

**EXECUTIVE SUMMARY**  
**2009 PROPOSED BUDGET - DEPARTMENT OF ADMINISTRATION**  
**By the Legislative Reference Bureau – Research and Analysis Section**

1. The 2009 Proposed Budget for the Department of Administration is \$8,797,841, an increase of \$164,587 or 1.91% from the 2008 Budget. (page 1)
2. The 2009 Proposed Budget includes 106 authorized positions in the Department of Administration, the same amount as authorized in 2008. Total DOA personnel costs increase by 0.84%. (pages 1, 3, 6 to 8)
3. The department's operating expenditures increase by 4.66% (\$33,849) under the Proposed Budget. An increase in Operating Expenditures is proposed for DOA-Budget and Management Division and ITMD. (pages 1, 3, 6 to 9)
4. The Homeland Security Director position is moved from CDGA into its own division in the 2009 Proposed Budget. (page 4)
5. The 2009 Proposed Budget includes 7 capital projects for the Department of Administration, 5 within ITMD. One is within the Office of Sustainability and 1 within the Business Operations Division. (page 9 to 12)
6. The department's 2009 Proposed Budget includes several continuing initiatives that have no specific funding allocations and will be carried out by existing staff. (pages 13 to 15)
7. Department of Administration revenues are projected to be \$832,350 in 2009, a 81.17% decrease over the revenues projected in the 2008 Budget. (page 16)

**SUMMARY**  
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Expense Category	2007 Actual	2008 Budget	% Change	2009 Proposed	% Change
Personnel Costs	\$6,729,490	\$6,674,668	-0.81%	\$6,731,041	0.84%
Operating Expend.	\$466,823	\$725,951	55.50%	\$759,800	4.66%
Equipment Purch.	\$19,931	\$22,500	12.88%	\$23,000	2.22%
Special Funds	\$1,315,142	\$1,180,135	-10.26%	\$1,254,000	6.25%
<b>TOTAL</b>	<b>\$8,531,386</b>	<b>\$8,603,254</b>	<b>0.84%</b>	<b>\$8,767,841</b>	<b>1.91%</b>
Capital	\$835,421	\$455,720	-45.45%	\$2,556,920	461.07%
Positions	105	106	+1	106	0

**Department Function**

The Department of Administration performs a wide variety of functions, many of which can be described as the “behind-the-scenes” activities of City government. The department’s responsibilities include:

1. Working with other City departments to purchase the goods and services those departments need to perform their duties.
2. Developing the Mayor’s budget.
3. Providing analysis and recommendations on fiscal and management issues that affect the City.
4. Representing the City’s interests to the state and federal governments.
5. Overseeing the distribution of grant funds, particularly federal CDBG and HOME funds, to community-based organizations and City departments.
6. Assisting emerging business enterprises in obtaining City and other government contracts.
7. Managing and coordinating the City’s information and technology systems.
8. Providing printing and records management services for other City departments.

**Departmental Mission**

The mission of the Department of Administration is to make Milwaukee one of the nation’s most attractive cities in which to live, work and do business through carrying out the functions described above.

### Historical Information

1. Between 2000 and 2005, the number of department employees decreased by 33 positions, from 138 to 105, largely through departmental restructuring and downsizing, rather than transferring functions to other City departments.
2. From 2001 through 2004, the department's budget funded 11 capital projects totaling \$3,373,595. The largest of these was the 2-year (2002 and 2003) Technology Fund initiative, which appropriated \$1.5 million to fund new technology projects in City departments that applied for the funds and met specific criteria.

The other large capital project was \$630,000 in the 2004 Budget for upgrading the City's financial system module to PeopleSoft Version 8. This gave the system greater ease of use associated with web-based application and ensured that the City will remain eligible for full PeopleSoft support.

3. The 2002 and 2003 Budgets included a special capital fund, the Technology Fund, referenced in Item #2, which was managed by the Department of Administration. The Technology Fund was discontinued with the 2004 Budget, although borrowing authority was carried over to 2004 and 2005. After applying for use of the Fund and fulfilling specific criteria, City departments were granted funding for new technology projects.
4. The 2003 Budget changed the name and scope of the Central Board of Purchases. It was renamed the Purchasing Appeals Board. This body provides due process to parties who wish to appeal the decisions of the Procurement Services Section of DOA-Business Operations Division. The Board convenes only when the Procurement Services Section receives such an appeal.
5. In 2004, the former Milwaukee Printing and Records (now Document Services) phased out several of its services (e.g., color copying), began contracting out for more of the City's printing needs and eliminated two full-time and two auxiliary positions. These changes were the result of more reasonable printing costs in the marketplace, more convenient copiers located in City departments and decreased reliance on "hard" copies of documents.
6. The Department's 2005 Budget included a proposal to develop a strategic and fiscal plan to provide a "three-year stability approach to the City's budget and programs" for the 2006-2008 period.
7. The 2005 Budget established the Office of Sustainability within the Department of Administration to work with policymakers throughout city government to ensure the City of Milwaukee achieves cost savings and sustainable environmental practices.
8. Common Council File Number 041396, passed February 22, 2005, clarified and expanded the responsibilities of the Chief Information Officer (ITMD) and the City Information Management Committee. It directed the Chief Information Officer to develop a City of Milwaukee information technology strategic plan and called for greater

cooperation of City departments and agencies with DOA and the Chief Information Officer on information technology matters.

## 2009 BUDGET HIGHLIGHTS AND ISSUES

### DOA – BUDGET AND MANAGEMENT DIVISION

Expense Category	2007 Actual	2008 Budget	% Change	2009 Proposed	% Change
Personnel Costs	\$1,451,273	\$1,459,085	0.53%	\$1,473,721	1.00%
Operating Expend.	\$52,766	\$52,180	-1.11%	\$59,900	14.79%
Equipment Purchases	\$2,100	\$5,000	139.09%	\$7,000	40.00%
Special Funds	\$0	\$0	0%	\$0	0%
<b>TOTAL</b>	<b>\$1,506,139</b>	<b>\$1,516,265</b>	<b>0.67%</b>	<b>\$1,540,621</b>	<b>+1.60%</b>
Positions	15	16	1	15	-1

#### Personnel

1. The 2009 Proposed Budget provides \$1,473,721 for personnel costs of the Budget and Management Division, an increase of \$14,636 (1.00%) from the 2008 Budget.
2. The position Homeland Security Director (SG 12) will be moved into a separate Homeland Security Division. This organizational change will allow for consistency in division scope and mission and aligns personnel more closely under appropriate supervision.
3. The Environmental Sustainability Director (SG 12) position is still funded in part by Water Works. For 2009, it is proposed that this position be funded by Water Works (50%), by the Sewer Fund (25%) and by grant funds from the U.S. Department of Energy (19%). Operating funds will cover the rest of the position (6%). In the future, it is anticipated that grant funds and non-general revenue funds will cover the majority of costs associated with the position.

#### Operating Budget

1. The 2009 Proposed Budget provides \$59,900 for Budget and Management Division operating expenditures, an increase of \$7,720 (14.79%) from the 2008 Budget.
2. The proposed increase in operating expenditures can be attributed to an increase in Professional and Operating Services. Professional Services, which seeks \$6,000, an increase of \$3,000 (100%) from the 2008 Budget amount of \$3,000. The increase is consistent with actual experience in 2007. Additionally, some of the cost is for Fire Annuity lump sum payments, which average about \$2,000 each, that were not paid out of the fund. Other Operating Services, which seeks \$26,400, an increase of \$7,500 (39.68%) from the 2008 Budget amount of \$18,900. The Other Operating Services increase includes funding for anticipated cost increases for advertising (budget information is advertised in the Journal/Sentinel and rates have been increasing), budget book printing, telephone and voice mail, and travel expenses.

### Equipment Purchases

1. The 2009 Proposed Budget provides \$7,000 for equipment purchases an increase of \$2,000 (40%) from the 2008 Budget.
2. The proposed increase in equipment purchases can be attributed to funding for the replacement of 3 computers. The division has 14 personal computers and 3 laptops. Additionally, a laserjet printer is planned to be replaced; the current 1 is 9 years old and is the only available back-up printer for the division. Maintenance and repair costs are increasing on the printer as it gets older, so it is more cost-effective to replace the printer than to maintain it.

### **DOA – HOMELAND SECURITY DIVISION**

This is a new division in the 2009 Proposed Budget. This organizational change will allow for consistency in division scope and mission and will align personnel more closely under appropriate supervision. The division will manage the city's homeland security and emergency management functions. This includes coordinating the planning, training, and exercising of all city departments, maintaining liaison with emergency management, homeland security organizations, and agencies at other government levels. The 3 main services of this division will be grant cultivation and management, planning and preparedness and emergency response support. The proposed restructuring will relieve other City departments from managing the fiscal and programmatic responsibilities of all these grants and placing those requirements in one division.

Currently, the Homeland Security Director is funded by the FY2006 Urban Areas Security Initiative Program Grant (UASI Grant), which expires on June 30, 2009. The UASI Grant was awarded to the Milwaukee Urban Area, which includes Milwaukee, Waukesha, Racine and Ozaukee counties. The grant is used to enhance and prepare multi-jurisdictional responses to acts of terrorism and other critical incidents. Once the grant funds are expended, the budget seeks to have the position be funded on the City of Milwaukee tax levy.

The US Department of Homeland Security recently announced that the Milwaukee Urban Area will receive approximately \$4.4 million from the FY2008 UASI Program, which will expire on approximately September 30, 2011. The Milwaukee Urban Area has received an annual UASI allocation since 2004, and this is expected to continue as there has been great support in Congress for continuation of this program.

Each annual UASI allocation allows a percentage of the overall grant award to be used for management and administrative (M&A) costs. The FY2007 UASI M&A Allocation has a current balance of approximately \$77,000. This grant will expire on June 30, 2010. Though not yet finalized, it is expected the FY2008 UASI M&A determination will be approximately \$70,000, which will provide additional supplemental funding for this position. In addition, the Office of Homeland Security manages the FY2008 Port Security Grant Program, which provides \$25,313 in M&A costs (3% of the grant award). This grant expires on September 30, 2011, and it is fully expected that the City of Milwaukee will receive future Port Security funding.

## DOA – COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

The 2006 Budget established the position of Grant Compliance Manager (SG 9) within the Community Development Grants Administration. This individual has assisted DOA in working with City departments to identify grant opportunities, apply for grants, ensure compliance with grant requirements and evaluate opportunities for improving and streamlining current grant procedures.

The Grant Compliance Manager has assisted several city departments on various grant opportunities. As of August, 2008 the following City Departments/Initiatives have received assistance: UASI (Urban Area Security Initiative), Port of Milwaukee, Milwaukee Fire Department, Milwaukee Police Department, Department of Natural Resources, Neighborhood Investment Development Corporation (Department of Community Development), Community Development Grants Administration – Weed & Seed Initiative, Community Development Grants Administration – Juvenile Accountability Block Grant, Department of Administration – I Have A Dream Initiative, Department of Administration – Milwaukee's Got IT Initiative, Milwaukee Fatherhood Initiative (Housing Authority of Milwaukee), Office of Environmental Sustainability (Urban Gardening Program), Department of Employee Relations, Department of Neighborhood Services – Graffiti Prevention Program, Common Council (12<sup>th</sup> District – Operation Impact Program).

In addition, the Grant Compliance Manager is also responsible for overseeing use of the eCivis grants locator system (see description in Special Purpose Accounts section on page 12) and for coordinating grant-based initiatives with non-profit organizations and other units of government. Over 130 city employees are on the eCivis listing, with about 40 daily or weekly users. In 2008, one training session was held in the computer lab located in City Hall. eCivis has users from DOA/CDGA, Office of the Mayor, DCD, DNS, DPW, Housing Authority, Health Department, MPL, MPD, and MFD. The Grants Manager also communicates grant opportunity formats to the Milwaukee Public Schools system. The cost of this position, \$96,311 (salary and benefits), is supported entirely by City operating funds.

In 2007, a new Grant Monitor (SG 6) position was added to CDGA, increasing the number of Grant Monitors to 7. This position is needed to ensure an appropriate level of oversight and monitoring of housing related activities.

All other personnel and operating expenses of the Community Development Grants Administration Division are wholly funded by the City's annual CDBG and HOME allocations. The 2009 Proposed Budget for the Division (excluding the Grant Compliance Manager position) is \$1,436,000; this amount includes fringe benefits. \$993,000 of the total amount is CDBG funds and \$443,000 of the total amount is HOME funds.

**DOA – BUSINESS OPERATIONS DIVISION**

Expense Category	2007 Actual	2008 Budget	% Change	2009 Proposed	% Change
Personnel Costs	\$897,041	\$1,077,604	20.12%	\$1,166,531	8.25%
Operating Expend.	\$51,271	\$203,483	296.87%	\$145,310	-28.58%
Equipment Purchases	\$0	\$0	0%	\$0	0%
Special Funds	\$87,464	\$41,000	-53.12%	\$41,000	0%
<b>TOTAL</b>	<b>\$1,035,776</b>	<b>\$1,322,087</b>	<b>27.64%</b>	<b>\$1,352,841</b>	<b>2.32%</b>
Positions	27	27	0	27	0

**Personnel**

The 2009 Proposed Budget provides \$1,166,531 for personnel costs of the Business Operations Division, an increase of \$88,927 (8.25%) from the 2008 Budget. The number of authorized positions in the Business Operations Division remains the same as in the 2008 Budget (27).

**Operating Budget**

1. The 2009 Proposed Budget provides \$145,310 for operating expenditures of the Business Operations Division, a decrease of \$58,173 (-28.58%) from the 2008 Budget.
2. The proposed decrease in operating expenditures can be attributed to a decrease in General Office Expense and Other Operating Services. General Office Expense, seeks \$56,787, a decrease of \$36,912 (-39.39%) from the 2008 Budget amount of \$93,699. Other Operating Services, seeks \$54,226, a decrease of \$21,261 (-28.16%) from the 2008 Budget amount of \$75,487. The reductions in these two accounts are the result of savings in a renegotiated contract for certain mail services, generating savings of \$35,000, and the shift of non-reimbursable mail leases and supplies back to reimbursable, which results in a reduction of \$21,261 in Other Operating Services and \$1,912 in General Office Expense.

**Special Funds**

The Division's Proposed 2009 Budget includes \$41,000 in a special fund to support the activities of the Emerging Business Enterprise Program. Specifically, this fund pays for the City's use of a private contractor for certification and re-certification of emerging business enterprises. This is the same level of funding that was provided in 2008.

## DOA – INTERGOVERNMENTAL RELATIONS DIVISION

Expense Category	2007 Actual	2008 Budget	% Change	2009 Proposed	% Change
Personnel Costs	\$545,739	\$391,549	-28.25%	\$408,632	4.36%
Operating Expend.	\$47,215	\$46,575	-1.35%	\$44,200	-5.09%
Equipment Purchases	\$1,556	\$1,500	-3.59%	\$0	-100%
Special Funds	\$0	\$0	0%	\$0	0%
<b>TOTAL</b>	<b>\$594,510</b>	<b>\$439,624</b>	<b>-26.05%</b>	<b>\$452,832</b>	<b>3.00%</b>
Positions	5	4	-1	4	0

### Personnel

1. The 2009 Proposed Budget provides \$408,632 for personnel costs of the Intergovernmental Relations Division, an increase of \$17,083 (4.36%) from the 2008 Budget. The 2008 Budget transferred one Legislative Coordinator Senior position from Intergovernmental Relations Division to the City Clerk's Office.
2. The 2009 Proposed Budget assumes that 1 position of Legislative Fiscal Manager will be underfilled at a lower salary grade, generating a savings of \$33,900. Intergovernmental Relations will use the position for research and fiscal analysis of legislative bills, proposals and intergovernmental issues but the Director and Legislative Fiscal Manager-Senior will be responsible for lobbying the city's legislative agenda.

### Operating Budget

1. The 2009 Proposed Budget provides \$44,200 for operating expenditures of the Intergovernmental Relations Division, a decrease of \$2,375 (-5.09%) from the 2008 Budget.
2. Professional Services, which seeks \$25,000, an increase of \$3,000 (13.63%) from the 2008 Budget amount of \$22,000. The proposed increase is attributed to Government Accountability Board fees (registration, lobby licenses, authorizations) of \$1,500 which are incurred each odd year and a Foley and Lardner rate increase (\$295/hr. increased to \$385/hr).
3. Reimburse Other Departments, which seeks \$4,500, a decrease of \$1,500 (-25.0%) from the 2008 Budget. The proposed decrease is attributed to Document Services Section (DSS) no longer charging Departments for records services which results in a reduction of approximately \$250. The remaining decrease of \$1,250 is based on prior year's experience.

### Equipment Purchases

No equipment purchases are budgeted in the 2009 Proposed Budget for the Intergovernmental Relations Division.



## DOA – INFORMATION AND TECHNOLOGY MANAGEMENT DIVISION

Expense Category	2007 Actual	2008 Budget	% Change	2009 Proposed	% Change
Personnel Costs	\$3,733,237	\$3,658,402	-2.00%	\$3,528,270	-3.55%
Operating Expend.	\$315,527	\$423,713	+34.28%	\$510,390	20.45%
Equipment Purchases	\$16,275	\$16,000	-1.68%	\$16,000	0%
Special Funds	\$1,227,678	\$1,139,135	-7.21%	\$1,213,000	6.48%
<b>TOTAL</b>	<b>\$5,292,717</b>	<b>\$5,237,250</b>	<b>-1.04%</b>	<b>\$5,267,660</b>	<b>0.58%</b>
Positions	42	43	+1	43	0

### Personnel

1. The 2009 Proposed Budget provides \$3,528,270 for personnel costs of the Information Technology Management Division (ITMD) a decrease of \$130,132 (-3.55%) from the 2008 Budget. The 2009 Proposed Budget authorizes 43 positions in ITMD, the same as the 2008 Budget.
2. The Internet Analyst Technician (SR 510) position is proposed for reclassification to an Internet Analyst (SR 510) position as recommended by the Department of Employee Relations (DER) following a classification study. DER recommended creating an underfill title of Internet Analyst at SR 510 with a higher-level Internet Analyst Senior position at SR 532. This underfill title is the position requested by ITMD for 2009. Although the job titles differ slightly, the job description and responsibilities of the Internet Analyst are identical to those originally intended for the Internet Analyst Technician.
3. ITMD will hold the position of Enterprise Information Manager vacant in 2009 in an effort to generate savings.

### Operating Budget

1. The 2009 Proposed Budget provides \$510,390 for ITMD operating expenditures, an increase of \$86,677 (20.45%) from the 2008 Budget.
2. Other Operating Supplies seeks \$11,300, an increase of \$5,700 (101.78%) from the 2008 Budget. The increase results from an increase in the number of blank back-up tapes needed to support the Citywide Outlook/Exchange e-mail system.
3. Information Technology Services seeks \$456,615, an increase of \$74,865 (19.61%) from the 2008 Budget. Several items contribute to the increase in the 2009 Proposed Budget. Most of these relate to expiration of either warranties for equipment and/or software purchased in 2006 or the lapse of special pricing opportunities dating to the same year. These include:
  - \$55,200 increase for first-time support and maintenance for the IronPort anti-virus/anti-spam e-mail devices.
  - \$25,000 increase for first-time virtual server software maintenance.
  - \$23,050 increase due to expiration of IBM special pricing on software and maintenance relating to the 2006 upgrade to the z9 e-server.

- \$9,300 increase for first-time full payment for Trend Micro desktop antivirus software.

ITMD will, however, also realize some savings in Information Technology services for 2009, including a reduction in payments of \$5,300 (about 4%) for Microsoft Software Assurance for the Exchange/Outlook e-mail software.

4. Other Operating Services seeks \$17,520, an increase of \$7,735 (79.04%) from the 2008 Budget. This proposed increase results primarily from the addition of \$5,000 to support systems in other City departments and \$1,000 for disposal of obsolete equipment using Cascade Asset Management Services.

### **Equipment Purchases**

The 2009 Proposed Budget provides \$16,000 for ITMD equipment purchases, the same amount of funding was provided in the 2008 Budget.

### **Special Funds**

The 2009 Proposed Budget includes \$1,213,000 in a special fund titled "Enterprise Resource Management." The 2009 Proposed Budget figure represents a 6.48% increase from the 2008 Budget. This fund pays for support of the City's human resources and financial management systems, particularly license fees and hosting fees. In 2003 the City contracted with CedarCrestone to host the City's FMIS and HRMS systems. The original contract expires in November of this year. Throughout the 5-year term of the agreement, CedarCrestone did not change the amount of the hosting fee. However, as the first contract comes to a close, CedarCrestone has indicated that their base hosting fee over the next five years will be 15% higher than during the previous term. This results in an increase in hosting costs for 2009 of slightly more than \$63,000. The remainder of the increase, or approximately \$20,000, is due to annual growth in Oracle/Peoplesoft licensing fees.

## **CAPITAL IMPROVEMENT PROJECTS**

The 2009 Proposed Budget contains 7 capital projects totaling \$2,556,920 for the Department of Administration;

1. Housing Trust Fund - \$400,000 - The 2009 Proposed Budget includes \$400,000 in capital funding to support the Housing Trust Fund. In 2008 this fund was a special purpose account, funded at the same level. The fund primarily supports developers in the acquisition, construction, rehabilitation and modification of affordable and accessible housing for low-income households, and to finance support services that assist low-income households in obtaining and maintaining affordable housing. The Community Development Grants Administration is responsible for administering the Housing Trust Fund, including soliciting and reviewing requests for funding. The projects recommended by the Housing Trust Fund Advisory Board, in 2008, and approved by the Common Council for funding are:

- Mercy Housing Lafefront - \$750,000 – to develop 46 new housing units in the former Johnston Community Health Center, 1230 W. Grant Street.
  - St. Catherine's Residence – \$264,000 – for a 46-unit expansion to a residence for women at 1018 E. Knapp Street.
  - Heartland Housing/Guest House - \$125,000 – for rehabilitation of 24 apartments at 1218 W. Highland Avenue.
  - United Methodist Children's Services - \$200,000 – for construction of 24 new apartments at 3940 W. Lisbon Avenue.
  - Milwaukee Christian Center - \$68,000 – for construction of 4 new homes for low-income homebuyers.
2. Energy Challenge Fund - \$500,000 - The 2009 Proposed Budget includes \$500,000 in capital funding to support the goal of helping city departments reduce energy consumption by 15% from 2008 to 2012, using 2005 city energy consumption as a baseline. Funds are awarded to departments for capital projects that result in energy efficiencies or that use renewable energy or alternative fuel sources. Funds are distributed based on projected reductions in energy use and demand charges and demonstration of project payback within a reasonable time period. The Environmental Sustainability Director manages the Energy Challenge Fund. The 2008 Budget appropriated \$500,000 in capital funding for this project. The following departments were awarded funds in 2008:
- \$50,000 to the Department of Public Works for the 809 Building.
  - \$141,000 for the Central Library (lighting upgrades).
  - \$73,000 for the Office of Environmental Sustainability (2008 only – salary and fringe) to oversee the Central Library lighting upgrades project.
  - \$100,000 for a solar project on the Central Library (this funding is used to match the \$200,000 Department of Energy Grant).
  - The remaining \$136,000 will be awarded within the next month for energy efficiency control systems.

No departments have been selected for the 2009 funds as the 2009 Budget is not yet adopted. The Energy Challenge Fund will target buildings that have the highest energy usage and highest energy costs. The projects will also be evaluated based on their pay-back period (e.g., a project that pays for itself in three years rather than 7 years might receive greater consideration).

3. FMIS Upgrade - \$1,217,600 – The 2009 Proposed Budget includes \$1,217,600 in capital funding to update the soon-to-be unsupported financials module of the Peoplesoft enterprise product to Oracle's latest version of the Peoplesoft financials software. The upgrade will guarantee continued product support and updates and will provide enhanced functionality and ease of use. The FMIS upgrade requested for 2009 requires approximately \$1.4 million for contractor support and about \$360,000 for ITMD staff salaries and fringe benefits.

4. Server Virtualization - \$67,500 – The 2009 Proposed Budget includes \$67,500 in capital funds from the cash levy to support server virtualization this would reduce the number of physical servers and components. Via software through server virtualization a “virtual” copy of a server is created allowing for multiple virtual servers to reside on one physical server. Server virtualization allows for disaster recovery without requiring an exact duplicate set of physical servers and allows for higher utilization of remaining servers. Additionally server virtualization reduces computer room floor space required, reduces heating and cooling necessary for servers, and allows for the ability to create test servers for software upgrades. A virtual server may be administered locally or centrally. The 2009 request for the first year of the two-year Server Virtualization project contains approximately \$33,500 for hardware and software and almost \$34,000 for ITMD staff salaries and fringe benefits.
  
5. Map Milwaukee Upgrade & Expansion - \$191,820 – The 2009 Proposed Budget includes \$191,820 in capital funds from the cash levy to support the upgrade and expansion of Map Milwaukee. Software, hardware and development environment upgrades are needed. These improvements will affect both public and internal usage. The public will see improved usability and the addition of “Milwaukee specific” tools which will make accessing information faster and easier. Within City government the upgrade will offer customized tools to increase workflow efficiency. City employees will be able to access applications from any computer connected to the Internet eliminating the need for installation and support of single task software on individual computers.

Map Milwaukee remains one of the most popular applications on the City of Milwaukee website. The upgrade and expansion project would provide enhanced capabilities at a cost of \$191,820 in 2009 (the project’s first year). These costs include approximately \$55,000 for hardware, \$15,000 for software, \$15,000 for training, and \$15,000 professional services. The remaining \$90,000+ would support ITMD staff salaries and fringe benefits.
  
6. Storage Area Network (SAN) Upgrade - \$75,000 – The 2009 Proposed Budget includes \$75,000 in capital funds from the cash levy to support a storage area network (SAN) upgrade. The SAN sub-system represents the main storage platform for citywide e-mail and departmental file servers. In 2006, ITMD purchased storage area components to support the E-mail Consolidation and Server Consolidation/SAN capital projects. In 2009 the three-year warranty coverage for those storage components will lapse, requiring operating-funded maintenance and support payments exceeding \$53,700 annually. Upgrading the SAN will extend warranty coverage for five years (through 2013) and eliminate the need for the annual operating-funded payments for support and maintenance. By 2011 the SAN will have exceeded its expected life, will experience capacity constraints and will face rising maintenance costs. Failure of the SAN sub-system would disable citywide e-mail and a large portion of the City’s office applications and prevent users citywide from accessing documents and information.
  
7. Document Services Storage – \$105,000 – The 2009 Proposed Budget includes \$105,000 in capital funds from the cash levy to support a document services storage project. The capital funds will be used to remodel underutilized space in the seating area of the cafeteria

in the basement of the City Hall Complex to provide additional storage space for city records. Record inventory has been increasing and has created a congested work area that presents safety hazards. There is about 1,200 square feet of space in the southeast section of the cafeteria that can be used to store records. The project will remodel the cafeteria, including construction, moving, design and administration.

## **SPECIAL PURPOSE ACCOUNTS**

### **E-Government Payment Systems SPA**

This special purpose account provides funding for development and ongoing maintenance of applications that enable City residents and businesses to conduct business through the City's web site. Examples include online payment, via credit card or electronic check, of Health Department license fees, Municipal Court fines and property taxes.

The proposed funding level for 2009 is \$60,000, the same funding level as the 2008 Budget. In 2009, this special purpose account will be used primarily to pay for electronic check transaction fees imposed by banks for payment processing, as well as for base monthly maintenance fees paid to U.S. Bank. It also pays for technical support for the City web site's Content Management System (CMS) and license fees for web-related software. In 2008 the E-government SPA will allocate funds as follows:

- \$37,500 – Websphere licenses, domain registration, SSL, web authoring software, e-payments software, and Titan CMS licenses.
- \$15,000 – Software maintenance and support including day-to-day problem resolution, fixes, upgrades, and the like.
- \$2,500 – Software enhancements and increased functionality.
- \$5,000 -- E-payment transaction fees (based on an estimated volume of 12,000 e-checks).

### **E-Civis Grants Locator SPA**

Proposed funding level for this special purpose account for 2009 is \$26,741. This is a 4.9% increase from 2008. In 2005, the City purchased the eCivis grants locator software to assist City departments in locating grants that may be available to support their functions. For 2008, SPA funding is provided to maintain this service. City employees can use eCivis to perform customized grant searches, receive e-mail notifications of grant opportunities and obtain assistance in writing grant applications. According to eCivis tracking, over 130 city staff are on eCivis listing and about 40 are daily or weekly users.

### **Milwaukee Energy Efficiency Project (Me2) SPA**

The 2009 Proposed Budget includes a new Special Purpose Account the Milwaukee Energy Efficiency Project (Me2) funded at \$1,000,000. This new pilot program is a collaborative effort between the City of Milwaukee, Focus on Energy and WE Energies to improve energy efficiency in residential and commercial properties. Focus on Energy will conduct energy audits of homes and small businesses and then coordinate building improvements, with the costs being charged to the property owner over time as they realize energy savings on the WE Energies bill. This project is categorized as a "municipal service" under Wisconsin State Statute. This designation allows

charges to be recovered through the tax roll if the property owner defaults on their payment. There is no net cost to taxpayers or net increase to support this project. In addition, if a market for carbon trading develops, the city will have a claim to carbon credits.

### **Wages Supplement Fund SPA**

This fund acts as a "savings account" for City salary and fringe benefit costs while labor contracts are pending. It provides the funding needed for increases in salaries and fringe benefits resulting from contract settlements. The 2009 Proposed Budget includes \$20,350,000 in the Wages Supplement Fund, a decrease of \$2,056,500 (-9.17%) from the amount budgeted for 2008.

## **OTHER INITIATIVES**

The 2009 Proposed Budget for the Department of Administration contains several other initiatives that have no direct budgetary impact. These initiatives, which will be carried out by existing department staff, include:

1. Office of Sustainability - The Office of Sustainability works with other city departments in implementing the recommendations of the Mayor's Green Team. The Sustainability Director has worked on the following projects in 2008:
  - Working with other departments to improve energy efficiency city wide.
  - Seeking federal funds for program support. Applied for and received a grant from U.S. Dept. of Energy to support development of solar power and solar business opportunities in Milwaukee.
  - Working with DCD to establish an urban agriculture program and policies.
  - Working to improve storm-water management on both City buildings and in private projects (e.g., the Brewery project).
  - Worked with MMSD and City departments to update ordinances to make them more supportive of storm-water management goals.
  - Working with Center on Wisconsin Strategy, Focus on Energy and We Energies to develop an energy efficiency project that will also create opportunities for construction and electrician jobs.
  - Met with members of the public and conducted public outreach to neighborhood groups, conferences, schools, universities, and church groups regarding the Mayor's green initiatives and the City's overall sustainability efforts.
  - Represented the City of Milwaukee in negotiations on the Great Lakes Water Resources Compact and served on the negotiation team to sell additional water to New Berlin.
  - Working to make sure that Milwaukee's interests are addressed in stormwater regulations being modified by the Wisconsin Department of Natural Resources.

In 2009, the Office will continue to coordinate training for building facility managers on energy efficiency as well as coordinating ongoing energy audits of city facilities. The Office will continue to work with the Department of City Development on the City's

economic development plan on ways to enhance the “green” sector of Milwaukee’s economy.

2. Accountability in Management (AIM) - For 2009, DOA will continue coordinating implementation of this initiative. The Mayor uses AIM to support specific improvements in participating departments. The following 13 city departments meet regularly with the Mayor: Assessor, DCD, DER, DNS, DOA, DPW, Election Commission, Fire Department, Health Department, Library, Police Department, Port, and the Fire and Police Commission. Some improvements made as a result of AIM in 2008 include:

- **Milwaukee Health Department** - AIM has monitored MHD's immunization clinics costs and immunization results and helped the department become more efficient by directing resources to clinics with the highest attendance. DOA staff has also personally monitored Immunization Task Force meetings between MPS, MHD, the District Attorney's Office, and State Officials to ensure intergovernmental cooperation. AIM has reviewed STD clinic service capacity and community needs and the Health Department is adjusting management and staffing accordingly
- **DPW Operations and DNS** - The process of cleaning up nuisance litter has been improved through AIM by clearly delineating responsibilities between DNS and DPW. DNS is the inspection agency and DPW is the cleanup agency when necessary. This has reduced confusion and improved cleanup times.
- **DPW Operations** - City Hall Restoration: The AIM process regularly monitors the costs, progress, and EBE participation of the City Hall Restoration process. The AIM process has prevented unnecessary stylistic change orders from being executed that even the Concord consultants may have approved. AIM has monitored costly sick leave use among Operations Driver Workers, and DPW and DER have implemented new policies to try to control the abuse of sick leave privileges. These new policies are being monitored to examine their effectiveness.
- **DPW Infrastructure Services** - AIM has set a citywide goal of completing all pothole requests within 10 days and the AIM team has consistently urged DPW to ensure that requests are "closed out" on a timely basis. While the AIM team had not been monitoring response time at the aldermanic or census track level, at the Direction of Mayor Barrett, DOA will begin a geographic review of response time for key DPW services going forward. The AIM team can communicate its findings with the Common Council and ensure that DPW uses this type of data in its assignment of crews. As a result of the AIM process, DPW Infrastructure Services is also exploring alternatives to provide greater incentive for contractors to complete key construction projects on time.
- **MPD & ITMD** - Coordination between ITMD and MPD has been improved as a result of AIM. As a result of Chief Flynn's and ITMD's efforts, MPD is now more effectively using data to make deployment decisions. Additionally, ITMD has made MPD traffic accident reports available online.
- **Election Commission** - As a result of AIM meetings with the Election Commission, ITMD now posts real time election night results online as the returns are reported.
- **Department of Administration** - Through AIM the Budget & Management Division initiated a quarterly review of operating results. This review has enabled the

development of a 2008 Budget Adjustment Plan which should enable the City to deal with record high expenditures for snow and ice control operations and fuel prices without layoffs or contingent borrowing. The review program included a mid-year budget status report to the Finance & Personnel Committee which will continue in future years. As a result of AIM discussions, DOA has implemented a cutoff date for requisitions in September rather than at the end of year in order to achieve some budget savings.

3. Homeland Security Division – In 2008, the Homeland Security Director has been involved in many initiatives with other City departments to enhance the City’s capabilities to prevent, prepare, respond to, and recover from public safety or large scale incidents. As mandated in Chapter 6 of the City of Milwaukee Charter, all City departments are required to maintain a Continuity of Operations Plan (COOP), which provides for planning and operational protocols for departments during limited operational capacity, such as times of emergency. The ordinance identifies the Director as the point of coordination for development and maintenance of this project. The Director has developed a planning template to be used by departments that identifies their critical functions, essential employees, delegation of authority, and alternate sites of operations to provide essential service delivery during a period of disruption to normal business operations. Currently, departments are in the fourth phase of a six phase data collection process. When all phases are completed, all departments will have a COOP document that provides for operational guidance during times of crisis. Once plans are completed, the Director will work with each Department to hold tabletop exercises surrounding business disruption scenarios, to test the validity of the developed plans. Analyses of exercise after action reviews will allow for plan revisions based upon lessons learned.
4. Intergovernmental Relations Division - Major legislative initiatives proposed for 2009:
  - Increase total local state shared revenue to Wisconsin localities by \$25 million to implement new revenue formula to increase aid to the City of Milwaukee by \$6.8 million.
  - Increase school aids to correct School Choice funding flaw.
  - Seek authority to implement an E-911 surcharge to fund Public Safety operations.
  - Seek increased transportation aids for local infrastructure.



## DEPARTMENT REVENUES

The 2009 Proposed Budget projects that the Department of Administration will receive \$832,350 in revenues, a decrease of \$3,589,850 (-81.17%) from the \$4,422,200 projected in the 2008

Budget. Major revenue sources for 2009 are as follows:

Revenue Category	2007 Actual	2008 Budget	Change	2009 Estimated	Change
Contract to provide services to MPS	\$3,864,000	\$3,998,700	3.48%	\$0	-100.00%
Property Sales	\$835,020	\$336,200	-59.73%	\$677,000	+101.36%
Other Charges for Services	\$80,902	\$87,300	7.90%	\$155,350	77.94%
<b>TOTAL</b>	<b>\$4,779,922</b>	<b>\$4,422,200</b>	<b>-7.48%</b>	<b>\$832,350</b>	<b>-81.17%</b>

### MPS Services Contract

The City has had some discussions with MPS staff about an approach to a new service sharing agreement. These discussions will continue to the extent opportunities present themselves. The language in the agreement and state statute require the City to continue to provide the services for which we were reimbursed. As a result, the City's negotiating leverage is very limited.

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