



Office of the Comptroller

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April 27, 2007

Alderman Michael Murphy  
200 E. Wells Street, Room 205  
Milwaukee, WI 53202

Re: Request Regarding MPS Levy

Dear Alderman Murphy:

In response to your request, I have attached the timeline of events regarding the 2007 Milwaukee Public Schools (MS) Budget Levy. You also requested all pertinent information regarding statutory requirements related to when MPS' budget is to be submitted to the City. I have also attached a document that addresses that concern.

Please feel free to contact me if you have any questions regarding this letter and its attachments.

Sincerely,



W. MARTIN MORICS  
Comptroller

WMM:CK:dos  
Enclosures (2)

## COMPTROLLER TIMELINE FOR MPS LEVY

1. On May 25, 2006 the School Board adopted a preliminary budget. The Comptroller has no notification of this initial adoption.
2. On October 24, 2006 at 4:42pm, the Comptroller received a faxed copy of a letter, dated October 24, stating the adopted MPS budget figures by fund, as is the common standard. The letter was addressed to the Common Council, care of the City Clerk, and the City Comptroller was listed as a “carbon copy.”  
The budget figures stated in this letter were used in the computation of the 2007 tax levy.
3. On the evening of October 24<sup>th</sup>, 2006, only hours after the above communication was received, the MPS School Board adopted a revised levy.
4. On December 1, representatives from the Comptroller’s office met with representatives from the City Assessor’s office to corroborate tax levies and rates. Based on communications both parties received, levy totals and tax rates were compared and corroborated as both offices had the same supporting information and independently calculated the levies and rates prior to this meeting. At the conclusion of the meeting, the tax levies and rates were communicated to the City Treasurer and tax bills were prepared and mailed.
5. On December 13, 2006 the Comptroller’s office received a telephone call from representatives from MPS, questioning the rate and levy information. It was discovered that a subsequent communication had been sent by MPS via registered mail to the City Clerk.

Both the Assessor and Comptroller were not furnished a copy of this communication, thus representatives from MPS faxed a copy to the Comptroller on December 13. The fax was dated October 25, 2006 and resembled minutes from an MPS Board Meeting, unlike the certification letter commonly sent. On this communication, the City Comptroller was not listed as a “carbon copy”, nor was there any distribution or “carbon copy” list on this communication.

6. On December 14, 2006 representatives from MPS, the City Comptroller, City Assessor, and City Clerk met to discuss the second communication and begin initial resolution to levy shortfall.

## STATUTORY REQUIREMENTS FOR MPS BUDGET SUBMITTAL

MPS submits its Initial Budget to the City by the 1<sup>st</sup> Monday in August as proscribed by the auditing officer of the city (comptroller).

119.16(8)(b) The board shall transmit its completed budget to the common council on or before the first Monday in August of each year on forms furnished by the auditing officer of the city.

MPS's Budget is included in the Mayor's budget as a "department".

65.20(1)(e) From the estimates before him or her, the mayor shall make and submit to the common council, on or before September 28 each year, a proposed budget setting forth in detail the amounts proposed to be spent by each department and the various purposes therefor and the amounts of money for each purpose it is proposed shall be appropriated by the council.

65.20(1)(f) The mayor may not change any sum or purpose of any department which by law is authorized to determine the purposes of its expenditures and the tax to be levied therefor, unless the department by formal resolution shall so determine by an affirmative vote of a majority of its members. The mayor shall then make the change and include a certified copy of the resolution with its estimates to be filed with the common council.

After submission of the budget, MPS can request the Common Council to make a change.

65.05(2) The common council shall not change the purposes or amounts provided in the proposed budget as submitted to it for the departments which by law are authorized to determine their expenditures and the taxes to be levied therefor, unless such department by formal resolution adopted by a majority of all its members shall authorize such change, ...

Any changes shall be submitted to the Clerk at least 2 days prior to adoption of the Budget (November 12 for a November 14 adoption).

65.05(3) When any department, authorized to determine its expenditures and the taxes to be levied therefor, shall authorize a change in its budget by the common council, the department shall file its resolution authorizing the change with the city clerk at least 2 days prior to the time fixed by law for the adoption of the budget, and the council shall then make the change in accordance with the resolution.

Based on the above, the pertinent dates for 2006 were:

August 7 – Initial Budget to Comptroller  
September 28 – Changes to Mayor  
November 12 – Final Budget to Clerk

**MICHAEL J. MURPHY**  
ALDERMAN, 10TH DISTRICT

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**CHAIR:**  
Finance & Personnel Committee  
Milwaukee Arts Board

**MEMBER:**  
Judiciary & Legislation Committee  
Steering & Rules Committee  
Zoning, Neighborhoods & Development

April 26, 2007

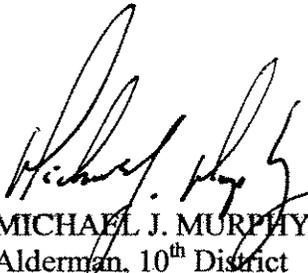
W. Martin Morics  
City of Milwaukee Comptroller  
200 East Wells Street, Room 404  
Milwaukee, WI 53202

Dear Mr. Morics:

Please provide a written timeline of events regarding the 2007 Milwaukee Public Schools (MPS) Budget Levy request as related to your office. Additionally, please include all pertinent information regarding statutory requirements related to when MPS's budget is to be submitted to the City. This document will help to complete my file on the subject.

Thank you for your attention to this matter, and I look forward to your response.

Sincerely,

  
MICHAEL J. MURPHY  
Alderman, 10<sup>th</sup> District

COMPTROLLER  
2007 APR 26 AM 10:37