

LRB RESEARCH AND ANALYSIS

SEPTEMBER 11, 2008

ITEM 9, FILE 080483

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File
#08048
3 is a
resoluti
on

amending the 2008 Local Snow and Ice Removal Charge in accordance with Sub-Section 2(a) and (b) of Section 309-83 of the Milwaukee Code of Ordinances.

Background

1. The 2008 Budget provided approximately \$4.9 million for an anticipated 3 snow plowing operations and 24 ice control operations. To date, DPW estimates that approximately \$9.2 million has been expended on 5 plowing operations and 37 ice control operations.
2. On November 9, 2007 the Common Council established the 2008 Local Snow and Ice Removal Charge at \$0.4811 per foot of street frontage(File#070859). The 2008 estimated revenue for the charge is \$4.3 million.
3. The Federal Emergency Management Agency has approved the City's application for funding for certain costs associated the February 6th and 7th snow emergency which will result in a reimbursement of \$1.1 million.
4. S. 309-93 of the Milwaukee Code allows the Local Snow and Ice Removal Charge to be amended no more than once annually on the bases of cost recovery experience.

Discussion

1. This resolution increases the 2008 Snow and Ice Control Fee from its current rate of \$0.4811 per foot of property frontage to \$0.6522 per foot. The Budget Office estimates the amended fee will generate \$6.1 million, an increase of \$1.8 million in 2008 revenues. At this point, the Comptroller's Office has not recognized this revenue.
2. With additional funds (\$1.8 million) from the 2008 Local Snow and Ice Removal Charge increase, 2008 budget funding (\$4.9 million) and the FEMA grant funding (\$1.1 million), 2008 snow and ice removal funding will total approximately \$7.8 million, leaving a current shortfall of approximately \$1.4 million. It is anticipated that a request from the 2008 Common Council Contingent Fund will be required to cover the shortfall. This \$1.4 million shortfall does not include any costs related to snow and ice removal that may occur during the remaining portion of 2008.

Fiscal Impact

This resolution increases the 2008 Snow and Ice Control Fee from its current rate of \$0.4811 per foot of property frontage to \$0.6522 per foot. It is estimated the fee will generate \$6.1 million, an increase of \$1.8 million in 2008 revenues.

Cc: Marianne Walsh
Mike Daun
W. Martin Morics
Mark Nicolini
Toni Biscobing

Prepared by:
Jim Carroll, X8679
LRB Research & Analysis
September 8, 2008