



Tom Barrett
Mayor, City of Milwaukee

November 18, 2009

Honorable Members of the Common Council
Room 205 City Hall

Dear Council Members:

As all of you realize, the fiscal environment surrounding the 2010 budget was the most challenging we've faced since I took office in 2004. When I introduced the Budget on September 24th I challenged the Common Council to undertake its review with full consideration of what services are essential and how we can deliver services more cost-effectively. I want to congratulate the Common Council for a review that largely lived up to this challenge.

I am pleased that the Budget you adopted contains my priorities, including increased commitments to infrastructure, sufficient funding to maintain strategic, community-oriented policing, and responsible pension financing that, unlike the County, does not rely on hundreds of millions of dollars of borrowing. The adopted Budget also reflects, for the most part, the philosophy of "shared sacrifice" that I included in the development of my Proposed Budget. Your support for the District Council 48 labor agreement will have ongoing impacts toward improving fiscal sustainability. In addition, I am grateful for the leadership of Alderman Michael Murphy, whose guidance resulted in a productive and thorough Finance & Personnel Committee review of my budget proposals.

I have submitted a single veto that I have explained in detail below. If the Council sustains this veto and adopts my proposed substitute action, there will be a \$675,000 reduction to the 2010 operating budget and tax levy, compared with the Council's adopted Budget.

Thank you for your consideration.

Sincerely,

Tom Barrett
Mayor

Veto of Certain Lines and Items included in Common Council Amendment 30 A

I am vetoing certain budget lines and items for the Police Department that were affected by Common Council Amendment 30 A. This amendment, among other changes, provides funding in an amount sufficient to limit mandatory unpaid furloughs during 2010 to one day for all Police Department personnel.

I am pleased that the Finance & Personnel Committee worked productively with my Administration on Amendment 42 A that limited the number of furloughs for sworn, non-management Police personnel to two days, without increasing total expenditures, taxes, fees, or reserve use. Unfortunately, Amendment 30 A increases budget expenditures and property taxes in return for a modest improvement to service capacity. For this reason I have vetoed lines 260.14-2, 260.15-14, 260.27-26, 260.30-12 and 390.1-3 that relate to Police Department wage, salary and estimated employee fringe benefit amounts for the purpose of effectuating budget savings related to furloughs.

My proposed substitute action provides for furlough-related salary and wage reductions similar to those contained in Amendment 42 A. As a result, the Department's sworn personnel will be directed to take two unpaid furlough days during 2010. I am confident that the Department will implement the furloughs in a manner consistent with its strategies to preserve public safety. All non-sworn Police Department personnel will be required to take four unpaid furlough days during 2010.

I will also recommend that the Common Council adopt a Substitute to File 090591 that implements the 2010 mandatory furlough program for all City employees, to reflect the policy intent of my budget veto. These actions are consistent with the philosophy of shared sacrifice that will help the City adjust to our demanding fiscal circumstances.

If the Council sustains my veto and supports my proposed substitute action, the impact of the increase to all night parking permit rates that the Council adopted will be primarily to reduce property taxes. There will be a \$675,000 reduction to the 2010 operating budget and tax levy, compared with the Council's adopted Budget. This is a more appropriate use of the additional revenue, given the condition of the economy and the overall City budget circumstances.

Based on the above reasons, I ask that you sustain my veto and adopt my recommended substitute action.