

LRB – FISCAL REVIEW SECTION ANALYSIS

JUDICIARY & LEGISLATION COMMITTEE

ITEM 26, FILE 001418

JULY 9, 2001

ANGELYN WARD

File #001418 is an ordinance changing the number of aldermanic districts from 17 to 15.

Background and Discussion

1. Sections 5.15 and 62.08, Wis. Stats., require the adjustment of election ward boundaries and Council member district boundaries following the decennial federal census. Section 62.08(4), Wis. Stats., also permits the adjustment in the number of Council member districts upon a 2/3 vote by the Common Council.
2. This ordinance would reduce the number of Common Council members from 17 to 15. The following is an estimate of the first-year savings, commencing in 2004 if the number of members is decreased by 2.

A. Personnel

1. Alderman	Salary:	\$68,849
	<u>Fringes:</u>	<u>\$22,720</u>
	Total	\$91,569
2. Legislative Assistant	Salary:	\$35,525
	<u>Fringes:</u>	<u>\$11,273</u>
	Total	\$47,248

B. Non-Personnel

1. Transportation Allowance	\$ 3,916
2. Private Telephone Allowance	\$ 180
3. Cellular phone service	\$ 552
4. Supplies	\$ 828
5. Services	<u>\$34,500</u>
	\$39,976

Total Savings (A & B) \$178,793 X 2 = \$357,586

Assumptions

A. Personnel Costs

1. Aldermanic salary: Beginning with the 2004 – 2008 term, an alderman’s salary will be reset on the sixth step of salary grade 10 for 2004. Pay is based on an “across the board” increase for management employees. An increase of 2.75% is assumed for years 2001, 2002, 2003 and 2004. The cost of fringe benefits are 33% of salary.
2. The legislative assistant’s salary is determined by using the first step of pay grade 2 estimated for 2004. An increase of 2.75% is assumed for 2001, 2002, 2003 and 2004, as “across the board”. The cost of fringe benefits are 33% of salary.

B. Non-Personnel Costs

1. Aldermen receive a monthly transportation reimbursement payment provided by s.350-183-8, Milwaukee Code. The amount is determined by the increase or decrease of the private transportation component of the Consumer Price Index over the immediate preceding 2 calendar years. The transportation payment for 2001 is \$274 per month. The estimated increase between 2001 through 2004 is 2.5% annually.
2. Aldermen receive a monthly telephone service reimbursement payment, pursuant to s.350-189, Milwaukee Code, based on the annual increase or decrease of the telephone services component of the Consumer Price Index's U.S. City average for urban wage earners and clerical workers. The telephone allowance for 2001 is \$12.90 per month. The estimated increase from 2001 through 2004 is 2.5% annually.
3. Aldermen are provided cellular phone service that costs approximately \$42 per month in 2001. The estimated increase from 2001 through 2004 is 2.5% annually.
4. Aldermen are provided supplies that costs approximately \$768 in 2001. The estimated increase from 2001 through 2004 is 2.5% annually.
5. Aldermen are provided services that cost approximately \$32,000 in 2001. These services include travel, conference costs, newsletters, mailing service and postage. The estimated increased from 2001 through 2004 is 2.5% annually.

Fiscal Impact

1. The adjustment to the number of Council member districts, which is permitted following the decennial federal census, is an opportunity to decrease the number of Council members per this file. If action is not taken at this time, the adjustment and potential savings will not be possible for at least another 8 years, until the election of the 2012 – 2016 Council members
2. If the number of aldermen were reduced to 15, the estimated savings would be \$256,310 in 2004:
 $8 \frac{1}{2} \text{ months divided by } 12 \text{ months} = 70\% \times \$357,586 = \$256,310$
3. Savings on an annual basis, after 2004 would be at least \$357,586, adjusted upward for inflation.

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