

Ald. Milele Coggs, Chair
Offers the Following:

Finance & Personnel Committee
Amendments to the 2019 Proposed Budget



2019 24-HR AMENDMENT PACK

Common Council Meeting of November 13, 2018

**CITY OF MILWAUKEE
COMMON COUNCIL**

COMMON COUNCIL AMENDMENTS TO THE PROPOSED 2019 EXECUTIVE BUDGET

Agenda Number

2019 PROPOSED EXECUTIVE BUDGET

BUDGET \$ 1,534,727,996 **LEVY** \$ 280,048,429 **RATE** \$ 10.55

	<u>AMENDMENT DESCRIPTION</u>	<u>BUDGET EFFECT</u>	<u>LEVY EFFECT</u>	<u>RATE EFFECT</u>	<u>F&P VOTE</u>
11	Reduce the Pension Reserve Fund contribution by \$200,000, and increase the DCD Healthy Food Establishment special fund by \$200,000.	\$+0	\$+0	\$+0.000	w/d
13A	Add position authority, FTE and funding for the Inspector General position in the City Clerk's office. This position is funded for half a year. This is a new position and the salary is an estimated amount. Actual compensation will be determined by a classification study conducted by the Department of Employee Relations.	\$+24,335	\$+24,335	\$+0.001	(2-2-1)
17	Create a Hip-Hop MKE Week special fund in the Common Council-City Clerk with funding of \$40,000. Offset the cost by reducing the Pension Reserve Fund contribution by \$40,000.	\$+0	\$+0	\$+0.000	w/d
27	Reduce Police average sworn strength by 10 FTE and use the savings to add position authority, FTE, and funding for 12 Public Health Nurse III positions in the MHD Family and Community Health Services Division.	\$-38,652	\$-38,652	\$-0.001	w/d
39	Reduce average sworn strength by 10 and use savings to add position authority and funding for 14 new civilian Community Correctional Officer positions. The amendment assumes creation of a new position title. The salary amount is an estimate. The actual position title and salary will be determined following a classification study by DER.	\$-16,156	\$-16,156	\$-0.001	w/d
40	Reduce average sworn strength by 20 and use savings to add position authority and funding for 28 new civilian Community Correctional Officer positions to begin in pay period 4, 2019. The amendment assumes creation of a new position title. The salary amount is an estimate. The actual position title and salary will be determined following a classification study by DER.	\$+0	\$+0	\$+0.000	(1-4)
41	Reduce contribution to the Pension Reserve Fund by \$400,000. Add funding for 4 Police Officers and create an SPA to be administered by the Common Council-City Clerk to establish two COP Houses. Four Police Officer recruits will be added to the recruit class planned for pay period 25, 2019.	\$+0	\$+0	\$+0.000	(0-5)
42	Reduce average sworn strength by 10 and use savings to fund 15 Community Service Officer positions.	\$+0	\$+0	\$+0.000	(1-4)
43	Reduce average sworn strength by 20 and add position authority and funding for 30 additional Community Service Officers to begin in pay period 7, 2019.	\$+0	\$+0	\$+0.000	(1-4)
52	Decrease funding for the City Memberships Special Purpose Account by \$23,631. The purpose is to withdraw the City's membership in the National League of Cities.	\$-23,631	\$-23,631	\$-0.001	w/d

COMMON COUNCIL AMENDMENTS TO THE PROPOSED 2019 EXECUTIVE BUDGET

Agenda Number

2019 PROPOSED EXECUTIVE BUDGET

BUDGET **LEVY** **RATE**
 \$ 1,534,727,996 \$ 280,048,429 \$ 10.55

AMENDMENT DESCRIPTION					
		BUDGET EFFECT	LEVY EFFECT	RATE EFFECT	F&P VOTE
55	Provide funding for a 1% salary increase for all Group A employees in 2019. The intent is to provide Group A employees with a total salary increase in 2019 of 3%. Increase the Wages Supplement Fund by \$1 million to reflect an estimated 1% increase for Group A employees, in addition to the 2% salary increase already included in the Wages Supplement Fund for this purpose. The amendment does not adjust salaries in the enterprise funds (Parking, Water, Sewer) for Group A employees and assumes that these funds will absorb any salary increases. Offset the increase by decreasing the payment for the contribution to the Employer's Pension Reserve Fund by \$1 million.	\$+0	\$+0	\$+0.000	w/d
63A	Increase funding for the Concentrated Blight Elimination capital project by \$1.5 million, for total funding of \$2.5 million. Fund the increase through General Obligation borrowing.	\$+1,530,000	\$+30,000	\$+0.000	(0-5)
71	Add \$1,000,000 of new borrowing to the Local Street Reconstruction Program.	\$+1,020,000	\$+20,000	\$+0.001	(2-3)
73	Add \$500,000 of new borrowing and \$200,000 of special assessment authority to the Alley Reconstruction Program.	\$+710,000	\$+10,000	\$+0.001	(2-3)

SPONSOR(S): ALD. RAINEY

**AMENDMENT 11
WITHDRAWN**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
DEPT. OF CITY DEVELOPMENT, PROVISION FOR EMPLOYEE RETIREMENT	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

Provide \$200,000 for the Heathy Food Establishment Fund special fund administered by the Department of City Development. Reduce funding for the Employee's Retirement Fund – Reserve Fund by \$200,000.

BACKGROUND

1. Large portions of the city are located more than one mile from a full-service grocery store, in effect making those areas “food deserts” with limited availability of healthy foods. Two of the City’s tax incremental districts – TIDs 27 and 40 – were created with the intent of incentivizing the construction of new grocery stores in areas with a lack of such establishments.
2. By 2018 Budget amendment, the Common Council created a \$200,000 Healthy Food Establishment Fund special fund in the Department of City Development’s budget to promote fresh-food purchase opportunities in neighborhoods currently lacking those opportunities.
3. This special fund appropriation is intended to encourage public-private collaboration and to leverage the City’s financial investment with other available resources to impact health, employment, training and entrepreneurship. In addition to traditional retail grocery store locations, options for use of the fund may include farmer’s markets, mobile grocery delivery services, and other innovative means of marketing fresh food to underserved areas.
4. The Employees’ Retirement Fund – Reserve Fund, also known as the Pension Reserve Fund, exists to stabilize the City’s future pension contributions.

DISCUSSION

1. No funds have been expended from the \$200,000 2018 appropriation from the Healthy Food Establishment Fund. The Department of City Development reports that it anticipates that a “Food Access Plan” will be presented to the Common Council by the end of 2018, at which point the Department will be able to devise a strategy to allocate the Fund.

2. The 2019 Proposed Budget provides no additional funding for the Healthy Food Establishment Fund.
3. There was a balance of approximately \$15.6 million in the Pension Reserve Fund at the end of 2017. The 2018 Budget used \$5.0 million from the Pension Reserve Fund, leaving a Reserve Fund balance of \$10.6 million.
4. The 2019 Proposed Budget calls for depositing \$13.4 million in Pension Fund credit savings into the Pension Reserve Fund, or \$8.4 million more than the \$5.0 million that was deposited in the Pension Reserve Fund in 2018. Since the 2019 Proposed Budget does not call for using any of the Pension Reserve Fund in 2019, this will bring the balance of the Reserve Fund to \$24.0 million.
5. This amendment provides \$200,000 in funding for the Healthy Food Establishment Fund special fund, the same amount of funding as the 2018 Budget. It also reduces the contribution to the Pension Reserve Fund by \$200,000, from \$13.4 million to \$13.2 million.

EFFECT

The budget effect of this amendment is \$+0.

This amendment has no effect on the tax levy or tax rate.

Prepared by: Jeff Osterman
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Rainey

DEPARTMENT OF CITY DEVELOPMENT, PROVISIONS FOR EMPLOYEE RETIREMENT

Reduce the Pension Reserve Fund contribution by \$200,000, and increase the DCD Healthy Food Establishment special fund by \$200,000.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$+200,000	\$+200,000	\$+0.008
<u>Provisions for Employee Retirement</u>	<u>\$-200,000</u>	<u>\$-200,000</u>	<u>\$-0.008</u>
Total	\$+0	\$+0	\$+0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	DEPARTMENT OF CITY DEVELOPMENT - GENERAL MANAGEMENT & POLICY DEVELOPMENT DECISION UNIT				
	SPECIAL FUNDS				
140.10-12	Healthy Food Establishment Fund*	--	--	\$0	\$+200,000
	SECTION 1.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT				
410.1-24	Employees' Retirement Fund Reserve Fund	--	--	\$13,400,000	\$-200,000

This page intentionally left blank

SPONSOR(S): ALD. DONOVAN

**AMENDMENT 13A
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
COMMON COUNCIL –CITY CLERK	\$+24,335	\$+24,335	\$+0.001

AMENDMENT INTENT

Add position authority and funding for the Inspector General position in the City Clerk's Office. This position is funded for half a year.

BACKGROUND

1. The Common Council created the position of Inspector General within the Common Council-City Clerk's Office through an ordinance (File No. 180813) on October 16, 2018. This position has "the authority and duty to closely monitor departmental administration and activities city-wide, and to report directly to the Common Council, while being outside of the administration."
2. The position is under the direct supervision of the President of the Common Council.

DISCUSSION

1. This amendment adds position authority and funding for the position of Inspector General in the City Clerk's Office.
2. The amendment provides funding for this position for half a year in the amount of \$24,335.
3. The actual compensation for this position will be determined by a classification study conducted by the Department of Employee Relations.

EFFECT

The budget effect of this amendment is \$+24,335.

The tax-levy effect of this amendment is \$+24,335, resulting in a tax-rate impact of \$+0.001 per \$1,000 assessed valuation.

COMMITTEE VOTE: (2-2-1) In Favor: Lewis, Stamper
Opposed: Witkowski, Murphy
Abstained: Coggs

Prepared by: Teodros W. Medhin, Ph.D., Research Supervisor
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Donovan

COMMON COUNCIL - CITY CLERK

Add position authority, FTE and funding for the Inspector General position in the City Clerk's office. This position is funded for half a year. This is a new position and the salary is an estimated amount. Actual compensation will be determined by a classification study conducted by the Department of Employee Relations.

BUDGET TAX LEVY TAX RATE EFFECT
EFFECT EFFECT (PER \$1,000 A.V.)

Operating Budget \$+24,335 \$+24,335 \$+0.001

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	COMMON COUNCIL - CITY CLERK				
	CENTRAL ADMINISTRATION DIVISION				
	SALARIES & WAGES				
160.1-10	Immediately following the line: "CENTRAL ADMINISTRATION DIVISION"				
	Insert the following line and amounts: "Inspector General (C)"	--	+1	--	\$+24,335
160.4-25	O&M FTE'S	100.07	+0.50	--	--
160.5-7	Immediately following the line: "accordance with the labor contract agreement."				
	Insert the following line: "(C) It is recommended that the Inspector General position be exempt from City Service."	--	--	--	--
160.5-15	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$2,526,514	\$+10,951
380.1-3	FRINGE BENEFIT OFFSET	--	--	-\$178,693,628	-\$10,951

This page intentionally left blank

SPONSOR(S): ALD. RAINEY

**AMENDMENT 17
WITHDRAWN**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
EMPLOYEE RETIREMENT, COMMON COUNCIL-CITY CLERK	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

Reduce the Pension Reserve Fund contribution by \$40,000, and establish a \$40,000 Hip-Hop MKE Week special fund in the Common Council-City Clerk.

BACKGROUND

1. Hip-Hop MKE Week was held on August 20-26, 2018 in different venues throughout Milwaukee and focused on health, financial literacy and civic engagement. There were approximately 8,000 - 10,000 attendees at the week-long event.
2. Hip-Hop MKE hosted various events throughout the Milwaukee community that brought national speakers, film, and musical performances to the city.
3. Hip-Hop MKE also created partnerships within the Milwaukee business community such MillerCoors, Mandel Group, Associated Bank and many more.

DISCUSSION

1. Based on the success of Hip-Hop MKE Week and the demand for more national acts and speakers, the Office of the Common-Council City Clerk needs to establish a special account to take donations from sponsors and community partners.
2. The Special Fund will enable Hip-Hop MKE Week to bring in more national recording and film artists, national speakers and other experts. The fund will also help pay for venues and pay staff for set up.

EFFECT

The budget effect of this amendment is \$0.

The tax-levy effect of this amendment is \$0.

Prepared by: Kari B. Gipson
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Rainey

COMMON COUNCIL - CITY CLERK, PROVISIONS FOR EMPLOYEE RETIREMENT

Create a Hip-Hop Week MKE special fund in the Common Council-City Clerk with funding of \$40,000. Offset the cost by reducing the Pension Reserve Fund contribution by \$40,000.

<u>BUDGET</u>	<u>TAX LEVY</u>	<u>TAX RATE EFFECT</u>
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$+40,000	\$+40,000	\$+0.002
<u>Provisions For Employee Retirement</u>	<u>\$-40,000</u>	<u>\$-40,000</u>	<u>\$-0.002</u>
Total	\$+0	\$+0	\$+0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	COMMON COUNCIL - CITY CLERK				
	SPECIAL FUNDS				
	Immediately following the line:				
160.7-15	"Closed Captioning Services*"	--	--	--	--
	Insert the following line and amount:				
	"Hip-Hop Week MKE Fund*"	--	--	\$0	\$+40,000
	SECTION 1.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT				
410.1-24	Employees' Retirement Fund Reserve Fund	--	--	\$13,400,000	\$-40,000

This page intentionally left blank

SPONSOR(S): ALD. KOVAC

**AMENDMENT 27
WITHDRAWN**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
HEALTH DEPARTMENT POLICE DEPARTMENT	\$-38,652	\$-38,652	\$-0.001

AMENDMENT INTENT

Reduce Police average sworn strength by 10 FTE and use the savings to add position authority, FTE, and funding for 12 Public Health Nurse III positions in the MHD Family and Community Health Services Division.

BACKGROUND

1. The 2019 budget funds the Police Department for an average annual sworn strength of 1,871.
2. The 2019 budget funds 21 Public Health Nurse III positions in the Health Department's Family and Community Health Services Division.

DISCUSSION

1. All Health Department programs that address infant mortality in Milwaukee are overseen by the Department's Family and Community Health Services Division. This amendment increases the number of Public Nurse III positions funded in Family and the Community Health Services Division by 12, or 57%, to 33. Increasing Public Health Nurse III staffing is expected to help to reduce the rate of infant mortality, especially among the African-American residents.
2. This amendment reduces average annual Police Department sworn strength by 10 officers, from 1,871 proposed for 2019 to 1,861, 2018's level,

EFFECT

The budget effect of this amendment is \$-38,652.

The tax levy effect of this amendment is \$-38,652, resulting in a tax-rate impact of \$0.001 per \$1,000 of assessed valuation.

Prepared by: Aaron Cadle
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Kovac

HEALTH DEPARTMENT, POLICE DEPARTMENT

Reduce Police average sworn strength by 10 FTE and use the savings to add position authority, FTE, and funding for 12 Public Health Nurse III positions in the MHD Family and Community Health Services Division.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$-38,652	\$-38,652	\$-0.001
------------------	-----------	-----------	----------

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	HEALTH DEPARTMENT				
	SALARIES & WAGES				
	Immediately following the line:				
220.3-22	Program Assistant I (X)	--	--	--	--
	Insert the following lines and amounts:				
	"Public Health Nurse 3"	--	+12	--	\$+579,504
220.12-8	O&M FTE'S	141.70	+12.00	--	--
220.17-6	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$3,527,196	\$+260,777
	POLICE DEPARTMENT				
270.20-14	Personnel Cost Adjustment	--	--	\$-12,997,233	\$-472,456
270.20-25	O&M FTE'S	2724.60	-10.00	--	--
270.23-3	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$90,181,890	\$-222,054
	OPERATING EXPENDITURES				
270.23-11	Other Operating Supplies	--	--	\$2,229,255	\$-145,700
380.1-3	FRINGE BENEFIT OFFSET	--	--	\$-178,693,628	\$-38,723

This page intentionally left blank

SPONSOR(S): ALD. WITKOWSKI

**AMENDMENT 39
WITHDRAWN**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
POLICE	\$-16,156	\$-16,156	\$-0.001

AMENDMENT INTENT

This amendment reduces the Police Department's average sworn strength by 10, from 1,871 to 1,861, and uses the savings to add position authority and funding for 14 new civilian Community Corrections Officers. This amendment assumes creation of a new position title and an estimated salary amount. The actual position title and salary will be determined following a classification study by DER.

BACKGROUND

1. The 2019 Proposed Budget provides position authority, FTEs and funding to increase the Police Department's average sworn strength by 10 from the 2018 budgeted level to 1,871.
2. Community Corrections Officers would be civilian employees who support basic police operations by performing a variety of duties in the booking process that would not require sworn personnel.
3. An estimated starting salary for Community Corrections Officers, which would be a new position and need classification, is approximately \$43,000.
4. By taking on the burden of tasks in the booking process that do not require sworn personnel, use of Community Corrections Officers will the capacity of police officers to perform duties that do require sworn personnel, including response to higher priority calls for service and increased patrol presence in district neighborhoods.

DISCUSSION

1. This amendment reduces the FTEs for police officers to reduce the 2019 average sworn strength from 1,871 to 1,861, the same level as budgeted for 2018.
2. This reduction will be accomplished by reducing the size of the first 2019 Police recruit class scheduled to begin pay period 13 from 65 to 45.
3. This amendment adds positional authority for 14 new Community Corrections Officer positions.

4. This amendment uses the savings from the reduction in average sworn strength to fund the salaries of 14 Community Corrections Officers with salaries totaling \$602,000.

EFFECT

The budget effect of this amendment is \$-16,156.

The tax-levy effect of this amendment is \$-16,156, for a tax-rate impact of \$-0.001 per \$1,000 assessed valuation.

Prepared by: Dana J. Zelazny
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Witkowski

POLICE DEPARTMENT

Reduce average sworn strength by 10 and use savings to add position authority and funding for 14 new civilian Community Correctional Officer positions. The amendment assumes creation of a new position title. The salary amount is an estimate. The actual position title and salary will be determined following a classification study by DER.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$-16,156	\$-16,156	\$-0.001
------------------	-----------	-----------	----------

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	POLICE DEPARTMENT				
270.12-23	Immediately following the line: "Police Officer"				
	Insert the following titles and amounts: "Community Correctional Officer"	--	14	--	\$+602,000
270.20-14	Personnel Cost Adjustment	--	--	\$-12,997,233	\$-472,456
270.20-25	O&M FTE'S	2724.60	+4.00	--	--
270.23-3	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$90,181,890	\$+60,886
	OPERATING EXPENDITURES				
270.23-11	Other Operating Supplies	--	--	\$2,229,255	\$-145,700
380.1-3	FRINGE BENEFIT OFFSET	--	--	\$-178,693,628	\$-60,886

This page intentionally left blank

SPONSOR(S): ALD. WITKOWSKI

**AMENDMENT 40
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
POLICE	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

This amendment reduces the Police Department's average sworn strength by 20, from 1,871 to 1,851, and uses the savings to add position authority, FTEs and funding for 28 new civilian Community Corrections Officers. This amendment assumes creation of a new position title and an estimated salary amount. The actual position title and salary will be determined following a classification study by DER.

BACKGROUND

1. The 2019 Proposed Budget provides position authority, FTEs and funding to increase the Police Department's average sworn strength by 10 from the 2018 budgeted level to 1,871.
2. Community Corrections Officers would be civilian employees who support basic police operations by performing a variety of duties in the booking process that would not require sworn personnel.
3. An estimated starting salary for Community Corrections Officers, which would be a new position and need classification, is approximately \$43,000.
4. By taking on the burden of tasks in the booking process that do not require sworn personnel, use of Community Corrections Officers will increase the capacity of police officers to perform duties that do require sworn personnel, including response to higher priority calls for service and increased patrol presence in district neighborhoods.

DISCUSSION

1. This amendment reduces the FTEs for police officers to reduce the 2019 average sworn strength from 1,871 to 1,851.
2. This reduction will be accomplished by reducing the size of the first 2019 Police recruit class scheduled to begin pay period 13 from 65 to 25.
3. This amendment adds position authority for 28 new Community Corrections Officers positions.

4. This amendment uses the savings from the reduction in average sworn strength to fund the full-year salaries of 28 Community Corrections Officers with salaries totaling \$1,066,329.

EFFECT

Since this is a balanced amendment, it has no effect on the budget, tax levy or tax rate.

COMMITTEE VOTE: (1-4) In Favor: Ald. Witkowski
Opposed: Ald. Coggs, Lewis, Murphy, Stamper

Prepared by: Dana J. Zelazny
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Witkowski

POLICE DEPARTMENT, SPECIAL PURPOSE ACCOUNTS, PROVISIONS FOR EMPLOYEE RETIREMENT

Reduce average sworn strength by 20 and use savings to add position authority, FTEs and funding for 28 new civilian Community Correctional Officer positions to begin in pay period 4, 2019. The amendment assumes creation of a new position title. The salary amount is an estimate. The actual position title and salary will be determined following a classification study by DER.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$-65,983	\$-65,983	\$-0.002
<u>Provisions for Employee Retirement</u>	<u>\$+65,983</u>	<u>\$+65,983</u>	<u>\$+0.002</u>
Total	\$+0	\$+0	\$+0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	POLICE DEPARTMENT				
	Immediately following the line:				
270.12-23	"Police Officer"				
	Insert the following titles and amounts:				
	"Community Correctional Officer"	--	28	--	\$+1,066,329
270.20-14	Personnel Cost Adjustment	--	--	\$-12,997,233	\$-944,912
270.20-25	O&M FTE'S	2724.60	+8.00	--	--
270.23-3	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$90,181,890	\$+57,066
	OPERATING EXPENDITURES				
270.23-11	Other Operating Supplies	--	--	\$2,229,255	\$-291,400
	SPECIAL PURPOSE ACCOUNTS - EMPLOYEE HEALTH CARE BENEFITS				
350.1-10	UHC Choice "EPO"	--	--	\$92,000,000	\$+104,000
380.1-3	FRINGE BENEFIT OFFSET	--	--	\$-178,693,628	\$-57,066

Change totals, subtotals, and related amounts accordingly.

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Witkowski

Item 40

POLICE DEPARTMENT, SPECIAL PURPOSE ACCOUNTS, PROVISIONS FOR EMPLOYEE RETIREMENT CONT'D

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
410.2-6	SECTION I.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT Social Security Tax	--	--	\$18,900,000	\$+65,983

SPONSOR(S): ALD. ZIELINSKI

**AMENDMENT 41
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
POLICE DEPARTMENT SPECIAL PURPOSE ACCOUNTS PROVISIONS FOR EMPLOYEE RETIREMENT	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

This amendment reduces the contribution to the Pension Reserve Fund by \$400,000. The savings will be used to fund 4 Police Officers and create an SPA to be administered by the Common Council – City Clerk to establish two COP Houses. Four officer-recruits will be added to the class planned for pay period 25, 2019.

BACKGROUND

1. On October 17, 2017, the Common Council adopted File No. 170816, a resolution urging the Chief of Police to support a Community Oriented Policing (COP) House public safety initiative.
2. COP Houses serve as outposts in vulnerable neighborhoods, enabling police officers to maintain a strong presence, spend more time working with residents to solve crime and disorder problems, host community gatherings, and provide a positive and structured environment focused on learning, including classroom and computer labs for local residents.
3. COP Houses also serve as satellite facilities for partner agencies to provide services, including probation agents who use them to have check-in visits with clients, or volunteers that provide youth programming, help with homework and arts and crafts lessons.
4. Expenses for the proposed COP Houses would include the salaries of 2 police officers per COP House, rehab expenses for a City-owned property, lease expenses for a non-City owned property, one-time expenses for securing and furnishing each COP House, and utility and other annual expenses.
5. The 2019 Proposed Budget includes a \$13.4 million contribution to the Pension Reserve Fund.

DISCUSSION

1. This amendment reduces the Pension Reserve Fund by \$400,000.
2. A portion of the savings, \$225,075, will be used to fund the salaries of 4 police officers (2 per COP House) for a total of 3 FTEs. The assumption is that 2 of the

police officers will only be funded for the latter part of the year after the renovation of the COP House on City-owned property is completed.

3. Four officer-recruits will be added to the recruit class planned for pay period 25, 2019, to ensure that adequate staffing is available in future years without reducing the availability of sworn personnel for other operations.
4. An SPA will be established with the remaining \$145,785. This money will be used to rehab one City-owned property for use as a COP House, to lease a privately-owned property for use as a COP House, to pay for one-time furnishing, security, technology and other set-up costs and to pay for utility and other on-going operating expenses.
5. The COP House SPA will be administered by the Common Council – City Clerk.

EFFECT

Since this is a balanced amendment, it has no effect on the budget, tax levy or tax rate.

COMMITTEE VOTE: (0-5)

In Favor: None

Opposed: Ald. Coggs, Lewis, Murphy, Witkowski,
Stamper

Prepared by: Dana J. Zelazny
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Zielinski

POLICE DEPARTMENT, SPECIAL PURPOSE ACCOUNTS, PROVISIONS FOR EMPLOYEE RETIREMENT

Reduce contribution to the Pension Reserve Fund by \$400,000. Add funding for 4 Police Officers and create an SPA to be administered by the Common Council-City Clerk to establish two COP Houses. Four Police Officer recruits will be added to the recruit class planned for pay period 25, 2019.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$+400,000	\$+400,000	\$+0.015
<u>Provisions for Employee Retirement</u>	<u>\$-400,000</u>	<u>\$-400,000</u>	<u>\$-0.015</u>
Total	\$+0	\$+0	\$+0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	POLICE DEPARTMENT				
270.19-19	Immediately following the line: "Police Officer"				
	Insert the following titles and amounts: "COP HOUSE"				
	"Police Officer"	--	+4	--	\$+225,075
270.20-25	O&M FTE'S	2724.60	+3.00	--	--
270.23-3	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$90,181,890	\$+105,785
	OPERATING EXPENDITURES				
270.23-11	Other Operating Supplies	--	--	\$2,229,255	\$+29,140
	SPECIAL PURPOSE ACCOUNTS- MISCELLANEOUS				
330.1-21	Immediately following the line: "Contribution Fund General"				
	Insert the following titles and amounts: "COP House"	--	--	--	\$+145,785
380.1-3	FRINGE BENEFIT OFFSET	--	--	\$-178,693,628	\$-105,785

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Zielinski

Item 41

POLICE DEPARTMENT, SPECIAL PURPOSE ACCOUNTS, PROVISIONS FOR EMPLOYEE RETIREMENT CONT'D

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT \$+0 CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
410.1-24	SECTION I.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT Reserve Fund	--	--	\$13,400,000	-\$400,000

SPONSOR(S): ALD. WITKOWSKI

**AMENDMENT 42
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
POLICE	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

This amendment reduces the Police Department's average sworn strength by 10, from 1,871 to 1,861, and uses the savings to fund 15 additional Community Service Officers.

BACKGROUND

1. The 2019 Proposed Budget provides position authority, FTEs and funding to increase the Police Department's average sworn strength by 10 from the 2018 budgeted level to 1,871.
2. Community Service Officers are civilian employees who support basic police operations by performing a variety of duties that do not require sworn personnel. Essential functions include responding to non-emergency, low-priority calls for service, inspecting property damage and accident sites, canvassing for and interviewing witnesses, preparing reports, testifying in court and providing depositions, and taking complaints from individuals who walk into police stations.
3. By taking on the burden of non-emergency and other low-priority tasks, Community Service Officers increase the capacity of police officers to perform duties that do require sworn personnel, including response to higher priority calls for service and increased patrol presence in district neighborhoods.
4. The starting salary for Community Service Officers is \$39,518.
5. The 2019 Proposed Budget funds 25 Community Service Officers; 13 of those positions are vacant as of September 22, 2018.

DISCUSSION

1. This amendment reduces the FTEs for police officers to reduce the 2019 average sworn strength from 1,871 to 1,861, the same level as budgeted for 2018.
2. This reduction will be accomplished by reducing the size of the first 2019 Police recruit class scheduled to begin pay period 13 from 65 to 45.
3. This amendment adds position authority for 15 additional Community Service Officers.

4. This amendment uses the savings from the reduction in average sworn strength to fund the salaries of 15 Community Service Officers (pay range 5EN) totaling \$447,726.

EFFECT

Since this is a balanced amendment, it has no effect on the budget, tax levy or tax rate.

COMMITTEE VOTE: (1-4) In Favor: Ald. Witkowski
Opposed: Ald. Coggs, Lewis, Murphy, Stamper

Prepared by: Dana J. Zelazny
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Witkowski

POLICE DEPARTMENT, SPECIAL PURPOSE ACCOUNTS, PROVISIONS FOR EMPLOYEE RETIREMENT

	<u>BUDGET</u>	<u>TAX LEVY</u>	<u>TAX RATE EFFECT</u>
Reduce average sworn strength by 10 and use savings to fund 15 Community Service Officer positions.	<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$-26,455	\$-26,455	\$-0.001
<u>Provisions for Employee Retirement</u>	<u>\$+26,455</u>	<u>\$+26,455</u>	<u>\$+0.001</u>
Total	\$+0	\$+0	\$+0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	POLICE DEPARTMENT				
270.20-2	Community Service Officer	25	+15	\$992,225	\$+447,726
270.20-14	Personnel Cost Adjustment	--	--	-\$12,997,233	-\$472,456
270.20-25	O&M FTE'S	2724.60	+5.00	--	--
270.23-3	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$90,181,890	-\$11,623
	OPERATING EXPENDITURES				
270.23-11	Other Operating Supplies	--	--	\$2,229,255	-\$66,725
	SPECIAL PURPOSE ACCOUNTS - EMPLOYEE HEALTH CARE BENEFITS				
350.1-10	UHC Choice "EPO"	--	--	\$92,000,000	\$+65,000
380.1-3	FRINGE BENEFIT OFFSET	--	--	-\$178,693,628	\$+11,623
	SECTION I.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT				
410.2-6	Social Security Tax	--	--	\$18,900,000	\$+26,455

Change totals, subtotals, and related amounts accordingly.

This page intentionally left blank

SPONSOR(S): ALD. WITKOWSKI

**AMENDMENT 43
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
POLICE DEPARTMENT	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

This amendment reduces the average sworn strength by 30, from 1,871 to 1,851, and uses the savings to fund 30 additional Community Service Officers for the full year.

BACKGROUND

1. The 2019 Proposed Budget provides position authority, FTEs and funding to increase the Police Department's average sworn strength by 10 from the 2018 budgeted level to 1,871.
2. Community Service Officers are civilian employees who support basic police operations by performing a variety of duties that do not require sworn personnel. Essential functions include responding to non-emergency, low-priority calls for service, inspecting property damage and accident sites, canvassing for and interviewing witnesses, preparing reports, testifying in court and providing depositions, and taking complaints from individuals who walk into police stations.
3. By taking on the burden of non-emergency and other low-priority tasks, Community Service Officers increase the capacity of police officers to perform duties that do require sworn personnel, including response to higher priority calls for service and increased patrol presence in district neighborhoods.
4. The starting salary for Community Service Officers is \$39,518.
5. The 2019 Proposed Budget funds 25 Community Service Officers; 13 of those positions are vacant as of September 22, 2018.

DISCUSSION

1. This amendment reduces the FTEs for police officers to reduce the 2019 average sworn strength from 1,871 to 1,851.
2. This reduction will be accomplished by reducing the size of the first 2019 Police recruit class scheduled to begin pay period 13 from 65 to 25.
3. This amendment adds position authority for 30 additional Community Service Officers.

4. This amendment uses the savings from the reduction in average sworn strength to fund the full-year salaries of 30 Community Service Officers (pay range 5EN) with salaries totaling \$895,452.

EFFECT

Since this is a balanced amendment, it has no effect on the budget, tax levy or tax rate.

COMMITTEE VOTE: (1-4) In Favor: Ald. Witkowski
Opposed: Ald. Coggs, Lewis, Murphy, Stamper

Prepared by: Dana J. Zelazny
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Witkowski

POLICE DEPARTMENT, SPECIAL PURPOSE ACCOUNTS, PROVISIONS FOR EMPLOYEE RETIREMENT

Reduce average sworn strength by 30 and add position authority and funding for 30 additional Community Service Officers to begin in pay period 7, 2019.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$-52,911	\$-52,911	\$-0.002
<u>Provisions for Employee Retirement</u>	<u>+\$52,911</u>	<u>+\$52,911</u>	<u>+\$0.002</u>
Total	\$-0	\$-0	\$-0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	POLICE DEPARTMENT				
270.20-2	Community Service Officer	25	+30	\$992,225	+\$895,451
270.20-14	Personnel Cost Adjustment	--	--	-\$12,997,233	-\$944,912
270.20-25	O&M FTE'S	2724.60	+10.00	--	--
270.23-3	ESTIMATED EMPLOYEE FRINGE BENEFITS	--	--	\$90,181,890	-\$23,247
	OPERATING EXPENDITURES				
270.23-11	Other Operating Supplies	--	--	\$2,229,255	-\$133,450
	SPECIAL PURPOSE ACCOUNTS - EMPLOYEE HEALTH CARE BENEFITS				
350.1-10	UHC Choice "EPO"	--	--	\$92,000,000	+\$130,000
380.1-3	FRINGE BENEFIT OFFSET	--	--	-\$178,693,628	+\$23,247
	SECTION I.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT				
410.2-6	Social Security Tax	--	--	\$18,900,000	+\$52,911

Change totals, subtotals, and related amounts accordingly.

This page intentionally left blank

SPONSOR(S): ALD. BAUMAN

**AMENDMENT 52
WITHDRAWN**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
SPECIAL PURPOSED ACCOUNTS- MISCELLANEOUS	\$-23,631	\$-23,631	\$-0.001

AMENDMENT INTENT

Decrease funding for the City Membership Special Purpose Account by \$23,691. The purpose is to withdraw the City's membership in the National League of Cities.

BACKGROUND

1. The 2019 Proposed Budget allocates \$88,000 for funding the City Memberships Special Purpose Account.
2. The City Memberships account provides funding for memberships in various organizations that support the City's lobbying, policy research and professional development programs. In addition, membership in these organizations provides Common council members and City personnel discounts and lower rates for conference attendance and lodging.
3. The costs for City memberships proposed for 2019 are as follows:
 - League of Wisconsin Municipalities: \$51,602
 - Government Finance Officers Association: 1,775
 - National League of Cities: 23,631
 - Sister Cities International: 1,835
 - Public Policy Forum: 1,155
 - ICLEI-Local Government: 3,500

DISCUSSION

This amendment removes the proposed 2019 funding for the City's membership in the National League of Cities (\$23,631).

EFFECT

The budget effect of this amendment is \$-23,631.

The tax-levy effect of this amendment is \$-23,631, resulting in a tax-rate impact of \$-0.001 per \$1,000 assessed valuation.

Prepared by: Teodros W. Medhin, Ph.D., Research Supervisor
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Bauman

SPECIAL PURPOSE ACCOUNTS - MISCELLANEOUS

Decrease funding for the City Memberships Special Purpose Account by \$23,631. The purpose is to withdraw the City's membership in the National League of Cities.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$-23,631	\$-23,631	\$-0.001
------------------	-----------	-----------	----------

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
330.3-15	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES SPECIAL PURPOSE ACCOUNTS- MISCELLANEOUS Memberships, City	--	--	\$88,000	\$-23,631

This page intentionally left blank

**SPONSOR(S): ALD. LEWIS, HAMILTON, STAMPER,
JOHNSON AND PEREZ**

**AMENDMENT 55
WITHDRAWN**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
WAGES SUPPLEMENT FUND SPA, PENSION RESERVE FUND CONTRIBUTION	\$+0	\$+0	\$+0.000

AMENDMENT INTENT

This amendment provides funding for a 1% salary increase for all Group A employees in 2019. The intent is to provide Group A employees with a total salary increase in 2019 of 3%. The Wages Supplement Fund is increased by \$1 million to reflect an estimated 1% increase for Group A employees, in addition to the 2% salary increase already included in the Wages Supplement Fund for this purpose. The amendment does not adjust salaries in the enterprise funds (Parking, Water, Sewer) for Group A employees and assumes that these funds will absorb any salary increases. The increase to the Wages Supplement Fund SPA is offset by decreasing the contribution to the Employer's Pension Reserve Fund by \$1 million.

BACKGROUND

1. Pay progression salary increases for eligible Group A general City employees, which include employees in the technician, paraprofessional, administrative support, skilled craft and service and maintenance sections, have in past years been 2% of employee salaries.
2. Pay progression salary increases for eligible Group B general City employees, which include employees in the officials and administrators, professionals and protective service (sworn management) sections, have in past years been increases of 2% to 4% of the midpoints of the pay ranges assigned to the employees, depending upon performance reviews.
3. The 2019 Proposed Budget includes sufficient funding to provide for a 2% pay progression salary increase for eligible Group A and 2-4% pay progression salary increase for eligible Group B general City employees.
4. Salary increases for general City employees, in addition to the City's generous benefits packages, are necessary to retain a skilled and valued workforce.
5. The 2019 Proposed Budget includes a \$13.4 million contribution to the Pension Reserve Fund.

DISCUSSION

1. This amendment reduces the contribution to the Pension Reserve Fund by \$1 million.
2. The savings will be added to the Wages Supplement Fund SPA to provide the funding for an additional 1% salary increase for Group A general City employees in 2019. This will increase the 2019 pay progression for eligible Group A general City employees from 2% to 3%.

EFFECT

Since this is a balanced amendment, it has no effect on the budget, tax levy or tax rate.

Prepared by: Dana J. Zelazny
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Lewis, Hamilton, Stamper, Johnson, Perez

SPECIAL PURPOSE ACCOUNTS - MISCELLANEOUS, PROVISIONS FOR EMPLOYEE RETIREMENT

Provide funding for a 1% salary increase for all Group A employees in 2019. The intent is to provide Group A employees with a total salary increase in 2019 of 3%. Increase the Wages Supplement Fund by \$1 million to reflect an estimated 1% increase for Group A employees, in addition to the 2% salary increase already included in the Wages Supplement Fund for this purpose. The amendment does not adjust salaries in the enterprise funds (Parking, Water, Sewer) for Group A employees and assumes that these funds will absorb any salary increases. Offset the increase by decreasing the payment for the contribution to the Employer's Pension Reserve Fund by \$1 million.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Operating Budget	\$+1,000,000	\$+1,000,000	\$+0.038
<u>Provisions for Employee Retirement</u>	<u>\$-1,000,000</u>	<u>\$-1,000,000</u>	<u>\$-0.038</u>
Total	\$+0	\$+0	\$+0.000

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES				
	SPECIAL PURPOSE ACCOUNTS- MISCELLANEOUS				
330.5-19	Wages Supplement Fund	--	--	\$19,450,000	\$+1,000,000
	SECTION 1.B.1. BUDGET FOR PROVISIONS FOR EMPLOYEE RETIREMENT				
	Employes' Retirement Fund				
410.1-24	Employer's Pension Contribution - Employers' Reserve Fund	--	--	\$13,400,000	\$-1,000,000

This page intentionally left blank

SPONSOR(S): ALD. BAUMAN

**AMENDMENT 63A
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
CAPITAL IMPROVEMENTS (DEPT. OF NEIGHBORHOOD SERVICES)	\$+1,530,000	\$+30,000	\$+0.001

AMENDMENT INTENT

Increase funding for the Concentrated Blight Elimination capital improvements project by \$1.5 million. Fund the increase through General Obligation borrowing.

BACKGROUND

1. “Deconstruction” is the systematic dismantling of a structure, or portion thereof, to maximize the salvage of materials for reuse, in preference over salvaging materials for recycling, energy recovery, or sending the materials to the landfill.
2. On November 7, 2017, the Common Council passed File Number 170188, an ordinance requiring deconstruction, rather than mechanical demolition, whenever a permit application is filed for demolition of any primary dwelling structure (one to 4 units) that was built in 1929 or earlier or is a City-designated historic structure or located in a City-designated historic district. This ordinance was effective January 1, 2018.
3. As stated in the deconstruction ordinance (s. 218-10, MCO), reasons for requiring deconstruction, rather than allowing mechanical demolition, include:
 - a. Maximizing the salvage of valuable building materials, especially old-growth structural lumber, for reuse, thereby supporting sustainability. (Studies have shown that construction of a typical 2,600 sq. ft. new single-family home requires the wood equivalent of approximately 44 trees; deconstruction of an existing 2,000 sq. ft. house can produce at least half of the wood needed for the new construction.)
 - b. Reducing the amount of demolition waste disposed of in landfills, thereby saving city and taxpayer dollars and extending the lives of existing landfills. (30-40% of landfill waste is construction and demolition debris, most of which is from renovation or demolition of existing buildings, rather than new construction.)
 - c. Creating employment opportunities for city residents, as the deconstruction process is much more labor-intensive than demolition. (Based on 2018 Department of Neighborhood Services data, mechanical demolition requires, on average, 89 worker-hours per parcel, whereas deconstruction requires 640 hours

per parcel. Also, an industry rule of thumb is that deconstruction creates 7 jobs for every job associated with demolition.)

d. Reducing carbon emissions associated with demolition activity by preserving the embodied carbon and energy of existing building materials. (Use of virgin lumber is 11 times more energy-consuming than reuse of previously-used wood.)

e. Reducing the release of dust and other hazardous or potentially hazardous airborne substances associated with mechanical demolition of structures.

4. The number of condemned buildings in the city of Milwaukee awaiting removal is approximately 475 (about 45% City-owned and 55% privately-owned). DNS estimates that 53 are in need of immediate removal due to extremely hazardous conditions. Also, an average of 0.4 condemned buildings are added to the deconstruction/demolition “queue” each day.

DISCUSSION

1. The Concentrated Blight Elimination capital account provides funding for demolition or deconstruction of condemned buildings. This account is administered by the Department of Neighborhood Services, which enters into contracts with vendors for demolition and deconstruction services.
2. Total City funding for demolition and deconstruction activity in recent years was as follows:

Year	Concentrated Blight Elimination capital account (DNS)	In-House Demolition Program (DPW)	Total City Funding
2015	\$1,319,000	\$532,900	\$1,851,900
2016	\$2,200,000	\$473,320	\$2,673,320
2017	\$2,100,000	\$438,320	\$2,538,320
2018	\$1,200,000	\$0	\$1,200,000
2019 Proposed	\$1,000,000	\$0	\$1,000,000

3. DNS expects to complete 21 mechanical demolitions and 7 deconstructions with the funding available for 2018, and to have approximately \$239,000 left for carryover into 2019.
4. DNS reports that the average current deconstruction worker wage is \$17 per hour. Assuming that the average wage is the same for a demolition worker and that an average of 640 worker-hours are needed to complete a deconstruction, versus 89 worker-hours for an average demolition, total wages paid for a deconstruction are \$10,880, compared to just \$1,513 for a demolition.
5. The 2019 Proposed Budget provides \$1,000,000 in funding (new borrowing) for the Concentrated Blight Elimination capital account, a decrease of \$200,000 from

2018. DNS estimates that \$400,000 of this funding will be needed for operating costs (pre-demo environmental inspections, landscaping, service and processing of raze orders, etc.), leaving an effective 2019 budget of \$600,000 for razing condemned buildings.

6. DNS estimates that it will be able to raze 25 structures in 2019 with the funding provided in the 2019 Proposed Budget. This will involve some combination of deconstruction and demolition. The Department estimates that a maximum of 16 structures could be razed if all were removed through deconstruction, and that a maximum of 38 could be razed if all were removed through demolition.
7. This amendment provides \$1.5 million in additional funding for the Concentrated Blight Elimination program, bringing total funding to \$2.5 million. The additional funding will be provided through new General Obligation borrowing.
8. Assuming a deconstruction cost of \$23,000 to \$27,000 per structure, the \$1.5 million provided by this amendment could fund the deconstruction of 55 to 65 structures. Available carryover funds (\$239,000) and the \$1 million in the 2019 Proposed Budget will provide sufficient total funding for a contractor to raze at least 70 structures through deconstruction in 2019.

EFFECT

The budget effect of this amendment is \$+1,530,000.

The tax-levy effect of this amendment is \$+30,000, for a tax-rate effect of \$+0.001 per \$1,000 assessed valuation.

<u>COMMITTEE VOTE:</u>	(0-5)	In Favor:	None
		Opposed:	Ald. Coggs, Lewis, Witkowski, Murphy, Stamper

Prepared by: Jeff Osterman
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Bauman

CAPITAL IMPROVEMENTS, CITY DEBT, BORROWING AUTHORIZATIONS

Increase funding for the Concentrated Blight Elimination capital project by \$1.5 million, for total funding of \$2.5 million. Fund the increase through General Obligation borrowing.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Capital Improvements Budget	\$+1,500,000	\$+0	\$+0.000
<u>City Debt Budget</u>	<u>\$+30,000</u>	<u>\$+30,000</u>	<u>\$+0.001</u>
Total	\$+1,530,000	\$+30,000	\$+0.001

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.C.1. BUDGETS FOR CAPITAL IMPROVEMENTS				
	DEPT. OF NEIGHBORHOOD SERVICES				
450.20-5	Concentrated Blight Elimination New Borrowing	--	--	\$1,000,000	\$+1,500,000
	SECTION I.C.2. SOURCE OF FUNDS FOR CAPITAL IMPROVEMENTS BUDGET				
450.36-13	General Obligation Borrowings** New Authorizations - City Share	--	--	\$79,984,000	\$+1,500,000
	SECTION I.D.1. BUDGET FOR CITY DEBT				
460.1-8	Bonded Debt (Interest- expense)	--	--	\$53,611,000	\$+30,000
	SECTION II. BORROWING AUTHORIZATIONS				
570.1	A. Renewal and Development Projects Subtotal Renewal and Development Projects.	--	--	\$4,000,000	\$+1,500,000

Change totals, subtotals, and related amounts accordingly.

SPONSOR(S): ALD. BAUMAN

**AMENDMENT 71
FAILED**

DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
CAPITAL DPW–INFRASTRUCTURE SERVICES	\$+1,020,000	\$+20,000	\$+0.001

AMENDMENT INTENT

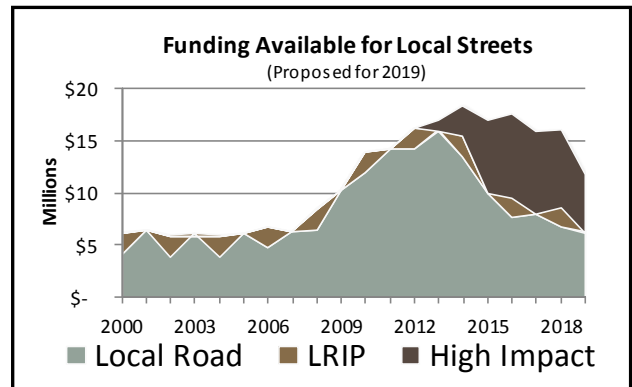
This amendment will add \$1 million of new borrowing to the Local Street Paving capital account in the Department of Public Works – Infrastructure Services Division.

BACKGROUND

1. The City has just over 900 miles of local streets.
2. The 2019 Budget provides a total of \$11.8 million for the improvement of local streets; \$6.2 million for the Local Street Program and \$5.6 for the High Impact Program.
3. The Department of Public Works estimates that it will improve 4.2 miles of streets in 2019 using Local Street funding.

DISCUSSION

1. This amendment will fund the Local Street Program as it was requested by the Department of Public Works.
2. The addition of \$1 million to the Local Streets program will allow for the paving of approximately one additional mile of streets. The actual number of miles paved with the provided level of funding will depend on the percentage of streets that are reconstructed as opposed to resurfaced. Final programming decisions for 2019 have not been made.
3. Additional local streets will be improved with funding in the High Impact capital account. The High Impact account was created in 2013 and became a significant part of DPW’s pavement improvement strategy in 2015.
4. Approximately \$1 million from the Local Street program will be used for street maintenance activities.



EFFECT

The budget effect of this amendment is \$+1,020,000.

The tax-levy effect of this amendment is \$+20,000.

COMMITTEE VOTE: (2-3) In Favor: Ald. Lewis, Stamper
Opposed: Ald. Coggs, Witkowski, Murphy

Prepared by: Kathleen Brengosz
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Bauman

CAPITAL IMPROVEMENTS,CITY DEBT, BORROWING AUTHORIZATIONS

Add \$1,000,000 of new borrowing to the Local Street Reconstruction Program.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Capital Improvements Budget	\$+1,000,000	\$+0	\$+0.000
<u>City Debt Budget</u>	<u>\$+20,000</u>	<u>\$+20,000</u>	<u>\$+0.001</u>
Total	\$+1,020,000	\$+20,000	\$+0.001

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.C.1. BUDGETS FOR CAPITAL IMPROVEMENTS				
	DEPARTMENT OF PUBLIC WORKS				
	DPW-INFRASTRUCTURE SERVICES DIVISION				
	B.1. STREET RECONSTRUCTION OR RESURFACING REGULAR CITY PROGRAM-INCLUDING LAND FOR R.O.W. (EXCLUDING URBAN RENEWAL)				
450.26-18	New Borrowing	--	--	\$5,200,000	\$+1,000,000
	SECTION I.C.2. SOURCE OF FUNDS FOR CAPITAL IMPROVEMENTS BUDGET				
450.36-13	New Authorizations - City Share	--	--	\$79,984,000	\$+1,000,000
	SECTION I.D.1. BUDGET FOR CITY DEBT				
460.1-8	Bonded Debt (Interest- expense)	--	--	\$53,611,000	\$+20,000
	SECTION II. BORROWING AUTHORIZATIONS				
	B. Public Improvements				
570.1	8. Street improvements and construction.	--	--	\$38,314,000	\$+1,000,000

Change totals, subtotals, and related amounts accordingly.

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Bauman

CAPITAL IMPROVEMENTS, CITY DEBT, BORROWING AUTHORIZATIONS CONT'D

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
570.1	E. Borrowing for Special Assessments 2. General city.	--	--	\$1,700,000	+\$200,000

SPONSOR(S): ALD. BAUMAN, PEREZ

**AMENDMENT 73
FAILED**

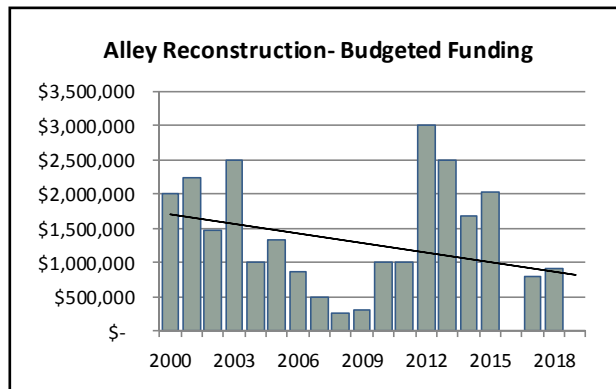
DEPARTMENT(S)	EFFECT		
	BUDGET	TAX LEVY	TAX RATE PER \$1,000
CAPITAL DPW INFRASTRUCTURE	\$+710,000	\$+10,000	\$+0.001

AMENDMENT INTENT

This amendment will add \$500,000 of new general obligation borrowing authority and \$200,000 of special assessment authority to the Alley Reconstruction program.

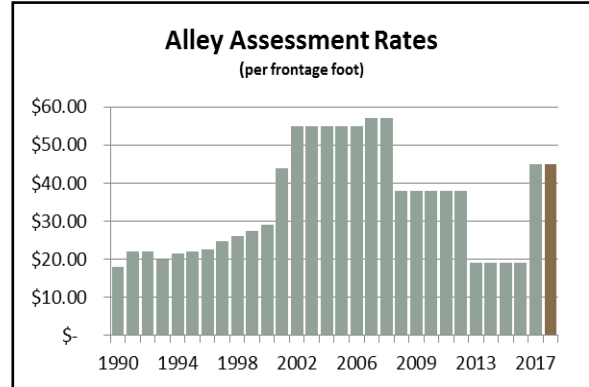
BACKGROUND

1. The City maintains approximately 4,000 alleys with a total length of about 400 miles. Approximately 125 miles of alleys are past their life expectancy of 50 years.
2. Alley construction is funded by a combination of general obligation borrowing and special assessments charged to the property owners adjacent to the alley.
3. Until April of 2008, the special assessment for alleys was equal to 90% of the cost of the work done adjacent to the property, with provisions made for properties that have construction on more than one side. With the passage of the Motor Vehicle Registration Fee (Common Council File # 080034), the recovery rate was reduced to 60%. The current cost recovery rate is 50%.
4. The assessment rate for a 20-foot wide alley is \$45 per frontage foot.
5. The cost to reconstruct a typical alley is approximately \$120,000.



DISCUSSION

1. Alleys do not form the same type of transportation network that streets do, but in many neighborhoods, they serve the important function of facilitating the removal of garbage by DPW Sanitation crews.
2. This amendment would provide the level of funding for the Alley Reconstruction program requested by the department. The department estimates that it could pave approximately 6 alleys with the requested funding. Because there are 4,000 alleys in the City, the addition of 6 alleys would have no significant impact on the alley replacement cycle.



3. Property-owner objections to alley projects began to increase after 2000 when a policy change significantly increased the assessment rate per frontage foot. The number of alley projects deleted at public hearings declined after the recovery rate was reduced to 60% early in 2008, but it did not return to pre-2000 levels. Property-owner resistance may have been held artificially high by the downturn in the economy. Since 2012, most alley projects that have had a public hearing have been approved.
4. The current assessment rate of \$45 per frontage foot is lower than the assessment rate in the early 2000s. If the assessment rate for the years 1990 through 1999 were adjusted for inflation, the current assessment rate would be between \$30 and \$40 per frontage foot.

EFFECT

The budget effect of this amendment is \$+710,000.

The tax levy effect of this amendment is \$+10,000.

COMMITTEE VOTE: (2-3) In Favor: Ald. Coggs, Stamper
Opposed: Ald. Lewis, Witkowski, Murphy

Prepared by: Kathleen Brengosz
Legislative Reference Bureau
Revised: November 5, 2018

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Bauman, Perez

CAPITAL IMPROVEMENTS, CITY DEBT, BORROWING AUTHORIZATIONS

Add \$500,000 of new borrowing and \$200,000 of special assessment authority to the Alley Reconstruction Program.

BUDGET	TAX LEVY	TAX RATE EFFECT
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Capital Improvements Budget	\$+700,000	\$+0	\$+0.000
City Debt Budget	\$+10,000	\$+10,000	\$+0.001
Total	\$+710,000	\$+10,000	\$+0.001

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.C.1. BUDGETS FOR CAPITAL IMPROVEMENTS				
	DEPARTMENT OF PUBLIC WORKS				
	INFRASTRUCTURE SERVICES DIVISION				
	C. ALLEY RECONSTRUCTION PROGRAM				
450.27-6	Assessable	--	--	--	\$+200,000
450.27-7	New Borrowing	--	--	--	\$+500,000
	SECTION I.C.2. SOURCE OF FUNDS FOR CAPITAL IMPROVEMENTS BUDGET				
450.36-13	New Authorizations - City Share	--	--	\$79,984,000	\$+500,000
450.36-19	Proceeds From Borrowing to Finance Assessable Projects- Total	--	--	\$3,000,000	\$+200,000
	SECTION I.D.1. BUDGET FOR CITY DEBT				
460.1-8	Bonded Debt (Interest- expense)	--	--	\$53,611,000	\$+10,000
	SECTION II. BORROWING AUTHORIZATIONS				
	B. Public Improvements				
570.1	8. Street improvements and construction.	--	--	\$38,314,000	\$+500,000

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2019 PROPOSED BUDGET

By Ald. Bauman, Perez

CAPITAL IMPROVEMENTS, CITY DEBT, BORROWING AUTHORIZATIONS CONT'D

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2019 POSITIONS OR UNITS COLUMN		CHANGE IN 2019 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
570.1	E. Borrowing for Special Assessments 2. General city.	--	--	\$1,700,000	\$+200,000