proposed	2008-2009 Change
Audit Fund	\$221,000	\$250,000	\$317,000	+27%
Board of Ethics	\$25,491	\$28,999	\$31,000	+7%
Cable TV Franchise Reg.	\$5,955	\$3,000	\$1	-100%
Economic Development	\$19,605	\$38,000	0	-100%
Memberships, City	\$143,133	\$153,933	\$156,169	+1.5%
TOTAL	\$415,184	\$473,932	\$504,170	+6.4%

- Audit Fund, \$317,000. This account funds the annual financial audit of the City that assesses the accuracy of the City’s financial data, including the private audit of the City’s Annual Financial Report (CAFR). This account also provides partial funding for the preparation of the CAFR by a certified public accountant. Component units (RACM, HACM, MEDC and NIDC) pay directly for the cost of their audits as part of the contract. The amount included in the 2009 Proposed

Budget matches the department's request, and is 26.7% greater than 2008 (+\$67,000). The amount budgeted in the special purpose account is based on a service contract awarded to KPMG through the City's Request For Proposal procurement process.

The main reason audit fees have significantly increased is due to additional work auditors are required to perform to issue an audit opinion. Independent financial auditors must follow the American Institute of Certified Public Accountants (AICPA) Auditing Standards Board (ASB) statements to issue an audit opinion on financial statements. The ASB has issued 8 new Statements on Auditing Standards (SAS) relating to the assessment of risk in an audit of financial statements, 2 new SAS on communicating matters related to an entity's internal control and an omnibus SAS that amends a number of previously issued auditing standards.

- Board of Ethics, \$31,000. This account supports the administration and application of the Ethics Code for the City, and is included within the City Clerk's Office for administrative purposes only. The City Clerk's Office exerts no control over budget development; the Board of Ethics prepares its budget request which is submitted to the Mayor without modification. The proposed expenditures are for salaries, materials and computer maintenance. The amount included in the 2009 Proposed Budget matches the department's request, and is 6.9% greater than 2008 (+\$2,001).
- Cable TV Franchise Reg., \$1.

Funding for Cable TV Franchise Regulation and Negotiation decreased from \$3,000 in the 2008 Budget to \$1. This change is due to the State of Wisconsin's enactment of statewide franchising of video service providers. As a result, the City no longer is involved in regulation of this industry, essentially eliminating the need for outside technical consultant services. The account is left open for one year to allow carry-over of remaining funds in case implementation of the state law creates issues that may necessitate the use of such services.

- Economic Development, \$0. This account, assigned to the Common Council under the purview of the Council's Community and Economic Development Committee, funds activities related to economic development, including but not limited to marketing the City for industrial and commercial development, business attraction and retention, tourism and support of emerging business enterprises (EBEs). Activities typically funded are those not funded by other City departments, and the types of activities funded change annually. Activities funded in 2007 and 2008 included: attendance of committee meetings (Community and Economic Development Advisory Committee) of the National League of Cities - \$5,000; participation in the annual International Council for Shopping Center national and regional conventions - \$12,000; partial funding of a disparate practices study with respect to businesses which contract with the City - \$50,000; and partial funding for the development of the Prince Hall Campus project - \$10,000.

This account is not funded in the 2009 Proposed Budget. The department had requested \$100,000; the 2008 Budget allocated \$38,000 for this fund.

- Memberships, City, \$156,169. This account provides funding for memberships to various organizations that support the City's lobbying, policy research and professional development programs. The estimated cost for memberships for 2009 include the following:

League of Wisconsin Municipalities	\$56,054
Government Finance Officers Association	\$ 1,800

Public Policy Forum	\$ 1,000
Wisconsin Alliance of Cities	\$67,000
National League of Cities	\$25,000
Sister Cities International	\$ 1,715
ICLEI – Local Governments for Sustainability	\$ 3,600
TOTAL	\$156,169

In the 2009 Proposed Budget, funding for memberships to the American Management Association and the National Forum for Black Administrators were eliminated due to inactivity. In the 2008 Budget, the membership dues for these organizations were \$2,500 and \$2,020, respectively.

The net change in all of these memberships combined is an increase of \$2,236.

SPECIAL FUNDS

The 2009 Proposed Budget provides \$145,035, a decrease of \$37,400 (20.5 %) from the 2008 Budget of \$182,435. Included in Special Funds are: Expense Fund for the Common Council President; Legislative Expense Fund; Sale of Code and Charter; Computer System Upgrades; and Aldermanic Travel. Two of the Special Fund accounts, the Expense Fund for the Common Council President and the Legislative Expense Fund, are funded at 2008 levels. Computer System Upgrades are funded at \$89,000, which is \$36,400 less than the 2008 budgeted amount. In 2009, Aldermanic Travel is funded at \$30,000, \$5,000 more than in 2008. This is attributable primarily to increased costs of air travel and fuel costs.

The Computer Systems Upgrades account under Special Funds provides \$89,000 in the 2009 Proposed Budget and matches the department’s request. The account is decreasing between 2008 and 2009 by 29%, from \$125,400 to \$89,000 due to fewer needs for hardware or software upgrades. Funding is used for hardware and software purchases for system and equipment upgrades and replacing outdated technology. This includes the purchase of laptop computers, monitors, computers, printers, servers, software upgrades and wireless access points.

The department requested \$89,000, anticipating the following purchases:

Hardware: 7 committee laptops which will allow 2 committees to meet at the same time	\$ 7,000
Software:	
Contrack upgrade	\$12,000
Legistar upgrade	\$50,000
Miscellaneous (to replace equipment that fails and minor software upgrades)	\$50,000
TOTAL	\$89,000

The Sale of Code and Charter account under Special Funds is reduced by \$6,000 (from \$25,000 in the 2008 Budget to \$19,000) due to fewer hard copies of ordinances being distributed as a result of greater use of on-line resources.

CAPITAL IMPROVEMENTS

License Division Remodelling

The 2009 Proposed Budget includes \$350,000 for capital funding for the City Clerk's Office, \$41,888 less than the department's request. This allocation is for remodelling of the License Division. The remodelling is necessary to allow the License Division the space and security necessary for functioning properly. The License Division currently operates in a limited area which hampers the ability to process licenses in an effective and efficient manner. The new plan provides for adequate space to accommodate the License Division's needs.

The current design also puts employees' safety at risk when dealing with unpredictable and irate customers. The new plan accounts for this and allows staff members a safe exit from their work area when needed.

License Information System

The development process of the new License Information System has been ongoing since 2007. Total project costs for the new License Information System were estimated at \$700,000, which included \$175,000 in capital funding from 2006 and \$525,000 from 2007. No funding was provided in the 2008 Budget as all funds were carried over from 2006 and 2007.

In 2007, the License Division worked with a consultant to produce a list of requirements for the new system. Based on these requirements and with the assistance of DOA, a request for proposal was published to deliver and implement a fully functional license management information system. Based on the content of the proposals as well as the new awareness that the Wisconsin Department of Regulation and Licensing was instituting a new information system for the processing of licenses, all of the proposals were rejected.

The License Division felt it could build on the state's program and modify it to its needs. The Common Council approved an intergovernmental cooperation agreement with the Wisconsin Department of Regulation and Licensing on July 1, 2008, relating to the acquisition by the License Division of the state's Integrated Credentialing and Enforcement (ICE) software, at no cost to the City. The new web-based License Information System is anticipated to be fully operational in early 2009.

DEPARTMENTAL REVENUES

The 2009 Proposed Budget estimates that \$6,220,470 will be generated in revenues by the City Clerk's Office. This is a 7.8% increase from the 2008 Budget estimate. The largest source of revenue is generated from the Cable Franchise Fee (\$3,925,000 estimated in 2009), and is included in Charges for Services.

REVENUES	2007 ACTUAL	2008 BUDGET	2009 PROPOSED	2008 - 2009 Change
Licenses	\$2,095,607	\$1,988,300	\$2,096,650	+5.4%
Amusement Dance/Music	\$592,939	\$450,000	\$482,400	+7.2%
Liquor & Malt	\$1,041,752	\$1,067,000	\$1,030,075	-3.5%
Miscellaneous	\$460,916	\$471,300	\$584,175	-23.9%
Permits	\$48,290	\$63,500	\$52,425	-17.4%
Curb Space Special Privilege	\$25,035	\$50,000	\$29,125	-41.8%

Special Privilege – Misc.	\$22,355	\$13,500	\$23,300	+72.2%
Charges for Services	\$4,164,852	\$3,717,300	\$4,066,395	+9.4%
Miscellaneous	\$167,443	\$117,300	\$141,395	+20.5%
Cable Franchise Fee	\$3,997,409	\$3,600,000	\$3,925,000	+9.0%
Miscellaneous	\$0	\$5,000	\$5,000	0%
TOTAL	\$6,308,749	\$5,774,100	\$6,220,470	+7.8%

ONGOING STRATEGIES FOR REDUCING COSTS AND IMPROVING EFFICIENCIES

Following are some of the strategies that have been employed by the City Clerk’s Office to reduce costs while making processes more efficient and accessible to the public. These strategies will be continued into 2009.

The Council Records Section has completed the transition from hard copy agenda materials to E-Books for all standing committees of the Common Council. This saves considerable copying expenses and staff time.

The Council Records Section, with the assistance of the Public Information Division, has integrated video clips into the Council and committee agendas in Legistar. The latest Legistar software also allows users to subscribe to Really Simple Syndication (RSS) feeds to get the latest information on Council files and agendas.

The Legislative Reference Bureau has decreased the number of hard copy code supplements it provides to City departments through a review with departments as to their needs for hard copies, as the code is available online. As a result, beginning in March 2008, the number of departmental hard copy supplements was decreased by 25%, decreasing projected 2008 code printing expenditures by \$4,000, and resulting in a \$6,000 decrease in the 2009 requested budget.

In addition, the Bureau ceased hard copy prints of the biweekly Table of Contents distributed to City departments, and is now distributing the contents electronically using the E-Notify system. These expenditures were included in the City Clerk’s other operating services account. The savings for the rest of 2008 is \$550; for 2009, savings are \$2,000.

The Public Information Division has reduced mailing costs by using online mailing services of the US Postal Service and by encouraging the use of postcards for mass mailings.

Prepared by: Ted Medhin, Ph.D., Research Supervisor
 Legislative Reference Bureau
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