

## **FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU**

### **Executive Summary: 2006 Proposed Budget – Common Council/City Clerk’s Office**

1. In the 2006 Proposed Budget, the number of authorized positions is 100, a decrease of 2 positions, -2.0%, from the 102 positions authorized in the 2005 Budget.  
*(Pages 3 and 4)*
2. In Operating Expenditures, the 2006 Proposed Budget provides \$768,050 in funding, an increase of \$45,411, 6.3% from the 2005 Budget of \$722,639. *(Page 4)*
3. In Equipment Purchases, the 2006 Proposed Budget provides \$31,550, a decrease of \$8,450, -21.1%, from the 2005 Budget of \$40,000. *(Page 5)*
4. In Special Funds, the 2006 Proposed Budget provides \$89,035, a decrease of \$46,000, -34.1%, from the 2005 Budget to \$135,035. *(Pages 5 and 6)*
5. The 2006 Proposed Budget includes funding for 5 special purpose accounts, but 7 accounts are under the City Clerk’s control during 2006. The funding of \$439,046 is an increase of \$22,226, 5.3%, from the \$416,820 provided in the 2005 Budget.  
*(Pages 6 and 7)*
6. The 2006 Proposed Budget provides \$30,000, compared to the 2005 Capital Budget of \$0. The budget does not include funding as requested in Capital Improvements for the remodeling of Council section and lobby and reception section. *(Page 8)*
7. In the 2006 Proposed Budget, the Comptroller’s Office estimates that \$5,546,822 of revenues will be generated by the City Clerk’s Office. This is an increase of \$150,157, 2.8%, from the 2005 Budget estimate of \$5,311,665. *(Page 9)*

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### 2006 Proposed Budget Summary: Common Council/City Clerk's Office

Expense Category	2004 ACTUAL	2005 BUDGET	% CHG	2006 PROPOSED	% CHG
Operating Exp.	\$7,238,575	\$7,097,667	-1.9%	\$7,717,889	8.7%
Capital Improvements	\$0	\$0	0.0%	\$30,000	-
Positions	102	102	0.0%	100	-2.0%

#### **Departmental Mission Statement**

*To establish city policy and law, oversee administration of city government, adopt the annual budget, ensure the delivery of services to constituents, and provide public information about city government.*

The City Clerk's Office is responsible for the day-to-day administration of the Common Council's activities and staff, including constituent services. The License Division issues various municipal permits and licenses needed to operate a business in the city. The Legislative Reference Bureau provides information services, research, legislative drafting, and fiscal analysis to the Common Council, City departments and the general public. The department is also responsible for cable television franchise regulation and operates the city government cable channel.

#### **Pertinent Historical Information**

1. Budgeted O&M FTE's has decreased from 103.25 in 2001 to 91.90 in 2005, a decrease of -11.0%. The number of positions has decreased from 109 in 2001 to 102 in 2005, -6.4%.
2. In the 2001 Budget, the Communications Policy Coordinator position was abolished. The Cable TV Franchise Regulation SPA was not funded. The City Clerk's office still maintained responsibility for cable television franchise regulation.
3. In the 2002 Budget, a new special fund, Aldermanic Travel, was created to fund council member travel and provided \$52,000. Two SPA's, the Seminar Fund and Wisconsin League of Municipalities Meetings, used to fund all city departmental costs for seminar, convention and travel, were eliminated.
4. The 2003 Budget combined the functions of 2 positions, Legislative Research Analyst Senior and Fiscal Review Analyst Senior, both salary grade 006, into a Legislative Fiscal Analyst Senior, salary grade 007, in a single position. Two employees, one a Legislative Analyst, one a Fiscal Analyst, were placed in the new positions, and their former positions were eliminated.

5. In the 2003 Budget, 3 positions of Police Liaison Officers were assigned to the City Clerk's budget. These positions represent the Milwaukee Police Association in its labor negotiations and other issues with the City of Milwaukee and were previously included in the Department of Employee Relations (DER). The 2003 Budget consolidated the Fire and Police Commission with DER. The 3 positions could not remain in the new DER structure.
6. In the 2004 Budget, the number of aldermanic districts was reduced from 17 to 15 with the 2004 spring general election. 2 Alderman and 2 Aldermanic Legislative Assistant positions were eliminated, along with the Staff Assistant to the Finance and Personnel Committee. All of these were funded for one-third of the year.
7. The 2004 Budget eliminated the two Community Services positions. Other personnel changes included the elimination of Administrative Assistant II (2), Production Assistant, Graduate Intern, College Interns (2), Librarian I, and Personnel Payroll Assistant I. The salary grade for the Deputy City Clerk position was reduced.
8. The 2004 Budget added a License Specialist position in the License Division to support the administration of 24-Hour Business Establishment (now Extended Hours) licensing.
9. In the 2005 Budget, 6 Auxiliary Office Assistant I position were added to provide occasional support for members of the Common Council.
10. The 2005 Budget added \$37,000 in Special Funds to publish and print approximately 245,000 copies of the *Call For Action* booklet which is a governmental phone directory, compiled to help residents reach those who perform key city services.
11. The 2005 Budget eliminated a Council File Specialist, a Communications Assistant I and a Production Services Coordinator. Funding was restored for 2 Fiscal Review Analyst Sr., an Office Assistant III, a Public Relations Supervisor and 2 Production Technicians; these positions had been proposed for elimination in the 2005 Proposed Budget.

## 2006 BUDGET ISSUES AND PROPOSED CHANGES

### PERSONNEL

In the 2006 Proposed Budget, the number of authorized positions is 100, a decrease of 2 positions, -2.0% from the 102 positions authorized in the 2005 Budget. The number of positions funded by O&M is 90.9, a -1.1% decrease from the 2005 Budget of 91.90. CDBG funding for the 1 non-O&M position in the 2005 Budget, was eliminated.

### VACANCIES

#### Central Administration

1. **Administrative Assistant II, SG 445** – This position provides secretarial services for 14 members of the Common Council, handling communication between Council members and their constituents, manages the ConTrack database and is call manager for the E-Service constituent request system. This position has been vacant since September 12, 2005.
2. **Personnel Payroll Assistant II, SG445**: (*Title change from Communications Assistant I, SG415*) The position will handle personnel and payroll functions which have been performed by the Deputy City Clerk and Administrative Specialist-Sr., and will provide back-up on switchboard functions.
3. **Legislative Assistant, SG002, District 15** - This position handles constituent affairs for the 15<sup>th</sup> Aldermanic District. It has been vacant since July 26, 2005. Duties are being handled by auxiliary staff.

#### Legislative Reference Bureau

1. **Legislative Research Analyst-Senior, SG 006**: This position provides legislative drafting and research services to the Common Council and other city departments. performs research and drafting for common council members and other departments. The position has been vacant since June 13, 2005. The delivery of research and drafts to requestors has been slowed by as other staff have increased workloads and backlogs.

### ELIMINATIONS

#### Public Information

1. **Production Technician, SG505**: The position was eliminated to meet the Mayor's proposed budget allocation, which will lead to the elimination of informational programming by City Channel 25 such as, Insight Milwaukee, post-Council interviews and other original programming. *Position is not vacant.*

The Production Technician operates equipment for all live and taped programs. In addition, the position creates graphics for the text bulletin board system, operates the webcasting system, handles duplication requests, tape storage, archives the webcast files for permanent storage in the Clerk's Office, handles A/V assistance requests for

meeting rooms, assists the Public Relations Supervisor during the Council meetings and operates the audio system during Common Council meetings. *If the position was eliminated, overtime would be required for the other staff.*

2. **Television Production Specialist II, SG515:** The position was eliminated to meet the Mayor's proposed budget allocation, which will lead to the elimination of informational programming by City Channel 25 such as, Insight Milwaukee, Post-Council Interviews and other original programming. *Position is not vacant.*

The Production Specialist position directs live meeting coverage and videotapes events, press conferences and other programs. Eliminating one of these positions means that the remaining Production Specialist will need to handle all directing duties for live meetings and all other programming. This will curtail or eliminate videotaping events, press conferences and other productions where there may be a schedule conflict. *If the position was eliminated, overtime would be required for the other staff.*

## CHANGES

### Legislative Reference Bureau

1. **Fiscal Review and Research/Drafting section will be combined.** All staff analysts will handle drafting, fiscal and research requests, under common supervision to provide greater flexibility in handling the workflow within the division.
2. **Fiscal Review Manager, SG010, is retitled Research and Analysis Manager, SG010.** The position will supervise the combined fiscal and research staff.
3. **Legislative Research Analyst-Sr., SG006, 2 positions and Fiscal Review Analyst-Sr., SG006, 2 positions** are replaced with Legislative-Fiscal Analyst-Lead, SG007. The analysts will handle drafting, fiscal and research requests.

## LINE ITEMS

1. In Operating Expenditures, the 2006 Proposed Budget provides \$768,050 in funding, an increase of \$45,411, 6.3% from the 2005 Budget of \$722,639. This includes:

**Other Operating Services, \$464,000,** an increase of \$29,761, 6.9% from the 2005 Budget of \$434,239 for fees, communication, postage, equipment repair, advertising and printing services. The increases are anticipated for equipment repair, mailing service fees, phone services and printing costs.

**Non-Vehicle Equipment Rental, \$62,000,** an increase of \$11,000, 21.6% from the 2005 Budget of \$51,000, represents an increase in copier lease charges in all divisions.

2. In Equipment Purchases, the 2006 Proposed Budget provides \$31,550, a decrease of \$8,450, -21.1%, from the 2005 Budget of \$40,000. This includes:

**Additional Equipment, \$14,000**, for books, standing orders and periodical subscriptions, a decrease of \$10,000, -41.7%, from the 2005 Budget of \$24,000.

Used by LRB, this account has decreased by 20% between 2002 at \$30,000, down to \$24,000 in 2005. In 2005, 40% of this account, \$11,500, was allocated to periodical subscriptions. Approximately 200 periodicals are purchased, with the cost for renewals increasing over 13%. Most periodicals are not on-line free of charge. Those that are available on-line are only for the current issue or with a 2 – 3 month delay. Some articles only appear as summaries.

**Replacement Equipment, \$17,550**, provides \$1,600 for 4 TV's, in Rm. 301-B and the meeting area. Many meetings use powerpoint, or computer based presentations. The current monitors, purchased in 1995, were on the low end and are difficult to read when computer presentations are displayed on them.

The budget also provides \$15,950 for 6 DVCam VCR's. The department requested \$30,950 for a Master Control Playback System Replacement. The recording and playback of meetings takes place with 3 S-VCS editing VCRs in the record system and 9 S-VHS VCRs in the playback system. The current equipment, purchased in 1996 or 1997, has reached the end of its lifespan. It has required extensive and expensive maintenance over the past nine years, and the equipment is no longer manufactured. Both systems, the recording and playback systems, must be replaced at the same time. The replacement of 3 recording/editing VCRs will cost \$14,300 and the playback system players will cost \$16,650, for a total of \$30,950.

## **SPECIAL FUNDS**

In Special Funds, the 2006 Proposed Budget provides \$89,035, a decrease of \$46,000, -34.1% from the 2005 Budget of \$135,035. This includes:

1. **Aldermanic Travel, \$25,000**, an increase of \$8,000, 47.1% from the 2005 Budget of \$17,000. This account was created in the 2002 City Clerk's budget due to the elimination of two SPA's, Seminar Fund and Wisconsin League of Municipalities Meetings, that were used to fund all city departmental costs for seminar, convention and travel costs.
2. **Sale of Code and Charter, \$22,000**, the same amount funded in the 2005 Budget. The Code and Charters are the laws that govern the City of Milwaukee. The amount represents the printing expenses for hard copies of the code.

3. **Computer System Upgrades, \$35,000**, a decrease of \$10,000, -22.2%, from the 2005 Budget of \$45,000. Funding is used for hardware and software purchases for system and equipment upgrades replacing outdated, obsolete technology. This includes the purchase of laptop computers, monitors, computers, printers, servers, software upgrades and wireless access points.

The department requested \$55,000. The budget steadily decreased since 2002.

Year	Budget
2002	\$82,000
2003	\$78,000
2004	\$66,000
2005	\$45,000
2006	\$35,000 <i>Proposed</i>

### **SPECIAL PURPOSE ACCOUNTS (SPA)**

SPAs are budgeted outside of departmental operating accounts. Control over such accounts is provided to departments by resolution. The 2006 Proposed Budget includes funding for 5 special purpose accounts, but 7 accounts are under the City Clerk's control during 2006. Funding provided is \$439,046, an increase of \$22,226, 5.3%, from the \$416,820 provided in the 2005 Budget. The SPAs are listed as follows:

#### **CITY CLERK'S SPA'S 2006**

	2004 ACTUAL	2005 BUDGET	2006 PROPOSED	2004-2005 CHG	2005-2006 % CHG
AUDIT FUND	\$195,750	\$205,000	\$215,800	\$10,800	5.3%
BOARD OF ETHICS	20,314	25,100	\$26,341	1,241	4.9%
CABLE TV FRANCHISE REG.	0	20,000	20,000	0	0.0%
CONSTITUENT SVC REF SYS.	33,724	0	0	0	0.0%
ECONOMIC DEVELOPMENT	37,836	20,000	30,000	10,000	50.0%
LICENSE INFORMATION SYS.*	0	0	0	0	0.0%
MEMBERSHIPS, CITY	135,753	146,720	146,905	185	0.1%
<b>TOTAL</b>	<b>\$423,377</b>	<b>\$416,820</b>	<b>\$439,046</b>	<b>\$22,226</b>	<b>5.3%</b>

*\*2006 Proposed Capital Improvements includes \$30,000 for a management study.*

**Audit Fund, \$215,800** - This account provides partial funding for the preparation of the City's Annual Financial Report (CAFR) by a certified public accountant. Component units (RACM, HACM, MEDC, NIDC) pay directly for the cost of their audits as part of the contract. The contract's primary deliverable is an independent opinion regarding the quality of the City's financial status, reviews financial systems controls and provides for three management audits of city departments annually. The opinion is essential to the evaluation of the City's credit-worthiness by the financial markets. The audit contract was put out for bids through a RFP. KMPG-Peat Marwik was awarded the contract. 2006 represents the third year of a 4-year contract.

**Board of Ethics, \$26,341** - The Board of Ethics SPA is included within the City Clerk's Office for administrative purposes only. The City Clerk's Office exerts no control over budget development. The Board of Ethics prepares its budget request which is submitted to the Mayor without modification. This SPA supports expenditures for the administrative costs related to the Board of Ethics. The proposed expenditures are for salaries for the board's research assistant, legal consultant, and operating expenditures for supplies, materials and computer maintenance.

**Cable TV Franchise Regulation, \$20,000** – The funding is used for outside service to oversee compliance with the cable television franchise agreement.

**Economic Development Committee Fund, \$30,000** – This account funds expenditures related to marketing the City for industrial and commercial development, business attraction and retention, and tourism. It is designed to fund activities not funded by other city departments. The Fund's budget is subject to approval by the Common Council, and is administered by the City Clerk's Office. The Common Council Requested Budget for 2006 was \$100,000.

**License Information System, \$0** – The department requested \$700,000 for a License Information System, to replace the current 20-year system, which cannot adequately handle the legal requirements, practices and procedures that have evolved during this time. The current system is obsolete, has limited functionality, and is inflexible and not capable of handling procedural changes and legal requirements. A system with advanced capability, to handle increased workload and changes would reduce errors, enhance productivity and efficiency, and would definitely improve service levels to the common council members, the public and other city departments. Delay in funding the project will be detrimental to those who utilize the services, the staff and could negatively impact the legal responsibilities of the division.

*Note: The 2006 Proposed Budget provides \$30,000 in Capital Improvements for a management study. The study will review the department's utilization and roles in the license application process and administration. (See also page 8, "Capital Improvements".)*

**City Memberships, \$146,905** – This account provides funding for memberships to various organizations that support the City's lobbying, policy research, and professional development programs. The memberships for 2006 include:

American Management Association	\$ 2,200
League of Wisconsin Municipalities	\$ 49,500
Government Finance Officers Association	\$ 1,675
National Forum Of Black Administrators	\$ 2,020
Public Policy Forum	\$ 1,000
Wisconsin Alliance of Cities	\$ 66,500
National League of Cities	<u>\$ 22,500</u>
<b>Total</b>	<b>\$146,905</b>



## **CAPITAL IMPROVEMENTS**

The 2006 Capital Improvements provides \$30,000, an increase of 100.0%, from the 2005 Capital Improvements Budget of \$0.

<b>Projects</b>	<b>Requested</b>	<b>2006 Proposed</b>
Remodel Council Section	\$117,000	\$0
Remodel Lobby-Reception	\$186,000	\$0
License Management System Study*	\$0	\$30,000
<b>Total</b>	<b>\$303,000</b>	<b>\$30,000</b>

\* The department requested \$700,000 in a special purpose account.

### **License Management System Requirements Study - \$30,000**

The \$30,000 funds a business requirements and workflow process study for future replacement of the current mainframe License Information System. The study will review the department's utilization and role in the license application process and administration. The study will recommend changes to streamline the license structure in administering and processing the licenses from the office.

### **Remodel Work Area for Council Section, \$117,000**

The Council Records Section was last remodeled in 1986. Many of the cubicle panels sustained water damage from a fire in the 1990s and most are showing the signs of 20 years of wear. The lighting in this area is deficient and in need of an update with modern ergonomics -- particularly sustained computer use -- in mind. This remodeling envisions the replacement of this lighting as well as the installation of new modular panels. The Buildings and Fleet cost estimates include:

Construction, including Contingencies	\$132,100
Design	13,000
Administration/Inspection	6,500
Fringe Benefits	34,400
Estimated Total	\$186,000

### **Lobby and Reception Area, \$186,000**

This request is to enlarge the reception area and make better use of existing space. Currently there is inadequate space for the number of visitors often in the reception area. Frequently, visitors are required to wait in the atrium or are taken out to the atrium by staff to meet with them. The receptionist frequently has difficulty answering phone calls due to the amount of conversation occurring in the area. The proposed remodeling would use the former computer server room and the mailroom to provide expansion for the reception area. Two receptionists would be available behind a work counter, improving service to customers. The Buildings and Fleet cost estimates include:

Construction, including Contingencies	\$93,600
Design	9,300
Administration/Inspection	4,600
Fringe Benefits	9,500
Estimated Total	\$117,000

## DEPARTMENTAL REVENUES

REVENUES	2004 ACTUAL	2005 ESTIMATE	2006 PROPOSED	2005 – 2006 \$ CHANGE	2005 – 2006 % CHANGE
Charges for Services	\$3,729,382	\$3,624,365	\$3,687,800	\$63,435	1.8%
Licenses and Permits	1,944,631	1,687,300	1,774,022	\$86,722	5.1%
<b>Total</b>	<b>\$5,644,013</b>	<b>\$5,311,665</b>	<b>\$5,461,822</b>	<b>\$150,157</b>	<b>2.8%</b>

According to the Comptroller's Office, the 2006 Proposed Budget estimates that \$5,461,822 in revenues will be generated by the City Clerk's Office. This is an increase of \$150,157, 2.8%, from the 2005 Budget estimate of \$5,311,665. This major estimated revenue is:

1. **Charges for Services, \$3,687,800**

**Telecommunication Franchise Fees** - This revenue is derived from the cable franchise fees. This is 5% of projected 2006 revenues by Time Warner.

2. **Licenses and Permits, \$1,944,631**

The revenue fluctuates due to biennial amusement, bartender, dance and music, liquor and malt license and fees.

REVENUES	2004 ACTUAL	2005 ESTIMATE	2006 PROPOSED	2005 – 2006 \$ CHANGE	2005 – 2006 % CHANGE
<i>Licenses</i>					
Amusmt-Dance/Music	\$546,226	\$745,000	\$634,100	-\$110,900	-14.9%
Liquor & Malt	1,018,504	913,000	1,010,500	97,500	10.7%
Miscellaneous	273,399	19,400	6,840	-12,560	-64.71%
<i>Permits</i>					
Curb Space Spec. Priv.	98,182	2,800	107,800	105,000	3750.0%
Special Privilege-Misc.	8,320	7,100	14,782	7,682	108.2%
<b>Total</b>	<b>\$1,944,631</b>	<b>\$1,687,300</b>	<b>\$1,774,022</b>	<b>\$86,722</b>	<b>5.1%</b>

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