



Office of the Comptroller

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

September 9th, 2011

The Honorable Common Council
Committee on Finance and Personnel
City of Milwaukee

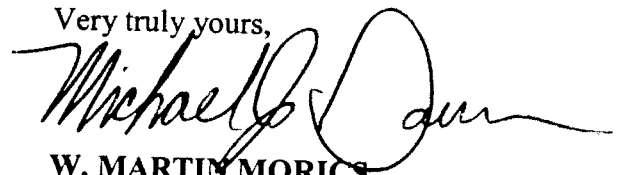
Re: Common Council Contingent Fund Status

Dear Committee Members:

Attached is the current Common Council Contingent Fund Status report as updated by the recent Common Council resolutions adopted.

If you have any questions concerning this report, please contact Trang Dinh of my staff at extension 2293.

Very truly yours,



W. MARTIN MORICS
Comptroller

WMM:td

Attachment

CC: City Clerk
Budget Office
LRB

2011 COMMON COUNCIL CONTINGENT FUND
Status on 09/09/2011

Funds Appropriated

2011 Adopted Budget 5,000,000.00

Transfers authorized by prior Council meetings

Journal ID	Date	Year	Class	Bud Ref	Amount	Description
238874	1/1/2011	2011	C001	2011	5,000,000.00	2011 Approved Budget
242301	2/8/2011	2011	C001	2011	(636,626.35)	Res. 101189 2/8/11 CF to S163

Remaining Reserved Commitments Authorized by prior Council meetings

None -

Total Transfers & Reserved (636,626.35)

Balance Available on September 9th, 2011 4,363,373.65

% Expended/Reserved Current status 13%

Comparative Balance Available on September 9th of prior years

	<u>Balance</u>	<u>Budgeted</u>	<u>% Expended</u>
2006	4,497,000	5,500,000	18%
2007	2,472,000	5,500,000	55%
2008	4,368,349	5,000,000	13%
2009	3,987,325	5,000,000	20%
2010	5,000,000	5,000,000	0%
Average of prior years	4,064,935	5,200,000	22%



City of Milwaukee

City Hall
200 East Wells Street
Milwaukee, WI 53202

Meeting Agenda FINANCE & PERSONNEL COMMITTEE

ALD. MICHAEL J. MURPHY, CHAIR
Ald. Robert J. Bauman, Vice-Chair
Ald. Joe Dudzik, Ald. Milele A. Coggs, and Ald. Nik Kovac

Staff Assistant, Tobie Black, 286-2231; Fax: 286-3456,
tblack@milwaukee.gov
Legislative Liaison, Jim Carroll, 286-8679,
jcarro@milwaukee.gov

Thursday, September 15, 2011

9:00 AM

Room 301-B, City Hall

1. [110451](#) Communication from the Department of Administration - Budget and Management Analysis Division regarding vacancy requests, fund transfers and equipment requests.
Sponsors: THE CHAIR
Attachments: [Hearing Notice List](#)

2. [110348](#) A substitute charter ordinance relating to reservation of plan sponsor rights under the employees' retirement system.
Sponsors: THE CHAIR
Attachments: [Cover Letter](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)

3. [110518](#) Substitute resolution to ratify and confirm the final agreement between the City of Milwaukee and Milwaukee Police Supervisors' Organization.
Attachments: [Cover Letter](#)
[Substitute Fiscal Impact Statement](#)
[Fiscal Impact Statement](#)
[Summary of Wage and Fringe Benefit Modifications](#)
[MPSO Ratification Letter](#)
[Letter Requesting Ordinance Changes](#)
[Hearing Notice List](#)

4. [110153](#) Communication from the Health Department relative to technical corrections to the 2011 Positions Ordinance.
Sponsors: THE CHAIR
Attachments: [Letter from Health Department](#)
[Hearing Notice List](#)

5. [110560](#) Resolution relative to the application, acceptance and funding of an Interlibrary Services

Grant.

Sponsors: THE CHAIR

Attachments: [Grant Analysis Form](#)
[Operating Grant Budget](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
[Hearing Notice List 9/13/11](#)

6. [110575](#) Substitute resolution relative to application, acceptance and funding of the Infant Mortality Reduction Initiative from the United Way of Greater Milwaukee.
- Sponsors:** THE CHAIR
- Attachments:** [Grant Analysis](#)
[Operating Grant Budget](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
7. [110576](#) Substitute resolution relative to application, acceptance and funding of the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services.
- Sponsors:** THE CHAIR
- Attachments:** [Grant Analysis](#)
[Operating Grant Budget Plain Talk Budget 2011](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
8. [110577](#) Substitute resolution relative to the application, acceptance and funding of the 2011-12 SURVNET-ACA Grant from the State of Wisconsin Department of Health Services.
- Sponsors:** THE CHAIR
- Attachments:** [Operating Budget](#)
[Grant Analysis 2011-2012](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
9. [110578](#) Substitute resolution amending Common Council File #100947 relative to the application, acceptance and funding of the 2011 SURVNET Grant from the State of Wisconsin Department of Health Services.
- Sponsors:** THE CHAIR
- Attachments:** [Operating Budget 2011](#)
[Grant Analysis 2011](#)
[Hearing Notice List](#)
[Hearing Notice List -FP](#)
10. [110579](#) Substitute resolution relative to application, acceptance and funding of the Seek, Test, Treat: Addressing HIV in the Criminal Justice System Grant from Tulane University.

Sponsors: THE CHAIR

Attachments: [Operating Grant Budget](#)
[Grant Analysis-Tulane](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
[Hearing Notice List - FP](#)

11. [110580](#) Substitute resolution relative to the application, acceptance and funding of the 2011-12 HIV Risk Reduction Grant from the Medical College of Wisconsin.

Sponsors: THE CHAIR

Attachments: [Operating Grant Budget](#)
[Grant Analysis 2011-12](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
[Hearing Notice List - FP](#)

12. [110581](#) Substitute resolution relative to application, acceptance and funding of the Healthy Homes Grant from the U.S. Department of Housing and Urban Development (HUD).

Sponsors: THE CHAIR

Attachments: [Operating Grant Budget 2011-14](#)
[Grant Analysis 2011 - 2014](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
[Hearing Notice List -FP](#)

13. [110444](#) Communication from the Department of Administration - Procurement Division and other City agencies relating to the implementation of reverse auctions.

Sponsors: Ald. Bohl

Attachments: [E-mail from Alderman Bohl](#)
[Hearing Notice List](#)

14. [101306](#) A substitute resolution relating to reverse auction purchasing.

Sponsors: Ald. Bohl and Ald. Hamilton

Attachments: [Attachment A](#)
[Attachment B](#)
[Daily Reporter Article- January 17, 2011](#)
[Press Release from Ald Jim Bohl](#)
[Memo from Wisconsin Underground Contractors Assoc Inc](#)
[E-mail to Finance and Personnel Committee re Reverse Auction](#)
[Hearing Notice List-9/13/11](#)
[Hearing Notice List](#)

15. [110650](#) Resolution relating to the City of Milwaukee's Socially Responsible Investment Program and the investment of City funds in financial institutions designated as eligible to participate in the investment program.
Sponsors: THE CHAIR
Attachments: [Hearing Notice List](#)
16. [110536](#) Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee debt.
Sponsors: Ald. Murphy
Attachments: [Cover Letter](#)
[Preliminary Official Statement-DRAFT](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
17. [110664](#) Resolution relating to the expenditure of funds to be reimbursed by greater than anticipated revenue. (Police Department)
Sponsors: THE CHAIR
Attachments: [Cover Letter File](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
18. [110523](#) Communication from the Comptroller's Office transmitting the Annual Report of the Public Debt Amortization Fund for the year ended December 31, 2010.
Sponsors: THE CHAIR
Attachments: [Report](#)
[Hearing Notice List](#)
19. [110590](#) Communication from the Comptroller's office relating to a report entitled, Comprehensive Annual Financial Report of the City of Milwaukee for the year ended December 31, 2010.
Sponsors: THE CHAIR
Attachments: [Report](#)
[Cover Letter](#)
[Hearing Notice List](#)
20. [110599](#) An ordinance relating to the acceptance of electronic signatures for official business of the city.
Sponsors: Ald. Cogg
Attachments: [Wisconsin Statutes Ch 137](#)
[Hearing Notice List](#)
21. [110452](#) An ordinance to further amend the 2011 rates of pay of offices and positions in the City Service.
Sponsors: THE CHAIR

22. [110453](#) An ordinance to further amend the 2011 offices and positions in the City Service.

Sponsors: THE CHAIR

This meeting will be webcast live at www.milwaukee.gov/channel25.

Common Council members who are not members of this committee may attend this meeting to participate or to gather information. This meeting may constitute a meeting of the Common Council or any of its standing committees although no formal action will be taken at this meeting.

Upon reasonable notice, efforts will be made to accommodate the needs of persons with disabilities through sign language interpreters or auxiliary aids. For assistance contact the Legislative Services ADA Coordinator at 286-2998, (FAX)286-3456, (TDD)286-2025 or by writing to Room 205, City Hall, 200 E. Wells Street, Milwaukee, WI 53202.

Parking for persons attending City Hall meetings is available at reduced rates (5 hour limit) at the Milwaukee Center (southwest corner of E. Kilbourn Ave. and N. Water St.) Parking tickets must be validated in Room 205, (City Clerk's Office) or the first floor Information Booth in City Hall.

Persons engaged in lobbying as defined in s. 305-43-4 of the Milwaukee Code are required to register with the City Clerk's License Division. Lobbyists appearing before a Common Council committee are required to identify themselves as such. More information is available at www.milwaukee.gov/lobby.



Legislation Details (With Text)

File #: 110451 **Version:** 0

Type: Communication to Finance **Status:** In Committee

File created: 7/26/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Administration - Budget and Management Analysis Division regarding vacancy requests, fund transfers and equipment requests.

Sponsors: THE CHAIR

Indexes: VACANCY REQUESTS

Attachments: Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
7/26/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110451
Version
ORIGINAL

Reference

Sponsor
THE CHAIR

Title
Communication from the Department of Administration - Budget and Management Analysis Division regarding vacancy requests, fund transfers and equipment requests.

Drafter
CC-CC
TB
7/26/11

**AGENDA OF ITEMS TO BE CONSIDERED
BY THE COMMITTEE ON FINANCE AND PERSONNEL**

DATE: September 15, 2011

TIME: 9:00 A.M.

PLACE: Committee Room 301-B
City Hall

SCHEDULE A: Vacancy Requests

SCHEDULE B: Fund Transfers

SCHEDULE A - VACANCY REQUESTS

CSC-Status - Under Civil Service
Unless Noted as Exempt (E)

Finance & Personnel Committee Meeting: September 15, 2011

Funding Source - 100% Operating
Budget Unless Otherwise Indicated

I.D. No.	Department and Position	Pay Range	Date Vacant	Number of Positions With Same Title					CSC Status and/or Funding Source	Int/Ext Fill	Code
				Authorized	Filled excl. this pos.	Recomm. Authorization	Vac. Prev. Appr.	Other Vac.			
<u>PROPERTY TAX LEVY SUPPORTED POSITIONS</u>											
<u>DOA-BUSINESS OPERATIONS DIVISION</u>											
110284	Purchasing Agent Senior	4	7/23/11	3	2	1	0	0	Exempt	Int/Ext	x-3
110435	Document Services Technician	338	7/16/2011	6	5	1	0	0		Int/Ext	x-2b
<u>ELECTION COMMISSION</u>											
110285	Election Services Manager	9	8/20/11	1	0	1	0	0	Exempt	Int/Ext	x-2
<u>DEPT. OF EMPLOYEE RELATIONS</u>											
110426	Office Assistant III	425	7/30/2011	1	0	1	0	0	Exempt	Int	x-2a
110427	Claims Adjuster Senior	4		2	1	1	0	0		Int	x-2a
<u>FIRE DEPARTMENT</u>											
110286-320	Firefighter (35 positions)	850		454	380	35	0	39	Exempt	Ext	x-1
110321-24	Heavy Equip. Operator (4 positions)	853	3/20/11	180	176	4	0	0		Int	x-1
			4/30/11 5/15/11 8/24/11								
<u>HEALTH DEPARTMENT</u>											
110325	Health Communication Officer	6	6/24/11	1	0	1	0	0	Exempt	Int/Ext	x-2b
110326	Public Health Social Worker	594	12/31/09	3	0	1	1	1		Int/Ext	x-2b
11440	Custodial Worker II/City Laborer	215	10/22/10	7	5	1	0	0		Int/Ext	x-2b
110429	Administrative Specialist	2	9/17/11	1	0	1	0	0		Int/Ext	x-2a
110430	Accounting Assistant II	445	8/13/11	5	4	1	0	0		Int/Ext	x-3
110434	Environmental Health Specialist I/II	530	NA	18	17	1	1	0		Int/Ext	x-2a
<u>LIBRARY</u>											
110327	Library Technician III	425	3/20/11	3	2	1	0	0		Exempt	Int
110431	Library Technician II	410	8/21/11	11	10	1	0	0	Int		x-2b
110432	Office Assistant II	410	9/3/11	4	1	1	1	1	Int/Ext		x-3
110433	Custodial Worker II - City Laborer	215	8/7/11	28	24	1	2	1	Int/Ext		x-2b
<u>DEPT. OF NEIGHBORHOOD SERVICES</u>											
110328-29	Code Enforcement Insp. II (2 positions)	541	7/24/11	55	44	2	7	2	Exempt	Ext	x-2b
			7/24/11								
110330	Nuisance Control Officer II	516	8/9/10	18	15	1	0	2	Exempt	Ext	x-2b
110331	Office Assistant III	425	8/7/11	15	12	1	0	2	Int/Ext	x-3	
110332	Office Assistant II (0.5 FTE)	410	5/1/11	11	7	1	1	2	Int/Ext	x-3	
<u>POLICE DEPARTMENT</u>											
110367-68	Helpdesk Specialist II (2 positions)	540	NA	9	7	2	0	0	Exempt	Ext	x-3
110369-71	Police Dispatcher (3 positions)	478	NA	53	45	3	0	5		Int/Ext	x-1
110372-74	Police Sergeant (3 positions)	831	NA	194	192	3	0	0	Exempt	Int	x-1
110375-77	Police Telecommunicator (Reg) (3 pos.)	425	8/12/11	52	49	3	0	0	Exempt	Ext	x-1
110378-90	Police Aide (13 positions)	480	NA	67	63	13	0	0	Exempt	Ext	x-1
110391-425	Police Officer (35 positions)	801	NA	1432	1326	35	0	71	Exempt	Ext	x-1
<u>DPW-ADMINISTRATIVE SERVICES</u>											
110333	Safety Specialist-Senior	4	6/18/11	3	2	1	0	0	Exempt	Int/Ext	x-3
110334	Driver Training Instructor	555	12/30/10	2	1	1	0	0		Int	x-1/2

SCHEDULE A - VACANCY REQUESTS

CSC-Status - Under Civil Service
Unless Noted as Exempt (E)

Finance & Personnel Committee Meeting: September 15, 2011

Funding Source - 100% Operating
Budget Unless Otherwise Indicated

I.D. No.	Department and Position	Pay Range	Date Vacant	Number of Positions With Same Title					CSC Status and/or Funding Source	Int/Ext Fill	Code
				Authorized	Filled excl. this pos.	Recomm. Authorization	Vac. Prev. Appr.	Other Vac.			
<u>DPW-INFRASTRUCTURE SERVICES</u>											
110335	Administrative Assistant III	530	9/23/11	1	0	1	0	0		Int/Ext	x-3
110336	Office Assistant III	425		2	1	1	0	0	75% Capital	Int	x-3
110337	Office Assistant II	410		1	0	1	0	0	25% Capital	Int	x-3
110338-39	Inventory Assistant II (2 positions)	338	11/27/10 12/11/10	6	4	2	0	0	40% Capital	Int	x-2b
<u>DPW-OPERATIONS DIVISION</u>											
110340	Sanitation District Manager	7		6	5	1	0	0		Int	x-2b
110342-43	Urban Forestry Manager (2 positions)	7	9/28/11 11/2/11	10	8	2	0	0		Int/Ext	x-2b
110344	Urban Forestry Crew Leader	282	12/11/10	22	21	1	0	0		Int/Ext	x-2b
110345	Nursery Specialist	238	12/19/10	4	3	1	0	0		Int/Ext	x-2b
110346-49	Vehicle Service Tech,-Heavy (4 pos.)	260	6/29/10 12/31/10 3/5/11 3/5/11	33	29	4	0	0		Int/Ext	x-2b
<u>NON-PROPERTY TAX LEVY SUPPORTED POSITIONS (Enterprise Funds, Grants)</u>											
<u>EMPLOYES' RETIREMENT SYSTEM</u>											
110352	Office Assistant III	425	8/20/11	2	1	1	1	0	Pension Trust	Ext	x-6
<u>HEALTH DEPARTMENT</u>											
110353	Public Health Nurse - EFM	666	8/25/11	61	60	1	0	0	MCHVP/Proj. Launch	Ext	x-6
110428	Public Health Nurse - EFM	666	8/20/11	61	60	1	0	0	Project LAUNCH	Ext	x-6
<u>PORT OF MILWAUKEE</u>											
110355-56	Port Maintenance Tech. (2 positions)	276	4/16/11 8/6/11	6	2	2	0	2	Port	Int/Ext	x-6
<u>DPW-PARKING FUND</u>											
110357	Assistant Tow Lot Manager	6	9/2/11	1	0	1	0	0	Parking Fund	Int/Ext	x-6
110358	Communications Assistant IV	455	7/30/11	5	4	1	0	0	Parking Fund	Int	x-6
<u>DPW-WATER WORKS</u>											
110360	Sr. Water Treatment Plant Operator	291	8/7/11	24	21	1	2	0	Water Works	Int	x-6
110362	Water Meter Specialist	255	2/5/11	6	4	1	0	1	Water Works	Int	x-6
110363-66	Water Treatment Plant Oper. (4 pos.)	252	7/29/11 7/9/11 7/25/11 7/25/11	14	6	4	0	4	Water Works	Int/Ext	x-6

BMA 30 SCHEDULE B - FUND TRANSFERS AND/OR EQUIPMENT REQUESTS

Finance and Personnel Meeting: September 15, 2011

Department Account Name	Amount of Transfer		Reason
	From	To	
DPW-INFRASTRUCTURE ST211070000 Reconstruction/Resurface Project ST212110000 Alley Reconstruction Program	\$300,000.00	\$300,000	In 2011, an unusually high amount of assessments are attributed to projects going through the public hearing process. The transfer will allow the department to maximize the use of the 2011 non-assessable alley allocation.
ST32011000 Major Street Capital Program ST21111000 Street Resurfacing/Reconstruction	\$156,500.00	\$156,500	Funds are budgeted in the Major Streets accounts but need to be transferred to the Street Reconstruction/Resurface account because no grant funds are included in these projects.

SCHEDULE C - GENERAL MATTERS

1. Miscellaneous Matters



Legislation Details (With Text)

File #: 110348 **Version:** 1
Type: Charter Ordinance **Status:** In Committee
File created: 7/6/2011 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**
Effective date:

Title: A substitute charter ordinance relating to reservation of plan sponsor rights under the employees' retirement system.
Sponsors: THE CHAIR
Indexes: CHARTER ORDINANCES, EMPLOYES RETIREMENT SYSTEM
Attachments: Cover Letter, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
7/6/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110348

Version
SUBSTITUTE 1

Reference

Sponsor
THE CHAIR

Title

A substitute charter ordinance relating to reservation of plan sponsor rights under the employees' retirement system.

Sections

36-13-2-h cr

Analysis

This charter ordinance establishes that for members enrolled in the employees' retirement system on or after November 23, 2011, the city may amend or repeal by ordinance provisions relating to the benefits and rights of such members. Such members shall have no right to further accrual of benefits or rights for services rendered after the effective date of any ordinance repealing or altering the ordinance that initially authorizes the benefit or right. Benefits accrued and rights earned by a member for service rendered prior to the effective date of any ordinance shall be due as a contractual and vested right and shall not be abrogated or altered by any subsequent legislation. These provisions shall not apply to members of a certified collective bargaining unit with a labor contract while the contract is in force and in effect and contains provisions inconsistent with the provisions of this ordinance.

Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 36-13-2-h of the city charter is created to read:

36-13. Contractual Benefits; Miscellaneous Provisions.

2. CONTRACTS TO ASSURE BENEFITS.

h. Notwithstanding any other provision of this chapter, the contractual rights of members enrolled on or after November 23, 2011, shall be governed by this paragraph. The right of the city on its own behalf, or on behalf of a city agency, to amend or repeal all or part of this chapter by enactment of ordinance is reserved to the city and the city agency. Members shall have no right to further accrual of benefits or rights for service rendered after the effective date of any ordinance repealing or altering the ordinance that authorizes the benefit or right. Benefits accrued and rights earned by a member under this chapter for service rendered prior to the effective date of any ordinance shall be due as a contractual and vested right and shall not be abrogated or altered by any subsequent legislation. No alteration of an ordinance shall abrogate any rights or benefits earned but not exercised before the effective date of an ordinance altering or abrogating the right or benefit. This paragraph shall not apply to members of a certified collective bargaining unit with a labor contract while it is in force and in effect that contains provisions inconsistent with this paragraph.

Part 2. This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60 days a referendum petition is filed as provided in s. 66.0101(5), Wis. Stats., in which event this ordinance shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon.

LRB

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

Requestor

Department of Employee Relations - Labor Relations

Drafter

LRB133360-2

Mary E. Turk

8/19/2011



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

July 13, 2011

To The Honorable
The Committee on Finance
and Personnel
Common Council
City of Milwaukee

Dear Committee Members:

Re: Common Council File 110348

DER-Labor Relations Division proposes changes relating to reservation of plan sponsor rights under the Employees Retirement System. The proposed modification is to enable the Common Council the ability to modify benefits prospectively under Chapter 36 for employees hired on or after the effective date of the modification.

A Fiscal Note relating the cost of the proposed changes is affixed hereto.

In view of the foregoing, it is recommended that this ordinance be approved.

Sincerely,

Troy M. Hamblin
Labor Negotiator

TMH:NMF

Attachments

Cc: Mayor Tom Barrett
W. Martin Morics
CC President Willie Hines, Jr.
All Alderpersons

110348 Chtr Ord F&P ltr
labr/Post BRB



City of Milwaukee Fiscal Impact Statement

A

Date 7-13-11 **File Number** 110348
Subject A charter ordinance relating to reservation of plan sponsor rights under the Employees Retirement System.

B

Submitted By (Name/Title/Dept./Ext.) Nicole Fleck/Labor Relations Officer/Employee Relations/x3371

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

This Note Was requested by committee chair.

E

Charge To

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages			
Supplies/Materials			
Equipment			
Services			
Other	Pension	\$0	
TOTALS		\$0	

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years _____
 1-3 Years 3-5 Years _____
 1-3 Years 3-5 Years _____

I

List any costs not included in Sections E and F above.

Savings will result from this change to retirement benefits, however, the actual savings will need to be calculated by an actuary.

J

Additional information.



Legislation Details (With Text)

File #: 110518 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution to ratify and confirm the final agreement between the City of Milwaukee and Milwaukee Police Supervisors' Organization.

Sponsors:

Indexes: AGREEMENTS, LABOR CONTRACTS, POLICE DEPARTMENT

Attachments: Cover Letter, Substitute Fiscal Impact Statement, Fiscal Impact Statement, Summary of Wage and Fringe Benefit Modifications, MPSO Ratification Letter, Letter Requesting Ordinance Changes, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/7/2011	1	CITY CLERK	DRAFT SUBMITTED		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110518
Version
SUBSTITUTE 1
Reference

Sponsor
THE CHAIR
Title

Substitute resolution to ratify and confirm the final agreement between the City of Milwaukee and Milwaukee Police Supervisors' Organization.

Analysis
The purpose of this resolution is to confer common council approval, ratification and confirmation on the memorandum of understanding between the City of Milwaukee negotiating team and Milwaukee Police Supervisors' Organization covering wages, hours and conditions of employment for the time periods commencing January 1, 2010, through December 31, 2012.

Body
Whereas, The total agreement between the city negotiating team and Milwaukee Police Supervisors' Organization, for the time period commencing January 1, 2010, through December 31, 2012 has been reduced to writing; and

Whereas, The memorandum of understanding embodying the agreement reached by the parties, copies of which are attached to Common Council File No. 110518 and incorporated herein as though

fully set forth at length, was executed subject to ratification by the Common Council; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the agreement between the city negotiating team and Milwaukee Police Supervisors' Organization be approved; and be it

Further Resolved, That the city negotiating team is hereby authorized and directed to reduce the agreement to a formal contract between the union and the city; and be it

Further Resolved, That the proper city officials are hereby authorized and directed to execute formal contract between the City of Milwaukee and Milwaukee Police Supervisors' Organization which reflect the terms of the agreement; and be it

Further Resolved, That the proper city officials are hereby authorized and directed to take the necessary action or to make the necessary recommendations to the common council or the appropriate committees or boards to implement the terms of this agreement; and be it

Further Resolved, That such sums as are necessary for the implementation of the aforementioned labor contract in accordance with the terms and conditions be obtained for and charged to the appropriate departmental budget accounts in accordance with the customary reporting and accounting requirements.

Requestor

Department of Employee Relations

Drafter

NMF:

110518 res

labr/MPSO/2010-2011/Implementation



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

September 7, 2011

To The Honorable
The Committee on Finance
and Personnel
Common Council
City of Milwaukee

RE: File No. 110518

Dear Committee Members:

The attached Memorandum of Understanding between the City Negotiating Team and the Milwaukee Police Supervisors' Organization is the result of a voluntary agreement. The Memorandum of Understanding covers wages, hours and conditions of employment for the period commencing January 1, 2010, through December 31, 2012.

Copies of the Memorandum of Understanding, a resolution approving it, a summary of its provisions, a ratification letter, and a fiscal note are attached.

In view of the foregoing, it is recommended that this resolution be approved.

Sincerely,

Troy M. Hamblin
Labor Negotiator

Attachments

C: Maria Monteagudo
Edward Flynn
Thomas Klusman

TMH:NMF
110518 F&P ltr
labr/mpso/2010-2011/Implementation

AGREEMENT
Between
CITY OF MILWAUKEE
and
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
EFFECTIVE JANUARY 1, ~~2010~~ THROUGH DECEMBER 31, ~~2012~~

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PREAMBLE

1. THIS AGREEMENT, is made and entered into at Milwaukee, Wisconsin between the CITY OF MILWAUKEE, a municipal corporation, hereinafter referred to as "City," as municipal employer, and the MILWAUKEE POLICE SUPERVISORS' ORGANIZATION, hereinafter referred to as "MPSO," as the representative of certain supervisory employees of the City of Milwaukee in the Police Department.
2. The parties to this Agreement are desirous of reaching an amicable understanding with respect to the employer-employee relationship which exists between them and to enter into a complete Agreement covering rates of pay, hours of work, and conditions of employment.
3. The parties do hereby acknowledge that this Agreement is the result of the unlimited right and opportunity afforded to each of the parties to make any and all demands and proposals with respect to the subject of rates of pay, hours of work, and conditions of employment and incidental matters respecting thereto.
4. This Agreement is an implementation of the provisions of Section 111.70, Wisconsin Statutes, consistent with the legislative authority that is delegated to the City Common Council relating to: The Chief of Police and the Fire and Police Commission (as set forth in Section 62.50, Wisconsin Statutes); The Municipal Budget Law (as set forth in Chapter 65 of the Wisconsin Statutes); and any other statutes and laws applicable to the City. The Fire and Police Commission and the Chief of Police will abide by the terms of this Agreement.
5. It is intended by the provisions of this Agreement that there be no abrogation of the duties, obligations, or responsibilities of any agency or department of City government which is

now expressly provided for respectively either by: state statute and charter ordinances of the City of Milwaukee except as expressly limited herein.

ARTICLE 1

DURATION OF AGREEMENT AND TIMETABLE

1. This Agreement shall be in effect beginning at 12:01 a.m. on January 1, ~~2010~~, and ending at 12:01 a.m. on January 1, ~~2013~~. This Agreement will terminate on January 1, 2010, unless the parties hereto both agree to extend it beyond that date.
2. Not ~~earlier than June 15, 2012~~, the MPSO shall give the City written notice in accordance with the NOTICES Article of this Agreement, indicating areas in a succeeding Labor Contract in which changes are requested; conferences and negotiations shall be carried on by the parties hereto beginning 30 calendar days following the date such notice is provided.
3. Any matter which directly or indirectly relates to wages, hours, or conditions of employment, or which relates to other matters, whether the same are specifically covered by this Agreement or not, will not be a subject for bargaining during the term of this Agreement, provided, however, this item is subject to the WAIVER OF FURTHER BARGAINING Article of this Agreement.

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ARTICLE 2

RECOGNITION

1. The MPSO is recognized as the exclusive bargaining agent for employees in active service and in the following classifications:

- Police Sergeant
- Administrative Lieutenant of Police (Health and Safety)
- Administrative Lieutenant of Police
- Lieutenant of Police
- Lieutenant of Detectives
- Captain of Police
- Deputy Inspector of Police
- Police Identification Supervisor
- Communications Systems Manager

If an employee in active service and occupying one of the classifications listed above is placed on an authorized leave of absence without pay, the MPSO shall also be recognized as the exclusive bargaining agent for that individual during the period of such leave.

While on such leave, the individual shall not be covered by this Agreement and shall not be entitled to any of its benefits except as specifically provided herein.

2. The MPSO recognizes its responsibility to cooperate with the City to assure maximum service at minimum cost to the public consistent with its obligations to the employees it represents.
3. In the event a consolidation occurs in any City department, between City departments, or units thereof whose employees in part or in whole are within a recognized bargaining unit and such consolidation results in a combining of the employees in the department who were members of more than one bargaining unit; then a new election shall be requested of the Wisconsin Employment Relations Commission. The certified representative as determined by the WERC pursuant to the election shall assume the contractual obligations of each and every consolidated unit as if no consolidation had occurred until the expiration of existing contract terms.
4. In the event new positions not now covered by the recognition provisions of this

Agreement are created by the City through action of the Common Council and said positions would be embraced within the bargaining unit, provided the parties agree that the new position(s) should be embraced within the bargaining unit; then the employees appointed to such positions shall be deemed part of such bargaining unit and shall be represented by the bargaining unit, and they shall also be covered by the Agreement between the MPSO and the City.

5. It is understood that the bargaining unit set forth above is subject to determination by the WERC under the Wisconsin Statutes.

ARTICLE 3

ORDINANCE AND RESOLUTION REFERENCES

This Agreement contains benefits and the terms and conditions under which they are provided employees. The City may establish ordinances, resolutions and procedures to implement and administer these benefits. These ordinances, resolutions and procedures, as well as any other City ordinances or resolutions providing benefits to employees, shall not be deemed a part of this Agreement, nor shall they add to, modify, diminish or otherwise vary any of the benefits or obligations provided in this Agreement, unless the parties shall mutually consent in writing thereto. Other City ordinances and/or resolutions, or parts thereof, in effect on the execution date of this Agreement, as well as those adopted thereafter, that do not conflict with the specific provisions of this Agreement shall remain in force and effect.

ARTICLE 4

SUBORDINATE TO LEGISLATIVE AUTHORITY

1. In the event that the provisions of this Agreement or its application conflicts with the legislative authority delegated to the City Common Council, the Chief of Police and Fire and Police Commission (which authority being set forth more fully by: The Milwaukee City Charter; the statutory duties, responsibilities and obligations of the Chief of Police and the Fire and Police Commission as they are provided for in Section 62.50 of the Wisconsin Statutes; The Municipal Budget Law, which is set forth in Chapter 65 of the Wisconsin Statutes; or other applicable laws or statutes); then this Agreement shall be subordinate to such authority.
2. Nothing herein shall affect the rights of either party to challenge any state law or City ordinance that affects any part of this Agreement.

ARTICLE 5

MANAGEMENT RIGHTS

1. Except as specifically provided otherwise by this Agreement, any and all rights concerning the management and direction of the Police Department and the Police force shall be exclusively the right of the City and the Chief of Police.
2. Specifically, and without limitation by enumeration, the City shall have the following unrestricted rights:
 - a. The MPSO recognizes the right of the City, the Board of Fire and Police Commissioners and the Chief of Police to operate and manage their affairs in all respects. The MPSO recognizes the exclusive right of the Board of Fire and Police Commissioners and/or the Chief of Police to establish and maintain departmental rules and procedures for the administration of the Police Department during the term of this Agreement, provided that such rules and procedures do not violate any of the specific provisions of this Agreement.
 - b. The City has the exclusive right and authority to schedule and/or assign overtime work. The City shall have the sole right to authorize trade-offs of work assignments.
 - c. It is understood by the parties that every duty connected with operations enumerated in job descriptions is not always specifically described; nevertheless, it is intended that all such duties shall be performed by the employee.
 - d. The City reserves the right to discipline or discharge for cause. The City reserves the right to lay off employees.
 - e. The City shall determine work schedules and establish methods and processes by which such work is performed.
 - f. The City shall have the right to assign and/or transfer employees within the Police Department.
 - g. Except as otherwise specifically provided in this Agreement, the City, the Fire and

Police Commission and the Chief of Police shall retain all rights and authority to which by law they are entitled.

- h. The City shall have exclusive authority to transfer any or all of the operations of the Milwaukee Police Department to another unit of government and such transfer shall not require any prior negotiations or the consent of the MPSO.
- i. The City shall have the authority, without prior negotiations, to consolidate operations of two or more departments.
- j. The City shall have the authority, without prior negotiations, to consolidate operations within the Department or to reorganize within the Department.
- k. The right of contracting or subcontracting is vested in the City.

ARTICLE 6

PROHIBITION OF STRIKES AND LOCKOUTS

1. The MPSO pledges itself to make every effort to maintain unimpaired the police service and protection of the community. It shall not cause, condone, counsel or permit its members, or any of them, individually or in concert, to strike, slow down, disrupt, impede or otherwise impair the normal functions of the Department. Engaging in any of this Activity shall be prohibited during the term of this Agreement and employees violating this prohibition shall be subject to such penalties the City deems appropriate.
2. During the term of this Agreement or any extension thereof, whenever the City Labor Negotiator determines that the MPSO or any of its members are violating the obligations set forth in subsection 1 of this Article, above, the City Labor Negotiator shall notify the MPSO that a prohibited action is in progress.
3. If the prohibited activity does not cease immediately following the notification given by the City Labor Negotiator, in accordance with subsection 2 of this Article, above, the MPSO shall in an expeditious manner, but no later than within twelve (12) hours of such notification, disavow the prohibited activity, order its member or members to return to work or cease the prohibited activity and provide the City Labor Negotiator with a copy of its order, or alternatively, accept responsibility for the prohibited activity. If the MPSO does not disavow the prohibited activity, the City will not make any payments to the MPSO that are required under the AGENCY SHOP provision of this Agreement for the biweekly pay period in which the prohibited activity occurs.
4. If the MPSO disavows the prohibited activity, the City shall not hold the MPSO financially responsible and the MPSO shall interpose no defense to the City's imposition of such penalties or sanctions as the City may assess against the participants.
5. While engaged in a prohibited activity, employees shall not be entitled to any benefits or compensation provided by the City (either by this Agreement or by City ordinances, including charter ordinances, or by any other means).

6. There shall be no lockout by the City during the term of this Agreement.

ARTICLE 7

CONTRACT ENFORCEMENT PROCEDURE

1. ELIGIBILITY

Employees in active service shall be covered by the Contract Enforcement Procedure hereinafter provided so long as they remain in active service and covered by this Agreement.

2. GRIEVANCES

- a. The provisions of this subsection shall only cover employees in the following position classifications and only for so long as they remain within such position classifications:
 - Captain of Police
 - Deputy Inspector of Police

Only differences involving the interpretation, application or enforcement of the economic provisions of this Agreement shall constitute a grievance hereunder; provided, however, that the following matters are specifically excluded from this Contract Enforcement Procedure as it is applicable to the employee classifications enumerated above:

- (1) Any matter of Departmental discipline.
- (2) Application, interpretation and enforcement of Departmental rules and regulations.

- b. The provisions of this subsection shall only cover employees in the following position classifications and only for so long as they remain within such position classifications:

- Lieutenant of Detectives
- Lieutenant of Police
- Administrative Lieutenant of Police (Health and Safety)
- Administrative Lieutenant of Police
- Police Sergeant
- Police Identification Supervisor
- Communications Systems Manager

Only differences involving the interpretation, application or enforcement of the provisions of this Agreement or the application of a rule or regulation of the Chief of Police affecting wages, hours, or conditions of employment shall constitute a grievance under the provisions set forth herein. Matters of departmental discipline involving application of the rules or regulations of the Chief of Police which are not subject to appeal to the Board of Fire and Police Commissioners, shall constitute a grievance under the aforementioned provisions and matters of departmental discipline involving application of the rules or regulations of the Chief of Police which are subject to appeal to the Board of Fire and Police Commissioners shall not constitute a grievance under the aforementioned provisions. Grievances over discipline shall be initiated at step 2 of the Contract Enforcement Procedure and be reviewed by the Chief of Police.

- c. The provisions of this subsection shall cover all employee classifications:
- (1) Except as provided in (2), below, each employee grievance filed hereunder shall be filed separately; there shall be no group grievances.
 - (2) In the event the Chief or Department takes a particular action which, in the Union's view, results in a violation of the agreement and such action adversely affects a number of members under circumstances that are essentially identical, the MPSO grievance committee may file a group grievance on their behalf at the second step, within 20 calendar days of the occurrence of the incident leading to such grievance. The group grievance shall identify by name, all members alleged to have been adversely affected by such action. If the MPSO grievance committee is unable to identify all members of the group, by name, within the time limit allowed for the filing of grievances, it shall specify those facts which cause the adversely affected members to be identically situated in its view. Before responding to the grievance, the Department shall provide the Union with information or

access to information reasonably necessary for the Union to identify the members covered by the group grievance. The Union must identify all members covered by the group grievance before appealing it to arbitration. Alleged violations occurring after the occurrence of the incident giving rise to the group grievance shall not be considered to be covered by the group grievance, even if the facts are alleged to be essentially identical. In such a case, separate grievances or group grievances must be timely filed in order to be considered. Nothing herein is intended to preclude the parties from agreeing to consolidate grievances and group grievances for purposes of arbitration.

(3) In addition to the limitations provided for in subsection 2.a. and 2.b., the following matters are specifically excluded from this Contract Enforcement Procedure:

- (a) Interpretation and enforcement of Departmental rules and regulations;
- (b) Any matter reserved to the Chief of Police or Board of Fire and Police Commissioners by State Statute or Charter Ordinances;
- (c) Any matter appealable to the Board of Fire and Police Commissioners;
- (d) Any matter involving approval of medical (or dental) insurance claims filed by an employee, or medical (or dental) insurance claims filed by an employee on behalf of his/her dependents;
- (e) Obligations of the City under Chapter 65, Wis. Stats;
- (f) Interpretation, application, enforcement or administration of any matter involving the City pension systems, including pension benefits provided by such systems and their administration.

d. Steps 1. and 2. of this Contract Enforcement Procedure shall be inapplicable to

grievances involving health and life insurance benefits. A grievance concerning health insurance or life insurance benefits, other than a matter involving claims, shall be submitted directly to the City Labor Negotiator for review within twenty (20) calendar days of the occurrence of the incident leading to such grievance. Within twenty (20) calendar days following receipt of such grievance by the City Labor Negotiator, representatives of the MPSO shall meet with the City Labor Negotiator, or his/her designee, at a mutually convenient time and place in an attempt to resolve the grievance. Following such meeting, the City Labor Negotiator shall answer the grievance in writing setting forth the reasons for his/her decision and submit same to the MPSO grievance representative within twenty-five (25) calendar days of such meeting. If the grievance is not settled, the MPSO may proceed to final and binding arbitration as hereinafter provided.

- e. The Articles of this Agreement entitled: MANAGEMENT RIGHTS and SUBORDINATE TO LEGISLATIVE AUTHORITY, are intended to recognize the rights of the City, the Chief of Police and Fire and Police Commission and their responsibilities to the public. These Articles do not grant to the MPSO or its members any rights that may provide the basis for a grievance under the provisions of the CONTRACT ENFORCEMENT PROCEDURE.

3. GRIEVANCE FORMS

All grievances and grievance appeals shall be submitted on a form provided by the City and shall set forth the specific provisions of this Agreement under which the grievance was filed. On this form, the MPSO shall also provide the grievant's name, payroll number, District/Bureau/Shift assignment and the date, time, location and description of the incident(s) which gave rise to the grievance.

4. GRIEVANCE TIME LIMITS

All appeals of duly filed grievances not submitted by the MPSO or employee (hereinafter referred to as "member"), within the time limit specified, shall be termed abandoned

grievances and as such shall be considered as being resolved in favor of the City and not subject to provisions of this CONTRACT ENFORCEMENT PROCEDURE. By mutual agreement, the parties may waive any of the steps contained in this CONTRACT ENFORCEMENT PROCEDURE.

5. STEPS IN THE CONTRACT ENFORCEMENT PROCEDURE

Step 1.

The grievant shall reduce his/her grievance to writing on a provided form and present it to the MPSO Grievance Representative or his/her designee. The MPSO Grievance Representative or his/her designee shall meet with the grievant and if the grievant so desires and the MPSO Grievance Representative or his/her designee so determines, the MPSO Grievance Representative or his/her designee shall, within twenty (20) consecutive calendar days of the occurrence of the incident leading to the grievance, submit the written grievance to the Personnel/Administration Bureau, and therein a request shall be made for a meeting with a panel of not more than three persons designated by the Chief. If the grievance is submitted within the prescribed time, the panel, the grievant and the MPSO Representative shall meet at a mutually agreeable time. The grievant shall be entitled to be present and shall have the right to be represented by the MPSO representative and the parties shall discuss the grievance in good faith and attempt to resolve the matter. Within forty-five (45) days after the meeting, the panel shall advise in writing the grievant and the MPSO Representative of the panel's determination with respect to the grievance, setting forth the reasons for the panel's decision.

Step 2.

If the grievance is not resolved in Step 1., above, the MPSO Grievance Representative or his/her designee may, within fifteen (15) days of receipt of the answer from the Chief's panel, appeal the grievance to the Chief. Failure to appeal said answer within this prescribed period of time shall constitute a settlement of the grievance. Such appeal shall be in writing and therein a request should be made for a meeting between the Chief of

Police, the grievant and the MPSO Grievance Representative or his/her designee. At the meeting, to be held at a mutually agreeable time, the parties shall discuss the grievance and the answer and decision in regard thereto in good faith in an attempt to resolve the grievance. Within forty-five (45) days of receipt of the written appeal to the grievance, unless the time period is mutually extended by the parties, the Chief shall, in writing, advise the MPSO Grievance Representative and the grievant as to the Chief's decision with respect to the grievance. If an MPSO grievance is not settled at the second step, the MPSO may proceed to final and binding arbitration as hereinafter provided.

6. GRIEVANCE ARBITRATION

- a. Final and binding arbitration may be initiated by serving upon the Chief of Police and City Labor Negotiator a notice in writing of an intent to proceed to final and binding arbitration within 30 days of receipt of the second step answer. Said notice shall identify the grievance and the employees involved.
- b. Unless the parties can, within seven (7) calendar days following the receipt of such written notice, agree upon the selection of an arbitrator, either party may in writing request the Wisconsin Employment Relations Commission to submit a list of five (5) arbitrators to both parties. The parties shall, within seven (7) calendar days of the receipt of said list, select the arbitrator by alternately striking names from the list until one name remains. Such person shall then become the arbitrator.
- c. The arbitrator so elected shall hold a hearing at a time and place convenient to the parties within fifteen (15) calendar days of notification of his/her selection, unless otherwise mutually agreed upon by the parties. The arbitrator shall take such evidence as in his/her judgment is appropriate for the disposition of the dispute. Statements of position may be made by the parties and witnesses may be called. In disputes involving application of rules or regulations of the Chief of Police, the Chief of Police or his representative shall be permitted to participate in the proceeding and to state the Chief of Police's position on the dispute.

- d. The arbitrator shall neither add to, detract from nor modify the language of the Agreement in arriving at a determination of any issue presented that is proper for final and binding arbitration within the limitations expressed herein. The arbitrator shall have no authority to grant wage increases or wage decreases.
- e. The arbitrator shall expressly confine him/herself to the precise issues submitted for arbitration and shall have no authority to determine any other issue not so submitted to him/her or to submit observations or declarations of opinion which are not directly essential in reaching the determination.
- f. In reviewing any difference over application of a Departmental rule or regulation under this Contract Enforcement Procedure, the arbitrator shall take into account the special statutory responsibilities granted to the Chief of Police under Section 62.50, Wis. Stats. The arbitrator shall not impair the ability of the Chief of Police to operate the Department in accordance with the statutory responsibilities under Section 62.50, Wisconsin Statutes, 1977, nor shall he/she impair the authority of the Chief of Police to maintain, establish and modify rules and regulations for the operation of the Police Department. In addition, the arbitrator shall not prohibit the Chief of Police from executing Departmental rules and regulations in a fair and equitable manner.
- g. All expenses which may be involved in the arbitration proceedings shall be borne by the parties equally. However, the expenses relating to the calling of witnesses or the obtaining of depositions or any other similar expense associated with such proceedings shall be borne by the party at whose request such witnesses or depositions are required.
- h. For the purpose of receiving testimony and evidence, the provisions of Section 788.06 and 788.07 of the Wisconsin Statutes shall apply. The arbitration award shall be reduced to writing and shall be subject to Sections 788.08 through and including 788.15 of the Wisconsin Statutes. All other sections and provisions of

Chapter 788 are hereby expressly negated and of no force and effect in any arbitration under this Agreement.

- i. It is contemplated by the provisions of this Agreement that any arbitration award shall be issued by the arbitrator within sixty (60) calendar days after the notice of appointment unless the parties to this Agreement shall extend the period in writing by mutual consent.
- j. The arbitrator shall submit in writing his/her award to the parties.

7. GRIEVANCE/ARBITRATION PROCESSING TIME

Time spent by employees processing grievances under this CONTRACT ENFORCEMENT PROCEDURE shall be without pay.

ARTICLE 8

DEFINITIONS

1. "Active Service"

"Active Service," as used herein, shall mean the performance of assigned duties in accordance with the HOURS OF WORK provision of this Agreement and shall include time spent by employees on paid leave as provided for herein but shall not include any time spent by employees on leave without pay. In the event of an employee's resignation, discharge or retirement from City employment, active service shall cease as of the employee's last day at work.

2. "Length of Service"

"Length of Service," as used herein, shall mean the duration of time an employee was in active service, including active service while employed as a member of the Police Department prior to the execution date of this Agreement.

3. "Employees Covered By This Agreement"

Employees employed in the Milwaukee Police Department, in active service in the following position classifications, shall be covered by this Agreement during its term so long as they remain in active service and within such classifications:

Police Sergeant
Administrative Lieutenant of Police (Health and Safety)
Administrative Lieutenant of Police
Lieutenant of Police
Lieutenant of Detectives
Captain of Police
Deputy Inspector of Police
Police Identification Supervisor
Communications Systems Manager

4. "Employees," as used herein shall mean employees covered by this Agreement as hereinbefore defined.

5. "City" as used herein, shall include any person, agent or instrumentality acting on behalf of the City in respect to the Milwaukee Police Department, or this Agreement, pursuant to

law, within the scope of its authority, express or implied.

ARTICLE 9

BASE SALARY

1. A 0% across-the-board increase effective Pay Period 1, 2010.
 After adding \$102.31 to the 2010 biweekly rates of pay for Police Sergeants, and \$55.77 to the 2010 biweekly rates of pay for all other employees, a 0% across-the-board increase effective Pay Period 1, 2011.
Effective Pay Period 1, 2012, Educational Pay Payments shall be added to base biweekly salary for those eligible.
Effective Pay Period 1, 2012 a 3.5% across-the-board increase for Police Sergeants and a 2.0% across-the-board increase for all other employees.
Effective Pay Period 14, 2012 a 1.25% across-the-board increase for Police Sergeants and a 1.0% across-the-board increase for all other employees.

Commencing Pay Period 1, 2010(December 27, 2009), the biweekly base salary paid to employees shall be as follows:

a. Police Sergeant^{1/}

- Step 1. \$2,245.88
- Step 2. 2,334.36
- Step 3. 2,426.43
- Step 4. 2,522.15
- Step 5. 2,621.67
- Step 6. 2,725.25

b. Police Identification Supervisor

- Step 1. \$2,522.15
- Step 2. 2,621.67
- Step 3. 2,725.25
- Step 4. 2,832.89
- Step 5. 2,944.88
- Step 6. 3,061.18

c. Communications Maintenance Manager (effective Pay Period 2, 2007, this position is reclassified to Communications Systems Manager in Pay Range 839)
 Lieutenant of Detectives^{1/}
 Lieutenant of Police^{1/}
 Administrative Lieutenant of Police^{1/}
 Administrative Lieutenant of Police (Health & Safety)^{1/}

- Step 1. \$2,621.67
- Step 2. 2,725.25
- Step 3. 2,832.89
- Step 4. 2,944.88
- Step 5. 3,061.18
- Step 6. 3,182.30

d. Captain of Police^{1/}
 Communications Systems Manager

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Step 1.	<u>\$2,944.88</u>	Deleted: 2,765.39
Step 2.	<u>3,061.18</u>	Deleted: 2,874.75
Step 3.	<u>3,182.30</u>	Deleted: 2,988.64
Step 4.	<u>3,308.21</u>	Deleted: 3,107.03
Step 5.	<u>3,439.23</u>	Deleted: 3,230.24
Step 6.	<u>3,575.41</u>	Deleted: 3,358.29

e. Deputy Inspector of Police^{1/}

Step 1	<u>\$3,308.21</u>	Deleted: 3,107.03
Step 2.	<u>3,439.23</u>	Deleted: 3,230.24
Step 3.	<u>3,575.41</u>	Deleted: 3,358.29
Step 4.	<u>3,717.09</u>	Deleted: 3,491.52
Step 5.	<u>3,864.42</u>	Deleted: 3,630.04
Step 6.	<u>4,017.63</u>	Deleted: 3,774.10

^{1/} Recruitment to be at fourth step.

2. Commencing Pay Period 1, 2011 (December 26, 2010), the biweekly base salary paid to employees shall be as follows:

a. Police Sergeant^{1/}

Step 1.	<u>\$2,348.19</u>	Deleted: 2,176.63
Step 2.	<u>2,436.67</u>	Deleted: 2,262.53
Step 3.	<u>2,528.74</u>	Deleted: 2,351.92
Step 4.	<u>2,624.46</u>	Deleted: 2,444.85
Step 5.	<u>2,723.98</u>	Deleted: 2,541.47
Step 6.	<u>2,827.56</u>	Deleted: 2,642.03

b. Police Identification Supervisor

Step 1.	<u>\$2,577.92</u>	Deleted: 2,444.85
Step 2.	<u>2,677.44</u>	Deleted: 2,541.47
Step 3.	<u>2,781.02</u>	Deleted: 2,642.03
Step 4.	<u>2,888.66</u>	Deleted: 2,746.54
Step 5.	<u>3,000.65</u>	Deleted: 2,855.27
Step 6.	<u>3,116.95</u>	Deleted: 2,968.18

c. Lieutenant of Detectives^{1/}
 Lieutenant of Police^{1/}
 Administrative Lieutenant of Police^{1/}
 Administrative Lieutenant of Police (Health & Safety)^{1/}

Step 1.	<u>\$2,677.44</u>	Deleted: 2,541.47
Step 2.	<u>2,781.02</u>	Deleted: 2,642.03
Step 3.	<u>2,888.66</u>	Deleted: 2,746.54
Step 4.	<u>3,000.65</u>	Deleted: 2,855.27
Step 5.	<u>3,116.95</u>	Deleted: 2,968.18
Step 6.	<u>3,238.07</u>	Deleted: 3,085.77

d. Captain of Police^{1/}
Communications Systems Manager

Step 1.	\$3,000.65
Step 2.	3,116.95
Step 3.	3,238.07
Step 4.	3,363.98
Step 5.	3,495.00
Step 6.	3,631.18

e. Deputy Inspector of Police^{1/}

Step 1.	\$3,363.98
Step 2.	3,495.00
Step 3.	3,631.18
Step 4.	3,772.86
Step 5.	3,920.19
Step 6.	4,073.40

^{1/} Recruitment to be at fourth step.

3. Commencing Pay Period 1, 2012(December 25, 2011), the biweekly base salary paid to employees shall be as follows:

a. Police Sergeant^{1/}

	Associate's Degree or 64 Credits	Bachelor's Degree	Master's Degree or Higher
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Step 1.	\$2,430.38	2,446.25	2,466.10	2,474.04
Step 2.	2,521.95	2,537.83	2,557.68	2,565.62
Step 3.	2,617.25	2,633.12	2,652.97	2,660.91
Step 4.	2,716.32	2,732.19	2,752.04	2,759.98
Step 5.	2,819.32	2,835.20	2,855.05	2,862.99
Step 6.	2,926.52	2,942.40	2,962.25	2,970.19

b. Police Identification Supervisor

Step 1.	\$2,629.48	2,645.13	2,664.69	2,672.51
Step 2.	2,730.99	2,746.64	2,766.20	2,774.02
Step 3.	2,836.64	2,852.29	2,871.85	2,879.67
Step 4.	2,946.43	2,962.08	2,981.64	2,989.47
Step 5.	3,060.66	3,076.31	3,095.87	3,103.70
Step 6.	3,179.29	3,194.94	3,214.50	3,222.32

c. Lieutenant of Detectives^{1/}
Lieutenant of Police^{1/}
Administrative Lieutenant of Police^{1/}
Administrative Lieutenant of Police (Health & Safety)^{1/}

Step 1.	\$2,730.99	2,746.64	2,766.20	2,774.02
Step 2.	2,836.64	2,852.29	2,871.85	2,879.67
Step 3.	2,946.43	2,962.08	2,981.64	2,989.47
Step 4.	3,060.66	3,076.31	3,095.87	3,103.70
Step 5.	3,179.29	3,194.94	3,214.50	3,222.32
Step 6.	3,302.83	3,318.48	3,338.04	3,345.87

d. Captain of Police^{1/}

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Communications Systems Manager

Step 1.	\$3,060,663,076,313,095.87	3,103.70
Step 2.	3,179,293,194,943,214.50	3,222.32
Step 3.	3,302,833,318,483,338.04	3,345.87
Step 4.	3,431,263,446,913,466.47	3,474.29
Step 5.	3,564,903,580,553,600.11	3,607.93
Step 6.	3,703,803,719,453,739.01	3,746.84

e. Deputy Inspector of Police^{1/}

Step 1.	\$3,431.26	3,446.91	3,466.47	3,474.29
Step 2.	3,564,903,580,553,600.11	3,607.93		
Step 3.	3,703,803,719,453,739.01	3,746.84		
Step 4.	3,848,323,863,963,883.53	3,891.35		
Step 5.	3,998,594,014,244,033.80	4,041.63		
Step 6.	4,154,874,170,514,190.08	4,197.90		

^{1/} Recruitment to be at fourth step.

4. Commencing Pay Period 14, 2012(June 24, 2012), the biweekly base salary paid to employees shall be as follows:

a. Police Sergeant ^{1/}	Associate's Degree or 64 Credits	Bachelor's Degree	Master's Degree or Higher	
Step 1.	\$2,460.76	2,476.83	2,496.93	2,504.97
Step 2.	2,553.47	2,569.55	2,589.65	2,597.69
Step 3.	2,649.97	2,666.03	2,686.13	2,694.17
Step 4.	2,750.27	2,766.34	2,786.44	2,794.48
Step 5.	2,854.56	2,870.64	2,890.74	2,898.78
Step 6.	2,963.10	2,979.18	2,999.28	3,007.32

b. Police Identification Supervisor

Step 1.	\$2,655.77	2,671.58	2,691.34	2,699.24
Step 2.	2,758.30	2,774.11	2,793.86	2,801.76
Step 3.	2,865.01	2,880.81	2,900.57	2,908.47
Step 4.	2,975.89	2,991.70	3,011.46	3,019.36
Step 5.	3,091.27	3,107.07	3,126.83	3,134.74
Step 6.	3,211.08	3,226.89	3,246.65	3,254.54

c. Lieutenant of Detectives^{1/}

Lieutenant of Police ^{1/}				
Administrative Lieutenant of Police ^{1/}				
Administrative Lieutenant of Police (Health & Safety) ^{1/}				
Step 1.	\$2,758.30	2,774.11	2,793.86	2,801.76
Step 2.	2,865.01	2,880.81	2,900.57	2,908.47
Step 3.	2,975.89	2,991.70	3,011.46	3,019.36
Step 4.	3,091.27	3,107.07	3,126.83	3,134.74
Step 5.	3,211.08	3,226.89	3,246.65	3,254.54
Step 6.	3,335.86	3,351.66	3,371.42	3,379.33

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d. Captain of Police^{1/}
Communications Systems Manager

Step 1.	\$3,091.27	3,107.07	3,126.83	3,134.74
Step 2.	3,211.08	3,226.89	3,246.65	3,254.54
Step 3.	3,335.86	3,351.66	3,371.42	3,379.33
Step 4.	3,465.57	3,481.38	3,501.13	3,509.03
Step 5.	3,600.55	3,616.36	3,636.11	3,644.01
Step 6.	3,740.84	3,756.64	3,776.40	3,784.31

e. Deputy Inspector of Police^{1/}

Step 1.	\$3,465.57	3,481.38	3,501.13	3,509.03
Step 2.	3,600.55	3,616.36	3,636.11	3,644.01
Step 3.	3,740.84	3,756.64	3,776.40	3,784.31
Step 4.	3,886.80	3,902.60	3,922.37	3,930.26
Step 5.	4,038.58	4,054.38	4,074.14	4,082.05
Step 6.	4,196.42	4,212.22	4,231.98	4,239.88

^{1/} Recruitment to be at fourth step.

5. Employees remaining in classifications they were in immediately prior to execution of this Agreement shall continue to be paid at the pay step at which they were paid immediately prior to execution of this Agreement. Employees entering new classifications during the term of this Agreement, where the biweekly pay rate of the maximum pay step for the new classification is greater than the rate for the maximum pay step of the classification the employee previously occupied, shall, upon entering these classifications, be paid at the lowest numbered pay step which pays at least \$10 biweekly more than the biweekly base salary they previously received. Employees entering new classifications during the term of this Agreement, where the biweekly pay rate of the maximum pay step for the new classification is less than or equal to the rate of the maximum pay step for the classification the employee previously occupied, shall continue to be paid at the pay step at which they were paid immediately prior to entering such new classification if such previously occupied pay step does not exceed the maximum pay step of the new classification; if it does exceed the maximum pay step, such employee shall be paid at the maximum pay step of the new classification. Employees hired for employment during the term of this Agreement shall be paid at the lowest numbered pay step of the classification

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for which they are employed.

6. Employees completing one (1) year of active service within a pay step other than the highest pay step shall advance to the next higher pay step of their classification.

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7. Base salaries of employees shall be paid biweekly and shall be in compensation for the full performance of the regularly scheduled hours of work for the given biweekly pay period in accordance with the HOURS OF WORK provision of this Agreement. When less than the full schedule of hours is worked by an employee during any such biweekly pay period, the employee's biweekly base salary shall be reduced by an amount equivalent to one-eightieth (1/80) of his/her biweekly base salary for each hour or fraction thereof to the nearest 0.1 of an hour during which work is not performed.

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8. The parties agree that where the City deems it necessary to aid recruitment, the City may make reallocations or change recruitment rates during the term of this Agreement; however, in such cases, the City agrees to inform the MPSO prior to implementing such changes.

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9. The City reserves the right to make classification changes, but said changes shall not operate to reduce the salary of current incumbents.

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10. The parties elect not to be bound by the required frequency of wage payment provision of §109.03 (1) (a), Stats., in respect to retroactive wages payable under the terms of this Agreement. Retroactive wage payments under the terms of this Agreement shall be paid no later than sixty days from the execution of this Agreement. For purposes of this provision, the execution date of this Agreement shall be the date the resolution approving this Agreement is approved by the Mayor.

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11. All employees shall participate in direct deposit of paychecks.

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ARTICLE 10

SPECIAL DUTY PAY

1. An employee in Pay Range 831 or in Pay Range 836 shall receive an amount equal to one (1) percent of his/her base salary in lieu of any other compensation for time spent underfilling authorized positions at the direction of the employee's commanding officer. This additional amount shall be termed "Special Duty Pay."
2. Special Duty payments made under the provisions of this Article shall be construed as part of the employee's base pay solely for the purpose of computing pension benefits or payments. Special Duty Pay shall not be included in the determination of any other benefits or compensation provided by the City.

ARTICLE 10A

INTERPRETER/TRANSLATOR PAY

1. The Chief of Police retains the right to direct employees to perform interpreter/translator duties consistent with employees' capabilities for such duties and the needs of the Police Service.
2. An employee in active service and in a classification covered by this Agreement performing authorized interpreter/translator duties as a result of:
 - a. Direction from the employee's commanding officer; or
 - b. The employee's response to a request for an interpreter/translator broadcast over the MPD radio network (in the event more than one employee responds to such a request, only those employees actually needed to perform interpreter/translator duties shall be entitled to receive the Interpreter/Translator Pay)shall be entitled to receive premium pay equal to \$1.00 per hour in addition to his/her base salary for each actual hour or nearest 0.1 of an hour spent performing such interpreter/translator duties. Such premium pay shall be termed "Interpreter/Translator Pay." Interpreter/Translator Pay shall always be compensated at a flat rate of \$1.00 per hour irrespective of whether the employee is in premium pay status. An employee who is authorized to perform interpreter/translator duties shall receive \$1.00 per hour for each actual hour or nearest .1 of an hour spent performing such interpreter/translator duties, with a minimum of \$1.00 for each separate occasion he or she is so authorized, up to a maximum of 60 such minimum payments in a calendar quarter. Interpreter/Translator Pay shall be subject to the terms and conditions provided in paragraphs 3. thru 7., inclusive, below.
3. Interpreter/translator duties eligible for compensation hereunder shall be limited to authorized duties performed by the employee involving interpretation and/or translation of a language other than English at a level of competence deemed acceptable to the Department. Such "other languages" comprise those non-English languages recognized

by the Department. Languages currently recognized by the Department are:

- a. American Sign
- b. Chinese (Cantonese, Mandarin, Taisan)
- c. Chomorro
- d. Filipino (Tagalog)
- e. French
- f. German
- g. Greek
- h. Italian
- i. Japanese
- j. Kurdish
- k. Polish
- l. Russian
- m. Serbo-Croat
- n. Spanish
- o. Ukrainian

An employee possessing interpreter/translator ability in a non-English language that is not listed above may at any time file a written request with the Department to add that language to the list.

4. Interpreter/Translator Pay payments to employees entitled to receive them shall be made quarterly during the calendar year on such dates as the Department shall prescribe.
5. Interpreter/Translator Pay shall only be granted when an employee is actually performing interpreter/translator duties and shall not be granted when such an employee is directed to perform other duties.
6. Payments made under the provisions of this Article shall not be construed as being part of employees' base pay and shall not be included in the computation of any fringe benefits enumerated in this Agreement.
7. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in the determination of pension benefits or other fringe benefits.

ARTICLE 11

HOURS OF WORK

1. The normal hours of work for employees covered by this Agreement shall consist of work shifts of eight (8) consecutive hours which in the aggregate results in an average work week of forty (40) hours.
2. The regularly scheduled 8-hour shift shall be established by the Chief of Police in accordance with the requirements set forth above.

ARTICLE 12

OVERTIME

1. **Eligibility:**

Employees in active service and in the following position classifications shall be eligible to receive the overtime benefits hereinafter provided so long as they remain in active service and within such classifications:

- Lieutenant of Detectives
- Lieutenant of Police
- Administrative Lieutenant of Police (Health and Safety)
- Administrative Lieutenant of Police
- Police Sergeant
- Police Identification Supervisor
- Communications Maintenance Manager

Employees covered by this Agreement and not in any of the position classifications listed above shall not be entitled to receive overtime benefits regardless of hours worked outside their regularly scheduled work shifts.

2. **Definition:**

Overtime shall be all authorized assignments outside the regularly scheduled eight-hour shift as hereinbefore defined under the HOURS OF WORK provision of this Agreement. Notwithstanding the fact that trade off of work assignments or other rescheduling of work assignments authorized by the department at the request of the employee results in work assignments outside of the regularly scheduled eight-hour shift, such time shall not be considered overtime.

3. **Overtime Compensation Rates:**

- a. Overtime earned as a result of training time or roll-call time shall be compensated for at base salary rates (1X).
- b. Effective at the beginning of the pay period following execution of the Agreement, overtime earned as a result of court time shall be compensated as follows:
 - (1) Each court appearance less than or equal to two and one-half (2½) hours in

duration shall be compensated at one and one-half base salary rates (1½X); however, a minimum of two and one-half hours' pay at one and one-half base salary rates (1½X) shall be granted employees covered by this Agreement when said employees are officially required to appear in court on their own time, provided said employees are excused before completing the two and one-half hour (2½) minimum.

- (2) Each court appearance greater than two and one-half (2½) hours in duration shall be compensated at one and one-half base salary rates (1½X) for the entire time of such appearance.
- (3) Notwithstanding the foregoing, within any court appearance, the first hour of court-ordered lunch time shall be unpaid.

(4) **Parking During Court Overtime Appearance**

Subject to the following terms and conditions, the City will provide employees with City-paid parking at MacArthur Square parking facility (located at 841 N. Seventh Street) when they are on authorized Police Department business during off-duty hours as a result of either a court overtime assignment or when ordered to the Police Department Administration Building by a commanding officer:

- (a) If the MacArthur Square parking facility has no available parking space, the City will honor parking receipts from the MATC parking facility.
- (b) Each instance of City-paid parking shall be limited to:
 - i. Court Overtime

The duration of the employee's court overtime appearance beginning at the time the employee is required to be in court, ending at the time the employee is released by the court and including a reasonable amount of time for the employee to

get to and from his/her parked vehicle. An employee assigned to the early shift on a regular basis who receives City-paid parking hereunder as a result of a court appearance during his/her off-duty hours shall also be entitled to an extension of such parking until the end of his/her assignment on that date if he/she is assigned to early shift duty on that date and the conclusion of the court appearance falls within two hours of the start of his/her shift.

ii. Authorized Departmental Business at Police Administration Building

The duration of the employee's appearance at the Police Administration Building beginning at the time the employee is required to be there, ending at the time the employee is released by the Department and including a reasonable amount of time for the employee to get to and from his/her parked vehicle.

- (c) In order to receive City-paid parking benefits, the employee shall, immediately following the conclusion of a court appearance, present the court overtime time card for that appearance and the designated parking facility receipt covering the time period of the appearance to a supervisory police officer designated by the Police Department Administration. The overtime card shall indicate the duration of the court appearance. Based on the overtime card, the designated supervisory officer shall authorize the payment of the parking fee to cover the time period of the court appearance and a reasonable amount of time for the employee to get to and from his/her vehicle and the court. The time allowed to get to and from the employee's

parked vehicle and the court shall be the same as is provided in Departmental Order #8947, adopted November 27, 1984. This Order provides that each instance of City-paid parking shall be limited to the duration of the employees' court overtime appearance and include actual time up to 30 minutes prior to the start of the court overtime and no more than 30 minutes after the conclusion of the court overtime. City-paid parking benefits associated with an employee's appearance at the Police Department Administration Building during off-duty hours on authorized Departmental business pursuant to order of a commanding officer shall be administered in accordance with procedures established for that purpose by the Police Department Administration.

- (d) The City, its officers, agents and employees shall be held harmless against any and all claims, costs (including attorney's fees and costs, if any), losses and expenses, suits, actions, damages or liability of judgments for damages (including, but not limited to, expenses for reasonable legal fees and disbursements of the City, if any) arising from theft or damage to private employee vehicles and their contents or to real property or damage to any other vehicle or injury to any person, when employees are receiving any of the benefits provided herein.
- c. Overtime earned as a result of an authorized eight-hour shift assignment which falls outside the regularly scheduled eight-hour shift in whole or in part and which because of the nature of the work performed does not fall within 3.a. or 3.b., above, shall be compensated at one and one-half (1½X) the base salary rate, except that if an employee's regularly scheduled eight hour shift, as established by the hours of work provision of this Agreement, is changed, then all time worked on the

new regularly scheduled eight-hour shift shall be compensated at 1X the base salary rate.

- d. Overtime earned as a result of an authorized assignment outside of the regularly scheduled shift which does not fall within 3.a., 3.b., or 3.c., above, shall be compensated at one and one-half (1½X) the base salary rate.

4. Overtime Payments

a. Definitions

(1) Compensatory Time Off Balance (CTB)

The term "compensatory time off balance (CTB)," as used in subsection 4 of this Article, shall mean the unused amount of overtime the employee has earned that was compensated in time off instead of cash.

(2) Overtime Earned

The term "overtime earned," as used in subsection 3 of this Article, shall mean the amount of overtime worked times the rate at which it is compensated; for example, one hour of overtime worked that is compensated at straight time rates (1X)*¹ under this Article shall equal one hour of overtime earned and one hour of overtime worked that is compensated at a rate of time and one-half (1½X) under this Article shall equal 1½ hours of overtime earned.

b. Payment

All overtime earned for work performed during the term of this Agreement shall be paid for in cash except that:

- (1) If an employee's compensatory time off balance (CTB), recorded on the most current Police Department Personnel Status Report is less than 225 hours the employee may elect to be compensated in time off instead of cash

¹*Less than two and one-half hours of Court Overtime worked shall equal two and one-half hours of overtime earned at 1.5X base salary.

for each instance of overtime work performed after issuance of the most current Status Report until issuance of the next Status Report which indicates the employee's CTB is equal to or greater than 225 hours.

- (2) An employee may use compensatory time off on dates he/she has requested provided the employee gives his/her commanding officer reasonable advance notice of the dates requested and the dates are determined available by the commanding officer in accordance with the needs of the Police Service. The processing of requests for use of compensatory time off shall be on a first-come, first served basis. Decisions made by the employee's commanding officer with respect to the availability of the dates the employee has requested shall be subject to all of the provisions of subsections 4.b.(3) and (4).
- (3) The parties recognize and shall implement the U.S. Department of Labor's position that prior to denying a request to use accrued compensatory time, and even when granting the request would bring operations below prescribed staffing levels, an employer must first attempt operational alternatives to fill its prescribed staffing levels by using replacement officers at premium overtime rates when required by the FLSA. Accordingly, effective at the beginning of the pay period following execution of the 2001-2003 Agreement, the City, working with and through the Milwaukee Police Supervisors' Organization, has established a system which guarantees that no one below the rank of Captain is denied compensatory time off when prescribed staffing levels can be met through a replacement (paid at FLSA premium rates where they apply). If an eligible member of the MPSO (hereinafter, denominated as a "supervisor") is denied a request to use compensatory time on the regularly scheduled shift that the supervisor has requested, whether on the basis of prescribed

staffing levels or for any other reason(s), the provisions enumerated as subsections (a) through (k) at the end of this paragraph will be utilized in order to obtain, when at all possible, a suitable replacement for the supervisor, excepting under the following circumstances in which the below-described duties fall within the supervisor's regularly scheduled shift:

- (aa) where that supervisor is required to testify at a hearing, trial, or other proceeding on behalf of the City (including, *inter alia*, Fire and Police Commission meetings or hearings, grievance arbitrations, or lawsuits) to the exclusion of any other supervisor, and where he or she has not been subpoenaed to testify;
- (bb) where a supervisor is mandated to appear at a charging conference in the office of the District Attorney, or before any other public prosecutor, and where his or her involvement in the arrest or other pertinent events mandates that the supervisor appear to the exclusion of any other supervisor; and
- (cc) in those circumstances where the supervisor (excluding those assigned to the Patrol Bureau and excepting those supervisors assigned to the Patrol Support Division,) possesses unique technical skills which are required to be made available to the Police Department during a particular period of time. It is understood that a Lieutenant in a bureau may fill in for any other Lieutenant in the same Bureau with the exception of the Office of the Chief, the Municipal Security Section, the Patrol Support Division, the Intelligence Division, the Vice Control Division and Planning and Operations (all formerly assigned to the Special Operations Bureau). In the event that a supervisor is denied compensatory time

off (or is initially granted compensatory time off and is subsequently denied) under this subsection (cc), s/he shall be compensated at the rate of 1-1/2x (or 2x if cancelled within 24 hours of the start of the compensatory time previously granted) for all hours of that shift for which compensatory time off had been requested if the following conditions are satisfied prior to notification by the Department that s/he would be required to work during that time:

1. the supervisor made arrangements for a replacement; and
2. both the supervisor requesting compensatory time off and the replacement executed and filed with the Department the forms specified in Article 12 Section 4.b.(3)(k), of this paragraph, below.

The Chief of Police shall develop a form, which will be posted at each work location throughout the Police Department, upon which employees seeking replacements may identify themselves and the pertinent date(s). The availability of this form shall not preclude the use of replacements obtained by supervisors through other means. The following conditions will apply to replacements obtained under this subsection. If these conditions are fulfilled, the replacement will work in place of the employee who has requested the use of compensatory time off and that request shall be granted.

- (a) Arrangements for a replacement must be made and confirmed at least 48 hours in advance of the start of the compensatory time which is to be taken off.
- (b) The replacement worker is within the same “box” as shown on the “Milwaukee Police Department Organizational Chart” attached hereto as page 1 of Appendix F (as may be in effect, modified or changed from time

to time by the Department or the Fire and Police Commission) as the employee exercising his/her right to use compensatory time off, except as specifically provided on page 1 of Appendix F or unless the employee's commanding officer in his or her discretion approves a replacement obtained by the employee from a different "box." In the event that the Department or the Fire and Police Commission modifies the organizational chart, the parties will immediately engage in collective bargaining to provide for reasonably comparable access to replacement workers.

- (c) The replacement must have more than one (1) year of service from date of hire and must have completed field training.
- (d) The replacement must be of the same rank as the employee requesting use of compensatory time off.
- (e) The replacement will be permitted to work as a replacement only on a day when he/she would otherwise be on a regular day off.
- (f) An employee is ineligible to work as a replacement for more than two (2) regular off days in a pay period.
- (g) An employee is ineligible to work as a replacement for more than four (4) hours during a shift that immediately precedes or follows that employee's regular work shift, not to exceed two (2) occasions per pay period.

However, if, because of staggered shifts, the shift of the supervisor who is being replaced ends or begins one hour before or after the shift of the replacement supervisor, such shift shall be deemed to "immediately"

precede or follow the replacement's regular work shift; When this occurs, the replacement shall work the one-hour of gap (for a maximum of five (5) hours work), which gap time shall be compensated as if it was regular replacement time, as specified in subsection (h), immediately below.

- (h) The regular shift replacement hours will be compensated in cash at straight-time (1X) rates (except for the four (4) contractual holidays specified at Article 28 paragraph 1 of this Agreement which will be paid at 1½X Base Salary). Time worked as a replacement under this subsection shall be counted as "hours worked" for FLSA purposes, so long as the requirements of the FLSA apply to the City.
- (i) The replacement shall be subject to all of the obligations applicable to any employee who is regularly scheduled for duty.
- (j) If the replacement reports sick on a day when he/she is scheduled to work as a replacement, he/she will be ineligible thereafter to work as a replacement for a period of 90 days. If the replacement reports injured off-duty on a day when he/she is scheduled to work as a replacement, the replacement will be ineligible thereafter to work as a replacement for a period of 90 days unless: (1) the off-duty injury occurred subsequent to the time at which the replacement agreed to serve in that capacity; and (2) the replacement provides medical substantiation of the off-duty injury
- (k) A replacement will, at the time of his/her selection, execute on a form prescribed by the Chief of Police his/her agreement to serve as a replacement in accordance with the terms and conditions of this

Agreement. The officer taking compensatory time off who arranged for the replacement will also execute this form.

(4) A supervisor, at his/her option and under preexisting practices, may also seek a “body-for-body” trade as allowable under 29 C.F.R. § 553.31 (“Substitution”) in order to use compensatory time off when desired. This shall not be a prerequisite to the procedure set forth in subsection 4.b.(2) and (3) for obtaining a replacement.

(5) Effective at the beginning of the first pay period following execution of the 2010-2012 Agreement, all overtime earned for work performed under grants shall be paid only in cash.

c. Subject to the terms and conditions provided for in subsection 4.b.(2) of this Article, above, an employee authorized to use earned compensatory time off must use it in units of either eight-hour days or hourly segments (i.e., no segment comprising a fraction of an hour) of from one (1) hour to seven (7) hours.

5. All overtime shall be at the option of the Chief of Police.

6. Application of the provisions contained in this Article shall not involve pyramiding of overtime. During a period of time there are two (2) concurrent overtime rates, the following procedure shall be used to determine the rate for that period:

- a. If both rates are at time and one-half ($1\frac{1}{2}X$), the employee is paid at a rate of time and one-half ($1\frac{1}{2}X$).
- b. If one of the rates is time and one-half ($1\frac{1}{2}X$) and the other straight-time ($1X$), the employee is paid at a rate of time and one-half ($1\frac{1}{2}X$).
- c. If both rates are straight-time ($1X$), the employee is paid at straight-time ($1X$) rate.
- d. For purposes of construction and interpretation of this provision, a court appearance involving the three and three-quarter hour court overtime minimum

payment shall be deemed a two and one-half hour period of time and one-half (1½X) overtime beginning with the start of such court appearance.

7. The hourly pay used in the computation of overtime shall be equal to one-eightieth (1/80) of the employee's current biweekly base salary as provided for in the BASE SALARY provision of this Agreement.
8. Overtime shall be compensated for each actual hour or nearest 0.1 of an hour of authorized overtime worked.
9. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in the determination of pension benefits or other fringe benefits.
10. The terms and conditions agreed to between the parties in respect to Police Band overtime and negative comp time balances, which are set forth respectively in City/MPSO Memoranda of Understanding dated: September 16, 1983 (Police Band Overtime) and December 21, 1983 (Negative Comp Time Balances), shall be incorporated into the provisions of this Article, and be made a part of this Agreement as an appendix. The terms and conditions of the Memorandum of September 16, 1983, (Police Band Overtime) shall be amended to provide that the Compensatory Time Off Bank (CTB) time is the same as provided in subsection 4.b.(1) of this Article.
11. Miscellaneous Overtime Provisions
 - a. Roll Call

Existing roll-call time practices will be maintained for the term of this Agreement or any agreed-upon extension thereof. Effective August 11, 1985, and for so long as any member of the Police Force is covered by the Fair Labor Standards Act (FLSA) during the term of this Agreement, or any agreed-upon extension thereof, the 18-minute roll-call period shall be reduced to a 12-minute period with all overtime earned during such 12-minute period compensated at time and one-half (1½X) the base salary rate. If and when employees are no longer covered by the

FLSA, the roll-call period shall be increased to an 18-minute period and overtime earned as a result of roll-call shall be compensated at base salary rates (1X).

b. Compensatory Time Off

If and when the City is required by law to pay employees cash for overtime work performed that could otherwise have been paid for in compensatory time off under the provisions of this agreement, the City may modify overtime provisions to assure that overtime compensation (whether in cash, compensatory time or both) for all overtime work performed shall not exceed 1½X the employee's base rate of pay.

c. Honor Guard

Overtime compensation for employees of the Milwaukee Police Department Honor Guard when they participate in authorized Honor Guard activities are as follows:

- (1) Honor Guard members are authorized to appear at only those Honor Guard activities to which they have been directed to attend by the Honor Guard Commander. An Honor Guard member not so directed by the Honor Guard Commander shall not be entitled to receive the compensation hereinafter provided.
- (2) Except as provided in Subsection 3 below, overtime compensation for authorized MPD Honor Guard activities that occur outside of the member's regularly scheduled eight-hour shift shall be hour-for-hour compensatory overtime (straight-time, 1X) beginning at the time the member reports for an authorized Honor Guard appearance and ending at the time he or she is released from such appearance; such overtime compensation shall be computed to the nearest 0.1 of an hour of time worked.
- (3) At his discretion, the Honor Guard Commander may change an Honor Guard member's regularly scheduled work shift on the date of an Honor Guard appearance by that member.

- (4) The maximum compensation for each authorized Honor Guard appearance shall not exceed eight hours of straight-time (1X) compensatory time off; no compensation shall be granted for time spent eating or sleeping.
- (5) The overtime compensation provided hereunder is limited to MPD Honor Guard activities authorized by the Chief of Police. All such compensation shall be in lieu of any other overtime compensation provided to members of the Department; no employee shall be permitted to pyramid Honor Guard overtime with other overtime compensation.
- (6) All compensatory overtime cards for Honor Guard activities shall be submitted to the Honor Guard commander for approval and transmittal to the Administration Division.
- (7) The time off so earned shall not count towards the Compensatory Time Off Bank (CTB) limit determining the employee's eligibility for overtime compensation in compensatory time off, instead of cash, that is provided for in this Agreement.
- (8) An employee may use compensatory time off earned under this provision on dates he/she has requested, provided the employee gives his/her commanding officer reasonable advance notice of the dates requested and the dates are determined available by the commanding officer in accordance with the needs of the Police Service. The processing of requests for use of compensatory time off shall be on a first-come, first-served basis. Decisions made by employee's commanding officer with respect to the availability of the dates the employee has requested shall be final.

ARTICLE 12A

FIRE AND POLICE COMMISSION OVERTIME

1. Eligibility

Only those employees covered by the Overtime Article of this Agreement shall be entitled to receive Fire and Police Commission Overtime benefits provided for under this Article.

2. Definition

Fire and Police Commission Overtime shall be defined as time spent by an employee outside of his/her regularly scheduled eight-hour work shift, (as such eight-hour work shift is defined under the HOURS OF WORK Article of this Agreement) under subpoena at a trial proceeding conducted by the Board of Fire and Police Commissioners (FPC) ; provided such FPC trial proceeding resulted from either a citizen complaint filed with the FPC, or an appeal from discipline administered by the Chief of Police, and provided further that the employee so subpoenaed was involved in the incident which gave rise to the complaint or the discipline. The extent of involvement occasioning an employee's appearance at a FPC trial proceeding where such appearance was solely for the dispositional phase of that proceeding shall, in addition to covering involvement in the incident which gave rise to the complaint or the discipline, cover any other involvement such employee had in the course of his/her employment in the Police Department with the defendant(s) in such complaint or discipline. The term, "FPC trial proceeding," as used herein, shall also include FPC conciliation proceedings.

3. Limitations

- a. Fire and Police Commission Overtime shall not include overtime assignments made by the Chief of Police. Overtime assignments made by the Chief of Police shall be covered by the Overtime Article of this Agreement.
- b. An employee shall not be entitled to any compensation for an FPC trial proceeding during the time period he/she is suspended from duty with pay.
- c. An employee shall be required to turn over to the Police Department

Administration all witness fees he/she received as a result of a FPC trial proceeding for which the employee received Fire and Police Commission Overtime pay, and make no subsequent claim for this money whatsoever.

4. Fire and Police Commission Overtime Rates

a. Fire and Police Commission Overtime earned as a result of an appearance at a FPC trial proceeding that was not limited solely to the dispositional phase of the trial proceeding, shall be compensated at:

(1) Base salary rates (1X) for all time spent at such appearance when the appearance is less than or equal to two hours in durations; however, a minimum of two hours' pay at base salary rates (1X) shall be granted an employee when he/she is subpoenaed to appear at such FPC trial proceeding on his/her own time, reports thereto, and is excused before completing the two-hour minimum.

(2) Base salary rates (1X) for the first two hours of such appearance and at time and one-half (1-1/2X) the base salary rate for all time in excess of the first two hours of such appearance, when such appearance is greater than two hours in duration.

b. Fire and Police Commission Overtime earned as a result of an appearance at a FPC trial proceeding that was solely for the dispositional phase of the trial proceeding, shall be compensated at a flat rate equal to two (2) hours of pay computed at the employee's base salary rate (1X) in effect at the same time of the appearance. The flat amount provided hereunder shall not be construed as a limitation on the length of an employee's appearance at such dispositional phase.

5. Fire and Police Commission Overtime Payments

Fire and Police Commission Overtime earned under the provisions of this Article shall be compensated for in cash or compensatory time off in accordance with, and subject to, the provisions of subsection 3 set forth in the Overtime Article of this Agreement. Fire and

Police Commission Overtime that is compensated for in compensatory time off shall count towards the employee's CTB and be recorded on the Police Department Personnel Status Reports. For purposes of interpretation and construction of the provisions of this subsection, each instance of Fire and Police Commission Overtime worked of less than two hours' duration at a FPC trial proceeding, that was not limited solely to the dispositional phase shall equal two hours of Fire and Police Commission Overtime earned and each instance of Fire and Police Commission Overtime worked at a FPC trial proceeding that was limited solely to the dispositional phase shall equal two hours of Fire and Police Commission Overtime earned.

6. Employees receiving compensation under the provisions of this Article for an appearance at a FPC trial proceeding shall be covered by the provisions of subsection 3.b.(4) set forth in the Overtime Article of this Agreement for that appearance.
7. Application of the provisions contained in this Article shall not involve pyramiding or Fire and Police Commission Overtime, nor shall it involve pyramiding with compensation provided under the Overtime Article of this Agreement. For purposes of interpretation and construction of the provisions of this subsection, the terms and conditions set forth in subsection 6 of the Overtime Article shall be applicable.
8. The hourly pay used in the computation of fire and Police Commission Overtime shall be equal to 1/80th of the employee's biweekly base salary in effect at the time of the FPC trial proceeding for which such compensation is being provided.
9. Exception for compensation received under subsection 10 of this Article, any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in the determination of pension benefits or other fringe benefits.
10. An employee under subpoena to a FPC trial proceeding during the period which falls within his/her regularly scheduled eight-hour work shift shall be entitled to his/her regular base salary for that period; provided that such employee is not on paid leave, was actually

scheduled to work or worked a portion of such shift. Eligibility for compensation under this subsection, and witness fee reimbursement requirements, shall be subject to the same terms and conditions applicable to Fire and Police Commission Overtime that are set forth in subsections 2 and 3 of this Article.

11. Administration

- a. The Executive Director of the FPC, or his/her designee, shall record the employee's appearance at a FPC trial proceeding, noting the time the employee was required to report to such proceeding and the time the employee was excused from such appearance. The Executive Director, or his/her designee, shall also note if the employee was subpoenaed solely for the dispositional phase of the trial proceeding. This information shall be forwarded to the Police Department Administration. As a condition of eligibility for receipt of the compensation provided hereunder, an employee must submit his/her subpoena, or clear facsimile thereof, to the Executive Director (or his/her designee) at the time the employee reports to the trial proceedings.
- b. Administration and control of the provisions of this Article shall be under the City which shall have the authority to establish such rules and procedures that it deems necessary to administer the benefits provided by this Article.

ARTICLE 12B

FLEX TIME

1. Eligibility.

Only an employee in a classification not covered by the Overtime Article of this Agreement who is exempt from Fair Labor Standards Act coverage (and exempt from any other legal provision(s) requiring overtime compensation) shall be eligible for the Flex Time benefits provided by this Article (“eligible employee”).

2. Effective Date.

Except as provided in paragraph 4, below (“Prior Flex Time”), this Article shall only cover flex time hours worked by an eligible employee on or after October 10, 2004.

3. Definition.

Flex time shall be defined as time worked by an eligible employee, which has the prior approval of the Chief of Police (or the Chief’s designee), that is in addition to, or outside of, the scheduled hours of work on such employee’s work shift, subject to the following limitations:

- a. *De Minimis* Standard. An employee at the rank of Captain of Police, or above, is a command officer and an executive within the Milwaukee Police Department organization. This designation carries with it an understanding that the Base Salary compensation level for these ranks includes a recognition and an expectation that the employee will usually work more than 40 hours per week. Therefore, in consideration of this designation, for each instance of flex time claimed, the first thirty minutes in addition to the eligible employee’s scheduled hours of work on such employee’s work shift shall be designated “*de minimis*” and shall be without flex time compensation. This *de minimis* standard shall not apply to an additional instance of flex time claimed during the 24-hour calendar day in which the first instance of flex time claimed occurred.

- b. Extended Meal Period Offset. Time spent at the meal period within the eligible employee's work shift that exceeds the meal period entitlement referenced in the Paid Lunch Article of this Agreement shall be offset against flex time work claimed.
- c. Voluntary Work Shift Arrangements. Notwithstanding the fact that trade offs of work shift assignments or other rescheduling of work shift assignment hours authorized by the Chief of Police (or the Chief's designee) at the request of the eligible employee results in time worked in addition to the scheduled hours of work on the eligible employee's work shift, such additional time worked shall not be considered flex time.

4. "Prior Flex Time"

The Chief of Police (or the Chief's designee) shall have the authority to review and audit claims for flex time earned for work performed by an eligible employee prior to October 10, 2004. Prior flex time hours that have been approved by the Chief shall be governed by the Administration paragraph, below. The Chief shall have the right to deny approval of a claim for prior flex time hours whenever the Chief determines that such denial is appropriate. Disputes involving the Chief's determination in this regard shall be subject to the Contract Enforcement procedure Article of this Agreement. Decisions by the Chief of Police regarding prior flex time claims shall be nonprecedential in respect to the Chief's decisions to deny or approve claims for flex time that are not prior flex time. An employee's prior flex time that has been approved by the Chief of Police shall be recorded in an account separate from the account for flex time earned on or after October 10, 2004.

5. Administration

- a. Flex time shall be compensated at base salary rates (1x). The hourly pay used in the computation of flex time shall be equal to one-eightieth (1/80) of the eligible employee's current biweekly base salary as provided for in the Base Salary

provision of this Agreement.

- b. Flex time hours earned shall be computed to the nearest 0.1 hour worked.
- c. The Chief of Police shall determine whether flex time hours earned (including “prior flex time hours”) are to be compensated for in cash or in time off. The scheduling off of all flex time hours earned (including “prior flex time hours”) that are determined by the Chief to be compensated for as time off shall be controlled by the Chief of Police.
- d. The Chief of Police shall have the authority to, from time-to-time, reduce an employee’s flex time time off balance (including “prior flex time hours”) by cash payment to the employee or scheduling such hours off, or a combination of these two methods, as determined by the Chief. In effectuating such a reduction in an employee’s flex time balance, the Chief shall determine whether the deduction shall be made from prior flex time hours, from flex time hours that are earned after the effective date, or from a combination of both accounts in amounts allocated by the Chief.
- e. Flex Time Balance Limits.

Notwithstanding paragraphs 5c and 5d, above:

- (1) Flex Time Hours Worked On Or After October 10, 2004.

An eligible employee’s unused flex time earned on or after October 10, 2004, shall not exceed 120 hours, as recorded on the most current Milwaukee Police Department (MPD) administrative report on flex time balances. An eligible employee having an unused flex time balance of 120 hours, or more, of flex time earned on or after October 10, 2004, as recorded on the most current administrative report on flex time balances, shall not earn flex time, regardless of the hours such employee works, until such employee’s flex time balance recorded on a subsequent MPD administrative report for flex time balances is less than 120 hours. In the

event an eligible employee has accumulated 120 hours of flex time, as recorded on the most current Milwaukee Police Department (MPD) administrative report on flex time balances, the employee may request of the Chief of Police payment for a portion of those 120 hours. Any decision as to how and when payment shall be made, i.e. either in cash or time off, shall be within the sole discretion of the Chief of Police pursuant to paragraph 5.c., hereof. In the event the Chief of Police determines that neither payment in cash or in time off shall be made at the time of the employee's request, the Chief of Police shall permit the eligible employee to temporarily accumulate an additional 40 hours of flex time, i.e. for a temporary total of 160 hours of flex time. The temporary 160 hours of flex time accumulation shall exist for a period of no more than 120 days, at the end of which time the Chief of Police shall have reduced the employee's flex time balance below 120 hours.

6. All flex time shall be at the option of the Chief of Police.
7. Nothing herein shall be construed as a limitation on the Chief's unfettered management right to schedule and/or assign hours of work for employees covered by this Agreement, or, from time-to-time, to make changes in such employee's hours of work.
8. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits, nor shall such payments be included in the determination of pension benefits or any other fringe benefits.
9. The Chief of Police shall have the exclusive authority to establish procedures to administer this Article.

ARTICLE 13

INFORMATION RECOMMENDED TO BE FURNISHED TO MPSO

1. The City will recommend to the Annuity and Pension Board of the Employees' Retirement System of Milwaukee, hereinafter referred to as Board, that it supply actuarial information to the MPSO or its actuary upon receiving a written request therefore for the purpose of costing out proposals by the MPSO for pension changes for collective bargaining conditioned upon the Board's actuary having such information available.
2. The City will recommend to the Board that the Board or the Board's actuary supply to the MPSO or any actuary acting on behalf of said MPSO, any and all information which said MPSO actuary requests for purposes of costing out proposals upon which the MPSO may wish to collectively bargain on with the City.
3. All costs or expenses involved in supplying information either under Subsections 1 or 2 above to the City or to the Board involved under Subsections 1 or 2 above shall be paid for by the MPSO in the manner required either by the City or the Board in connection with the supplying of such information except that the MPSO shall be furnished reports already developed and pertaining to subsections 1 or 2 at no cost to the MPSO.
4. Excluded from this Article shall be such matters of a private or confidential nature so determined by the Board as may be supplied to the Board by individual employees or retirees.

ARTICLE 14

RETENTION OF PENSION AND ANNUITY RIGHTS

The City agrees not to diminish any contractual pension and annuity right presently vested in any employee, including any rights enumerated herein.

ARTICLE 15

PENSION BENEFITS

Pension benefits for an employee covered by this Agreement who is a member of the Employees' Retirement System of Milwaukee (ERS) shall be the benefits defined in Chapter 36 of the Milwaukee City Charter that are applicable to a "policeman." Pension benefits for an employee covered by this Agreement who is a member of the Policemen's Annuity & Benefit Fund of Milwaukee (PA & BF) shall be the benefits defined in Chapter 35 of the Milwaukee City Charter. Except as provided below, these pension benefits shall continue unchanged during the term of this Agreement.

1. Chapter 36 of the Milwaukee City Charter regarding pension benefits for employees covered by this Agreement who are members of the Employees' Retirement System of Milwaukee (ERS) may be amended to the extent necessary for such plan to remain qualified under Section 401(a) and 501(c) of the Internal Revenue Code of 1986 as amended.
2. The City agrees that it will never seek to increase the age/service requirements applicable to employees in active service and covered by the ~~2010-2012~~ City/MPSO Agreement on its effective date that are provided for under section 36.05(1)(f) of the ERS Act.
3. Employees who are entitled to service credit as a "policeman" under either the Employee's Retirement System of Milwaukee or Policemen's Annuity and Benefit Fund of Milwaukee pension plans, shall receive such service credit at the rate of 2.5% per annum of Final Average Salary for all such years or parts thereof.
4. Subject to the conditions contained therein, the parties agree to abide by the pension provisions of the October 29, 1999 Final Global Settlement Agreement for Active Police Officers, as amended by Charter Ordinance.

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If any portion of the Global Pension Settlement Agreement or implementing Charter Ordinance is held invalid, or if compliance with it is restrained by operation of law or by any court of competent jurisdiction, the parties shall immediately enter into collective

bargaining for the purpose of arriving at a mutually satisfactory replacement for such portion of the Global Pension Settlement Agreement or Charter Ordinance. This paragraph shall in no way affect or restrict other benefits unrelated to pension benefits in the Global Settlement Agreement.

5. Creditable service for active military service, as provided in 36-04-c, shall be extended to members of the MPSO who participate in the combined fund and who retire on a service retirement on and after January 1, 2003.
6. Effective for employees hired by the City after June 28, 2005, when a retirement application is filed by an employee covered by this Agreement who seeks a Duty Disability Retirement Allowance based upon a mental injury, the application shall be referred to the Medical Council established under s. 36-15-12 of the Milwaukee City Charter, in lieu of the Medical Panel, which Medical Council shall determine and certify whether the applicant is permanently and totally incapacitated for duty as a result of such mental injury in accordance with the requirements of Chapter 36 of the Milwaukee City Charter. In any reexamination authorized by Chapter 36 of the Milwaukee City Charter of such retired beneficiary, the beneficiary shall be referred to the Medical Council, in lieu of the Medical Panel, for reexamination and such Medical Council shall make the determination and certification required under the provisions of Chapter 36 of the Milwaukee City Charter for reexaminations.

ARTICLE 16

LIFE INSURANCE

1. Active Service Life Insurance Benefits

a. Amount of Life Insurance Coverage

Employees under age 65 shall be eligible to elect and maintain life insurance coverage in an amount equivalent to one and one-half times their annual base salary rate, rounded to the next higher thousand dollars, so long as they remain in active service and under age 65. Upon attaining age 65 the amount of life insurance coverage to which an employee is entitled shall be reduced to an amount equal to 100% of the employee's annual base salary rate, rounded to the next higher thousand dollars; this reduction shall become effective on the first of the month next following the month in which the employee attains age 65 and shall remain in effect so long as the employee remains in active service.

b. Adjustment of Coverage

The amount of life insurance coverage to which an employee is entitled shall be adjusted semiannually on January 1 and July 1 of the calendar year to reflect changes in the employee's annual base salary rate. The term, "Annual Base Salary Rate," as used herein, shall be defined as an amount equivalent to the employee's biweekly base salary, as his biweekly base salary is defined and determined under the BASE SALARY provision of this Agreement, divided by fourteen (14) and then multiplied by three hundred and sixty-five (365).

c. Conditions and Eligibility for Election of Coverage

(1) Subject to the terms and conditions provided in subsections 1.c.(2) through 1.c.(6) of this Article, below, an employee shall be entitled to elect the amount of life insurance coverage provided in subsection 1.a., above, upon completion of 180 consecutive calendar days of active service as a full-time (40-hour per week) employee following his initial date of employment with

the City.

- (2) The election of life insurance coverage shall be in a manner prescribed by the City.
- (3) An employee meeting the eligibility requirements for election of life insurance coverage must make such election within 30 consecutive calendar days after the date his eligibility is first established. If the employee fails to make such election within this time limit, the election shall be made only on such terms and conditions as are established and maintained from time to time by the City and/or its life insurance carrier.
- (4) An employee shall become entitled to the life insurance coverage provided in subsection 1.a., above, 30 consecutive calendar days following the date he elects such coverage.
- (5) An employee re-employed subsequent to a separation from active service, for whatever reason, must re-establish his eligibility for life insurance coverage on the same basis that would be applicable to a new employee having the same starting date that the re-employed employee had following re-employment.
- (6) An employee who has previously waived life insurance coverage provided by the City, either hereunder or otherwise, while employed with the City or a City Agency (the term, "City Agency" being as defined in subsection 36.02(8) of the Milwaukee City Charter, 1971 compilation, as amended), shall be permitted to elect life insurance coverage only on such terms and conditions as are established and maintained from time to time by the City and/or its life insurance carrier.

d. Cost of Life Insurance Coverage

Employees eligible for the life insurance coverage described under Subsection 1.a. of this Article, above, who elect such coverage, shall pay to the City an amount

equal to \$.21 per month for each \$1,000 of coverage in excess of \$45,000. These payments shall be accomplished by periodic deductions from employees' biweekly pay checks. The City shall make all other necessary payments for the life insurance coverage described in Subsection 1.a. of this Article, above.

2. Retiree Life Insurance Benefits

An employee who commences receiving a service retirement allowance between January 1, ~~2010~~, and December 31, ~~2012~~, shall be eligible to elect life insurance benefits, hereinafter referred to as "Retiree Life Insurance Benefits," for the period of his/her retirement under the following terms and conditions:

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a. Eligibility

In order to elect retiree life insurance benefits, an employee must have at least 20 years of creditable service as a full-time employment member of either the Employees' Retirement System of Milwaukee or the Policemen's Annuity and Benefit Fund of Milwaukee as of the effective date of his/her retirement and be covered by the life insurance benefits provided under this Article to employees in active service immediately prior to that date.

b. Election

- (1) An employee's election of retiree life insurance benefits shall be made within the 30 consecutive calendar day period immediately prior to his/her effective date of retirement and shall be in a manner prescribed by the City. If elected, retiree life insurance benefits shall commence on the employee's effective retirement date.
- (2) An employee eligible to elect retiree life insurance benefits who fails to make such election within the time limit provided in subsection (1), above, shall not be entitled to retiree life insurance benefits.
- (3) An employee eligible to elect retiree life insurance benefits and who elects such benefits in accordance with subsection (1), above, and thereafter

terminates these benefits, for whatever reason, shall as of the effective date of such termination no longer be entitled to retiree life insurance benefits.

c. Amount of Coverage

(1) Employees Less Than Age 65 At Retirement

Until he/she attains age 65, the amount of life insurance coverage for an employee whose age as of the effective date of his/her retirement is less than age 65 shall be equal to $1\frac{1}{2}x$ his/her annual base salary rate as of the semi-annual adjustment date first preceding the effective date of such retirement, rounded to the next higher \$1,000. Upon attaining age 65 the amount of life insurance coverage shall be reduced to an amount equal to 50% of the employee's annual base salary rate as of the semi-annual adjustment date first preceding the effective date of his/her retirement, rounded to the next higher \$1,000.

(2) Employees Age 65 or Older At Retirement

The amount of life insurance coverage for an employee whose age as of the effective date of his/her retirement is 65 or older shall be equal to 50% of his/her annual base salary rate as of the semi-annual adjustment date first preceding such retirement date, rounded to the next higher \$1,000.

For purposes of interpretation and construction of the provisions of this subsection, the term "semi-annual adjustment date" shall mean either January 1 or July 1 of the calendar year in which the employee's effective date of retirement occurs, whichever is applicable.

d. Optional Reduced Life Insurance Coverage for Retirees

(1) Eligibility for retiree life insurance benefits, the amount of retiree life insurance coverage, the cost of retiree life insurance coverage shared between the City and the employee, and all other terms and conditions applicable to retiree life insurance benefits shall continue to be as

prescribed from time to time by the City.

- (2) Except as provided in paragraph 2.d. subsection 3, hereof, an employee eligible for retiree life insurance coverage who elects such coverage must elect the maximum amount of coverage to which he/she is entitled.
- (3) An employee who commences receiving a Service Retirement Allowance during the term of this Agreement and who is eligible for retiree life insurance coverage shall be eligible to elect an amount of coverage less than the maximum amount of coverage prescribed by the City in lieu of such maximum amount, subject to the terms and conditions hereinafter provided (such coverage shall be termed "Reduced Coverage"):
 - (a) An employee may elect Reduced Coverage at the time of retirement or commencing with the second January 1 following the employee's effective retirement date within the 30-calendar-day period immediately preceding January 1 of the calendar year. Such election shall be in writing on a form prescribed by the City and shall be submitted to a City-designated administrator within time limits prescribed by the City. Once elected, the amount of an employee's Reduced Coverage shall remain unchanged except as provided in paragraph 2.d.(3)(b), below.
 - (b) An employee or retiree eligible for Reduced Coverage may modify the amount of his/her retiree life insurance coverage (either Maximum Coverage or Reduced Coverage) for a calendar year by executing a change of coverage form prescribed by the City within the 30-calendar-day time period immediately preceding January 1 of the calendar year (but not earlier than the second January 1 following the employee's effective retirement date), in accordance with procedures established for this purpose by the City. In no event

shall the modified amount of coverage exceed the maximum amount of coverage prescribed by the City.

- (c) Election of Reduced Coverage or modification to Reduced Coverage or Maximum Coverage during the 30-calendar-day period immediately preceding January 1 of the calendar year, as provided herein, shall become effective on January 1 of the calendar year.
- (d) The amount of Reduced Coverage shall be in units of \$1,000.
- (e) An employee or retiree, age 65 or older, shall not be eligible to elect or maintain Reduced Coverage.
- (f) The provisions of paragraph 2.d.(1) shall apply to Reduced Coverage.

For purposes of interpretation of the provisions of this paragraph, the term, "retiree," as used herein, means an individual eligible for Reduced Coverage hereunder after the effective date his/her Service Retirement Allowance commenced. Election of retiree life insurance coverage (either Maximum Coverage or Reduced Coverage) or modification(s) to that coverage shall be the responsibility of the employee or retiree.

- (4) The provisions of paragraph 2.d., hereof, represent the only changes to retiree life insurance benefits provided to employees by the City.

e. Cost of Coverage

Until he/she attains age 65, an employee electing coverage hereunder shall pay 100% of the premium cost associated with such coverage, less an estimated dividend determined solely by the City. The retiree shall have such cost deducted from his/her monthly pension check. The City will assume 100% of the premium cost associated with the coverage provided hereunder when the retiree is 65 or older.

3. Conditions and Limitations on Active Service and Retiree Life Insurance Benefits
 - a. An employee eligible to elect life insurance coverage hereunder must elect the maximum amount to which he/she is entitled.
 - b. Life insurance benefits shall be subject to all terms and conditions contained in the effective contract between the City and its life insurance carrier.
4. Right of City to Change Carrier

It shall be the right of the City to select and, from time to time, to change the carrier(s) that provide the benefits set forth above. The City shall, at its sole option, have the right to provide these life insurance benefits on a self-insured basis.

ARTICLE 17

HEALTH INSURANCE

Between January 1, 2010 and December 31, 2011 the health insurance benefits shall be those identified in the 2007-2009 Agreement.

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The following is effective January 1, 2012 through December 31, 2012:

The City retains all rights to modify as it sees fit all prohibited subjects of bargaining at any time.

1. Benefits

a. Basic Dental Plan

Basic Dental Plan insurance benefits shall be the same as the benefits provided for in the DENTAL SERVICES GROUP CONTRACT FOR THE CITY OF MILWAUKEE, effective October 17, 1981 executed April 26, 1982, except that:

The age limit at which the orthodontic benefits provided for under the "Orthodontics" Section of said DSG CONTRACT cease for participants shall be changed from age 19 to age 25; all other terms and conditions applicable to orthodontic benefits shall remain unchanged.

The dental insurance coverage for an eligible employee electing coverage under the Basic Dental Plan shall be in lieu of the coverage provided by Prepaid Dental Plans (PDP).

b. Prepaid Dental Plans (PDP)

Employees shall have the right to select coverage under a Prepaid Dental Plan (PDP) approved by the City in lieu of the coverage provided by the Basic Dental Plan.

c. Provisions Applicable to All Plans:

(1) The City will not pay for any services or supplies that are unnecessary according to acceptable medical procedures.

(2) The City shall have the right to require employees to execute a medical authorization to the applicable Group to examine employee medical and/or dental records for auditing purposes.

(3) The City shall have the right to establish methods, measures and procedures it deems necessary to restrict abuses and/or excessive costs in application of the benefits provided under subsections 1.a. through 1.b., inclusive, of this

Article, above.

- (4) The City, in conjunction with its insurance carrier, shall have the right to develop and implement any other cost containment measures it deems necessary.
- (5) An employee's dental insurance benefits and health coverage provided by this Article shall terminate on the last day of the calendar month in which the employee is removed from the Police Department payroll; provided however, that when an employee is suspended from duty without pay, such benefits shall not terminate on the last day of the calendar month in which the suspension begins if the suspension ends prior to the last day of the next following calendar month. The Police Department Administration will provide written advance notice to an employee indicating the date on which his/her health/dental coverage will be terminated. Notwithstanding the foregoing, an employee's health coverage shall not terminate so long as he/she and/or his/her dependent(s) are eligible for and receiving health coverage under the specific provisions of this Agreement that are applicable to individuals not on the Department payroll. Except for suspensions (as provided above) this exception does not extend the termination date of an employee's dental insurance coverage beyond the last day of the calendar month in which the employee is removed from the Department payroll.
- (6) An annual Health Risk Assessment (HRA), which shall include basic biometrics, a written health risk assessment questionnaire and a blood draw, shall be implemented as soon as practicable following execution of the Agreement.
- (7) Both a Wellness and Prevention Program and Committee shall be implemented. A description of both the program and the committee is appended hereto as Appendix G.

2. Eligibility for Benefits

a. Employees in Active Service

(1) Employees in active service shall be entitled to health coverage so long as they remain in active service.

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(2) Dental Benefits

Employees in active service shall be entitled to the dental benefits provided in subsections I.a. or I.b. of this Article so long as they remain in active service. Individuals not in active service shall not be eligible for dental benefits.

b. Duty Disability

(1) Except as provided in b.(2), below, employees in active service who commence receiving duty disability retirement allowance between January 1, 2012 and December 31, 2012, as such allowance is defined in section 36.05(3) of the ERS Act or Section 35.01(50) of the City Charter, shall be entitled to health coverage between January 1, 2012 and December 31, 2012, so long as they continue to receive such duty disability retirement allowance and so long as they are under age 65, the duty disability retiree's surviving spouse shall be eligible for health coverage until the last day of the month in which the deceased duty disability retiree would have attained age 65.

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(2) An employee in active service who commences receiving a duty disability retirement allowance of 90% of his/her current salary between July 1, 2011 and December 31, 2012, as such allowance is defined in Section 36.05(3) of the ERS Act or Section 35.01(50) of the City Charter, shall be entitled to health coverage between January 1, 2012 and December 31, 2012, so long as he/she continues to receive such duty disability retirement allowance. If a duty disability retiree eligible for health coverage dies prior to attaining

age 65, the duty disability retiree's surviving spouse shall be eligible for health coverage until the last day of the month in which the deceased duty disability retiree would have attained age 65.

c. Employees Who Retire between January 1, 2012 and December 31, 2012.

Employees in active service who retire on normal pension between January 1, 2012 and December 31, 2012, with at least 15 years of creditable service shall be entitled to health coverage between January 1, 2012 and December 31, 2012, so long as they are less than age 65. If an employee eligible for health coverage dies following his/her retirement on normal pension, but prior to attaining age 65, the retiree's surviving spouse shall be eligible for health coverage until the last day of the month in which the deceased retiree would have attained age 65.

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d. Duty Death

A surviving spouse who becomes eligible to receive a pension under the provisions of either Section 36.05(5) of the ERS Act or Chapter 35.01(34) of the Milwaukee City Charter, on or after July 1, 2011 shall be entitled to health coverage between July 1, 2011 and December 31, 2012, so long as the surviving spouse continues to receive such pension and is less than age 65.

3. Cost of Coverage: The City retains the right to offer only one plan or offer more than two plans.

a. Employees in Active Service

(1) For the Preferred Provider Organization (PPO) Plan-January 1, 2012 through December 31, 2012

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(a) The employee contribution shall be 12% of the premium cost based on enrollment status, i.e. either single, employee and dependent(s), employee and spouse, or family. The amount of employee contribution shall be deducted from the employee's pay check on a semi-monthly basis.

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(b) An employee shall also contribute an additional \$20.00 per month over and above the amount specified in 3.a.(1)(a), above, for each adult (maximum of two, excluding dependent children) who chooses not to fully participate in and complete the HRA.

(c) For an employee in the single or one of the family plans and his or her spouse (if applicable) who participate fully in the HRA and who do smoke (as determined by the HRA), the employee contribution shall be 12% per month for single, employee and dependent(s), employee and spouse, or family plan enrollment.

(d) For an employee in the single or one of the family plans and his or her spouse (if applicable) who participate fully in the HRA and who do not smoke (as determined by the HRA), the employee contribution shall be 12% minus \$10 per month for single or employee and dependent(s) enrollment and 12% minus \$20 per month for employee and spouse and family enrollment.

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(e) The amount of employee wellness fee, specified in 3.a.(1)(b) or (c) above, shall be deducted from the employee's pay check on a monthly basis. Any subscriber costs for enrollment in excess of the above-stated amounts shall be paid by the City.

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(2) For the Exclusive Provider Organization (EPO) Plan January 1, 2012 through December 31, 2012

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(a) The employee contribution shall be 12% of the premium cost based on enrollment status, i.e. either single, employee and dependent(s), employee and spouse, or family. The amount of employee contribution shall be deducted from the employee's pay check on a semi-monthly basis.

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(b) An employee shall also contribute an additional \$20.00 per month over

and above the amount specified in 3.a.(2)(a), above, for each adult (maximum of two, excluding dependent children) who choose not to fully participate in and complete the HRA.

(c) For an employee in the single or one of the family plans and his or her spouse (if applicable) who participate fully in the HRA and who do smoke (as determined by the HRA), the employee contribution shall be 12% per month for single, employee and dependent(s), employee and spouse, or family plan enrollment.

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(d) For an employee in the single or one of the family plans and his or her spouse (if applicable) who participate fully in the HRA and who do not smoke (as determined by the HRA), the employee contribution shall be 12% minus \$10 per month for single or employee and dependent(s) enrollment and 12% minus \$20 per month for employee and spouse and family enrollment.

(e) The amount of employee wellness fee, as specified in 3.a.(2)(b) or (c) above, shall be deducted from the employee's pay check on a monthly basis. Any subscriber costs for enrollment in excess of the above-stated amounts shall be paid by the City.

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(f) In addition to the amounts specified in subsection (2)(a), (b), and (c), above, an employee who enrolls in an EPO plan whose monthly subscriber cost exceeds that of the lowest cost EPO plan, if any such plan is offered by the City, shall also contribute a monthly amount equal to the difference between the monthly subscriber cost of the plan selected and the monthly subscriber cost of the lowest cost EPO plan.

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(g) The maximum City contributions provided above shall be determined by the employee's effective enrollment status.

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(5) An employee who exhausts his/her sick leave during the term of this

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Agreement shall be permitted to maintain the health coverage for the plan he/she was covered under on the date his/her sick leave was exhausted for up to six (6) months immediately following that date so long as the employee is unable to return to work because of medical reasons. From January 1, 2012 through December 31, 2012, the City's contribution towards the cost of maintaining the benefits shall be as provided for in subsection 3.a. of this Article, above. This provision shall not cover retirees (including disability retirements).

b. Duty Disability – January 1, 2012 through December 31, 2012

Depending on the individual's enrollment status, the cost of coverage for individuals receiving a duty disability retirement allowance shall be as provided in subsection 3.a. of this Article, above.

c. Employees Who Retire Between January 1, 2012 and December 31, 2012

(1) For eligible employees who retire, between January 1, 2012 and December 31, 2012, the City will make monthly contributions towards meeting the monthly subscriber cost for single or family enrollment in the plan elected by the retiree as follows:

(a) Single Enrollment Status – January 1, 2012 through December 31, 2012:

For a retiree with single enrollment status, the City will contribute an amount up to the percentage of the subscriber cost for single enrollment in the Preferred Provider Organization (PPO) Plan that is determined by the formula provided in subsection 3.c.(1)(c) during the period after retirement the retiree is less than age 60 and an amount up to 100% of the subscriber cost for single enrollment in the Preferred Provider Organization (PPO) Plan during the period after retirement the retiree is at least age 60 but less than age 65.

(b) Other Than Single Enrollment Status – January 1, 2012 through

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December 31, 2012:

For a retiree with other than single enrollment status, the City will contribute an amount up to the percentage of the subscriber cost for his/her enrollment status in the Preferred Provider Organization (PPO) Plan that is determined by the formula provided in subsection 3.c.(1)(c) during the period after retirement the retiree is less age 60 and greater of either such amount or an amount up to 100% of the subscriber cost for single enrollment in the Preferred Provider Organization (PPO) Plan during the period after retirement the retiree is at least age 60 but less than age 65.

(c) Contribution Formula

<u>Unused Sick Leave</u>	<u>City Contribution</u>
<u>Less than 150 work days.....</u>	<u>65%</u>
<u>At least 150 work days, but less than 159 work days.....</u>	<u>66%</u>
<u>At least 159 work days, but less than 167 work days.....</u>	<u>67%</u>
<u>At least 167 work days, but less than 176 work days.....</u>	<u>68%</u>
<u>At least 176 work days, but less than 184 work days.....</u>	<u>69%</u>
<u>At least 184 work days, but less than 193 work days.....</u>	<u>70%</u>
<u>At least 193 work days, but less than 201 work days.....</u>	<u>71%</u>
<u>At least 201 work days, but less than 210 work days.....</u>	<u>72%</u>
<u>At least 210 work days, but less than 219 work days.....</u>	<u>73%</u>
<u>At least 219 work days, but less than 227 work days.....</u>	<u>74%</u>
<u>At least 227 work days, but</u>	

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less than 236 work days.....	75%
At least 236 work days, but less than 244 work days.....	76%
At least 244 work days, but less than 253 work days.....	77%
At least 253 work days, but less than 261 work days.....	78%
At least 261 work days, but less than 270 work days.....	79%
At least 270 work days, but less than 278 work days.....	80%
At least 278 work days, but less than 285 work days.....	81%
At least 285 work days, but less than 291 work days.....	82%
At least 291 work days, but less than 298 work days.....	83%
At least 298 work days, but less than 304 work days.....	84%
At least 304 work days, but less than 311 work days.....	85%
At least 311 work days, but less than 317 work days.....	86%
At least 317 work days, but less than 324 work days.....	87%
At least 324 work days, but less than 330 work days.....	88%
At least 330 work days, but less than 336 work days.....	89%
At least 336 work days, but less than 343 work days.....	90%
At least 343 work days, but less than 349 work days.....	91%
At least 349 work days, but less than 356 work days.....	92%
At least 356 work days, but less than 362 work days.....	93%

At least 362 work days, but less than 369 work days.....	94%
At least 369 work days, but less than 375 work days.....	95%
At least 375 work days, but less than 381 work days.....	96%
At least 381 work days, but less than 388 work days.....	97%
At least 388 work days, but less than 394 work days.....	98%
At least 394 work days, but less than 400 work days.....	99%
At least 400 work days.....	100%

Unused Sick Leave is expressed in eight-hour work days and represents the amount of earned and unused sick leave credited to an employee's sick leave account on the effective date of his/her retirement.

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January 1, 2012 through December 31, 2012:

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City Contribution is expressed as a percentage of the effective Preferred Provider Organization (PPO) Plan subscriber cost for the enrollment status applicable to the retiree and represents the maximum contribution made by the City on behalf of such retiree.

If the per capita subscriber cost for enrollment in the plan selected by the retiree exceeds the maximum City contribution for retirees provided, the retiree shall have the amount of such excess cost deducted from his/her pension check.

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(2) Surviving Spouse

The provisions of subsection 3.c.(1) shall be applicable to a surviving spouse eligible for retiree health coverage under subsections 2.c. or 2.d. of this Article. An eligible surviving spouse without eligible dependents shall be covered by subsection 3.c.(1)(a); in all other circumstances he/she shall be

covered by subsection 3.c.(1)(b). For purposes of interpretation and administration, the age the deceased retiree would have been shall determine the City contribution.

d. Duty Death

Depending on single/family enrollment status, the cost of coverage for the surviving spouse of an employee receiving a duty death pension, under either Section 36.05(5) of the ERS Act of Chapter 35.01(34) of the Milwaukee City Charter, shall be as follows:(1) Between January 1, 2012 and December 31, 2012, the City will contribute an amount toward meeting the subscriber cost for enrollment in the plan elected of up to 100% of the monthly subscriber cost of either single or family enrollment in the Preferred Provider Organization (PPO) Plan. If the subscriber cost for enrollment in the plan elected exceeds the maximum City contribution provided, the employee shall have the amount of excess cost deducted from his/her pay check on a monthly basis.

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e. Cost of Health Coverage After Conversion From Duty Disability

Upon conversion from a duty disability retirement allowance to a service retirement allowance, the cost of the retiree health coverage to which he/she attains age 63 shall be as provided under subsection 3.a. of this Article. The benefits shall be in lieu of the benefits provided under subsection 3.c.. Thereafter, until attainment of age 65, the cost of such coverage shall be as provided under subsection 3.c. of this Article, except that the individual's unused sick leave as of the effective date his/her duty disability retirement allowance commenced shall be used to compute the City-paid retiree health coverage to which he/she is entitled hereunder.

4. Cost of Coverage – Dental Plan Only

For calendar year 2012, the City will contribute an amount up to \$13.00 per month for

single enrollment and an amount up to \$37.50 per month for family enrollment towards meeting the subscriber cost of the dental plan. If the subscriber cost for single or family enrollment in the Dental Plan exceeds the maximum City contribution provided, the employee shall have the amount of such excess cost deducted from his/her pay check on a semi-monthly basis in 2012.

5. Self-Administration Offset

The per capita subscriber costs associated with the health or dental coverage provided by each of the plans listed in subsection 1., above, includes amounts allocable to the administrative costs of the carriers providing such coverage. If the City elects to self-administer the Basic Plan, or Preferred Provider Organization, and/or the Basic Dental Plan, then effective with the calendar month during which this election becomes effective, and so long as it continues in effect, the maximum City contributions provided in subsections 3 and 4, above, for employees covered by such a self-administered plan shall be reduced by an amount equal to 100% of the difference between the monthly administrative costs associated with such plan prior to the effective date it became self-administered and the monthly administrative costs associated with the plan when it is self-administered, capitated, for each subscriber in the plans on the basis of single or family enrollment status. While in effect, this provision shall not increase an employee's payroll deductions required to meet the costs of his/her dental insurance benefits and health coverage beyond the deductions that would be required under subsections 3, 4, and 8 of this Article, if the provision was not in effect.

6. Right of the City to Select Carrier

It shall be the right of the City to select and change any of its carriers that provide health coverage or dental insurance; at its sole option, the City shall have the right to provide any or all of these benefits on a self-insured basis and/or self-administer them (in this circumstance, the term "carrier" as used in this Article shall also mean self-insurer and/or self-administrator).

7. Non-duplication

- a. If more than one City employee is a member of the same family, then coverage shall be limited to one family plan.
- b. A retiree shall be ineligible to receive the retiree health coverage provided hereunder when receiving health coverage from other employment or from the employment of the retiree's spouse if the benefits received by the spouse cover the retiree.
- c. City health coverage cost contributions provided hereunder to retirees shall be in lieu of any other City retiree health coverage contributions provided by ordinance, resolution or by other means, while retirees are receiving the health coverage hereunder.
- d. In the event an employee or eligible dependent becomes eligible for Medicare benefits prior to attaining age 65, the City will contribute an amount up to the City's maximum contribution provided in subsection 3.c.(1), of this Article towards the cost of coverage for the City's Medicare Supplemental Plan.

8. Employees on Leave of Absence

Employees in active service may elect to receive health coverage while on an authorized leave of absence. Individuals on an authorized leave of absence shall pay 100% of the cost associated with their coverage. The rates for such coverage shall be determined by the City and may be adjusted from time to time. This provision shall be applicable only during the first 12 months of an employee's authorized leave of absence.

9. There shall be a 270-day waiting period for pre-existing conditions provided by the Basic Plan, or equivalent plan.

10. Effective Date

Except where specifically provided otherwise herein, the provisions of this Article shall be deemed to be in force and effect beginning January 1, 2012 and ending December 31, 2012.

11. An employee who retires on pension during the term of this Agreement shall be entitled to health coverage provided during the term of this Agreement so long as he/she is less than age 65. After this Agreement expires, such an individual, so long as he/she is less than age 65, shall be entitled to:

(1) The same health coverage concurrently provided employees in active service covered by the effective Agreement between the City and the MPSO as is in effect from time to time (it is understood that the exclusion of retirees from coverage under dental insurance benefits, as set forth above, shall continue unchanged). If a retiree eligible for health coverage dies prior to age 65, the retiree's surviving spouse shall be eligible for health coverage until the last day of the month in which the deceased retiree would have attained age 65; and

(2) The same City/retiree health coverage cost sharing formula that was provided for such retiree by this Agreement.

This paragraph shall only cover the kinds of retirements for which health coverage is provided by this Agreement.

12. Subject to the conditions contained therein, the parties agree to abide by the retiree health coverage provisions of the October 29, 1999 Final Global Settlement Agreement for Active Police Officers.

If any portion of the Global Pension Settlement Agreement or implementing Charter Ordinance is held invalid, or if compliance with it is restrained by operation of law or by any court of competent jurisdiction, the parties shall immediately enter into collective bargaining for the purpose of arriving at a mutually satisfactory replacement for such portion of the Global Pension Settlement Agreement or Charter Ordinance.

This paragraph shall in no way affect or restrict other benefits unrelated to retiree health coverage in the Global Pension Settlement Agreement

ARTICLE 18

SICK LEAVE

1. Definition: "Sick Leave" shall mean all necessary absence from duty because of illness, bodily injury, or exclusion from employment because of exposure to contagious disease.
2. Eligibility for sick leave with pay shall begin as soon after regular appointment as any sick leave credit has been earned.
3. Employees shall earn sick leave with pay at the rate of one and one-quarter (1 ¼) working day for each month of active service or 4.6 working hours for each two weeks of active service. Sick leave with pay earned by employees shall be credited to their sick leave accounts. Employees may utilize sick leave with pay credited to their accounts during periods of sick leave for the period of time they would have worked in accordance with the regularly scheduled hours of work as established under the HOURS OF WORK provision of this Agreement.
4. Regardless of the sick leave credit earned the maximum amount of sick leave with pay which employees may utilize from their accounts for any one period of continuous sick leave shall not exceed 365 calendar days. Interruption of such period of sick leave shall only be considered if the employee resumes his/her regular duty.
5. Whenever an employee requests sick leave with pay he or she shall immediately notify his or her commanding officer of this fact. Each instance of sick leave that the employee fails to comply with the requirement of this subsection shall result in the employee losing his/her entitlement to any sick leave with pay for that instance.
6. Except as otherwise provided herein, sick leave may be permitted without requiring the employee to submit medical substantiation from a private physician, provided that the employee completes Form PS-16 (Application for Sick Leave), and submits same to his or her commanding officer. An employee may be required by his or her commanding officer to provide acceptable medical substantiation from a private physician or dentist for each absence, regardless of duration, if the commanding officer is informed or believes that the

employee is misusing sick leave. The City shall not be responsible for the payment of any fee charged by the physician or dentist to provide the acceptable medical substantiation.

7. When medical substantiation from an employee's private physician is required, the failure of the employee to comply with this requirement shall permit the City to deny that employee the sick leave benefits provided hereunder until he/she is in compliance with such requirement.
8. The sick leave account for an employee returning to active service from duty disability retirement shall be the employee's unused sick leave credit or 30 working days of sick leave, whichever is greater.
9. Employees reporting absent on sick leave shall be governed by the rules and regulations and standard operating procedures of the Police Department pertaining thereto in effect on the execution date of this Agreement.
10. Attendance Incentive Program

a. The Sick Leave Control Incentive Program shall be in effect beginning Trimester 1, ~~2010~~, and ending the last day of Trimester 3, ~~2012~~. Nothing herein shall be construed as requiring the City to continue the program for time periods after the last day of Trimester 3, ~~2012~~.

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b. The trimester periods for each calendar year are defined as follows:

Trimester 1 - Pay Period 1-9

Trimester 2 - Pay Period 10-18

Trimester 3 - Pay Period 19-26 or Pay Period 19-27, whichever

is appropriate.

c. An employee shall be eligible for a trimester sick leave incentive benefit only if:

- (1) During the full term of the trimester, the employee did not use any paid sick leave, did not receive injury pay for the full term of that trimester, was not on an unpaid leave of absence, was not AWOL, was not tardy, was not suspended from duty for disciplinary reasons and did not take any unpaid

time off the payroll; and

- (2) During the full term of the trimester, the employee was in active service; and
- (3) At the beginning of the trimester, the employee had an amount of earned and unused sick leave credit in his/her sick leave account of 20 days; and
- (4) The employee was represented by the MPSO at the end of the trimester period.

d. In a Trimester period set forth in subsection a. and b., above, that an employee is eligible for an attendance incentive program benefit, the commanding officer shall determine which one of the two types of attendance incentive benefits listed below the eligible employee shall receive (at the commanding officer's discretion, the employee may make this determination in accordance with procedures established for that purpose by the Department):

- (1) A special attendance incentive payment

An employee receiving a special sick leave incentive payment, shall be entitled to receive a lump-sum cash payment equivalent to eight hours of his/her base salary computed on the basis of his/her hourly base salary rate in effect on the last day of the trimester for which the payment was earned. Such payment shall not be deemed part of the employee's base salary and shall not have any sum deducted for pension benefits nor shall it be included in determination of pension benefits or any other benefits and/or compensation provided by the City. Attendance incentive payments provided hereunder shall be made as soon as is administratively practicable following the close of the Trimester Period in which they were earned.

- (2) A special incentive leave

An employee receiving a special incentive leave, shall earn one eight-hour day off with pay. Such day off with pay must be used by the employee in

the next succeeding trimester. An employee may use such day off with pay on a date he/she has requested provided the employee gives his/her commanding officer reasonable advance notice of the date requested and the date is determined available by the commanding officer in accordance with the needs of the Department. The processing of employee requests for time off earned under the attendance incentive control program shall be on a first-come, first-served basis. Decisions by the employee's commanding officer with respect to the availability of the date the employee has requested shall be final.

ARTICLE 19

FUNERAL LEAVE

1. DEFINITION: Funeral leave as provided herein is expressly for attending the funeral of a family member or relative.
2. Employees covered by this Agreement shall be granted leave of absence of the length requested by the employee as follows:
 - a. Not to exceed (3) three days with pay, in case of death of the employee's wife, husband, child, father, mother, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, or grandchild;
 - b. Not to exceed one (1) day with pay in case of death of the employee's grandparents; and
 - c. Not to exceed three (3) days with pay in case of death of the employee's step-mother, step-father or step-children by virtue of the employee's current spouse; during the employee's lifetime, eligibility to use step-parent funeral leave benefits shall be limited to one (1) step-father and one (1) step-mother, regardless of the number of step-parents.

An employee eligible for the leave with pay provided hereunder may only use that leave during the ten (10) consecutive calendar day time period immediately following the date of the death that occasioned the employee's request for the leave.

3. In the event of the death of any other relative, employees shall be permitted to change their next regular day off so they may attend the funeral.
4. Employees requesting a leave under the provisions of this Article, above, shall be governed by the Rules and Regulations of the Police Department.

ARTICLE 20

ILLNESS IN FAMILY

1. A leave of absence, with pay, for one day may be granted by a commanding officer to any member of his/her command in case of serious illness in his/her immediate family or other extraordinary emergency.
2. Employees reporting an absence under the provisions of Subsection 1, above, shall be governed by the Rules and Regulations of the Police Department.

ARTICLE 21

INJURY PAY

1. When an employee who is covered by this Agreement, sustains an injury within the scope of his/her employment for which he/she is entitled to receive worker's compensation temporary disability benefits, as provided by Chapter 102 of the Wisconsin Statutes (Worker's Compensation Act), he/she may receive 80% of his/her base salary as "injury pay" instead of such worker's compensation benefits for the period of time he/she may be temporarily totally or temporarily partially disabled because of such injuries. Such injury pay shall not be granted for more than 365 calendar days for any one compensable injury or recurrence thereof. The 80% provision shall become effective January 1, 1987, and shall cover employees receiving injury pay benefits on or after that date regardless of the date on which the compensable injury or recurrence thereof occurred.
2. In providing injury pay in an amount equal to 80% of the employee's base salary, the employee agrees to allow the City to make a payroll adjustment to his/her biweekly paycheck deducting an amount equal to 20% of his/her base salary for that portion of the pay period he/she received injury pay and make no subsequent claim for said amount whatsoever. Such deduction shall be administered so as not to reduce employee pension benefits. For purposes of interpretation of the provisions of this Article, the term base salary as used herein shall mean the employee's base salary pay rate in effect during the pay period he/she is claiming injury pay as that base salary rate is established in the BASE SALARY Article of this Agreement.
3. After "injury pay" benefits have been exhausted, employees shall have the option of accepting sick leave benefits or accepting worker's compensation temporary disability benefits. This option, which shall be in writing, may be terminated without prejudice to temporary total or temporary partial disability benefits under the Worker's Compensation Act thereafter, but such termination shall not be retroactive and any sick leave already used at the time of such termination of option shall not be restored to the employee.

4. Questions involving eligibility for injury pay shall be determined under the applicable law and the substantive and procedural rules of the Department of Industry, Labor and Human Relations relative to Worker's Compensation and in the event of a dispute between the City and the employee relative to such eligibility, the Department of Industry, Labor and Human Relations and the courts upon the statutorily prescribed review thereof shall be the sole and final arbiters of such dispute.
5. In all third-party claims or actions, the City shall not be limited in its recovery to the amount of temporary disability benefits which would otherwise have been payable under the Worker's Compensation Act, but shall instead be entitled to recover the amount of injury pay received by the employee. In the event the City recovers an amount of injury pay received by the employee, the City shall restore the employee's number of calendar days (equivalent amount of recovery) for said injury.
6. Whenever an employee sustains a compensable injury, he or she shall immediately notify his or her commanding officer of this fact. Each instance of injury pay that the employee fails to comply with the requirements of this subsection shall result in the employee losing his/her entitlement to any injury pay for that instance.
7. If the Internal Revenue Service (IRS) determines that the injury pay benefits provided hereunder are taxable as wages, then beginning with the effective date of such determination, the City will no longer require the 20% employee deduction from injury pay benefits provided for in subsections 1. and 2. of this Article, above.
8. Employees reporting absent due to a compensable injury shall be governed by the Rules and Regulations and Standard Operating Procedure of the Police Department pertaining thereto.
9. In no case shall temporary disability benefits and injury pay be allowed for the same period of time.
10. During the period of an employee's absence from duty due to a duty-incurred injury, the employee shall be permitted to leave his/her residence or place of confinement so long as

he/she has first obtained a written statement from his/her personal physician stating that such travel will further his/her recuperation and the employee has first presented his/her personal physician's statement to his/her commanding officer or shift commander.

Whenever an employee authorized to leave his/her residence or place of confinement, leaves the confines of Milwaukee County, he/she shall provide his/her commanding officer written advance notice of this departure indicating on the notice the time period he/she will be out of Milwaukee County, location(s) where he/she can be reached and, if a location has an address and/or telephone number, the address and/or telephone number of the location(s). While outside the confines of Milwaukee County, the employee shall be required to notify his/her commanding officer of his/her whereabouts by telephone of any changes in the locations indicated on the advance notice. During any fifteen (15) day period, an employee shall not be permitted to remain outside the confines of Milwaukee County for more than 14 consecutive calendar days. Except as provided herein and in subsection 6 of the VACATION Article of this Agreement, Rule 5, Section 7 of the Milwaukee Police Department Rules and Regulations shall remain unchanged and in full force and effect.

ARTICLE 22

TERMINAL LEAVE

1. An employee retiring on City pension under either the Employees' Retirement System of Milwaukee plan or the Policemen's Annuity and Benefit Fund plan (but excluding retirement on deferred pension when employee has less than 25 years' service or actuarially reduced pension, as they are defined in both plans) shall, upon retirement, be entitled to receive a lump sum payment equivalent to one eight-hour workday's base salary for each one eight-hour day of the employee's earned and unused sick leave up to a maximum of fifty-five (55) such equivalent eight-hour workdays of base salary. The term "eight-hour workday's base salary," as used herein, is defined as an amount equivalent to the employee's biweekly base salary, as defined and determined by the BASE SALARY Article of this Agreement, divided by 10.
2. When a terminal leave payment is paid to a deferred retiree with 25 or more years' service, the payment will be made on the deferred retiree's effective date of separation based on his/her pay rate and sick leave accumulation in effect at that time.
3. An employee shall be eligible to receive the terminal leave pay benefit only once during his/her lifetime.
4. Terminal leave payments shall not be construed as being part of employee's base salary and shall not be included in the computation of any fringe benefits enumerated in this Agreement.
5. Terminal leave payments shall not have any sum deducted for pension benefits nor shall such payments be included in any computation establishing pension benefits or payments.

ARTICLE 23

MILITARY LEAVES

1. Short Term Military Leaves of Absence (Reserve or National Guard Duty)--Less Than 90 Days Per Calendar Year

a. Subject to the terms and conditions provided in subsections 1.b. through 1.d. of this Article, below, employees shall be entitled to time off with pay when they are required to take a leave of absence for: (i) military training duty and/or (ii) military duty in the State of Wisconsin because of riot or civil disturbance.

b. Maximum Amount of Time Off With Pay

(1) Continuous Service

If either military training duty leave or military duty on account of civil disturbance is limited to a single period during the calendar year, then such leave shall be granted with pay not to exceed fifteen (15) successive calendar days (including Saturdays, Sundays and legal holidays) during a calendar year.

(2) Intermittent Service

If either military training duty leave or military duty on account of civil disturbance is taken on an intermittent basis during the calendar year, then such leave with pay shall not exceed eighty (80) hours during the calendar year.

(3) Combined Maximum

During each calendar year of this Agreement, the amount of time off with pay for military leaves of absence provided hereunder that is taken by an employee on a continuous service basis, together with the amount taken on an intermittent service basis, shall not exceed eighty (80) hours in aggregate for military training duty and eighty (80) hours in aggregate for military duty in the State of Wisconsin because of riot or civil disturbance.

c. All employees who, because of honorable service in any of the wars of the United States, are eligible for veterans' preference for employment by the City and/or as provided in Section 45.35(5) of the Wisconsin Statutes (as it may be amended from time to time), shall receive full City pay plus all military pay for duty covered under subsection 1.b. of this Article, above. In all other cases, the employee agrees to allow a payroll adjustment to his/her biweekly pay check, deducting an amount equal to his/her military pay for such duty (up to a maximum equal to his/her City pay received under subsection 1.b. of this Article, above), and to make no subsequent claim for it whatsoever. Such deduction shall be administered so as not to reduce employee pension benefits.

d. Return to City Employment from Short-Term Military Leave

The time off with pay for short-term military leaves provided hereunder shall be granted only if the employee taking such leave reports back for City employment at the beginning of his/her next regularly scheduled eight-hour work shift after the expiration of the last calendar day necessary to travel from the place of training or civil disturbance duty to Milwaukee following such employee's release from military duty.

2. Long Term Military Leaves of Absence -- 90 Days or Longer Per Calendar Year

a. Employees who enlist or are inducted or ordered into active service in the Armed Forces of the United States or the State of Wisconsin, pursuant to an act of the Congress of the United States or the Legislature of the State of Wisconsin or an order of the Commanders-in-Chief thereof, shall be granted a leave of absence during the period of such service.

b. Upon completion and release from active duty under honorable conditions and subject to the terms and conditions provided in subsection 2.c., below, employees on military leaves of absence shall be reinstated into the positions they held at the time of taking such leave of absence or to a position of like seniority, status, pay

and salary advancement, provided, however, that they are still qualified to perform the duties of their positions or similar positions.

c. The rights to reinstatement provided in subsection 2.b. of this Article, above, shall be terminated unless the employee satisfies the following conditions:

(1) Reinstatement from Military Reserve or National Guard Duty

(a) Initial Enlistment With At Least Three Consecutive Months of Active Duty

An employee who is a member of the Reserve or National Guard component of the Armed Forces of the United States and is ordered to an initial period of active duty for training of not less than three consecutive months shall make application for re-employment within 31 days after: (i) such employee's release from active duty from training after satisfactory service, or (ii) such employee's discharge from hospitalization incident to such active duty for training or one year after such employee's scheduled release from such training, whichever is earlier.

(b) All Other Active Duty

Subject to Section 673b, Title 10, United States Code, an employee not covered under subsection 2c(1)(a) of this Article, above, shall report back for work with the City: (i) at the beginning of the employee's next regularly scheduled work shift after the expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release from active duty, or (ii) such employee's discharge from hospitalization incident to such active duty for training or one year after such employee's scheduled release from such training, whichever is earlier.

For purposes of interpretation and construction of the provisions of subsections 2c(1) (a) and 2c(1) (b) of this subsection, full-time training or any other full-time duty performed by a member of the Reserve or National Guard component of the Armed Forces of the United States shall be considered active duty for training.

(2) Other Military Service with Active Duty Of At Least 90 Consecutive Days

An employee inducted or enlisted into active duty with the Armed Forces of the United States for a period of at least 90 consecutive days, where such active duty is not covered by subsection 2c (1), above, shall, upon satisfactory completion of military service, make application for re-employment within 90 days after: (i) such employee's release from active duty, or (ii) such employee's discharge from hospitalization incident to such active duty or one year after such employee's scheduled release from active duty, whichever is earlier.

(3) Exclusions From Reinstatement Benefits

In the event an individual granted a leave of absence for military service under this Article fails to meet the requirements provided in subsections 2c (1) or 2c (2) of this Article, above, or the employee's military service is not covered under these two subsections, the City shall be under no obligation or requirement to reinstate such individual to City employment.

3. Military Funeral Leaves of Absence

Employees shall be allowed to attend military funerals of veterans without loss of pay when a request for the leave is made by a proper veterans' organization that the service of such officer or employee is desired for the proper conduct of a military funeral.

4. Induction Examinations

Employees shall be entitled to time off with pay for time spent taking physical or mental examinations to determine their eligibility for induction or service in the Armed Forces of the United States; such time off with pay shall be granted only for examinations

conducted by a United States military agency.

5. Administration

The Chief of Police shall have the authority to establish such rules and procedures that he deems necessary to administer the military leave benefits provided by this Article. These rules and procedures shall cover, but not be limited to, requirements that employees provide the Chief of Police with reasonable advance notice of any contemplated military leave and the appropriate military orders and papers that fully document such military leave.

ARTICLE 24

VACATIONS

1. Definitions

The following definitions shall be used solely for the purpose of computing the current and prospective vacation benefits:

- a. Anniversary Date: The date an employee completes twelve (12) months of active service following appointment to the City of Milwaukee as a regular employee. After the completion of the first twelve (12) months of active service an employee's vacation anniversary date shall not change.
- b. Active Service: The time spent as a regular employee on the City of Milwaukee payroll including the performance of assigned duties for the City and paid time not worked. In order for paid time to count as active service for vacation purposes, such time, together with any authorized unpaid leaves of absence must be continuous from the date of appointment. Active service shall also include the time spent by an employee who takes a military leave. In the event of an employee's resignation, discharge or retirement from City employment, active service shall cease as of the employee's last day at work.
- c. Year of Service: The duration of time in active service.

2. Eligibility for vacation shall begin after the completion of twelve (12) months of active service following appointment. An employee whose service is expected to continue so as to complete a year's active service may, after six months of service and at the sole discretion of the Chief of Police, be allowed to take vacation time within the year of appointment. However, if the employee leaves the service of the City before the completion of the initial 12-month period, that vacation shall be deemed unearned and payments made during the vacation shall be deducted upon termination of employment.

3. An employee shall earn vacation time at the following rates:

- a. Rates For Calendar Years 2010, 2011 and 2012.

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- (1) Eight (8) hours for each calendar month of active service since an employee's last anniversary date up to a maximum of eighty (80) hours per calendar year for an employee with less than seven (7) years of active service.
 - (2) Twelve (12) hours for each calendar month of active service since an employee's last anniversary date up to a maximum of one hundred twenty (120) hours per calendar year for an employee with at least seven (7) years but less than twelve (12) years of active service.
 - (3) Sixteen (16) hours for each calendar month of active service up to a maximum of one hundred sixty (160) hours per calendar year for an employee with at least twelve (12) years but less than twenty (20) years of active service.
 - (4) Twenty (20) hours for each calendar month of active service up to a maximum of two hundred (200) hours per calendar year for an employee with at least twenty (20) years of active service.
- b. For purposes of pro-rating, an employee in active service for at least fourteen (14) days in a calendar month shall be deemed as having been in active service for the full calendar month; in the event the employee is in active service for less than 14 days in a calendar month, then the employee shall be deemed as not being in active service at all during the calendar month.
- c. The time period during which an employee earns vacation with pay for a calendar year shall be limited to the employee's period of active service between his/her anniversary date for that calendar year and his/her immediate preceding anniversary date. The amount of vacation time taken during a calendar year, except for separation from service as provided in subsection 5 below, shall be limited to the maximums noted in this subsection, above. These maximums are not guarantees; an employee is not entitled to any greater vacation with pay in a

calendar year than that which he/she has earned for that calendar year.

4. Employees must use vacation time during the calendar year for which such vacation time is earned; employees who do not use all of their entitled vacation time within the calendar year for which it was earned shall lose all rights to the unused time off. Effective January 1, 2012, vacation shall be taken on a fiscal year basis.
5. Vacation time taken before the full amount has been earned shall be considered time owed the City until it is earned. Any employee who leaves the service of the City due to resignation, retirement, termination, discharge, layoff or death will have the compensation for vacation time owed the City deducted from the final pay check. In the event the employee's last pay check is for an amount less than the amount of compensation owed the City, a deduction shall also be made from the employee's next preceding pay check that covers the balance of compensation owed the City. Any employee who leaves the service of the City due to resignation, retirement, layoff or death or who takes military leave will be paid for earned vacation time that has accumulated. If an employee returns to duty prior to his/her next following anniversary date, any vacation time earned and taken hereunder shall be offset against the employee's earned vacation time for the calendar year in which that anniversary date falls. Discharged employees are not entitled to pay for accumulated vacation time.
6. An employee on authorized injury leave as a result of a duty-incurred injury may use vacation scheduled during the period of such leave provided the Police Department Administration receives a written advance request to use the vacation, which indicates the time and place of the vacation, and provided further, the employee's private physician has authorized use of this vacation. Injured employees not using vacation scheduled during the period of their leave shall have their unused vacation rescheduled by the Police Department Administration when they return to duty, if it is possible to do so, before the end of the calendar year. In the event the Police Department Administration is unable to reschedule all of the employee's remaining unused vacation before the end of the calendar

year, the employee shall be entitled to receive a lump sum payment equivalent to the dollar value of the remaining unused vacation at the end of the calendar year, computed on the basis of the employee's base salary rate in effect at the time for which the vacation was originally scheduled. This lump sum payment shall be made as soon as is administratively practicable following the end of the calendar year. The lump sum payment shall not be construed as being part of the employee's base salary and shall not be included in the computation of any fringe benefits enumerated in this Agreement. The lump sum payment shall not have any sum deducted for pension benefits nor shall it be included in any computation establishing pension benefits or payments. When authorized by the Police Department Administration, an employee may elect to carry over into the next succeeding calendar year any remaining unused vacation that the Police Department Administration was unable to reschedule by the end of the calendar year, instead of the lump sum payment provided above. The vacation carried over shall be used by March 1 of the next following calendar year or the employee will lose all rights to it, including all rights to the lump sum payment provided above. The scheduling of carried-over vacation shall be subject to availability of the dates requested by the employee, require prior approval by the employee's Commanding Officer and in no way affect the scheduling of other employees' vacations.

7. Employees on authorized sick leave shall have their vacation that was scheduled during such leave rescheduled by the Police Department Administration when they return to duty if it is possible to do so before the end of the calendar year. In the event the Police Department Administration is unable to reschedule all of the employee's remaining unused vacation before the end of the calendar year, the City, upon the employee's return to duty, will restore to the employee's sick leave account an amount of time equal to the amount of unused vacation.
8. Employees in active service shall have time spent receiving a duty disability retirement allowance included as years of service for purposes of computing current and prospective

vacation benefits.

9. Segmented Vacation Periods

- a. An employee may segment up to all of the portion of his/her maximum annual vacation time entitlement earned under paragraph 3 that exceeds eighty (80) hours into units of one (1), two (2), three (3) or four (4) consecutive eight-hour work days. The aggregate amount of an employee's segmented vacation for a calendar year shall be deemed a segmented vacation period. All other vacation benefits to which an employee is entitled shall be taken in five (5) consecutive eight-hour work day units in accordance with existing Departmental practices.
- b. A segmented vacation period may be used during the time period from January 1 thru and including December 31 of a calendar year.
- c. An employee requesting a segmented vacation period in a calendar year shall, prior to March 15 of such calendar year, notify his/her commanding officer in writing of this fact on a form provided by the City, setting forth thereon the number of segmented days requested. Notification requirements as to the specific dates requested by the employee for his/her segmented vacation shall be as set forth in subsection 9.d., below. An employee failing to comply with this requirement shall not be permitted a segmented vacation period during such calendar year. The Police Department Administration shall have the authority to limit the aggregate number of segmented vacation days requested in the time period provided for in subsection b., above, if it determines that granting additional requests for segmented vacation periods will result in sufficient manpower being available to meet the needs of the Police Service.
- d. For each unit of segmented vacation, the employee shall provide his/her commanding officer with reasonable advance notice indicating the date(s) on which the employee wants to use such unit of segmented vacation; such advance notice shall be provided in writing no later than 72 hours prior to the first day of

the segmented unit of vacation. Except for requested segmented vacation dates occurring on or before March 15 of the calendar year, no requested dates for segmented vacation will be processed by the Department until all non-segmented vacations for that calendar year have been selected by every employee in the MPSO bargaining unit. All segmented days must be scheduled or requested on or before October 15th of the calendar year; provided, however, that subject to the approval of an employee's commanding officer, the October 15 deadline may be waived because of emergency, or other extraordinary circumstance, affecting the employee. An employee failing to comply with requirements of this subsection shall have his/her unused segmented vacation time scheduled for him/her by his/her commanding officer.

- e. All requests made by employees for scheduling units of segmented vacation that are submitted in accordance with the time limit and notice requirements provided above shall be processed on a first-come, first-served basis, subject to the availability of the dates requested determined by the employee's commanding officer. No request will be granted that results in another employee losing any non-segmented vacation dates he/she had previously selected in accordance with Departmental practices established for that purpose. In the event an employee's request for scheduling a unit of segmented vacation is in compliance with all of the time limit and advance notice requirements provided above, but the employee's commanding officer has determined that some or all of the dates requested by the employee for that unit are unavailable, it shall be the responsibility of the employee to schedule available substitute dates with his/her commanding officer.

10. The vacation with pay benefits computed under the provisions of this Article shall be the full and only vacation benefits to which employees covered by this Agreement shall be entitled during calendar years 2010, 2011 and 2012.

11. The assignment and scheduling of vacations with pay shall be controlled by the Chief of

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ARTICLE 25

TIME OFF FOR JURY DUTY

1. Employees covered by this Agreement shall be granted time off with pay for jury duty when they are legally summoned for jury duty, subject to the terms and conditions provided for in subsections 2 through 6, inclusive, of this Article, below.
2. When an employee is legally summoned to report for jury duty he/she shall:
 - a) Immediately notify his/her commanding officer and promptly submit to him/her a written report, in "matter of" form, showing the date he/she is required to report for such jury duty; and
 - b) Complete City of Milwaukee form C-139 (Application for Jury Duty Pay) and County of Milwaukee form 2448R16 (Official Jury Notice), and forward both documents to the Police Department Administration Bureau--Payroll Section; and
 - c) Submit a Certification of Jury Service form to the Police Department Administration Bureau--Payroll Section at the end of his/her jury duty. Copies of this form may be obtained from the Circuit Court Calendar Clerk.
3. While on authorized jury duty employees shall be considered by the Police Department to be working the day shift and shall be permitted to change their off-duty days (regular off and vacation days) subject to approval from the Police Department Administration. If the employee's off-duty days are changed, the employee shall be required to turn over all jury duty payments he/she receives (excluding official travel pay) to the City; in the event the employee's off-duty days are not changed he/she shall be entitled to retain the jury duty payments he/she receives for jury duty performed on his/her off-duty days, but shall be required to turn over to the City all other jury duty payments he/she receives (excluding official travel pay).
4. Employees shall not be eligible for overtime while on jury duty, even if such duty extends beyond eight hours in one day; nor shall they be eligible for overtime for work performed outside their regularly scheduled work shift that is the result of changes made pursuant to

subsection 3. of this Article, above.

5. On days when the employee is normally scheduled to work, no greater amount of time off for jury duty shall be granted than is necessary. If an employee is called for jury duty on such day and reports thereto without receiving a jury assignment for that day, or if he/she is engaged in jury duty for part of such day, he/she shall immediately notify his/her commanding officer of this fact by telephone and report back to work for the remainder of his/her work day. If the employee is engaged in jury duty for part of a day that falls on a work day, then such requirement to report back to work shall not be applicable on days where the amount of time remaining in the employee's regularly scheduled eight-hour shift for that day, together with travel time from the jury duty site to the employee's Duty assignment location, does not allow for a work period of reasonable length; in this circumstance, the employee shall still be required to notify his/her commanding officer in accordance with the requirement set forth above. The criteria used in determining what constitutes reasonable length shall be based on present Police Department practices covering jury duty; notwithstanding the foregoing, an employee released from jury duty prior to 12:00 noon on a work day must report back to work for the remainder of his/her work day.

ARTICLE 26

PAID LUNCH

Present practices are continued for the duration of this Agreement.

ARTICLE 27

WORK DAYS OFF IN LIEU OF HOLIDAYS

1. Employees shall be entitled to receive up to ninety-six (96) hours off with pay in lieu of holidays per fiscal year, one eight-hour period of which shall be designated by the Chief of Police to commemorate Dr. Martin Luther King's birthday.
2. Employees in active service less than a fiscal year shall be entitled to time off in lieu of holidays with pay prorated on the basis of their length of service during the fiscal year. Time off in lieu of holidays shall be earned at a rate of eight (8) hours per calendar month for each calendar month in a calendar year that the employee was on the Police Department payroll. For purposes of interpretation of this provision, an employee on the Police Department payroll for at least 14 days in a calendar month shall be deemed as having been on the Police Department payroll for the full calendar month; in the event the employee is on the Police Department payroll for less than 14 days in a calendar month, then the employee shall be deemed as not having been on the payroll at all during such calendar month.
3. Except as provided in subsection 4 of this Article, below, such time off with pay shall be used by the employee in the fiscal year in which they are earned; employees who do not use all of their entitled time off in lieu of holidays within the fiscal year in which it was earned shall lose all right to the unused time off.
4. If an employee is unable to use all of the time off in lieu of holidays with pay to which the employee is entitled during a fiscal year because of an extended period of authorized sick leave that does not allow the Chief of Police to reschedule some or all of the employee's unused time off in lieu of holidays in that fiscal year, then the City, upon the employee's return to duty in the next fiscal year, will restore to the employee's sick leave account an amount of time equal to the amount of such unused time off in lieu of holidays with pay that the Chief of Police was unable to reschedule. This provision shall only cover time off in lieu of holidays that is not integrated into the employee's regular work schedule. (In the

case of an employee assigned to a District Station on an eight-hour shift basis whose regular work schedule is five days on-duty, two days off-duty, followed by four days on-duty, two days off-duty, etc., this provision would cover the 32 hours off in lieu of holidays per fiscal year that are not integrated into the employee's regular work schedule and would not cover any of the 64 hours off in lieu of holidays per fiscal year that are integrated into the employee's regular work schedule.)

5. The scheduling of work days off in lieu of holidays with pay shall be controlled by the Chief of Police.

ARTICLE 28

HOLIDAY PREMIUM PAY

1. Except as provided in paragraph 2, employees who are assigned to duty on July 4, December 25, January 1 and/or Labor Day (first Monday in September) of a calendar year shall be compensated in cash at a rate of one and one-half (1½X) their base salary for all such assigned duty worked from 12:00 a.m. through 11:59 p.m., inclusive, during such days.
2. An employee may elect to receive such holiday compensation in compensatory time off in lieu of cash, subject to the following terms and conditions:
3. For administrative purposes, all time so worked shall be computed to the nearest 0.1 of an hour. For purposes of interpretation and construction of this Article, the compensation herein provided shall only be granted for authorized duty occurring on the actual calendar dates that the four (4) holidays listed above fall; no such compensation will be granted for duty on any other calendar date on which these four (4) holidays may officially be celebrated or observed pursuant to law.
4. Application of the provisions enumerated herein shall not involve pyramiding of the compensation described herein. No employee shall receive overtime benefits and/or shift or weekend differential benefits in addition to holiday premium pay.
5. Any payment made in addition to the employee's base salary under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in determining pension benefits or other fringe benefits.

ARTICLE 29

UNIFORM AND EQUIPMENT

1. Replacement Allowance

- a. Employees covered by this Agreement designated by the Chief of Police as Uniformed Personnel

- (1) For Employees in Police Sergeant Job Classification:

- (a) The City shall replace articles of current initial allowance of uniform and equipment prescribed by the Chief of Police and in addition up to two shirts or one sweater and one turtleneck shirt or any combination thereof totaling two items per year whenever such articles have been condemned on account of normal wear and tear. At his/her option, the employee may have either a summer short sleeve shirt or a winter long sleeve shirt or a turtleneck replaced. The Chief of Police shall issue a requisition to a vendor selected by the Standards and Procurement Division for each article replacement of which is required. Whenever an article has been replaced through requisition, the employee shall be required to present the requisitioned article to the Police Academy for approval and the employee shall be required to turn in the condemned article at the Police Academy.
- (b) Upon promotion to the rank of Police Sergeant, the City shall provide the employee with the following items of uniform:

- Sergeant Stripes (for shirts, 4 pr.)

- Sergeant Stripes (for uniform coats, 3 pr.)

- One Gold Braid (for cap)

- One heavy-gauge name tag

- One light-gauge name tag

- (2) For employees in Deputy Inspector of Police, Captain of Police or Lieutenant of Police Job Classifications:
- (a) The City shall replace articles of current initial allowance of uniform and equipment prescribed by the Chief of Police and in addition up to two shirts or one sweater and one turtleneck shirt or any combination thereof totaling two items per year whenever such articles have been condemned on account of normal wear and tear. The Chief of Police shall issue a requisition to a vendor selected by the Standards and Procurement Division for each article replacement of which is required. Whenever an article has been replaced through requisition, the employee shall be required to present the requisitioned article to the Police Academy for approval and the employee shall be required to turn in the condemned article at the Police Academy.
 - (b) Upon promotion to the rank of Lieutenant of Police, the City shall provide the employee with the following items of uniform:
 - Cap, all season
 - Overcoat, long
 - Dress Blouse (1)
 - Dress Trousers (1)
 - Stripes (for trousers, 2 pr.)
 - Stripes (for blouse, 1 pr.)
 - White Uniform Shirts (4)
 - Silver bars (5 pr.)
 - Shoulder Board (1 pr.)
 - (c) Upon promotion to the rank of Captain of Police, the City shall provide the employee with the following items of uniform:

Gold bars (5 pr.)

Shoulder Board (1 pr.)

- (d) Upon promotion to the rank of Deputy Inspector of Police; the City shall provide the employee with the following items of uniform:

Cap (with metallic gold embroidered visor)

Single Oak Leaf (5 pr.)

Shoulder Boards (1 pr.)

- (3) The City shall provide employees a uniform and equipment maintenance allowance of \$300 per calendar year.
- (4) Payments made under subsection 1.a. (3) of this Article shall be paid in December of the year in which they were earned. Pro rata adjustment to the nearest calendar month on the basis of length of service designated as uniformed personnel will be made for those employees designated as uniformed personnel for less than a full calendar year. For purposes of pro rating, an employee designated as uniformed personnel for at least 14 days in a calendar month shall be deemed as having been designated uniformed personnel for the full calendar month; in the event the employee is designated as uniformed personnel for less than 14 days in a calendar month, then the employee shall be deemed as not having been designated as uniformed personnel at all during said calendar month.
- (5) All items of initial issue prescribed from time to time by the Chief of Police shall remain the property of the City and shall revert to the Police Department upon the employee's severance.

b. All Other Employees Covered by This Agreement

- (1) For employees not designated by the Chief of Police as Uniformed Personnel, the City shall provide a clothing allowance of \$450 per calendar year. Such payments shall be made in December of the year in which they

were earned.

(2) Pro-rating

Pro-rata adjustment to the nearest calendar month on the basis of length of service while not designated as uniformed personnel shall be made for those employees not designated as such for less than a full calendar year.

For purposes of pro-rating, an employee on the payroll, while not designated as uniformed personnel for at least 14 days in a calendar month, shall be entitled to receive the payment provided in subsection 1.b.(1) for that calendar month; an employee not designated as uniformed personnel for less than 14 days in a calendar month shall not be entitled to receive the payment provided in subsection 1.b.(1) for that calendar month.

2. During the term of this Agreement each member of the bargaining unit shall be compensated for items of uniform and equipment prescribed by the Police Department which are either (1) directly or indirectly destroyed in the line of duty, or (2) stolen from the member while such member is on duty. The provisions of item (2) of this paragraph shall only be applicable to claims made in relation to incidents of theft occurring after December 31, 1994, and where there is no negligence on the part of the member. The Chief of Police shall assess the amount of the damage, and he shall assess the amount of loss resulting from incidents of theft compensable hereunder. For purposes of interpretation and construction, the term "items of uniform and equipment prescribed by the Police Department" as used herein shall only cover those items that were compensable under the terms of the UNIFORM AND EQUIPMENT Article of the 1997-1998 City/MPSO Agreement. Additionally, the Chief may, at his discretion, approve other items of Uniform and Equipment as compensable hereunder and shall assess the amount of damage or loss for such items.
3. Payments made under the provisions of this Article shall not be construed as being part of the employee's base salary and shall not be included in the computation of any fringe

benefits enumerated in this Agreement. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in any computation establishing pension benefits or payments.

4. Notwithstanding any other provision of this Article, during a calendar month employees shall not be entitled to receive benefits under both subsections 1.a. (2) and 1.b.(1); instead eligibility for receipt of benefits under either of these two subsections shall be predicated on the length of service therein, the subsection with greater service determining the benefit (in the event the length of service is identical the employee shall be entitled to elect the subsection under which his benefits shall be determined).
5. A joint labor/management committee shall be established to discuss matters relating to uniforms and equipment for employees covered by this Agreement. The committee shall consist of two (2) representatives designated by the Chief of Police and two (2) representatives designated by the MPSO. The committee's recommendations if any, shall be by consensus and shall be made to the Chief of Police. Such recommendations shall be advisory only and shall not be binding on the parties.

ARTICLE 30

SAFETY GLASSES

The City will provide safety glasses for police officers who are required to wear glasses for corrective purposes under the same provisions under which these glasses are provided for other City employees. Such glasses shall remain the property of the City of Milwaukee.

ARTICLE 31

AUTO ALLOWANCE

1. An employee may at his/her option use his/her privately owned vehicle for Departmental business only under express authorization from his/her commanding officer. When such use is authorized, the City will indemnify the employee for any property damage sustained by his/her automobile and shall represent the employee and shall be responsible for any judgment, damages and costs entered against the employee for acts arising out of his/her official capacity while acting within the scope of his/her employment.
2. When an employee is authorized by his/her commanding officer to use his/her private vehicle on Departmental business, in accordance with Departmental procedures established for that purpose, and the vehicle sustains damage during such use, the employee shall submit a written report of the damages to his/her commanding officer before the end of the work shift in which the damages occurred. The report shall include a description of the damages, the date and time of occurrence, and the cause. Reasonable costs of damages from causes other than negligence of the employee will be reimbursed by the City, provided the employee submits documentation of such costs to his/her commanding officer no later than seven (7) calendar days following the occurrence of the damages.

ARTICLE 32

LOCKERS

Present practices are continued for the duration of this Agreement.

ARTICLE 33

BOMB SQUAD PAY

1. Employees assigned by the Chief of Police to the Bomb Squad shall receive an amount in addition to base salary equivalent to \$240 per annum.
2. Payments made under the provisions of this Article shall be paid after December 31 of the year in which they were earned. Pro rata adjustment to the nearest calendar month on the basis of service in the Bomb Squad will be made for those employees who were assigned to the Bomb Squad for less than a full calendar year. For purposes of pro rating, an employee assigned to the Bomb Squad for at least 14 days in a calendar month shall be deemed as having been assigned to the Bomb Squad for the full calendar month; in the event the employee is assigned to the Bomb Squad less than 14 days in a calendar month, then the employee shall be deemed as not having been assigned to the Bomb Squad at all during the calendar month.
3. Payments made under the provisions of this Article shall not be construed as being part of employees' base pay and shall not be included in the computation of any fringe benefits enumerated in this Agreement.
4. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in any computation establishing pension benefits or payments.

ARTICLE 34

UNDERWATER INVESTIGATION UNIT PAY

1. Employees assigned by the Chief of Police to the Underwater Investigation Unit shall receive an amount in addition to base salary equivalent to \$240 per calendar year.
2. Payments made under the provisions of this Article shall be paid after December 31 of the year in which they were earned. Pro rata adjustment to the nearest calendar month on the basis of service in the Underwater Investigation Unit will be made for those employees who were assigned to the Underwater Investigation Unit for less than a full calendar year. For purposes of pro-rating, an employee assigned to the Underwater Investigation Unit for at least 14 days in a calendar month shall be deemed as having been assigned to the Underwater Investigation Unit for the full calendar month; in the event the employee is assigned to the Underwater Investigation Unit less than 14 days in a calendar month, then the employee shall be deemed as not having been assigned to the Underwater Investigation Unit at all during the calendar month.
3. Payments made under the provisions of this Article shall not be construed as being part of employee's base pay and shall not be included in the computation of any fringe benefits enumerated in this Agreement.
4. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in any computation establishing pension benefits or payments.

ARTICLE 35

EDUCATIONAL PROGRAM

The following shall be effective January 1, 2010 through December 31, 2011;1. Subject to the terms and conditions provided in subsections 2 through 9, below, for calendars year 2010 and 2011, the City will make the following annual payments to employees upon their completion of course work described in subsection 6, below:

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- \$95/calendar year for employees with at least 16 credits, but less than 28 credits.
- \$145/calendar year for employees with at least 28 credits, but less than 40 credits.
- \$195/calendar year for employees with at least 40 credits, but less than 52 credits.
- \$245/calendar year for employees with at least 52 credits, but less than 64 credits.
- \$295/calendar year for employees with at least 64 credits, but less than 90 credits; or if eligible employee is in possession of an associate degree .
- \$370/calendar year for employees with at least 90 credits, but less than 120 credits.
- \$470/calendar year for employees with 120 or more credits, but not possessing a bachelor's degree.
- \$770/calendar year for a bachelor's degree.

No employee may receive more than \$770 of Educational Pay for a calendar year regardless of the number of degrees and credits earned; no employee may receive more than \$470 of Educational Pay for a calendar year unless the employee holds a bachelor's degree.2. These annual payments termed, "Educational Pay", shall be in addition to employees' base salary and shall be made as soon as possible after December 31, of the calendar year in which eligibility is established therefore. Except as provided in subsection 3, Educational Pay will not be paid to an employee for any calendar year the employee does not remain in the employment of the Police Department for the full calendar year. Employees who attain the required educational credits during a calendar year shall be paid a prorated amount computed from the first pay period after the

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educational courses are completed (and reported to the City) to December 31 of that calendar year.

3. An employee retiring on pension or on authorized leave shall be entitled to the benefits provided by subsection 1 of this Article, above, prorated on the basis of his/her active service in the calendar year he/she retired or was on authorized leave, computed to the nearest calendar month. For purposes of prorating, an employee on the Police Department payroll for at least 14 days in a calendar month shall be deemed as having been on the payroll for the full calendar month; in the event the employee is on the Police Department payroll less than 14 days in a calendar month, then the employee shall be deemed as not having been on the payroll at all during the calendar month.
4. No employee will be eligible for Educational Pay unless he/she has a minimum of five years active service on the police force.
5. Educational Pay shall not be used in the calculation of overtime pay or in the calculation of pension benefits. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in the determination of pension benefits or other fringe benefits.
6. Courses approved for which payment will be made under this provision will be courses in which credits have been successfully earned from an educational institution accredited by one of the accreditation associations named in section 7., below.
7. Courses approved for which payment shall be made under this provision shall be limited to courses of study in which the credits have been successfully earned from an educational institution accredited by any of the following regional accreditation associations:

North Central Association of Colleges and Schools

Middle States Association of Colleges and Schools

New England Association of Schools and Colleges, Inc.

Northwest Association of Colleges and Schools

Southern Association of Colleges and Schools

Western Association of Schools and Colleges

8. Employees who have earned a degree shall request that the degree-granting collegiate institutions send a report to the Milwaukee Police Department with a statement as to the date on which the degree was conferred, the major field of study pursued, and that the institution was a member in good standing of an association listed in 7., above, at the time the degree was granted.
9. It shall be the sole responsibility of the employee to provide the Police Department Administration with evidence of successful completion of the course work for which Educational Pay is being sought; such evidence shall be as prescribed by the Chief of Police and shall include, but not be limited to, official transcripts, degree/diploma, and the date(s) credits were earned and degrees were conferred. The employee shall be solely responsible for any costs associated with providing this evidence.

The following shall be effective January 1, 2012 through December 31, 2012.

1. Subject to the terms and conditions provided in subsections 2 through 6, below, for calendar year 2012, the City shall add the following amounts to an employee's base biweekly salary upon their completion of course work described in subsection 3., below. After the payments for calendar year 2011 (paid in 2012) are made, there shall be no lump sum annualized Educational payments.

Associate's Degree or 64 Credits - \$400 (\$15.34 bi-weekly)

Bachelor's Degree - \$900 (\$34.52 bi-weekly)

Master's Degree or Higher - \$1,100 (\$42.19 bi-weekly)

2. No employee will be eligible for Educational Pay unless he/she has a minimum of five years active service on the police force.
3. Courses approved or Degrees attained for which payment will be made under this provision will be courses in which credits have been successfully earned or Degrees successfully attained from an educational institution accredited by one of the accreditation associations named in section 4., below.

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4. Courses approved or Degrees attained for which payment shall be made under this provision shall be limited to courses of study in which the credits have been successfully earned or Degrees successfully attained from an educational institution accredited by any of the following regional accreditation associations:

North Central Association of Colleges and Schools

Middle States Association of Colleges and Schools

New England Association of Schools and Colleges, Inc.

Northwest Association of Colleges and Schools

Southern Association of Colleges and Schools

Western Association of Schools and Colleges

5. Employees who have earned a degree shall request that the degree-granting collegiate institutions send a report to the Milwaukee Police Department with a statement as to the date on which the degree was conferred, the major field of study pursued, and that the institution was a member in good standing of an association listed in 4., above, at the time the degree was granted.

6. It shall be the sole responsibility of the employee to provide the Police Department Administration with evidence of successful completion of the course work for which Educational Pay is being sought; such evidence shall be as prescribed by the Chief of Police and shall include, but not be limited to, official transcripts, degree/diploma, and the date(s) credits were earned and degrees were conferred. The employee shall be solely responsible for any costs associated with providing this evidence.

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ARTICLE 36

TUITION AND TEXTBOOK REIMBURSEMENT

1. Tuition and textbook reimbursement shall be in accordance with the Veteran's Administration benefits and Safe Streets Act benefits pertaining thereto. In no event shall there be duplication of these benefits paid the employee.
2. If an employee is ineligible to receive tuition and/or textbook reimbursement under the provisions of Subsection 1 of this Article, the City will reimburse tuition and textbook costs incurred by the employee up to a combined maximum (tuition and textbook costs added together) of \$1,200 per calendar year. A member may use up to \$150 per year of annual tuition and textbook reimbursement to pay for membership in job-related professional organizations approved by the Chief of Police and by the Department of Employee Relations.
3. All courses of study for which reimbursement is requested by an employee under the provisions of Subsection 2 of this Article shall be job-related and approved by the Police Chief before any such reimbursement is paid to the employee by the City. Coursework approved to be on City time by both the Police Chief and by the Department of Employee Relations may be on City time.
4. In order to qualify for reimbursement under Subsection 2 of this Article, above, employees must submit an application for reimbursement and itemized receipts to a City-designated administrator on a form provided by the City no later than eight (8) weeks following the last course date of the course for which reimbursement is requested.
5. In order to qualify for reimbursement under Subsection 2 of this Article, above, employees shall present evidence to a City-designated administrator of successful completion for those Police Department-approved courses of study for which they are requesting reimbursement. Such evidence shall be submitted in writing to the aforesaid administrator within eight (8) weeks following completion of such Police Department approved courses of study and shall consist of the final grade report for each such Police

Department approved course of study. A Police Department approved course of study shall be deemed successfully completed if:

- a. A grade of "C" or higher is received and such course of study is an undergraduate course of study; or
 - b. A grade of "B" or higher is received and such course of study is a graduate course of study; or
 - c. When grades are not given or a non-credit course of study is taken, then the employee must present to aforesaid City designated administrator within the time limit above described a written statement from the course's instructor that the employee has satisfactorily completed the course of study.
6. Payment of reimbursement described in Subsection 2 of this Article shall be made as soon as is administratively practicable after the reimbursement application and evidence of successful completion of the Police Department approved courses of study for which such reimbursement is being requested is received by aforesaid City designated administrator. The City may pay up front those tuition and textbook costs for programs offered by and as determined by the City's Training and Development Services Unit. If an employee does not meet the criteria in section 5., above, payment may be deducted from the employee's paycheck.
7. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in the determination of pension benefits or other fringe benefits.
8. Employees must remain in service for a six-month period after receiving Tuition and Textbook Reimbursement from the City or the amount reimbursed will be deducted from the employee's final paycheck.

ARTICLE 37

AGENCY SHOP

1. Subject to the terms and conditions provided in subsections 2 through 9, below, the City agrees to allow the MPSO an agency shop as permitted by the provisions of Section 111.70 of the Wisconsin Statutes.
2. No member of the bargaining unit is required to join the MPSO. However, membership in the MPSO is open to all members of the bargaining unit who choose to join and comply with the constitution and by-laws of the MPSO. No person will be denied membership in the MPSO because of race, ethnic origin, sex or religious affiliation.
3. The City will deduct from the biweekly earnings of all employees covered by this Agreement an amount that is equal to that part of the monthly dues certified by the MPSO as the dues deduction uniformly required of all members and pay said amount to the Treasurer of the MPSO within 30 calendar days after the payday from which such deduction was made.
4. The City will not deduct the dues of any employee in a two week pay period unless the employee is a member of the MPSO bargaining unit for at least 7 calendar days in such pay period.
5. The City reserves the right to stop, withhold, or modify dues deductions for employees or positions in question until resolved by mutual agreement or by the Wisconsin Employment Relations Commission.
6. Changes in dues to be deducted shall be certified to the City Labor Negotiator by the MPSO at least thirty calendar days before the start of the pay period the new deduction schedule is to be effective.
7. Dues deductions for new employees in the MPSO bargaining unit will be made from their first paycheck.
8. The MPSO will fully and fairly represent all members of the bargaining unit regardless of whether they are members of the MPSO.

9. The MPSO shall, at its sole cost and expense, fully indemnify, defend and hold harmless the City, its officers, agents and employees against any and all claims, suits, actions or liability of judgments for damages (including, but not limited to, expenses for reasonable legal fees and disbursements of the City, if any) arising from any objections to or contesting of the validity of any dues or fair-share deductions or the interpretation, application or enforcement of this provision.

ARTICLE 38

DUES CHECK-OFF

1. The provisions of this Article shall cover employees only if the AGENCY SHOP provision of this Agreement is determined by a competent court or tribunal to be inoperative; in which event this provision shall be deemed a mutually satisfactory replacement for the AGENCY SHOP provision and the provisions of subsection 2. of the WAIVER OF FURTHER BARGAINING Article shall not apply.
2. Employees may authorize the City to deduct MPSO dues from their paychecks by executing an authorization card, such authorization card prescribed by the City.
3. Check-off shall become effective two pay periods following the date the employee's executed authorization card is received by the City-designated administrator. If any employee wishes to withdraw from check-off, he/she shall pay a fee of \$2.00 to the City Treasurer and obtain a revocation card in accordance with procedures established for that purpose by the City. Such withdrawal will become effective four pay periods after filing.
4. The MPSO shall file a report with the City Comptroller's Office certifying the amount of employee dues deduction that is uniformly required of all employees represented by the MPSO. Changes in uniform employee dues deductions shall be certified by the MPSO and filed with the City Comptroller's Office at least 15 calendar days before the start of the pay period the new uniform dues deduction schedule is to become effective.
5. An employee newly appointed to a classification represented by the MPSO may authorize the City to deduct MPSO initiation assessment from his/her paycheck by executing an authorization card prescribed by the City for this purpose and submitting it to a City-designated administrator within 60 calendar days following his/her appointment date. The initiation assessment check-off shall become effective with the third pay period following the date the authorization card is received by the City administrator and shall be made in four (4) equal installments spread over four (4) pay periods. Once authorized, an employee may not withdraw from the check-off except for separation from active service

in an MPSO-represented position. The MPSO shall file a report with the City Comptroller's Office certifying the amount of employee initiation assessment that are uniformly required of all new employees represented by the MPSO. Changes in uniform initiation assessment shall be certified by the MPSO and filed with the City Comptroller's Office at least 15 calendar days before the start of the pay period the new uniform dues deduction schedule is to become effective.

ARTICLE 39

MEETING TIME

Employees who wish to attend meetings of boards, commissions and committees during working hours shall do so on their own time if properly authorized.

ARTICLE 40

NEGOTIATIONS

Either party to this Agreement may select for itself such negotiator or negotiators for purposes of carrying on conferences and negotiations under the provisions of Section 111.70, Wisconsin Statutes, as such party may determine. No consent from either party shall be required in order to name such negotiator or negotiators.

ARTICLE 41

BANK OF HOURS FOR MPSO ACTIVITY

The MPSO shall advise the City of the names of the members of its Board of Directors. Such members in aggregate shall be entitled to a maximum of 1,500 hours per calendar year paid time off subject to the following terms and conditions:

1. Such paid time off shall be limited to MPSO membership meetings, Board of Directors meetings, and to serve as requested in representing Association members or other related MPSO business.
2. Except for serving as requested in representing MPSO members or other related MPSO business, the MPSO shall provide the Chief of Police with written notice of each such meeting and the members to be released on account thereof. Seven days' notice shall be provided for all but two meetings during a calendar year; for the two meetings not requiring the seven-day notice, written advance notice of not less than 24 hours shall be given. The time limits for such advance notice shall be computed beginning with the date the written notice is received by the Police Department Administration (if the notice is hand-delivered) or beginning with the date on the postmark accompanying the notice (if the notice is mailed) and ending on the date of the meeting for which release is requested. In the event that the notice requirement herein is not given, the Chief of Police shall not be obligated to release members for a meeting.
3. Employees on overtime assignment shall not be entitled to paid time off under the provisions of this Article.
4. Reimbursement
 - a. Each month the MPSO shall reimburse the City an amount equivalent to the base salary paid members under the provisions of this Article during such month.
 - b. Each month the MPSO shall also reimburse the City an amount equivalent to the overtime premium (1/2X) paid employees required to work overtime as a result of members utilizing paid time off under the provisions of this Article during such

month. The Police Department Administration shall determine the amount of overtime premium owed the City.

- c. This subsection shall not apply to the first 1000 hours of paid time off provided hereunder used in used in each year of this Agreement.
- d. The paid time off benefits provided hereunder shall be suspended and made inapplicable whenever the MPSO is in non-compliance with the reimbursement requirements provided by subsection 4a. and 4b. of this Article, above.

ARTICLE 41A

MPSO NEGOTIATING TIME

1. The MPSO shall provide the City Labor Negotiator with the names of the members of its Board of Directors and the names of those Board members who will comprise the MPSO Negotiating Committee.
2. Subject to the terms and conditions hereinafter provided, members of the MPSO Negotiating Committee shall be entitled to paid time off computed at straight time (1x) rates for authorized City-MPSO negotiating meetings. The amount of paid time off provided shall be limited to the length of each authorized City-MPSO negotiating meeting, including reasonable travel time from site of employment to site of meeting, but in no event shall payment be made for time greater than eight (8) hours per day.
3. For each authorized City-MPSO negotiating meeting, the MPSO shall provide the City Labor Negotiator with the names of the MPSO bargaining committee members attending the meeting who are to be covered by the provisions of this Article. Those names shall be provided sufficiently in advance of the meeting to permit the City Labor Negotiator to give reasonable advance notice to the Chief of Police of the meeting.
4. Reimbursement
 - a. Each month the MPSO shall reimburse the City an amount equivalent to the base salary paid members under the provisions of this Article during such month.
 - b. Each month the MPSO shall also reimburse the City an amount equivalent to the overtime premium ($\frac{1}{2}x$) paid employees required to work overtime as a result of members utilizing paid time off under the provisions of this Article during such month. The Police Department Administration shall determine the amount of overtime premium owed the City.
 - c. The paid time off benefits provided hereunder shall be suspended and made inapplicable whenever the MPSO is in non-compliance with the reimbursement requirements provided by subsections 4a. and 4b. of this Article, above.

- d. This subsection shall not apply to the first 200 hours of paid time off provided hereunder used in each year of this Agreement.
- 5. The City Labor Negotiator shall interpret and administer the provisions of this Article.

ARTICLE 42

LIMITATIONS UPON MPSO ACTIVITY

1. No MPSO member or officer shall conduct any MPSO business on City time except as specified in this Agreement or as authorized by the Chief of Police, or the City Labor Negotiator.
2. No MPSO meeting shall be held on City time nor on City property.

ARTICLE 43

OFF-DUTY EMPLOYMENT

1. Except as otherwise herein provided, employees covered by this Agreement shall devote their whole time and attention to the service of the Police Department and they are expressly prohibited from engaging in any other business or occupation. Employees covered by this Agreement shall be permitted to work up to a maximum of 32 hours per pay period (but no more than 20 hours in any one calendar week) on a noncumulative basis in another business or occupation provided that such employment is approved by the Chief of Police; and provided further that such employment does not occur while the employees are on sick leave or duty-incurred injury leave or during a period of an existing emergency; and provided further that such employment does not interfere with the rights of the Chief of Police to schedule or assign overtime.
2. The Chief of Police shall have the right to establish Rules and Regulations to administer and control the off-duty employment benefits provided in Subsection 1 of this Article.

ARTICLE 44

DUTY ASSIGNMENT

An employee holding a rank lower than that of Captain of Police shall, upon appointment and after taking and subscribing his or her oath of office, be assigned to night duty at a work location designated by the Chief of Police. Employees holding ranks lower than that of Captain of Police shall be assigned to day duty according to seniority in their respective ranks and positions. Temporary exceptions to such shift assignments may be made in accordance with existing Departmental practices.

With respect to an employee holding the rank of Deputy Inspector of Police or Captain of Police, the Chief of Police will consider an employee's seniority in rank or position for purposes of assigning such employee to a day duty assignment. The Chief of Police, however, has the final authority to assign employees in these ranks to day duty, or to night duty if the Chief of Police determines it is necessary to serve some special need of the Department. The Chief of Police's discretion in this regard shall be final and not subject to the grievance procedure set forth in the Contract Enforcement Procedure Article of this Agreement.

ARTICLE 45

POLITICAL LEAVES OF ABSENCE

1. If and when an employee chooses to run for political office, he or she shall notify the Chief of Police of his or her intention and, if there is a contest, file for a leave of absence:
 - a. Any such request for a leave of absence shall be granted and shall take effect no later than the date on which nomination papers are filed for the political office in question.
 - b. While engaged in political activity, the person, i.e., candidate, shall not communicate with any person who is serving in the Milwaukee Police Department who is subordinate to that person for any political purpose whatsoever.
 - c. It shall be improper for such persons to require or request the political service or political support of any subordinate.
 - d. Such person shall not use the influence of his/her office for political purposes.
2. The requirement that an employee file for a leave of absence after deciding to run for political office shall not apply if the political office is a non-partisan, part-time position.

ARTICLE 46

UNPAID MATERNITY/CHILDREARING LEAVE OF ABSENCE

1. Female Maternity/Childrearing Leave

a. Unpaid Maternity Leave

(1) Length of Leave

Maternity leave shall be granted solely for the purposes of a medical disability associated with pregnancy. A female employee shall be entitled to an unpaid maternity leave of absence beginning on the date her attending physician determines she is no longer fit for duty on account of medical reasons associated with her pregnancy and ending no later than 135 consecutive calendar days following the date of delivery resulting from such pregnancy.

(2) Notification Requirements

Maternity leave shall be granted an employee effective upon her attending physician attesting in writing to the employee's lack of fitness for duty on account of medical reasons associated with her pregnancy. Within seven (7) consecutive calendar days following the date of her delivery, the employee shall provide written notice to the Department Administration indicating thereon the date of delivery. No later than 45 consecutive calendar days following that date, the employee shall see to it that her attending physician provides the Department Administration with a written statement indicating the status of the employee's fitness for return to duty.

(3) Extension of Maternity Leave

At his/her discretion, the employee's attending physician may extend the term of maternity leave beyond the 135-day post-delivery maximum, described above, for medical reasons associated with such pregnancy until such time as he/she determines that the employee is fit for return to duty. In

this event the attending physician shall submit the reasons for such extension, and its expected duration, in writing to the Department Administration prior to the date on which such 135-day post-delivery maximum occurs.

(4) Fitness for Duty

When the employee's attending physician determines that she is fit for return to duty, the employee shall see to it that her attending physician provides the Department Administration with a written statement, within 48 hours of such determination, indicating the date on which the employee is fit for return to duty. This requirement shall apply regardless of whether the determination occurs prior to the 135-day post-delivery maximum or during an authorized extension therefrom; if the determination is made prior to the 135-day maximum, the employee shall be permitted to continue her maternity leave until the date on which the 135-day maximum is reached.

b. Unpaid Childrearing Leave

When requested, a female employee shall be entitled to an unpaid childrearing leave of absence of not more than 130 consecutive calendar days, beginning on the date her maternity leave ends. Such leave shall be granted solely for the purpose of childrearing.

- c. The leave provided by subsections 1.a. and 1.b. of this Article, above, shall be without pay except that the employee may use her accumulated sick leave during the maternity portion of such leave so long as her attending physician determines that she is unfit for duty on account of medical reasons associated with her pregnancy. An employee may use the accumulated vacation, holiday time or compensatory time off, to which she is entitled to receive under the VACATION, HOLIDAY and OVERTIME Articles of this Agreement during such leave. Except when maternity leave is extended for medical reasons, as hereinbefore provided,

the unpaid portion of such leaves, together with the paid portion, shall not exceed the time limits provided for in subsections 1.a. and 1.b., above. Under no circumstances shall an employee be entitled to the benefits provided under the SICK LEAVE and INJURY PAY Articles of this Agreement during a period of a childrearing leave nor shall she be entitled to the benefits under such INJURY PAY Article during a period of a maternity leave.

- d. A female employee making application for maternity or childrearing leave shall provide the Police Department Administration with written advance notice, in a manner prescribed by the Administration, and indicate thereon the expected starting date for such leave, the approximate date of delivery and anticipated return to duty.

2. Male Childrearing Leave

- a. When requested, a male employee shall be entitled to an unpaid childrearing leave of absence for up to 130 consecutive calendar days beginning on the date the employee's spouse gave birth to a child. Such leave shall be granted solely for the purpose of childrearing.
- b. Such leave shall be without pay except that the employee may use the accumulated vacation, holiday time and compensatory time off to which he is entitled to receive under the VACATION, HOLIDAY and OVERTIME Articles of this Agreement during such leave. The unpaid portion of such leave together with the paid portion shall not exceed 130 consecutive calendar days. Under no circumstances shall an employee be entitled to receive the benefits provided under the SICK LEAVE and INJURY PAY Articles of this Agreement during a period of a childrearing leave.
- c. A male employee making application for a childrearing leave shall provide the Police Department Administration with written advance notice, in a manner prescribed by the Administration, and indicate thereon the starting date of such childrearing leave and the anticipated date such leave will end.

3. Unpaid Childrearing Leaves of Absence Involving Adopted Children
 - a. When requested, an employee shall be granted an unpaid special childrearing leave of up to 130 consecutive calendar days in the event such employee legally adopts a child under age five and the terms of the adoption require the presence of one adoptive parent with the child. The employee shall be required to provide documentation of such adoption to the Police Department Administration. Such leave shall begin on the effective date of placement of the adopted child in the employee's home.
 - b. Such leave shall be without pay except that the employee may use the accumulated vacation, holiday time and compensatory time off to which he/she is entitled to receive under the VACATION, HOLIDAY and OVERTIME Articles of this Agreement during such leave. The unpaid portion of such leave, together with the paid portion, shall not exceed 130 consecutive calendar days. Under no circumstances shall an employee be entitled to receive the benefits provided under the SICK LEAVE and INJURY PAY Articles of this Agreement during a period of a special childrearing leave.
 - c. An employee making application for a special childrearing leave for adoption purposes shall provide the Police Department Administration with written advance notice, in a manner prescribed by the Administration and indicate thereon the starting date of such special childrearing leave and the anticipated date such leave will end.
4. Reinstatement
 - a. Unpaid Leave of Absence Less Than 90 Days

An employee requesting a return to duty from an authorized leave of absence provided hereunder that is of less than 90 consecutive calendar days in duration shall submit such request in writing to the Police Department Administration sufficiently in advance of the date on which return to duty is requested to allow for

either normal processing of payroll records prior to reinstatement to duty from an unpaid leave status (maternity leave) or, for this processing and the Departmental medical examination required in subsection 4.c. of this Article, below, (childrearing leave). An employee meeting the requirements of subsection 4.c. shall be reinstated to the position classification he/she occupied immediately prior to such leave as of the date he/she requested return to duty.

b. Unpaid Leave of Absence Equal to Or Greater Than 90 Days

An employee requesting a return to duty from an authorized leave of absence provided hereunder that is of 90 consecutive calendar days in duration or longer shall submit such request in writing to the Police Department Administration sufficiently in advance of the date on which return to duty is requested to allow for either normal processing of payroll records prior to reinstatement to duty from an unpaid leave status (maternity leave) or, for this processing and the Departmental medical examination required in subsection 4.c. of this Article, below. An employee meeting the requirements of subsection 4.c., below, shall be reinstated to the position classification he/she occupied immediately prior to such leave as follows:

- (1) If a vacancy exists in such position classification on the date such employee requests return to duty, then the employee's reinstatement shall be effective on that date.
- (2) If no vacancy exists in such position classification on the date such employee requests return to duty, then the employee's reinstatement shall be effective on the first date following the requested date that such vacancy occurs.

c. Departmental Medical Certification Requirement

Prior to his/her return to duty from an authorized childrearing leave provided hereunder the employee shall be required to provide medical certification from

their personal physician establishing the employee's fitness for return to duty.

Fitness for return to duty requirements from unpaid maternity leave status shall be as provided for in subsection 1.a.(4).

5. Administration

- a. Off-duty employment for an individual during a leave of absence provided hereunder shall be governed by the provisions of the OFF-DUTY EMPLOYMENT Article of this Agreement; the terms and conditions under which such off-duty employment is permitted shall be the same as those applicable to employees in active service.
- b. No benefits, including salary step increments, shall accrue to the individual during the unpaid portion of such leave.
- c. An employee who has been reinstated to duty from an unpaid childrearing leave granted for the birth, or adoption, of his/her child shall not be permitted an additional period of unpaid childrearing leave for that child.

ARTICLE 47

NOTICES

1. All notices required to be sent by the MPSO to the City shall be sent in writing by certified mail to the City Labor Negotiator.
2. All notices required to be sent by the City to the MPSO shall be sent in writing by certified mail to the offices of the MPSO.
3. Subject to their mutual consent, the City and MPSO may waive the certified mail requirements provided above where they deem it appropriate.
4. If the MPSO intends to file an action against the City with the Wisconsin Employment Relations Commission, it shall provide the City Labor Negotiator with timely advance written notice of such intent. Upon so filing such notice with the City Labor Negotiator, representatives of the MPSO shall meet with the City Labor Negotiator, or his/her designee, in an attempt to resolve the matter which precipitated the MPSO's intent to file such action. Thereafter, if the MPSO decides to file such action with the WERC, it shall provide the City Labor Negotiator with a copy of the documents filed with the WERC in the matter at the same time it serves notice of its action upon the City pursuant to applicable legal requirements.

ARTICLE 48

AID TO CONSTRUCTION OF PROVISIONS OF AGREEMENT

1. It is intended by the parties hereto that the provisions of this Agreement shall be in harmony with the duties, obligations and responsibilities which by law are delegated to the Common Council, the Chief of Police and the Fire and Police Commission and these provisions shall be interpreted and applied in such manner as to preclude a construction thereof which will result in an unlawful delegation of powers unilaterally devolving upon them.
2. The City shall administer and control the Articles and provisions of this Agreement.
3. The parties hereto recognize that those rules and regulations established and enforced by the Fire and Police Commission and/or the Chief of Police, which affect the wages, hours, and working conditions of the police officers included in the collective bargaining unit covered by this Agreement are subject to the collective bargaining process pursuant to Section 111.70, Wisconsin Statutes.
4. The provisions of this Agreement are binding upon the parties for the term thereof. The MPSO having had an opportunity to raise all matters in connection with the negotiations and proceedings resulting in this Agreement is precluded from initiating any further negotiations for the term thereof relative to matters under the control of the Common Council, the Chief of Police or the Board of Fire and Police Commissioners, including rules and regulations established by the Board of Fire and Police Commissioners and the Chief of Police.
5. During the term of this Agreement, prior to the establishment of new rules or regulations or changes in existing rules or regulations that do not fall within the City's unfettered management functions, the Milwaukee Police Supervisors' Organization shall be afforded the opportunity to negotiate with the Chief of Police as follows:

Whenever the Chief of Police proposes to establish a new rule or make a change in an existing rule, if such proposal in its operation will affect wages, hours or

conditions of employment of members of the bargaining unit represented by the Milwaukee Police Supervisors' Organization, hereinafter referred to as "MPSO," he or she shall present his or her written proposal to the President of the MPSO. At a mutually agreed to time, not more than 30 days following such presentment, the Chief of Police shall meet in good faith with the representatives of the MPSO with the intent to reach an agreement consistent with the Chief of Police's powers, duties, functions and responsibilities under law. If no agreement is reached between the Chief of Police and the MPSO within 30 days of such initial meeting, the Chief of Police may establish the proposed new rule or the proposed change in an existing rule unilaterally, subject to the prior approval to the Board of the Fire and Police Commissioners. In case of emergency, the emergency to be determined by the Chief of Police, the Chief shall have the right to establish or modify a rule or rules unilaterally and such rule or rules shall become effective immediately. The Chief shall immediately inform the Board of Fire and Police Commissioners, in writing, of the rule change and the reason therefor and said rule shall remain effective until the next meeting of the Board.

6. Any rules or regulations of the Milwaukee Police Department affecting wages, hours or conditions of employment promulgated by the Chief of Police after negotiation but without agreement may be tested relative to whether they violate the specific provisions of this Agreement as well as the propriety of their application in accordance with the provisions of this Agreement pertaining to grievances and arbitration.
7. For purposes of construction and interpretation of the various provisions, this Agreement shall be considered to have been executed on [September 20, 2011](#).

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ARTICLE 49

VARIABLE SHIFT ASSIGNMENT PAY

The following shall be effective from January 1, 2010 through December 31, 2010:

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1. Each calendar year, an employee shall be eligible to receive an amount in addition to his/her base salary as follows:
 - a. (1) An employee in active service and covered by this Agreement on December 31 of a calendar year shall receive \$600 for that calendar year, except that employees occupying the classifications of Police Sergeant, shall receive \$1,810 for that calendar year.
 - (2) An employee with at least twenty (20) years of active service as a law enforcement officer in the Milwaukee Police Department on December 31 of a calendar year shall be entitled to receive \$250 per calendar year in addition to the amount the employee is entitled to receive under section 1.a.(1), above. This additional \$250 shall not be included in the calculation of final average salary for computing an employee's normal service retirement allowance under section 5., below.
 - b. Separation From Active Service During A Calendar Year On Account of Normal Service Retirement

An employee who commences receiving a normal service retirement allowance during the term of this Agreement shall receive an additional \$350 supplemental to the payment provided under subsection 1.a., above, for the calendar year immediately preceding the calendar year in which the employee retired. The employee shall also receive an amount equal to the amount to which he/she is entitled under 1.a., above, for the calendar year in which he/she retired prorated on the basis of active service in the calendar year of his/her retirement.
 - c. An employee who separates from active service on account of voluntary

resignation during a calendar year shall receive the amount set forth at subsection 1.a., above, prorated on the basis of his/her active service while covered by this Agreement during that calendar year, computed to the nearest calendar month.

These additional amounts shall be termed "Variable Shift Assignment Pay (VSAP)."

2. Except for employees who separate from active service during a calendar year on account of normal service retirement or voluntary resignation, employees must be in active service and covered by this Agreement on December 31 of a calendar year in order to be eligible for that calendar year's VSAP payment.
3. Payments made hereunder shall be made as soon as is administratively practicable following the date on which eligibility therefore is established. In the case of an employee who commences receiving a normal service retirement allowance, the supplemental amounts provided in paragraph 1.b. shall be paid after such employee's effective retirement date. Prorated payments made hereunder shall be determined as follows:

An employee covered by this Agreement and in active service for at least 14 days in a calendar month shall be deemed as having been covered by this Agreement and in active service for the full calendar month; in the event the employee is covered by this Agreement and in active service for less than 14 days in a calendar month, then the employee shall be deemed as not having been covered by this Agreement and in active service at all during the calendar month.
4. Except as provided in subsection 5. of this Article, payments made under the provisions of this Article shall not be construed as being part of the employee's base pay and shall not be included in the computation of overtime or any fringe benefits enumerated in this Agreement.
5. An employee in active service who retires from active service on a normal pension shall have his/her Variable Shift Assignment Pay benefits included in final average salary for purposes of computing his/her normal service retirement allowance. For purposes of interpretation and construction of the provisions of this Article:

The VSAP benefit to which the employee is entitled to include in the final average salary computation shall be equal to the VSAP payment the employee received for the calendar year immediately preceding the employee's effective date of retirement up to a maximum of \$1,360, but excluding any amount the employee received under sections 1.a.(2) , above.

6. VSAP payments are compensation for and in recognition of the City's sole and unrestricted right to vary from time to time and without advance notice the starting time of an employee's regularly scheduled eight-hour shift assignment, and/or the day on which such regular shift assignment occurs. VSAP payments are in lieu of any other compensation for the City's retention of this right, including, without limitation, any "Out-of-Shift" pay premium.

The following shall be effective January 1, 2011 through December 31, 2012:

1. VSAP payments shall be included in base biweekly salary except as provided in subsection 2., below, after the payments for calendar year 2010 (paid in 2011) are made, there shall be no VSAP payments.
2. Separation From Active Service During A Calendar Year On Account of Normal Service Retirement
An employee who commences receiving a normal service retirement allowance during the term of this Agreement shall receive a \$350 payment for the calendar year immediately preceding the calendar year in which the employee retired.
3. It is understood that including VSAP payments in the base biweekly salary is in recognition of the City's sole and unrestricted right to vary from time to time and without advance notice the starting time of an employee's regularly scheduled eight-hour shift assignment, and/or the day on which such regular shift assignment occurs. VSAP payments are in lieu of any other compensation for the City's retention of this right, including, without limitation, any "Out-of-Shift" pay premium.

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ARTICLE 50

WAIVER OF FURTHER BARGAINING

1. The parties agree that each has had full and unrestricted right and opportunity to make, advance and discuss all matters within the province of collective bargaining. This Agreement constitutes the full and complete agreement of the parties and there are no others, oral or written, except as herein contained. Each party for the term of this Agreement specifically waives the right to demand or to petition for changes herein, whether or not the subjects were known to the parties at the time of execution hereof as proper subjects of collective bargaining.
2. If any federal or state law now or hereafter enacted results in any portion of this Agreement becoming void, invalid or unenforceable, the balance of the Agreement shall remain in full force and effect and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such portion.

ARTICLE 51

CONTRACT PRINTING

The City shall provide the MPSO with one hundred and fifty (150) copies in booklet form of the successor agreement to the ~~2007-2009~~ City-MPSO labor contract as soon as administratively practicable after the execution of this Agreement. Booklet specifications and production shall be prescribed by the City.

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ARTICLE 52

ASSIGNMENTS MADE CONSISTENT

WITH EMPLOYEE'S MEDICAL CAPABILITIES

1. If an employee is ineligible for the disability benefits provided by the ERS Act, or by Chapter 35 of the Milwaukee City Charter, in accordance with the terms and conditions established thereunder for that purpose and if the employee is ineligible to receive the sick leave or injury pay benefits provided by this Agreement for reasons other than that the benefits have been exhausted, the Chief of Police shall assign the employee to perform duties that have historically been performed by members of the MPSO structured consistent with the employee's medical capabilities within the Police Department.
2. In the event of a dispute over such assignment made by the Chief of Police, the employee shall have the right to grieve and the right to arbitrate under the Contract Enforcement Procedure provisions of this Agreement except that instead of being appealable to an arbitrator the dispute shall be appealable to a panel consisting of the three physicians, one physician to be designated by the MPSO, one physician to be designated by the Chief of Police and the third physician to be selected by agreement of the other two physicians. The panel's jurisdiction shall be limited to deciding the medical appropriateness of the Chief's assignment. Decisions made by the panel on matters which are properly before it shall be by majority action and shall be final and binding on the parties. All other provisions of the Contract Enforcement Procedure shall remain unchanged and in full force and effect.

ARTICLE 53

JOINT LABOR/MANAGEMENT COMMITTEES

1. Effective the month following the execution date of this Agreement, a joint labor/management committee shall be established to discuss the status of the Appendices to the 1997-1998 City/MPSO Agreement. The committee shall consist of one (1) representative designated by the City Labor Negotiator, one (1) representative designated by the Chief of Police and two (2) representatives designated by the MPSO.
2. Effective the month following the execution date of this Agreement, a joint labor/management committee shall be established to discuss the processes related to the administration and payment of parking allowances. The committee shall consist of two (2) representatives designated by the City and two (2) representatives designated by the MPSO.
3. Effective the month following the execution date of this Agreement, a joint labor/management committee shall be established to discuss issues related to providing police protection for a fee for services performed outside of normal departmental operations. The committee shall consist of two (2) representatives designated by the City and two (2) representatives designated by the MPSO.
4. The committees' recommendations, if any, shall be by consensus and shall be made to the City Labor Negotiator. Such recommendations shall be advisory only and shall not be binding on the parties.

ARTICLE 54

DRUG TESTING

The parties agree that the Milwaukee Police Department's Drug Testing Program shall be as set forth in ~~in the Standard Operating Procedure 770 – Drug Testing Program, attached hereto~~ by reference as [Appendix H](#).

Deleted: the Memorandum of Understanding executed by the parties on February 7, 1995, as modified on March 7, 2000

ARTICLE 55

PARKING ALLOWANCE BENEFITS FOR

POLICE ADMINISTRATION BUILDING EMPLOYEES

1. The provisions of this Article shall be applicable only to those employees in pay ranges below that of the Captain of Police pay range as specified by the City of Milwaukee Salary Ordinance, and such employees covered by this Article shall hereinafter be termed "employees".
2. Effective from and after March 1, 1991, practices relating to employee parking at the Police Administration Building shall be discontinued and employees shall no longer be permitted to park private vehicles in the Police Administration Building.
3. Effective March 1, 1991, employees shall be eligible for the Parking Allowance Benefits as defined in Paragraph 4, below.
4. An employee with a regular Departmental assignment that requires him/her to report to a Police Administration Building (PAB) work location at the start of his/her regular work shift as of the 15th day of a calendar month shall be eligible for a Regular Parking Allowance benefit for that calendar month; such an employee shall be termed an "eligible employee." Two or more eligible employees may form a carpool for a calendar month (or months) by indicating this fact on a form prescribed by the Department for this purpose and the carpool members shall in aggregate be eligible for a Special Parking Allowance benefit for the calendar months the carpool remains in effect. The Special Parking Allowance benefit shall be in lieu of the Regular Parking Allowance benefit.
5. The City shall provide the MPSO with a list of City-approved parking facilities and will notify the MPSO of any change that the City may from time to time make in this list at least sixty (60) calendar days prior to the effective date of such change. Eligible employees shall be entitled to receive either a Regular Parking Allowance benefit or a Special Parking Allowance benefit under the terms and conditions hereinafter provided:
 - a. Regular Parking Allowance Benefit

In order to receive a Regular Parking Allowance benefit for a calendar month, an eligible employee must purchase a monthly parking permit for that month from a parking facility on the City-approved list, endorse the permit (or permit stub/receipt deemed acceptable to the Department, whenever the employee must retain the permit in order to receive parking benefits) by indicating his/her signature and payroll number on the portion of his/her monthly parking permit he/she receives from the vendor and submit the endorsed permit (or acceptable permit stub/receipt) to the Police Department Administration no later than the 15th day of the calendar month covered by the monthly permit (i.e., the 15th of April for the month of April). Following the Department's receipt of the endorsed permit (or acceptable permit stub/receipt), the employee shall be entitled to receive the one hundred ~~and twenty~~ dollars (~~\$120~~) monthly Regular Parking Allowance benefit for the month covered by the permit; provided however, if the monthly parking permit purchase price is less than one hundred ~~and twenty~~ dollars (~~\$120~~), the employee shall only be eligible for a Regular Parking Allowance equal to the actual cost of the permit.

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b. Special Parking Allowance Benefit

In order to receive a Special Parking Allowance benefit for a calendar month, two or more eligible employees forming a carpool in accordance with the provisions of paragraph 4, hereof, must purchase one monthly parking permit for that month from a parking facility on the City-approved list. Each employee member of the carpool shall endorse the permit (or permit stub/receipt deemed acceptable to the Department, whenever the employee must retain the permit in order to receive parking benefits) by indicating their signatures and payroll numbers on the portion of the monthly parking permit received from the vendor and submit the endorsed permit (or acceptable permit stub/receipt) to the Police Department Administration no later than the 15th day of the calendar month covered by monthly permit (i.e.,

the 15th of April for the month of April). Following the Department's receipt of the endorsed permit (or acceptable permit stub/receipt), the carpool members shall in aggregate be entitled to receive a single Special Parking Allowance benefit in accordance with the following schedule (only eligible employees may comprise the carpool):

- (1) Two-person carpool -- A total of \$~~120~~, per month;
- (2) Three or more-person carpool -- A total of \$~~140~~, per month.

If the monthly parking permit purchase price for a carpool is less than the amount to which the carpool is entitled under this schedule, the carpool shall only be eligible for a Special Parking Allowance Benefit equal to the actual cost of the monthly permit. Payment of a Special Parking Allowance benefit shall be made to one member of the carpool designated to receive the payment; such designation shall be indicated on the form referenced in paragraph 4 hereof. Carpool members shall determine the method of apportioning the monthly Special Parking Allowance to which they are entitled, in aggregate, to receive; any dispute involving this apportionment is specifically excluded from the Grievance/Arbitration provisions of this Agreement.

Payments provided hereunder shall be made as soon as administratively practicable after the close of the calendar month covered by the permit. Except as provided in subsection 6, below, only approved parking facilities' monthly parking permits that are properly endorsed shall be covered by the benefits provided herein. No employee shall be eligible to receive benefits under both paragraphs 5.a. and 5.b. for the same calendar month.

6. The MPSO recognizes that there are a limited number of parking spaces available at City approved parking facilities; accordingly, monthly parking permits for these spaces will be sold to eligible employees (either individually, or collectively, as one permit for a carpool) on a first-come, first-served basis, subject to their availability. During a calendar month when no monthly parking permit at any City-approved parking facility(ies) is(are)

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available because the vendor(s) has(have) determined that no space is available, the City will honor monthly parking permit receipts from parking facilities not on the City-approved list that are within the geographic area bounded by West Wisconsin Avenue on the south, North 12th Street on the west, West Juneau Avenue on the north and the Milwaukee River on the east. The employee (or each individual employee comprising a carpool) shall endorse the receipt by indicating his/her signature and payroll number on the monthly parking permit receipt and shall submit the endorsed parking permit receipt to the Police Department Administration no later than the 15th day of the calendar month covered by the monthly permit (i.e., the 15th of April for the month of April). Following submission of the parking permit receipt to the Police Department Administration, the employee (or carpool) shall be entitled to receive a monthly parking benefit for the month covered by the parking permit under the same terms and conditions provided in paragraph 5, above.

7. Daily Parking Receipts

During a calendar month when no monthly parking permit is available to an employee under the provisions of either paragraph 5 or 6, hereof, because no space is available, the City will honor daily parking receipts from parking facilities within the geographic area described in paragraph 6, hereof, subject to the employee submitting a form prescribed by the Department to the Police Department Administration within five consecutive calendar days following the close of the calendar month. The form shall contain the following information:

- a. The employee's name, signature, and payroll number (or this information for each individual comprising a carpool);
- b. A listing of each individual daily parking receipt for the calendar month indicating the date and amount arranged in date order with a total amount ("total amount") for the calendar month plainly indicated; and
- c. All of the daily receipts for the calendar month stapled to the back of the form.

Following submission of the prescribed Departmental form to the Police Department Administration, the employee (or carpool) shall be entitled to receive a monthly parking benefit for the calendar month covered by the daily parking receipts equal to the lesser of (1) the "total amount" described in paragraph 7.b., hereof, or (2) the maximum amount provided in paragraphs 5.a. or 5.b., hereof, whichever is applicable. Such benefit shall be in lieu of the monthly parking benefits provided under paragraphs 5 and 6.

8. No employee shall be eligible for the parking benefits provided by the Parking During Court Overtime Appearance paragraph of this Agreement for a calendar month for which he/she receives benefits hereunder.
9. The benefits provided hereunder are intended to be used by an employee only for the purpose of commuting to and from his/her Departmental work location in connection with his/her City employment. The use of a parking permit by an employee for any other purpose during a calendar month shall disqualify the employee from the benefits provided hereunder for that calendar month.
10. Payments made under the provisions of this Article shall not be construed as being part of employees' base pay and shall not be included in the computation of any fringe benefits enumerated in this Agreement. Any payment made under the provisions of this Article shall not have any sum deducted for pension benefits nor shall such payments be included in any computation establishing pension benefits or payments.
11. The City shall be held harmless against any and all claims, actions and lawsuits relating to theft or personal property damage brought against the City by employees using parking facilities pursuant to the parking allowance benefits provided herein. The City shall be held harmless against any and all claims, lawsuits, actions, damages and judgments due to the employee's operation of his or her private vehicle at parking facilities which are subject to the parking allowance benefits provided herein. Nothing herein would operate to relieve the City of any liability it may have arising from its actions or omissions or preclude the employee from pursuing any rights or claims he/she may have under

Wisconsin State Statute 895.46.

12. Notwithstanding the foregoing, during a calendar month the employee members of a carpool are receiving carpool benefits, the City will honor daily parking receipts for that calendar month in accordance with the following schedule:

- a. Two-person carpool - An amount of reimbursement up to ~~\$45~~ which, in aggregate with the carpool benefits received by the employees' carpool, shall not exceed ~~\$120~~.
- b. Three-or-more-person carpool - An amount of reimbursement up to ~~\$65~~ which, in aggregate with the carpool benefits received by the employees' carpool, shall not exceed ~~\$145~~.

Carpool members shall determine the method of apportioning the amounts of reimbursement; any dispute involving this apportionment is specifically excluded from the grievance/arbitration provisions of this Agreement.

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ARTICLE 56

AMERICANS WITH DISABILITIES ACT (ADA)

The parties recognize the obligation of the city to comply with the Americans with Disabilities Act (ADA). Before the City takes any steps, including reasonable accommodation, that may conflict with this Agreement, it will meet with the Union to discuss those steps that may be taken in that individual case. In those discussions, the parties will respect the confidentiality of the disabled person as required by the Act.

ARTICLE 57

ACCRUED TIME OFF DONOR PROGRAM

1. Members of the Union shall be permitted to donate accrued vacation time, time-off in lieu of holidays or compensatory time to a designated Union member, who has exhausted all of his/her accrued time off, including sick leave, because he/she is suffering from a major catastrophic illness or terminal illness, and is unable to work.
2. Donations of time shall be limited to a maximum of 40 hours of accrued time per donor per calendar year and shall be donated in increments of one (1) hour indicated on a "Notification of Intent to Donate Time" form. A separate form must be completed for each employee to whom time is being donated. Employees donating time shall not have any accrued time returned if the employee to whom time is donated does not utilize the entire donation. The City shall take efforts to ensure that loss of donations due to non-utilization are kept to a minimum.
3. An employee requesting donations of accrued time shall submit to the Department of Employee Relations an "Application for Accrued Time Off Donor Program" and a physician's statement certifying that the employee meets the program's medical requirements. The City reserves the right to require the employee to obtain a second opinion from a physician of the employee's choice and at the expense of the employee if not covered by the employee's health insurance provider. The decision of the Department of Employee Relations as to eligibility to receive donated time shall be final. After eligibility has been determined, an employee may not use donated time in excess of 2080 hours per illness.
4. Participation in the Accrued Time Off Donor Program by employees represented by the Union shall be subject to all terms and conditions governing the procedures for administration as developed by the Department of Employee Relations, pursuant to Chapter 350-45 of the Milwaukee Code of Ordinances.
5. This Program shall be effective only so long as a Common Council ordinance establishing

and approving this Accrued Time Off Donor Program is in effect, and so long as the parties agree to continue this program.

6. Disputes arising from the administration of this benefit are not subject to the grievance procedures of this Agreement.

ARTICLE 58

CERTIFICATION PAY

1. An employee deemed certified as being qualified to be a law enforcement officer in the State of Wisconsin by the Law Enforcement Standards Board (LESB) as of the close of a calendar year shall be entitled to receive a \$600 payment termed "Certification Pay." Certification Pay payments shall be made as soon as is administratively practicable following the close of the calendar year in which eligibility therefore has been established. Once LESB certification has been established during a calendar year, an employee must maintain that certification for the balance of such calendar year in order to receive Certification Pay benefits for that calendar year. Effective January 1, 2011, Certification Pay shall be added to base biweekly salary. After the payments for calendar year 2010 (paid in 2011) are made, there shall be no Certification Pay payments.
2. An employee retiring on normal pension, or resigning voluntarily from the Police Department, and who was LESB-certified at the time of such retirement or resignation shall be entitled to the benefits provided by subsection 1 of this Article, above, prorated on the basis of his/her active service in the calendar year he/she retired, computed to the nearest calendar month. For purposes of prorating, an employee on the Police Department payroll for at least 14 days in a calendar month shall be deemed as having been on the payroll for the full calendar month; in the event the employee is on the Police Department payroll less than 14 days in a calendar month, then the employee shall be deemed as not having been on the payroll at all during the calendar month. For purposes of determining eligibility for the benefits provided in subsection 1, above, years of service shall be computed as of the effective date of the employee's normal retirement or voluntary resignation. Payments earned hereunder shall be made as soon as is administratively practicable after the employee's retirement or voluntary resignation.
3. Except as provided in subsection 4 of this Article, below, payments made under the provisions of this Article shall not be included in the determination of overtime

compensation or any other fringe benefits.

4. Employees who retire from active service on a service retirement shall have their Certification Pay benefits included in final average salary for purposes of computing their service retirement allowances. For purposes of interpretation and construction of the provisions of this Article, the Certification Pay benefit the employee is entitled to include in the Final Average Salary computation shall be an amount equal to the Certification Pay payment the employee received for December 31 of the calendar year immediately preceding the employee's effective date of retirement.
5. An employee on a military leave of absence for performance of duty as a member of the State of Wisconsin National Guard or a reserve component of the Armed Forces of the United States shall be eligible for Certification Pay benefits for a calendar year prorated on the basis of the employee's active service with the Department in that calendar year subject to the following:
 - a. The military leave is a result of being called to, or volunteering for, active duty under the authority granted to the President of the United States or the Congress of the United States for a period of more than 30 calendar days;
 - b. Prorated Certification Pay shall be calculated as of the effective date the employee separated from active service with the Department and began his/her unpaid military leave of absence.
 - c. For purposes of prorating Certification Pay benefits, an employee on the Police Department payroll for at least 14 days in a calendar month shall be deemed as having been on the payroll for the full calendar month; in the event the employee is on the Police Department payroll less than 14 days in a calendar month, then the employee shall be deemed as not having been on the payroll at all during the calendar month.

ARTICLE 59

PROMOTIONAL PROGRAM

1. RECOGNITION

The parties recognize that in order to establish and maintain public trust in the professional management and supervision of the Milwaukee Police Department, an open and transparent promotional process is necessary.

2. POSTING OF EXAMINATIONS

Effective December 17, 2008, not less than sixty (60) days prior to the commencement of an examination process, a department-wide posting shall be distributed by the Milwaukee Fire and Police Commission (FPC). Each posting shall include:

- a. The place, time, and date on which the first component shall be administered.
- b. The due-date by which all candidate applications must be submitted to the FPC. Due-dates may be no less than twenty-one (21) calendar days following the date of the posting.
- c. The specific weight given to each component of a test.

3. PROMOTIONAL INFORMATION

- a. Effective January 7, 2008, the Chief of Police, upon request, shall provide an unsuccessful applicant for promotion with oral feedback explaining why the applicant has not been promoted and what must be done to improve his/her promotional opportunities, along with how the applicant performed on tests which measure certain skill sets.
- b. Effective January 1, 2004, the Chief of Police, upon request, shall provide an unsuccessful applicant with written copies of all comments made by assessors/evaluators and/or consultants provided only for the time period of January 1, 2004, through December 17, 2008, all identifying information relating to the identities of the assessors/evaluators and/or consultants is redacted so that their identities remain confidential. Thereafter, the documentation provided

pursuant to the foregoing sentence shall also include the name of the assessor/evaluator and/or consultant. The Chief of Police may provide an unsuccessful applicant with any non-proprietary testing materials which the Chief of Police, in his/her sole discretion, determines should be provided.

- c. Effective January 1, 2004, the Chief of Police, upon request, shall provide all applicants with their final exam scores, along with a breakdown of those scores showing the separate scores for each part of a test including, but not limited to, the written examination, the oral interview, and the in basket exercise which are graded.
- d. Effective January 1, 2004, the Chief of Police, upon the request of an individual applicant, shall provide that applicant with copies of all materials the Chief of Police has submitted to the FPC regarding that applicant. Effective December 17, 2008, all applicants have the right to personally appear and speak before the FPC when that person's application for promotion is discussed.

Dated at Milwaukee, Wisconsin this _____ day of _____, 2011.
(Four (4) copies of this instrument are being executed all with the same force and effect as though each were an original).

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FOR THE MPSO:

BY:

Alan R. Johnson, President

Maria Monteagudo
Director of Employee Relations

Michael A. Edwards, Vice President

Troy M. Hamblin
Labor Negotiator

Nicole M. Fleck
Labor Relations Officer

Deleted: Joseph Alvarado

Joseph M. Seitz, Treasurer

FOR THE CITY:

Nicholas B. Kerhin, Secretary

Tom Barrett, Mayor

Scott D. Charles, Director

Ronald D. Leonhardt, City Clerk

Carmelo J. Patti, Director

W. Martin Morics, Comptroller

Thomas P. Klusman, Labor Relations Manager

Willie L. Hines, Jr., Alderman
Common Council President

Michael J. Murphy, Alderman
Chairman, Finance & Personnel Committee

SIGNATURES

10-11 LC
labr/mpso

APPENDIX A

RATES OF PAY
FOR EMPLOYEES COVERED BY THE ~~2010-2012~~
AGREEMENT BETWEEN THE CITY OF MILWAUKEE AND
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
FOR THE TIME PERIOD
COMMENCING JANUARY 1, ~~2010~~ AND ENDING DECEMBER 31, ~~2012~~
(FOR INFORMATIONAL PURPOSES ONLY)

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EFFECTIVE PAY PERIOD 1, 2010(DECEMBER 27,2009)

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Pay Range 831

<u>Biweekly Rate</u>	2,245.88	2,334.36	2,426.43	2,522.15	2,621.67	2,725.25
<u>Monthly Rate</u>	4,879.44	5,071.68	5,271.71	5,479.67	5,695.89	5,920.93
<u>Annual Rate</u>	58,553.30	60,860.10	63,260.50	65,756.05	68,350.68	71,051.16

Police Sergeant 1/

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Rate 2,108.12 . 2,191.31 . 2,277.89 . 2,367.89 . 2,461.47 . 2,558.87¶
Monthly
Rate 4,580.14 . 4,760.88 . 4,948.99 . 5,144.52 . 5,347.84 . 5,559.45¶
Annual
Rate 54,961.70 . 57,130.58 . 59,387.85 . 61,734.27 . 64,174.04 . 66,713.39¶

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Pay Range 835

<u>Biweekly Rate</u>	2,522.15	2,621.67	2,725.25	2,832.89	2,944.88	3,061.18
<u>Monthly Rate</u>	5,479.67	5,695.89	5,920.93	6,154.79	6,398.10	6,650.78
<u>Annual Rate</u>	65,756.05	68,350.68	71,051.16	73,857.49	76,777.23	79,809.33

Police Identification Supervisor

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Rate 2,367.89 . 2,461.47 . 2,558.87 . 2,660.09 . 2,765.39 . 2,874.75¶
Monthly
Rate 5,144.52 . 5,347.84 . 5,559.45 . 5,793.36 . 6,008.14 . 6,245.74¶
Annual Rate ¶
. 61,734.27 . 64,174.04 . 66,713.39 . 69,352.34 . 72,097.67 . 74,948.84¶

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Pay Range 836

<u>Biweekly Rate</u>	2,621.67	2,725.25	2,832.89	2,944.88	3,061.18	3,182.30
<u>Monthly Rate</u>	5,695.89	5,920.93	6,154.79	6,398.10	6,650.78	6,913.93
<u>Annual Rate</u>	68,350.68	71,051.16	73,857.49	76,777.23	79,809.33	82,967.11

Communications Maintenance Manager (effective Pay Period 2, 2007, this position is reclassified to Communications Systems Manager in Pay Range 839)
Lieutenant of Detectives 1/
Lieutenant of Police 1/
Police Health & Safety Coordinator 1/

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Rate 2,461.47 . 2,558.87 . 2,660.09 . 2,765.39 . 2,874.75 . 2,988.64¶
Monthly
Rate 5,347.84 . 5,559.45 . 5,779.36 . 6,008.14 . 6,245.74 . 6,493.18¶
Annual Rate¶
. 64,174.04 . 66,713.39 . 69,352.34 . 72,097.67 . 74,948.84 . 77,918.11¶

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Pay Range 839

<u>Biweekly Rate</u>	2,944.88	3,061.18	3,182.30	3,308.21	3,439.23	3,575.41
<u>Monthly Rate</u>	6,398.10	6,650.78	6,913.93	7,187.48	7,472.14	7,768.00
<u>Annual Rate</u>	76,777.23	79,809.33	82,967.11	86,249.76	89,665.64	93,216.04

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Rate 2,765.39 . 2,874.75 . 2,988.64 . 3,107.03 . 3,230.24 . 3,358.29¶
Monthly
Rate 6,008.14 . 6,245.74 . 6,493.18 . 6,750.39 . 7,018.08 . 7,296.29¶
Annual Rate¶
. 72,097.67 . 74,948.84 . 77,918.11 . 81,004.71 . 84,216.97 . 87,555.42¶

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Captain of Police 1/
 Communications Systems Manager

Pay Range 842

<u>Biweekly Rate</u>	<u>3,308.21</u>	<u>3,439.23</u>	<u>3,575.41</u>	<u>3,717.09</u>	<u>3,864.42</u>	<u>4,017.63</u>
<u>Monthly Rate</u>	<u>7,187.48</u>	<u>7,472.14</u>	<u>7,768.00</u>	<u>8,075.82</u>	<u>8,395.91</u>	<u>8,728.78</u>
<u>Annual Rate</u>	<u>86,249.76</u>	<u>89,665.64</u>	<u>93,216.04</u>	<u>96,909.84</u>	<u>100,750.95</u>	<u>104,745.35</u>

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 Rate 3,107.03 . 3,230.24 . 3,358.29 . 3,491.52 . 3,630.04 . 3,774.10¶
 Monthly
 Rate 6,750.39 . 7,018.08 . 7,296.29 . 7,585.74 . 7,886.69 . 8,199.68¶
 Annual
 Rate 81,004.71 . 84,216.97 . 87,555.42 . 91,028.91 . 94,640.33 . 98,396.18¶

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Deputy Inspector of Police 1/

1/ Recruitment to be at fourth step.

EFFECTIVE PAY PERIOD 1, 2011 (DECEMBER 26, 2010)

Pay Range 831

<u>Biweekly Rate</u>	2,348.19	2,436.67	2,528.74	2,624.46	2,723.98	2,827.56
<u>Monthly Rate</u>	5,101.72	5,293.96	5,493.99	5,701.95	5,918.17	6,143.21
<u>Annual Rate</u>	61,220.67	63,527.47	65,927.86	68,423.42	71,018.05	73,718.53

Police Sergeant 1/

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Rate 2,176.63 . 2,262.53 . 2,351.92 . 2,448.85 . 2,541.47 . 2,642.03
Monthly
Rate 4,728.99 . 4,915.62 . 5,109.83 . 5,311.73 . 5,521.65 . 5,740.12
Annual
Rate 56,747.85 . 58,987.39 . 61,317.91 . 63,740.73 . 66,259.75 . 68,881.49

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Pay Range 835

<u>Biweekly Rate</u>	2,577.92	2,677.44	2,781.02	2,888.66	3,000.65	3,116.95
<u>Monthly Rate</u>	5,600.84	5,817.06	6,042.10	6,275.96	6,519.27	6,771.95
<u>Annual Rate</u>	67,210.06	69,804.68	72,505.16	75,311.49	78,231.23	81,263.34

Police Identification Supervisor

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Rate 2,444.85 . 2,541.47 . 2,642.03 . 2,746.54 . 2,855.27 . 2,968.18
Monthly
Rate 5,311.73 . 5,521.65 . 5,740.12 . 5,967.19 . 6,203.41 . 6,448.72
Annual
Rate 63,740.73 . 66,259.75 . 68,881.49 . 71,606.22 . 74,440.97 . 77,384.69

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Pay Range 836

<u>Biweekly Rate</u>	2,677.44	2,781.02	2,888.66	3,000.65	3,116.95	3,238.07
<u>Monthly Rate</u>	5,817.06	6,042.10	6,275.96	6,519.27	6,771.95	7,035.09
<u>Annual Rate</u>	69,804.68	72,505.16	75,311.49	78,231.23	81,263.34	84,421.11

Lieutenant of Detectives 1/
Lieutenant of Police 1/
Police Health & Safety Coordinator 1/

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Rate 2,541.47 . 2,642.03 . 2,746.54 . 2,855.27 . 2,968.18 . 3,085.77
Monthly
Rate 5,521.65 . 5,740.12 . 5,967.19 . 6,203.41 . 6,448.72 . 6,704.20
Annual
Rate 66,259.75 . 68,881.49 . 71,606.22 . 74,440.97 . 77,384.69 . 80,450.43

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Pay Range 839

<u>Biweekly Rate</u>	3,000.65	3,116.95	3,238.07	3,363.98	3,495.00	3,631.18
<u>Monthly Rate</u>	6,519.27	6,771.95	7,035.09	7,308.65	7,593.30	7,889.17
<u>Annual Rate</u>	78,231.23	81,263.34	84,421.11	87,663.80	91,119.60	94,668.06

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Rate 2,855.27 . 2,968.18 . 3,085.77 . 3,208.01 . 3,335.22 . 3,467.43
Monthly
Rate 6,203.41 . 6,448.72 . 6,704.20 . 6,978.78 . 7,246.16 . 7,533.40
Annual Rate
74,440.97 . 77,384.69 . 80,450.43 . 83,637.40 . 86,953.95 . 90,400.85

| 78,231.23 81,263.34 84,421.11 87,703.76 91,119.64 94,670.05

Captain of Police 1/
 Communication Systems Manager

Pay Range 842

<u>Biweekly Rate</u>	<u>3,363.98</u>	<u>3,495.00</u>	<u>3,631.18</u>	<u>3,772.86</u>	<u>3,920.19</u>	<u>4,073.40</u>
<u>Monthly Rate</u>	<u>7,308.65</u>	<u>7,593.30</u>	<u>7,889.17</u>	<u>8,196.99</u>	<u>8,517.08</u>	<u>8,849.95</u>
<u>Annual Rate</u>	<u>87,703.76</u>	<u>91,119.64</u>	<u>94,670.05</u>	<u>98,363.85</u>	<u>102,204.95</u>	<u>106,199.35</u>

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 Rate 3,208.01 . 3,335.22 . 3,467.43 . 3,604.99 . 3,748.02 . 3,896.76¶
 Monthly
 Rate 6,969.78 . 7,246.16 . 7,533.40 . 7,832.27 . 8,143.02 . 8,466.18¶
 Annual Rate¶
 . 83,637.40 . 86,953.95 . 90,400.85 . 93,987.24 . 97,716.23 . 101,594.10

Deputy Inspector of Police 1/

1/ Recruitment to be at fourth step.

EFFECTIVE PAY PERIOD 1, 2012 (December 25, 2011)

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Pay Range 831

<u>Biweekly Rate</u>	2,430.38	2,521.95	2,617.25	2,716.32	2,819.32	2,926.52
<u>Monthly Rate</u>	5,280.29	5,479.24	5,686.29	5,901.53	6,125.31	6,358.21
<u>Annual Rate</u>	63,363.48	65,750.84	68,235.44	70,818.34	73,503.70	76,298.56

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Rate 2,245.88 . 2,334.36 . 2,426.43 . 2,522.15 . 2,621.67 . 2,725.25¶
Monthly
Rate 4,879.44 . 5,071.68 . 5,271.71 . 5,479.67 . 5,695.89 . 5,920.93¶
Annual
Rate 58,553.30 . 60,860.10 . 63,260.50 . 65,756.05 . 68,350.68 . 71,051.16¶

<u>Associate's Degree or 64 Credits</u>						
<u>Biweekly Rate</u>	2,446.25	2,537.83	2,633.12	2,732.19	2,835.20	2,942.40
<u>Monthly Rate</u>	5,314.77	5,513.74	5,720.77	5,936.01	6,159.81	6,392.71
<u>Annual Rate</u>	63,777.23	66,164.85	68,649.20	71,232.09	73,917.71	76,712.57

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<u>Bachelor's Degree</u>						
<u>Biweekly Rate</u>	2,466.10	2,557.68	2,652.97	2,752.04	2,855.05	2,962.25
<u>Monthly Rate</u>	5,357.90	5,556.86	5,763.89	5,979.13	6,202.94	6,435.84
<u>Annual Rate</u>	64,294.75	66,682.37	69,166.72	71,749.61	74,435.23	77,230.09

<u>Master's Degree or Higher</u>						
<u>Biweekly Rate</u>	2,474.04	2,565.62	2,660.91	2,759.98	2,862.99	2,970.19
<u>Monthly Rate</u>	5,375.15	5,574.12	5,781.14	5,996.39	6,220.19	6,453.09
<u>Annual Rate</u>	64,501.76	66,889.38	69,373.72	71,956.62	74,642.24	77,437.09

Police Sergeant 1/

Pay Range 835

<u>Biweekly Rate</u>	2,629.48	2,730.99	2,836.64	2,946.43	3,060.66	3,179.29
<u>Monthly Rate</u>	5,712.86	5,933.40	6,162.94	6,401.47	6,649.65	6,907.39
<u>Annual Rate</u>	68,554.30	71,200.81	73,955.26	76,817.64	79,795.78	82,888.63

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Rate 2,522.15 . 2,621.67 . 2,725.25 . 2,832.89 . 2,944.88 . 3,061.18¶
Monthly
Rate 5,479.67 . 5,695.89 . 5,920.93 . 6,154.79 . 6,398.10 . 6,650.78¶
Annual
Rate 65,756.05 . 68,350.68 . 71,051.16 . 73,857.49 . 76,777.23 . 79,809.33¶

<u>Associate's Degree or 64 Credits</u>						
<u>Biweekly Rate</u>	2,645.13	2,746.64	2,852.29	2,962.08	3,076.31	3,194.94
<u>Monthly Rate</u>	5,746.86	5,967.40	6,196.64	6,435.47	6,683.65	6,941.39
<u>Annual Rate</u>						

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<u>68,962.32</u>	<u>71,608.83</u>	<u>74,363.27</u>	<u>77,225.66</u>	<u>80,203.79</u>	<u>83,296.65</u>
<u>Bachelor's Degree</u>					
<u>Biweekly Rate</u>	<u>2,664.69</u>	<u>2,766.20</u>	<u>2,871.85</u>	<u>2,981.64</u>	<u>3,095.87</u>
<u>Monthly Rate</u>	<u>5,789.36</u>	<u>6,009.90</u>	<u>6,239.44</u>	<u>6,477.97</u>	<u>6,726.15</u>
<u>Annual Rate</u>	<u>69,472.27</u>	<u>72,118.78</u>	<u>74,873.23</u>	<u>77,735.61</u>	<u>80,713.75</u>
<u>Master's Degree or Higher</u>					
<u>Biweekly Rate</u>	<u>2,672.51</u>	<u>2,774.02</u>	<u>2,879.67</u>	<u>2,989.47</u>	<u>3,103.70</u>
<u>Monthly Rate</u>	<u>5,806.35</u>	<u>6,026.89</u>	<u>6,256.43</u>	<u>6,494.98</u>	<u>6,743.16</u>
<u>Annual Rate</u>	<u>69,676.15</u>	<u>72,322.66</u>	<u>75,077.11</u>	<u>77,939.75</u>	<u>80,917.89</u>

Police Identification Supervisor

Pay Range 836

<u>Biweekly Rate</u>	<u>2,730.99</u>	<u>2,836.64</u>	<u>2,946.43</u>	<u>3,060.66</u>	<u>3,179.29</u>	<u>3,302.83</u>
<u>Monthly Rate</u>	<u>5,933.40</u>	<u>6,162.94</u>	<u>6,401.47</u>	<u>6,649.65</u>	<u>6,907.39</u>	<u>7,175.79</u>
<u>Annual Rate</u>	<u>71,200.81</u>	<u>73,955.26</u>	<u>76,817.64</u>	<u>79,795.78</u>	<u>82,888.63</u>	<u>86,109.49</u>
<u>Associate's Degree or 64 Credits</u>						
<u>Biweekly Rate</u>	<u>2,746.64</u>	<u>2,852.29</u>	<u>2,962.08</u>	<u>3,076.31</u>	<u>3,194.94</u>	<u>3,318.48</u>
<u>Monthly Rate</u>	<u>5,967.40</u>	<u>6,196.94</u>	<u>6,435.47</u>	<u>6,683.65</u>	<u>6,941.39</u>	<u>7,209.79</u>
<u>Annual Rate</u>	<u>71,608.83</u>	<u>74,363.27</u>	<u>77,225.66</u>	<u>80,203.79</u>	<u>83,296.65</u>	<u>86,517.51</u>
<u>Bachelor's Degree</u>						
<u>Biweekly Rate</u>	<u>2,766.20</u>	<u>2,871.85</u>	<u>2,981.64</u>	<u>3,095.87</u>	<u>3,214.50</u>	<u>3,338.04</u>
<u>Monthly Rate</u>	<u>6,009.90</u>	<u>6,239.44</u>	<u>6,477.97</u>	<u>6,726.15</u>	<u>6,983.88</u>	<u>7,252.29</u>
<u>Annual Rate</u>	<u>72,118.78</u>	<u>74,873.23</u>	<u>77,735.61</u>	<u>80,713.75</u>	<u>83,806.61</u>	<u>87,027.47</u>
<u>Master's Degree or Higher</u>						
<u>Biweekly Rate</u>	<u>2,774.02</u>	<u>2,879.67</u>	<u>2,989.47</u>	<u>3,103.70</u>	<u>3,222.32</u>	<u>3,345.87</u>
<u>Monthly Rate</u>	<u>6,026.89</u>	<u>6,256.43</u>	<u>6,494.98</u>	<u>6,743.16</u>	<u>7,000.87</u>	<u>7,269.30</u>
<u>Annual Rate</u>	<u>72,322.66</u>	<u>75,077.11</u>	<u>77,939.75</u>	<u>80,917.89</u>	<u>84,010.48</u>	<u>87,231.61</u>

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Monthly Rate . 5,695.89 . 5,920.93 . 6,154.79 . 6,398.10 . 6,650.78 . 6,913.93
Annual Rate . 68,350.68 . 71,051.16 . 73,857.49 . 76,777.23 . 79,809.33 . 82,967.11

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Lieutenant of Detectives 1/
 Lieutenant of Police 1/
 Police Health & Safety Coordinator 1/

Pay Range 839

<u>Biweekly Rate</u>	3,060.66	3,179.29	3,302.83	3,431.26	3,564.90	3,703.80
<u>Monthly Rate</u>	6,649.65	6,907.39	7,175.79	7,454.82	7,745.17	8,046.95
<u>Annual Rate</u>	79,795.78	82,888.63	86,109.49	89,457.85	92,942.03	96,563.36

Associate's Degree or 64 Credits

<u>Biweekly Rate</u>	3,076.31	3,194.94	3,318.48	3,446.91	3,580.55	3,719.45
<u>Monthly Rate</u>	6,683.65	6,941.39	7,209.79	7,488.82	7,779.17	8,080.95
<u>Annual Rate</u>	80,203.79	83,296.65	86,517.51	89,865.87	93,350.05	96,971.37

Bachelor's Degree

<u>Biweekly Rate</u>	3,095.87	3,214.50	3,338.04	3,466.47	3,600.11	3,739.01
<u>Monthly Rate</u>	6,726.15	6,983.88	7,252.29	7,531.32	7,821.67	8,123.44
<u>Annual Rate</u>	80,713.75	83,806.61	87,027.47	90,375.82	93,860.01	97,481.33

Master's Degree or Higher

<u>Biweekly Rate</u>	3,103.70	3,222.32	3,345.87	3,474.29	3,607.93	3,746.84
<u>Monthly Rate</u>	6,743.16	7,000.87	7,269.30	7,548.31	7,838.66	8,140.46
<u>Annual Rate</u>	80,917.89	84,010.48	87,231.61	90,579.70	94,063.89	97,685.47

Captain of Police 1/
 Communications Systems Manager

Pay Range 842

<u>Biweekly Rate</u>	3,431.26	3,564.90	3,703.80	3,848.32	3,998.59	4,154.87
<u>Monthly Rate</u>	7,454.82	7,745.17	8,046.95	8,360.93	8,687.41	9,026.95
<u>Annual Rate</u>	89,457.85	92,942.03	96,563.36	100,331.20	104,248.95	108,323.39

Associate's Degree or 64 Credits

Biweekly Rate

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 Rate 2,944.88 . 3,061.18 . 3,182.30 . 3,308.21 . 3,439.23 . 3,575.41
 Monthly
 Rate 6,398.10 . 6,650.78 . 6,913.93 . 7,187.48 . 7,472.14 . 7,768.00
 Annual Rate
 76,777.23 . 79,809.33 . 82,967.11 . 86,249.76 . 89,665.64 . 93,216.04

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 Rate 3,308.21 . 3,439.23 . 3,575.41 . 3,717.09 . 3,864.42 . 4,017.62
 Monthly
 Rate 7,187.48 . 7,472.14 . 7,768.00 . 8,075.82 . 8,395.91 . 8,728.76
 Annual
 Rate 86,249.76 . 89,665.64 . 93,216.04 . 96,909.84 . 100,750.95 . 104,745.09

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<u>3,446.91</u>	<u>3,580.55</u>	<u>3,719.45</u>	<u>3,863.96</u>	<u>4,014.24</u>	<u>4,170.51</u>
<u>Monthly Rate</u>					
<u>7,488.82</u>	<u>7,779.17</u>	<u>8,080.95</u>	<u>8,394.91</u>	<u>8,721.41</u>	<u>9,060.93</u>
<u>Annual Rate</u>					
<u>89,865.87</u>	<u>93,350.05</u>	<u>96,971.37</u>	<u>100,738.95</u>	<u>104,656.97</u>	<u>108,731.15</u>

Bachelor's Degree

<u>3,466.47</u>	<u>3,600.11</u>	<u>3,739.01</u>	<u>3,883.53</u>	<u>4,033.80</u>	<u>4,190.08</u>
<u>Monthly Rate</u>					
<u>7,531.32</u>	<u>7,821.67</u>	<u>8,123.44</u>	<u>8,437.43</u>	<u>8,763.91</u>	<u>9,103.45</u>
<u>Annual Rate</u>					
<u>90,375.82</u>	<u>93,860.01</u>	<u>97,481.33</u>	<u>101,249.17</u>	<u>105,166.93</u>	<u>109,241.37</u>

Master's Degree or Higher

<u>3,474.29</u>	<u>3,607.93</u>	<u>3,746.84</u>	<u>3,891.35</u>	<u>4,041.63</u>	<u>4,197.90</u>
<u>Monthly Rate</u>					
<u>7,548.31</u>	<u>7,838.66</u>	<u>8,140.46</u>	<u>8,454.42</u>	<u>8,780.92</u>	<u>9,120.44</u>
<u>Annual Rate</u>					
<u>90,579.70</u>	<u>94,063.89</u>	<u>97,685.47</u>	<u>101,453.05</u>	<u>105,371.07</u>	<u>109,445.25</u>

Deputy Inspector of Police 1/

1/ Recruitment to be at fourth step.

EFFECTIVE PAY PERIOD 14, 2012 (June 24, 2012)

Pay Range 831

<u>2,460.76</u>	<u>2,553.47</u>	<u>2,649.97</u>	<u>2,750.27</u>	<u>2,854.56</u>	<u>2,963.10</u>
<u>Monthly Rate</u>					
<u>5,346.29</u>	<u>5,547.72</u>	<u>5,757.38</u>	<u>5,975.29</u>	<u>6,201.87</u>	<u>6,437.69</u>
<u>Annual Rate</u>					
<u>64,155.53</u>	<u>66,572.61</u>	<u>69,088.50</u>	<u>71,703.47</u>	<u>74,422.46</u>	<u>77,252.25</u>

Associate's Degree or 64 Credits

<u>2,476.83</u>	<u>2,569.55</u>	<u>2,666.03</u>	<u>2,766.34</u>	<u>2,870.64</u>	<u>2,979.18</u>
<u>Monthly Rate</u>					
<u>5,381.21</u>	<u>5,582.65</u>	<u>5,792.27</u>	<u>6,010.20</u>	<u>6,236.81</u>	<u>6,472.62</u>
<u>Annual Rate</u>					
<u>64,574.50</u>	<u>66,991.84</u>	<u>69,507.21</u>	<u>72,122.43</u>	<u>74,841.68</u>	<u>77,671.48</u>

Bachelor's Degree

<u>2,496.93</u>	<u>2,589.65</u>	<u>2,686.13</u>	<u>2,786.44</u>	<u>2,890.74</u>	<u>2,999.28</u>
<u>Monthly Rate</u>					
<u>5,424.88</u>	<u>5,626.32</u>	<u>5,835.94</u>	<u>6,053.87</u>	<u>6,280.48</u>	<u>6,516.29</u>

<u>Annual Rate</u>	65,098.53	67,515.87	70,031.24	72,646.47	75,365.72	78,195.51
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Master's Degree or Higher

<u>Biweekly Rate</u>	2,504.97	2,597.69	2,694.17	2,794.48	2,898.78	3,007.32
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<u>Monthly Rate</u>	5,442.35	5,643.79	5,853.41	6,071.34	6,297.94	6,533.76
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<u>Annual Rate</u>	65,308.14	67,725.49	70,240.86	72,856.08	75,575.33	78,405.13
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Police Sergeant 1/

Pay Range 835

<u>Biweekly Rate</u>	2,655.77	2,758.30	2,865.01	2,975.89	3,091.27	3,211.08
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<u>Monthly Rate</u>	5,769.98	5,992.74	6,224.58	6,465.48	6,716.15	6,976.45
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<u>Annual Rate</u>	69,239.72	71,912.82	74,694.90	77,585.70	80,593.82	83,717.44
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Associate's Degree or 64 Credits

<u>Biweekly Rate</u>	2,671.58	2,774.11	2,880.81	2,991.70	3,107.07	3,226.89
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<u>Monthly Rate</u>	5,804.33	6,027.08	6,258.90	6,499.82	6,750.48	7,010.80
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<u>Annual Rate</u>	69,651.91	72,325.01	75,106.83	77,997.89	81,005.75	84,129.63
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Bachelor's Degree

<u>Biweekly Rate</u>	2,691.34	2,793.86	2,900.57	3,011.46	3,126.83	3,246.65
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<u>Monthly Rate</u>	5,847.26	6,069.99	6,301.83	6,542.76	6,793.41	7,053.73
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<u>Annual Rate</u>	70,167.08	72,839.92	75,622.00	78,513.06	81,520.92	84,644.80
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Master's Degree or Higher

<u>Biweekly Rate</u>	2,699.24	2,801.76	2,908.47	3,019.36	3,134.74	3,254.54
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<u>Monthly Rate</u>	5,864.42	6,087.16	6,319.00	6,559.92	6,810.60	7,070.88
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<u>Annual Rate</u>	70,373.04	73,045.88	75,827.97	78,719.03	81,727.15	84,850.51
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Police Identification Supervisor

Pay Range 836

<u>Biweekly Rate</u>	2,758.30	2,865.01	2,975.89	3,091.27	3,211.08	3,335.86
<u>Monthly Rate</u>	5,992.74	6,224.58	6,465.48	6,716.15	6,976.45	7,247.55
<u>Annual Rate</u>	71,912.82	74,694.90	77,585.70	80,593.82	83,717.44	86,970.63

Associate's Degree or 64 Credits

<u>Biweekly Rate</u>	2,774.11	2,880.81	2,991.70	3,107.07	3,226.89	3,351.66
<u>Monthly Rate</u>	6,027.08	6,258.90	6,499.82	6,750.48	7,010.80	7,281.88
<u>Annual Rate</u>	72,325.01	75,106.83	77,997.89	81,005.75	84,129.63	87,382.56

Bachelor's Degree

<u>Biweekly Rate</u>	2,793.86	2,900.57	3,011.46	3,126.83	3,246.65	3,371.42
<u>Monthly Rate</u>	6,069.99	6,301.83	6,542.76	6,793.41	7,053.73	7,324.81
<u>Annual Rate</u>	72,839.92	75,622.00	78,513.06	81,520.92	84,644.80	87,897.73

Master's Degree or Higher

<u>Biweekly Rate</u>	2,801.76	2,908.47	3,019.36	3,134.74	3,254.54	3,379.33
<u>Monthly Rate</u>	6,087.16	6,319.00	6,559.92	6,810.60	7,070.88	7,342.00
<u>Annual Rate</u>	73,045.88	75,827.97	78,719.03	81,727.15	84,850.51	88,103.96

Lieutenant of Detectives I/
Lieutenant of Police I/
Police Health & Safety Coordinator I/

Pay Range 839

<u>Biweekly Rate</u>	3,091.27	3,211.08	3,335.86	3,465.57	3,600.55	3,740.84
<u>Monthly Rate</u>	6,716.15	6,976.45	7,247.55	7,529.36	7,822.62	8,127.42
<u>Annual Rate</u>	80,593.82	83,717.44	86,970.63	90,352.36	93,871.48	97,529.04

Associate's Degree or 64 Credits

<u>Biweekly Rate</u>	3,107.07	3,226.89	3,351.66	3,481.38	3,616.36	3,756.64
<u>Monthly Rate</u>	6,750.48	7,010.80	7,281.88	7,563.71	7,856.97	8,161.75
<u>Annual Rate</u>	81,005.75	84,129.63	87,382.56	90,764.55	94,283.67	97,940.97

Bachelor's Degree

<u>Biweekly Rate</u>					
3,126.83	3,246.65	3,371.42	3,501.13	3,636.11	3,776.40
<u>Monthly Rate</u>					
6,793.41	7,053.73	7,324.81	7,606.62	7,899.88	8,204.68
<u>Annual Rate</u>					
81,520.92	84,644.80	87,897.73	91,279.46	94,798.58	98,456.14

Master's Degree or Higher

<u>Biweekly Rate</u>					
3,134.74	3,254.54	3,379.33	3,509.03	3,644.01	3,784.31
<u>Monthly Rate</u>					
6,810.60	7,070.88	7,342.00	7,623.79	7,917.05	8,221.86
<u>Annual Rate</u>					
81,727.15	84,850.51	88,103.96	91,485.42	95,004.54	98,662.37

Captain of Police 1/
Communications Systems Manager

Pay Range 842

<u>Biweekly Rate</u>					
3,465.57	3,600.55	3,740.84	3,886.80	4,038.58	4,196.42
<u>Monthly Rate</u>					
7,529.36	7,822.62	8,127.42	8,444.54	8,774.30	9,117.22
<u>Annual Rate</u>					
90,352.36	93,871.48	97,529.04	101,334.43	105,291.55	109,466.66

Associate's Degree or 64 Credits

<u>Biweekly Rate</u>					
3,481.38	3,616.36	3,756.64	3,902.60	4,054.38	4,212.22
<u>Monthly Rate</u>					
7,563.71	7,856.97	8,161.75	8,478.86	8,808.62	9,151.55
<u>Annual Rate</u>					
90,764.55	94,283.67	97,940.97	101,746.35	105,703.48	109,818.59

Bachelor's Degree

<u>Biweekly Rate</u>					
3,501.13	3,636.11	3,776.40	3,922.37	4,074.14	4,231.98
<u>Monthly Rate</u>					
7,606.62	7,899.88	8,204.68	8,521.82	8,851.55	9,194.48
<u>Annual Rate</u>					
91,279.46	94,798.58	98,456.14	102,261.79	106,218.65	110,333.76

Master's Degree or Higher

<u>Biweekly Rate</u>					
3,509.03	3,644.01	3,784.31	3,930.26	4,082.05	4,239.88
<u>Monthly Rate</u>					
7,623.79	7,917.05	8,221.86	8,538.96	8,868.74	9,211.64
<u>Annual Rate</u>					
91,485.42	95,004.54	98,662.37	102,467.49	106,424.87	110,539.73

Deputy Inspector of Police 1/

| [1/ Recruitment to be at fourth step.](#)

APPENDIX B

September 16, 1983

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
AND
THE NEGOTIATING TEAM FOR THE CITY OF MILWAUKEE

The parties agree to amend subsection 4.c.(1) of the OVERTIME Article set forth in the 1983-1984 City/MPSO Labor Contract to read as follows:

- “(1) If an employee’s compensatory time off balance (CTB), including any remaining unused compensatory time off earned prior to September 11, 1983, recorded on the most current Police Department Personnel Status Report is less than 32 hours, the employee may elect to be compensated in time off instead of cash for each instance of overtime work performed after issuance of the most current Status Report until issuance of the next Status Report which indicates the employee’s CTB is equal to or greater than 32 hours.”

The parties further agree that with respect to authorized overtime assignments directly related to the Milwaukee Police Department Band function, the following provisions shall be applicable:

1. Notwithstanding the OVERTIME Article of the 1983-1984 Labor Contract between the City of Milwaukee and the MPSO, when an employee is a member of the Milwaukee Police Department Band, is eligible under that provision for overtime benefits, and performs an authorized overtime assignment directly related to the Band function, he/she shall be compensated at base salary rates (IX) in compensatory time off for the duration of such overtime assignment. The time off so earned: Shall not count towards the 32-hour Compensatory Time Off Bank (CTB) limit determining the employee’s eligibility for overtime compensation in compensatory time off, instead of cash, that is provided for in subsection 4.c.(1)

of the OVERTIME Article; Shall not affect the employee's CTB recorded on Police Department Personnel Status Reports; and shall not be included in the cash buyout provided for under subsection 4.d.(1) of the OVERTIME Article.

2. An employee may use earned time off from authorized overtime assignments directly related to the Police Band function on dates he/she has requested provided the employee gives his/her commanding officer reasonable advance notice of the dates requested and the dates are determined available by the commanding officer in accordance with the needs of the Police Service. The processing of requests for use of compensatory time off shall be on a first-come, first-served basis. Decisions made by employee's commanding officer with respect to the availability of the dates the employee has requested shall be final.
3. Administration of Band Overtime shall be in accordance with Departmental Order #7386, dated February 17, 1977, and attached herewith as Appendix A.

The parties further agree that for purposes of administering the benefits provided by aforesaid OVERTIME Article (as amended, above) the following provisions shall apply:

1. Except as provided in subsection 2, of this paragraph, below, the Police Department Personnel Status Report used to determine an employee's eligibility to elect compensatory time off instead of cash for an instance of overtime work performed shall cover overtime work performed during the 336 consecutive hour time period beginning at 12:01 a.m. on the second Wednesday of the pay period closest to the date on which the Status Report is issued. Normally, the Status Report would be issued on the second Wednesday of the pay period; in the event the Status Report is delayed, it shall be deemed effective retroactive to 12:01 a.m. on that Wednesday.
2. An employee eligible for overtime benefits may elect to be compensated in time off instead of cash for rollcall overtime if either of the two Police Department Personnel Status Reports that are issued during the current pay period reflect a

balance of less than 32 hours. Such election must be for all rollcall overtime earned in such pay period.

The parties further agree that all other terms and conditions of the aforesaid OVERTIME Article (as amended, above) shall remain unchanged and in full force and effect.

The parties further agree that the agreements provided for above shall be deemed to be in force and effect on September 11, 1983.

REPRESENTATIVES OF THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION	CITY OF MILWAUKEE NEGOTIATING TEAM
Raymond M. Banach	James W. Geissner
William Zuehlsdorf	
Charles Hetzer	

See file for original signatures.

Appendix B
Labt\MPSO

APPENDIX A*

CITY OF MILWAUKEE
DEPARTMENT OF POLICE
749 WEST STATE STREET, POLICE ADMINISTRATION BUILDING
MILWAUKEE, WISCONSIN 53233

ORDER NO. 7386

February 17, 1977

RE: MILWAUKEE POLICE BAND

The following procedures relating to participation by members in functions of the Milwaukee Police Band are hereby adopted.

1. Three (3) hours compensatory overtime will be granted for appearances at school concerts, parades, and the Fire and Police Baseball Game to any band member assigned to the late shift, or to any band member participating on a scheduled regular off day or vacation day; provided, such regular off or vacation day may be exchanged for a different date. Early Shift band members will be compensated hour-for-hour ending at the time roll call payment starts.
2. Hour-for-hour compensatory overtime will be granted for appearances not enumerated above (See exceptions in numbered paragraphs 5 and 6); and a minimum of 1/10 of an hour (6 minutes can be submitted for compensatory overtime).
3. Two (2) hours compensatory overtime will be granted for regular rehearsal time designated as 2:00 p.m. to 4:00 p.m., but members scheduled for early shift duty on a rehearsal day shall not be entitled to "roll call overtime" in addition to the two hours provided herein.
4. Day shift members who are on duty and scheduled to participate in a parade shall be excused from duty one and one-half (1 1/2) hours prior to the scheduled reporting time of the parade. Their return to duty following the

parade is contingent on the starting time, and to ensure uniformity such matter will be incorporated in the directive relating to the parade in question.

5. Duty time (excused) is hereby authorized for the annual Police Band Concert and rehearsal.

- 2 -

6. Band members will volunteer their time for appearance at the Police Picnic and any other event as directed by the Band Board, upon approval of the Chief of Police.
7. All compensatory overtime cards shall be submitted to the Band Manager for approval and transmittal to the Administration Bureau.

This order shall take effect immediately and hereby cancels Order No. 6684, dated May 1, 1972.

Harold A. Breier
Chief of Police

See file for original signature.

HAB:RJZ:RTW

APPENDIX B
Labr/MPSO

December 21, 1983

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
AND
THE NEGOTIATING TEAM FOR THE CITY OF MILWAUKEE

The parties hereto agree that for purposes of interpretation and construction of the provisions of subsection 4.c. of the OVERTIME Article of the current City/MPSO labor contract, in respect to administration of negative compensatory time off balances, the following shall apply from and after December 19, 1983 for employees eligible to receive overtime benefits under the provisions of subsection 1. of that Article:

1. Subject to the requirements governing usage of compensatory time off provided for in subsection 4.c.(2) of such OVERTIME Article, an employee may use compensatory time off so long as his/her compensatory time off balance (CTB) recorded on the most current Police Department Personnel Status Report is not less than zero (0) hours, notwithstanding the fact that such usage may result in the employee having a negative CTB on the next following status report.
2. An employee with a negative CTB recorded on the most current Police Department Personnel Status Report shall have an amount equal to the cash value of his/her negative CTB deducted from the paycheck he/she receives for the Pay Period next following the Pay Period of the status report recording such negative CTB. The cash value of an employee's negative CTB shall be computed on the basis of his/her hourly base pay rate in effect during the Pay Period in which such negative CTB occurs as this rate is established under the BASE SALARY Article of the City/MPSO Labor Contract in effect at that time.
3. An employee may not use time off which he/she has earned, such as vacation and holiday time or compensatory time off earned following publication of a Police

Department Personnel Status Report indicating a negative CTB for the employee, to offset a negative CTB and thereby avoid the paycheck deduction provided for in subsection 2, above.

4. In disputes over an employee’s negative CTB, the compensatory time off taken and earned that is indicated on his/her time card (in the case of compensatory time off earned other than for roll-call, the time off earned indicated on the employee’s overtime Tab Card—Form PO-7) for the Pay Period of the Police Department Personnel Status Report on which the disputed negative CTB was recorded, shall decide the dispute.

The parties further agree that all other terms and conditions of such OVERTIME Article shall remain unchanged and in full force and effect.

Representatives of the Milwaukee Police Supervisors’ Organization	City of Milwaukee Negotiating Team
Raymond M. Banach	James W. Geissner
Anthony R Bacich	
Richard A. Noennig	
Charles W. Hetzer	
William F. Zuehlsdorf	
Kenneth Elias	
Thomas J. Tromp	

See file for original signatures.

APPENDIX C

October 7, 1985

Mr. John M. Tries, President
Milwaukee Police Supervisors'
Organization
Post Office Box 891
Milwaukee, WI 53201-0891

Dear Mr. Tries:

In the event of a strike or job action involving Milwaukee Police Department employees, the City Labor Negotiator agrees to recommend to the Labor Policy Board of the Common Council that during that period of such strike or job action, an employee occupying a classification that is covered by this Agreement, but excluded from coverage under its OVERTIME provision, shall be entitled to special overtime pay for all time in excess of his/her normal hours of work spent performing duties normally assigned to employees of lower rank.

The specific terms and conditions under which special overtime would be provided, as well as the rates at which it would be paid, shall be determined by the Labor Policy Board at the time of the strike or job action.

Sincerely,

James W. Geissner
City Labor Negotiator

JWG:JSE:bh

ACCEPTED BY:

John M. Tries, President
Milwaukee Police Supervisors' Organization

See file for original signature.

Appendix C
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APPENDIX D

October 7, 1985

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
AND
THE NEGOTIATING TEAM FOR THE CITY OF MILWAUKEE

The parties hereto agree that whenever the Police Department Personnel Status Report for a pay period indicates a deficit in the time off entitlement of an employee because he/she has:

- (1) Exceeded his/her annual HOLIDAY OFF entitlement; and/or
- (2) Exceeded his/her annual VACATION entitlement; and/or
- (3) Exceeded his/her INJURY PAY entitlement; and/or
- (4) A negative SICK LEAVE BALANCE,

the Police Department Administration shall deduct unused time off in the employee's accounts indicated on such status report that are not in deficit by an amount of time off up to the time off that offsets, hour for hour, the employee's time off deficit unless the employee notifies the Police Department Administration prior to 3 p.m. on the Friday immediately following the date such status report is issued that he/she does not want the offset made; such notification shall be provided in accordance with Departmental procedures established for this purpose. If such notification is provided the offset will not be made and the deficit will be docked from the employee's paycheck for the pay period of the status report (the amount of such deficit to be computed on the basis of the employee's hourly base salary rate in effect during such pay period). If there is no unused time off in the employee's accounts indicated on such status report that are not in deficit, or if the amount of such unused time off is insufficient to offset the employee's time off deficit, the remaining deficit will be docked from the employee's paycheck on the same basis as is provided above when the notification requirements are met; and

The parties further agree that this Memorandum of Understanding and its terms and conditions shall not be applicable to negative compensatory time off overtime balances reflected on the Police Department Personnel Status Report, such negative comp time balances shall be governed by the provisions of a Memorandum of Understanding between the parties dated December 21, 1983; and

The parties further agree that this memorandum of Understanding shall become effective upon its execution; and

The parties further agree that this Memorandum of Understanding shall be made a part of the 1985/1986 City/MPSO labor contract as an appendix.

Representatives of the Milwaukee Police Supervisors' Organization	Representatives of the City of Milwaukee Negotiating Team
John M. Tries	James W. Geissner

See file for original signatures.

APPENDIX E

October 7, 1985

Mr. John M. Tries, President
Milwaukee Police Supervisors'
Organization
Post Office Box 891
Milwaukee, WI 53201-0891

Dear Mr. Tries:

For the term of this Agreement, the City agrees not to change the following sentence contained in Section 16 of the Milwaukee police Department Standard Operating Procedures, relating to absence:

“Any member who files a claim involving the recurrence of an old duty injury shall be carried on injury leave from the effective date of such claim, pending disposition of the claim by the Office of Employee Benefits.”

Sincerely,

James W. Geissner
City Labor Negotiator

JWG:JSE:bh

ACCEPTED BY:

John M. Tries, President
Milwaukee Police Supervisors' Organization

See file for original signature.

APPENDIX E
br/MPSO

APPENDIX F

Page 2

For purposes of Article 12 Section 4.b.(3)(b) (providing that replacement workers shall work within the same “box” as shown on the “Milwaukee Police Department Organizational Chart”) of the collective bargaining agreement between the City and the Milwaukee Police Supervisors’ Organization pertaining to the use of replacement employees for employees wishing to use compensatory time off, the following shall apply:

1. Employees assigned to the Community Services Division of the Patrol Bureau Special Programs Section, Youth Services Section and Crime Prevention Section may serve as replacements for any employee assigned to the Community Services Division.
2. Employees assigned to the “Weed and Seed” program may serve as replacements for any employee assigned to the Patrol Bureau, Third District, and vice versa.
3. Employees assigned to the Prisoner Processing Section may serve as replacements for employees assigned to the First District, and vice versa.

APPENDIX G

WELLNESS AND PREVENTION PROGRAM AND WELLNESS AND PREVENTION COMMITTEE

A Wellness and Prevention Program and a Wellness and Prevention Committee shall be implemented to promote the wellness and prevention of disease and illness of City employees, retirees and their family members. The Wellness and Prevention Program shall include an annual Health Risk Assessment (HRA) and may contain, but shall not be limited to, some or all of the following components: benefit communication, medical self-care, nurse line, consumer health education, injury prevention, advanced directives, preventive medical benefits, targeted at-risk intervention, high-risk intervention, disease management, condition management, wellness incentive or other components agreed upon by the City and the unions.

The City shall retain a consultant to assist in developing a plan for a comprehensive wellness and prevention program for the City and to assist in making program adjustments.

A Wellness and Prevention Committee shall be established to assist the consultant in the design of the Wellness and Prevention Program and to provide oversight of the program. The Wellness and Prevention Committee shall be comprised of nine union members appointed by the unions and three management representatives appointed by the Mayor. The unions shall select the nine union representatives. The committee shall be structured to include two MPA members, two members of District Council 48, one member of Lo-215, one member of SEIU, one member of TEAM, one member jointly representing Lo-494 IBEW (Electrical Group) and Milwaukee Building and Construction Trades Council, and one member of the Association of Municipal Attorneys. The City has also agreed to allow other union presidents and union staff representatives or business agents to attend and participate in all Committee meetings, but only the nine members of the Committee will be allowed to officially make decisions and/or

vote if necessary.

Decisions of the committee shall be by consensus. Consensus shall be reached when ten committee members agree. The committee shall make no decisions that require employees to pay additional out-of-pocket costs unless they are ratified by every City bargaining unit. However, the committee may decide to provide additional lump sum compensation to employees, reduce an out-of-pocket monthly expense or provide some other type of benefit without ratification by the bargaining units. No decision made by the committee or failure to make a decision shall be subject to any aspect of the various grievance procedures, complaint procedures, court action or any other type of dispute resolution mechanism.

The City shall develop a Request for Proposals (RFP) and solicit bids from third party vendors qualified to implement the Wellness and Prevention Program. Upon conclusion of the bidding process, the City shall meet with the unions to review the results of the RFP. The committee shall decide on the vendors giving due consideration to all City policies associated with the selection procedures. The City shall not spend more than two million dollars per year, including the cost of conducting the HRA, on the Wellness and Prevention Program.

All parties involved with the HRA shall abide by all laws governing the release of employee medical records.

APPENDIX H

STANDARD OPERATION PROCEDURE

770- DRUG TESTING PROGRAM

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770.00 PURPOSE

The Milwaukee Police Department has a compelling obligation to eliminate illegal and/or illicit drug use to ensure the integrity of the Department, enhance public trust and instill confidence in maintaining a drug free law enforcement agency. In order to achieve this goal, the Department shall maintain a comprehensive drug-testing program to detect drug use by Department members and to ensure all Department applicants are drug free. The purpose of this standard operating procedure is to set uniform guidelines for handling instances where a member may be suspected of substance abuse; to develop a fair and equitable method for administering a random drug testing program, and to discourage the use of illicit drugs.

770.05 POLICY

The Milwaukee Police Department strives to maintain a drug-free working environment. Members of all ranks will be randomly tested in such numbers as to ensure a credible deterrent exists to illegal drug use. If a member refuses to submit to a drug test, or if the member leaves the testing facility without providing a sample, the act will constitute a positive test result and the member shall be immediately suspended and disciplined up to and including discharge from the Department. The Department recognizes there is sufficient evidence to conclude that the use of controlled substances and other forms of drug abuse can seriously impair a member's physical and mental health, and thus, job performance.

Recognizing that there may be members who have substance abuse problems, the Department strongly encourages affected members to seek help through the City's Employee Assistance Program (EAP) and/or the Milwaukee Police Officers Support Team (POST), both of which are available free to Department members and eligible family members. EAP and/or POST participation is completely voluntary and all information is held in the strictest of confidence, unless information comes to light where the member or another person's safety is in jeopardy or in cases of child abuse.

The Professional Performance Division shall be responsible for the administration of the drug-testing program.

770.10 SCOPE OF APPLICABILITY

The drug testing procedures are effective pursuant to the collective bargaining agreements of both the MPSO and the MPA.

770.15 DEFINITIONS

For the purposes of this standard operating procedure, the following definitions will apply:

ADULTERATED SPECIMEN is a specimen that contains a substance that is not expected to be present in human urine or contains a substance expected to be present, but is at a concentration so high that it is not consistent with human urine.

CREATININE is a protein produced by muscle and cleared from the body by the kidneys. It is a normal constituent in urine. Normal human urine creatinine concentrations are greater than 20 mg/dl. Abnormal levels of urine creatinine may result from excessive fluid intake, glomerulonephritis, pyelonephritis, reduced renal blood flow, renal failure, myasthenia gravis, or a high meat diet.

CIVILIAN MEMBER is a member who is not designated by city charter as a member of the police force and who does not have arrest powers.

CONFIRMED POSITIVE is a second laboratory analytical procedure to identify the presence of a specific drug or metabolite which is independent of the initial test and which uses a different technique (GCMS) and chemical principle to ensure accuracy.

CUT-OFF LEVEL is the least amount of a drug or resulting metabolites remaining in the body or hair after use of a drug. Cut-off levels are measured in nanograms per milliliter (ng/ml) for urine and in nanograms per milligram (ng/mg) for hair.

DILUTE SAMPLE is a urine specimen that has a creatinine level of less than 20 mg/dl and a specific gravity of 1.003 or less. These two tests are routinely performed on every urine sample that is tested at the lab. If the specimen meets the above two criteria, it is reported as a "dilute". A member may produce urine that meets the program criteria for dilution under some conditions including: working in hot weather conditions; drinking large amounts of fluid; taking a diuretic, or from moderate or excessive drinking of fluids immediately before providing the specimen. A specimen may be reported as "dilute" in conjunction with a positive or negative drug test or reported just as "dilute".

DIRECT OBSERVATION COLLECTION is when there is articulable evidence to believe a member may be attempting, or have sufficient reason, to evade the testing process. The direct observation collection method can be mandated when the Department or collection technician has articulable evidence to suggest a urine sample may have been adulterated, substituted, or was a out-of-range temperature specimen. When a direct observation collection is required, the member will be taken to a private bathroom stall with only the member and a same sex observer present, the observer will request the member to raise his or her shirt, blouse, or dress/skirt, as appropriate, above the waist, just above the navel; and lower clothing and underpants to mid-thigh; and to show the observer – by turning around – that the member does not have a prosthetic device. After the observer has determined that the member does not have such a device, the observer will allow the member to return clothing to its proper position and then conduct the direct observation collection.

DRUG means illicit drugs.

DRUG TEST means any chemical, biological, or physical instrumental analysis administered by a certified laboratory for the purpose of determining the presence or absence of a drug or its metabolites.

EMPLOYEE ASSISTANCE PROGRAM (EAP) is an established confidential program for member assessment, counseling, and referrals for medical / behavioral problems.

ILLICIT DRUGS includes drugs that are listed on Schedules I through V of Wisconsin Statutes, Chapter 961 which are not legal; drugs which are legal, but not legally obtained; or drugs used in a manner or for a purpose which is not legal or prescribed.

INVALID DRUG TEST is when results obtained indicate there was an unidentified component in the sample, or an unidentified interfering ingredient, if the sample included unacceptable physical features or had an endogenous ingredient at an utmost level which prevented the lab from conducting results.

MEDICAL REVIEW OFFICER (MRO) is a licensed physician designated by the Chief of Police who is responsible for receiving and reviewing laboratory drug test results. The MRO assesses and determines whether an alternate medical or other acceptable explanation can account for a confirmed positive test result.

MEMBER is either a civilian or police member of the Department.

NON-NEGATIVE RESULT is when a urine specimen was tested and found to be positive, adulterated, invalid, or substituted.

OUT OF RANGE TEMPERATURE is when the provided urine sample falls outside the acceptable temperature range of 90.5 – 99.8 degrees Fahrenheit, as defined by SAMSHA standards.

POLICE MEMBER is a member designated by city charter as a member of the police force and who has arrest powers.

POST is known as the Police Officers Support Team. The POST team is a confidential peer support group consisting of volunteer Department members. POST members are specifically trained in providing guidance, peer support, and outside referrals to members in need of assistance to cope with critical incidents, family problems, work-related problems, substance abuse, and other behavioral issues.

PRESCRIPTION means, and includes, an order for drugs or medical supplies written, signed, or transmitted by word of mouth, telephone, fax, computer, or other means of communication by a practitioner duly licensed by the laws of the state to prescribe such drugs or medical supplies, issued in good faith and in the course of professional practice, intended to be filled, compounded, or dispensed by another person licensed by the laws of the state to do so, and meeting the requirements of Wisconsin state statutes. A prescription is not considered valid unless sometime prior to receipt of the prescription the member was physically examined by someone he or she believes to be a physician, dentist, or professional assignee or designee with comparable

license.

REASONABLE SUSPICION exists when evidence or information which appears reliable is known to the police supervisor and is of such weight and persuasiveness as to make the supervisor, based upon his/her personal judgment and experience, reasonably suspect that member of the department is using drugs. A reasonable suspicion that a member is using drugs must be supported by specific articulable facts from which rational inference may be drawn.

REFUSAL is not providing a test sample. A refusal to test is also the failure to show up for the test within a reasonable time after being directed to do so, the failure to remain at the testing site until the testing process is complete, the failure to provide a sufficient amount of urine when directed and it has been determined through a required medical evaluation there was no adequate medical explanation for the failure, the failure to undergo a medical examination or evaluation as directed by the MRO as part of the verification process, the failure to cooperate with any part of the testing process (e.g., refuse to empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection process), or if the MRO reports that you have a verified adulterated, invalid, or substituted specimen. A refusal shall result in immediate suspension and discipline up to and including discharge from the Department.

RIAH is the acronym for Radioimmunoassay for Hair drug screening.

SENSITIVE ASSIGNMENTS are those police members who are assigned to locations such as the Organized Crime Division, Intelligence Fusion Center, Tactical Enforcement Unit, Property Control Section (only those persons directly involved in the custody and handling of illegal drugs), and the Professional Performance Division.

SAMHSA/DHHS is otherwise known as the Substance Abuse and Mental Health Services Administration/Department of Health and Human Services. A federal agency with specific drug testing standards and embraces the mission of reducing the use of illegal substances and the abuse of legal ones.

SPLIT SAMPLE - One urine specimen is collected. This collection of urine is then split into a primary specimen and a split specimen. If a member's test results are positive, the member has an opportunity to have the second sample sent to a different Substance Abuse and Mental Health Services Administration/Department of Health and Human Services (SAMHSA/DHHS) certified laboratory for the testing of the identified drug(s).

SUBSTITUTED SPECIMEN is a urine specimen with creatinine and specific gravity values that are so diminished that they are not consistent with human

urine.

770.20 TYPES OF DRUG TESTING

Drug testing shall be conducted under the following circumstances:

1. POST-OFFER JOB APPLICANT TEST

Drug testing is required by all applicants of the Department. Offers of employment are contingent upon passing a urine and/or hair drug test. Refusal to submit to drug testing or a positive confirmed test, will result in the immediate rejection of the applicant for employment.

2. REASONABLE SUSPICION (applies to both civilian and police members)

Where facts or circumstances are sufficient to constitute reasonable suspicion that a Department member is using or is under the influence of drugs.

Reasonable suspicion cannot be based upon mere "hunch" or solely upon poor work performance. If suspicion of drug use is based upon observation of the suspected member's physical appearance, at least two (2) supervisors must make observations.

Reasonable suspicion testing will use either the urine or hair test methodology, depending on the nature of the situation.

3. CRITICAL INCIDENT (applies to police members only)

Whenever a member is directly involved in an incident that results in death or great bodily harm of a human being, as defined by State Statute, or when a member causes injury to a human being by the discharge of a firearm.

Critical incident testing will use the urine test methodology.

4. PROBATION (applies to police members only)

Whenever a police officer is on probation, the member shall be tested prior to completion of the member's probationary period. Completion of the police officer's probationary period shall be contingent upon passing the drug test.

Probationary testing will use the hair test methodology.

5. PROMOTION (applies to police members only)

Whenever a police member is eligible for promotion (including

reclassifications), the police member shall be tested prior to promotion. Promotion shall be contingent upon passing the drug test.

Promotion testing will use the hair test methodology.

6. LEAVE OF ABSENCE (applies to civilian and police members)

Whenever a member is returning from a leave of absence that exceeds 90 consecutive calendar days in duration, the member shall be subject to drug testing. Reinstatement to the Department from the leave of absence shall be contingent upon passing a drug test.

Leave of absence testing will use the hair test methodology.

7. SENSITIVE ASSIGNMENTS (applies to police members only)

Members having sensitive assignments shall be subject to drug testing upon entering and leaving these assignments, as well as on an annual basis while serving in such assignments.

Sensitive assignment testing will use the hair test methodology.

8. RANDOM (applies to police members only)

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a. Periodically, a list of Department members selected for drug testing shall be generated by an independent secure random selection process. The frequency of random testing and sampling rate shall be as prescribed from time to time by the Chief of Police. The Chief of Police shall prescribe the independent agency providing the random selection process. Such independent agency shall be provided with a list of all police members covered by random drug testing encoded so that only the Chief of Police and the commanding officer of the Professional Performance Division know the identity of the police members.

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b. The Chief of Police may increase the frequency of random testing and sampling rate over and above the frequency of random testing and sampling rate prescribed from time to time for members assigned to sensitive assignments. If subsequent Departmental reorganization results in modifications to sensitive assignment positions, the function performed by a unit as it is presently constituted, shall continue to be covered hereunder no matter how such unit is constituted following a future reorganization.

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c. Police members selected for testing shall be notified by their commanding officer, who shall give them a written order to report for

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testing. A copy of such written order shall not be entered into a police member's personnel file, but shall be retained by the Department in a file kept at the Professional Performance Division.

d. All police members on paid leave who are selected for random drug testing shall not be required to participate in such test, except those members having the following status as of the notice of selection: Formatted: Bullets and Numbering

1. Police members on sick or injury leave who have received permission to leave their residence or place of confinement to further recuperation; Formatted: Bullets and Numbering

2. Police members on compensatory time off authorized after the selection notice; or Formatted: Bullets and Numbering

3. Police members on "suspended with pay" or "dismissed with pay pending appeal" status. Formatted: Bullets and Numbering

e. Police members on regular off days shall not be subject to random drug testing. Formatted: Bullets and Numbering

f. A physician designated by the Chief of police shall examine any police member selected for testing who claims inability to participate due to medical reason(s). The physician shall determine if such member may be excused from the test. If such member is excused from a scheduled test, he/she shall be rescheduled for testing as soon as possible, irrespective of any random sampling selection. Formatted: Bullets and Numbering

g. Random testing will use the hair test methodology. Formatted: Bullets and Numbering

770.25 METHOD OF DRUG TESTING

Members will be advised to report for hair or urine drug testing by the issuance of Form PD-39 "Drug Test Order" with the reason for the order marked at the top of the form. Members will report to the designated testing location immediately after notification and will be required to present picture identification (police ID and/or WI ID) to confirm identity.

A. PROCEDURE FOR URINE TESTING

1. The member will be instructed to initial and sign paperwork associated with the collection of the urine sample. Members will receive instruction from the collection technician on precise procedures which must be followed when providing the urine sample. Formatted: Bullets and Numbering

2. The member will be taken to a private restroom where a coloring agent will be or has already been introduced into the toilet basin/reservoir. Any other sources of water will be secured or monitored by the collection site to prevent the intentional dilution of the specimen. Formatted: Bullets and Numbering
3. Members are not to flush the toilet unless instructed to do so by the collection technician. Formatted: Bullets and Numbering
4. The urine sample (of at least 60 milliliters of urine) will be split (split sample) and held in the event a member challenges the test results or further testing is required. Formatted: Bullets and Numbering
5. When a member appears unable to give a specimen at the time of the test, testing personnel shall document the circumstances on the drug-test report form. The member shall be permitted no more than three (3) hours to give a sample, during which time he/she shall remain in the testing area, under observation. Reasonable amounts of water may be given to the member to encourage urination. Formatted: Bullets and Numbering
6. When the Department or collection technician has articulable evidence to suggest a urine sample may have been **adulterated, substituted,** or was an **out-of-range temperature** specimen, an additional urine sample will be collected using the direct observation collection method. When a direct observation collection is required, the member will be taken to a private bathroom stall with only the member and a same sex observer present, the observer will request the member to raise his or her shirt, blouse, or dress/skirt, as appropriate, above the waist, just above the navel; and lower clothing and underpants to mid-thigh; and to show the observer – by turning around – that the member does not have a prosthetic device. After the observer has determined that the member does not have such a device, the observer will allow the member to return clothing to its proper position and then conduct the direct observation collection. Formatted: Bullets and Numbering

B. HAIR TESTING

1. Completing the Test Request Form (TRF)

The TRF is a pre-printed form that is coded specifically to the Department. The collection personnel shall fill out the form in the presence of the test subject. The TRF includes information such as the collector's identity, the test subject's Identification Number, and where the sample was collected (ex., crown of head, nape of the neck). The primary location for hair collection shall be the head.

2. Completing the Sample Acquisition Cards (SAC)

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The SAC is a card that will hold the hair sample during transportation. A foil used for collection is included with each card. These steps may occur prior to or after the collection of the hair sample and shall be completed in the presence of the test subject.

a. The collection technician shall sign and date the SAC's. The collection personnel shall write the test subject's Identification Number on each SAC. This number must match the number listed on the TRF.

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b. The collection technician shall place the bar code from the TRF on the SAC to ensure the documents are identified with one another.

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3. Collecting the Hair Sample

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1. The collection technician shall complete each of the following steps in the presence of the test subject.

a. The collection technician will cut three (3) samples as close to the skin as possible.

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b. Each sample will be individually placed in separate laboratory supplied SAC and sealed by the collection technician in the presence of the test subject. These cards will be placed in separate plastic bags, sealed by the collection technician, and initialed and dated by the test subject.

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c. Two (2) hair samples will be forwarded to the contracted laboratory for analysis.

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d. The third hair sample will be held in the event the testing subject challenges the test results or further testing is required.

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e. In the event that the test subject is unable to provide an adequate hair sample as required in this procedure, the collection of alternate specimen(s) to complete the drug screening shall be performed. The specimens will be collected from prescribed locations in this order: head, arms, legs, underarms, chest, or pubic region. Failure to comply

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with an order to provide a specimen will be considered a refusal of the test and grounds for discharge.

- f. In cases where the test subject has a pre-existing medical condition, (ex., androgenetic alopecia or has undergone chemotherapy treatment), which prevents or inhibits growth of bodily hair, the commanding officer of PPD, with the approval of the Chief of Police, may authorize and order a substitution test of urine. Formatted: Bullets and Numbering

- g. The test subject shall complete the Donor Certification section of the TRF that includes the member's name and contact telephone number. In the comments section, the donor may provide additional information for the Medical Review Officer (MRO), (ex., use of prescription medicine or additional phone numbers where the MRO can contact the member if the need arises). Formatted: Bullets and Numbering

- h. The copy of the TRF that contains the Donor Certification section shall be separated from the TRF and placed in a sealed envelope addressed to the MRO. The test subject shall initial and date the sealed envelope. The sealed envelope shall be kept in a secured area until sent to the MRO, at the next regularly scheduled pick-up using an overnight carrier. Formatted: Bullets and Numbering

- i. The collection technician shall place the SAC and a copy of the TRF into the collection pouch and seal the pouch. Formatted: Bullets and Numbering

- j. The test subject shall initial and date the collection pouch in the space provided. Formatted: Bullets and Numbering

4. Storing and Shipping the Sample Formatted: Bullets and Numbering

The sealed collection pouch shall be kept in a secured area until sent to the laboratory, at the next regularly scheduled pick-up using an overnight carrier.

- a. The sample(s) shall be tested at a city contracted licensed laboratory that is certified to perform hair testing. Formatted: Bullets and Numbering

770.30 DRUGS TESTED

A. URINE Formatted: Bullets and Numbering

Members undergoing urine testing shall be tested for all of the following substances:

Amphetamines (Includes substances known as: Speed, Uppers, etc.)

Cannabinoids (Includes substances known as: Marijuana, Hashish, etc.)

Cocaine (Includes Crack)

Opiates (Includes substances known as: Heroin, Codeine, Morphine, etc.)

Phencyclidine (Includes substances known as: PCP, Angel Dust, etc.)

1. DRUG CUT-OFF LEVELS FOR URINE TESTING

- a. The listing represents the urine screening and confirmatory test cut-off levels of the Department.
- b. The Department may change the test cut-off levels, and add or delete drugs screened, as changes in technology or other considerations warrant identification of these, or other substances at other concentrations. The Department will provide at least a 30-day notice of any change in test cut-off levels or any modifications to the tested substance list.

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<u>Drug Tested</u>	<u>Urine Initial Test Cut-Off Concentration</u>
<u>Cocaine</u>	<u>300 ng/ml</u>
<u>Opiates</u>	<u>2000 ng/ml</u>
<u>PCP</u>	<u>25 ng/ml</u>
<u>Amphetamine</u>	<u>1000 ng/ml</u>
<u>Marijuana</u>	<u>50 ng/ml</u>

<u>Drug Tested</u>	<u>Urine Confirmatory Test Cut-off Concentration</u>
Cocaine ¹	150 ng/ml
Opiates	Morphine 2000 ng/ml Codeine 2000 ng/ml 6-Acetylmorphine ² 10 ng/ml
PCP	25 ng/ml
Amphetamine	Amphetamine 500 ng/ml Methamphetamine ³ 500 ng/ml
Marijuana ⁴	15 ng/ml

1. Benzoylcegonine.
2. Test for 6-AM when the morphine concentration is greater than or equal to 2,000 ng/ml.
3. Specimen must also contain amphetamine at a concentration greater than or equal to 200 ng/ml.
4. Delta-9-tetrahydrocannabinol-9-carboxylic acid.

Note: Nothing herein shall prohibit the Chief of Police from amending the list of substances tested in urine, so long as the added substance is one for which SAMHSA/DHHS has adopted a quantitative standard for a positive urine test finding for the substance; the Department will notify the applicable labor associations of amendments to this list of substances.

B. HAIR

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Members undergoing hair testing shall be tested for all of the following substances:

Amphetamines (Includes substances known as: Speed, Uppers, Methamphetamine, Ecstasy MDMA & MDEA, etc.)

Cannabinoids (Includes substances known as: Marijuana, Hashish, etc.)

Cocaine (Includes Crack)

Opiates (Includes substances known as: Heroin, Codeine, Morphine, Oxycodone, and Hydrocodone, etc.)

Phencyclidine (Includes substances known as: PCP, Angel Dust, etc.)

1. DRUG CUT-OFF LEVELS FOR HAIR TESTING

- a. The listing represents the hair screening and confirmatory test cut-off levels of the Department.

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<u>Cut-Off Levels</u>	<u>RIAH</u>	<u>GCM S</u>	<u>Safety-Net</u>
<u>Cocaine</u>	<u>5ng/10mg</u>	<u>5ng/10mg</u>	<u>2ng/10mg</u>
<u>Opiates</u>	<u>5ng/10mg</u>	<u>5ng/10mg</u>	<u>2ng/10mg</u>
<u>PCP</u>	<u>3ng/10mg</u>	<u>3ng/10mg</u>	<u>1ng/10mg</u>

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<u>Amphetamine</u>	<u>5ng/10mg</u>	<u>5ng/10mg</u>	<u>2ng/10mg</u>
<u>Marijuana</u>	<u>1ng/1gm</u>	<u>1pg/10mg</u>	<u>2pg/10mg</u>

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- b. The Department may change the test cut-off levels, and add or delete drugs screened, as changes in technology or other considerations warrant identification of these, or other substances at other concentrations. The Department will provide at least a 30-day notice of any change in test cut-off levels or any modifications to the tested substance list.
- c. Since the controlled substances listed above were not meant to be all inclusive of the federally designated drugs subject to abuse, the Department reserves the right, in reasonable suspicion cases, to perform analysis for additional controlled substances (Schedules 1 through 5), provided forensic analytical techniques, (e.g., gas chromatography / mass spectrometry), have been established at the city contracted laboratory.
- d. Cut-off levels for drugs not listed above will be at the point of quantitation.

770.35 PRESCRIPTION DRUGS

Many prescription drugs can alter or affect drug tests. It is the member's responsibility to inform the collection technician at the testing site if the member is currently taking or has taken any prescription medication in the past 120 days. Prescription medication should be documented by either the collection technician or by the member on the paperwork at the time of testing.

Below are the known prescription medications which may trigger a positive drug test result. Due to the large number of brand names and the constant marketing of new products, this list cannot be and is not intended to be all-inclusive.

Amphetamines: Pbetrol, Biphetamine, Desoxyn, Dexedrine, Didrex, Lonamine, Fastin.

Cannabinoids: Marinol (Dronabinol, THC).

Cocaine: Cocaine, HCl topical solution (Roxanne).

Phencyclidine: Not legal by prescription.

Opiates: Paregoric, Parepectolin, Donnagel PG, Norphine, Tylenol with Codeine, Emperine with Codeine, APAP with Codeine, Aspirin with Codeine, Robitussin AC, Guiatuss AC, Novahistine DH, Novahistine Expectorant, Diluadid (Hydromorphone), M-S Contin and Roxano (morphine sulfate), Percodan, Vicodin, Tussiorganidine, etc.

770.40 TEST RESULTS

All drug test results, which show a positive result, shall be reviewed by an authorized MRO prior to the transmission of the test results to the commanding officer of the Professional Performance Division.

The duties of the MRO, with respect to positive test results, are to review and interpret confirmed, positive test results obtained through the Department's hair and/or urine testing program. In carrying out this responsibility, the MRO shall examine alternative medical explanations for any positive test result. This action may include conducting a medical interview and review of the member's medical history, or review of any other relevant biomedical factors. The MRO shall review all medical records made available by the tested member when a positive test could have resulted from legally prescribed medication. The MRO shall not, however, consider the results for hair or urine samples that are not obtained or processed in accordance with the procedures set forth herein.

Note: For urine tests, the MRO will investigate cases where urine test results are returned as adulterated, invalid, or substituted. If the MRO's investigation cannot identify a legitimate or valid medically substantiated reason for one of the above test results, the test will be considered a refusal to test.

1. Prior to making a final decision to verify a positive test result for a member, the MRO shall give the member an opportunity to discuss the test result with them. For example, there may be a legitimate positive test result for the use of legally prescribed or dispensed medication such as codeine for coughs, narcotic analgesics for pain, tetrahydrocannabinol for cancer, cocaine as a vasoconstrictive anesthetic, etc. It is important to note that it is highly unlikely that a medically acceptable explanation will be found for the presence of cocaine or marijuana.
2. The MRO shall contact the member directly, on a confidential basis, to determine whether the employee wishes to discuss the test result. A staff person under the MRO's supervision may make the initial contact, and a medically licensed or certified staff person may gather information from the member. Except as provided in paragraph 4 of this section, the MRO shall talk directly with the member before verifying a test as positive.

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3. If after making all reasonable efforts and documenting them, the MRO is unable to reach the member directly, the MRO shall contact the Professional Performance Division, who shall make arrangements to contact the member and direct them to contact the MRO as soon as possible. If it becomes necessary to reach the member through PPD, they shall employ procedures that ensure, to the maximum extent practicable, that the requirement that the member contact with the MRO is held in confidence.
4. The MRO may verify a test result as positive without having communicated directly with the member in three circumstances.
 - a. If the member expressly declines the opportunity to discuss the test result, the test shall be reported as positive.
 - b. If PPD has successfully made and documented contact with the member, instructed the member to contact the MRO, more than three (3) calendar days have passed since the date the member was successfully contacted by PPD and the member has not contacted the MRO, the test shall be reported as positive.
 - c. If, after making all reasonable efforts and documenting them, PPD has not been able to contact the member and ten (10) calendar days have passed since PPD's first documented attempt to contact the member, the test shall be reported as positive.
5. The MRO shall report to PPD any samples that were not suitable for testing. When PPD receives a test result that indicates a specimen was an inadequate specimen and/or was not testable for any other reason, PPD shall contact the member and require him/her to provide another specimen.
6. The MRO shall report whether the verified test result is positive or negative to PPD. If the MRO, in his/her sole medical opinion, concludes there is a legitimate medical explanation for the positive test result, the MRO shall report the test result as negative to PPD.
7. Negative test specimen's will not be retained; instead they will be destroyed according to the contracted laboratory's protocol.
8. PPD shall officially notify each member who receives a confirmed positive test result. Upon this official notification, the provisions of 770.50 shall apply.

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770.45 SAFETY-NET TESTING

If a member receives a positive, confirmed hair or urine test result, the member may request a safety-net test be conducted. For urine tests, the split sample will be tested. For hair tests, the retained sample will be tested. Safety-net tests must be performed under the same or more stringent procedures as recommended by the test manufacturer.

1. To request the safety-net test, the member must submit a written request to the commanding officer of PPD within 72 hours of being notified of the positive test result. PPD shall arrange the appropriate safety-net testing as soon as administratively possible. The member must pay for all costs associated with the applicable safety-net testing and for the MRO review.
 - a. Upon the challenge of a urine test, the split sample retained by the testing laboratory for use by the member shall be forwarded by the testing laboratory to a SAMHSA/DHHS certified laboratory selected by the member from a list of such laboratories designated by the City. Testing of split samples shall be conducted pursuant to the retesting provision described in SAMHSA/DHHS guidelines.
 - b. Upon the challenge of a hair test, the hair sample retained by the collection agent for use by the member shall be forwarded by the testing laboratory to an **FDA approved hair testing laboratory** of the member's choice.
2. If the result of the safety-net test is negative, the member's police powers shall be re-instated as soon as administratively possible and they shall be reimbursed for all costs associated with the safety-net test, including the MRO review.

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770.50 DISCIPLINARY ACTION

1. A civilian or police member who has taken a drug test based on either an ordered reasonable suspicion or critical incident drug test shall not be subject to disciplinary action until the Department receives the test results. During that period, however, a police member may be suspended with pay and civilian members may be suspended without pay. Suspensions shall be accomplished most discreetly and, whenever possible, without advising other members of the reasons.
2. The Chief shall administer all discipline involving a civilian or police member who has an MRO verified confirmed positive test for drug use or for members who were considered to have refused testing; such discipline may include discharge from the Department. A challenge to a confirmed positive test result by a member shall not affect or delay the effective date of discipline imposed against the member pursuant to this section.

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3. The Department's position is that any member who tests positive for illicit or illegal drugs in violation of this standard operating procedure should be discharged from the Department.

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770.55 EXCLUSION OF TEST RESULTS FROM CRIMINAL PROCEEDINGS

Drug test results obtained through the Milwaukee Police Department Drug Testing Program may not be used as evidence against a member in a criminal or in a municipal ordinance violation proceeding.

770.60 CONFIDENTIALITY

A. Except as provided in 770.60 (B) below, there shall be no dissemination of an individual member's drug test results (including documentation or information contained therein) to the public.

B. The provisions of 770.60 (A) hereof, shall not apply to an individual member's drug test results in the following circumstances:

(1) Disciplinary hearings, or appeals therefrom, occasioned by such individual member's drug test results.

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(2) Non-disciplinary administrative hearings, or appeals therefrom, when such individual member's drug test results would be relevant to such hearings/appeals.

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770.65 USE OF PRESCRIPTION MEDICATIONS / DRUGS WHILE AT WORK

1. Members shall always be fit for duty during work hours. Members using prescription medication, **which may have an effect on a member's decision making, judgment, or physical ability** shall provide medical documentation indicating the member is authorized to work while using the medication(s). The member shall report such use as soon as practicable to the their on-duty shift commander or immediate supervisor.

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2. The shift commander or immediate supervisor, upon being notified a member is using a prescription medication as outlined in 770.65(1), will notify the Medical Section as soon as practicable. The shift commander or immediate supervisor shall obtain all the necessary information from the member and provide it for Medical Section review.

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3. The Medical Section will then notify the shift commander or immediate supervisor as to whether the member will be full duty, limited duty, or be

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required to leave the workplace altogether. A member required to leave the workplace will be responsible for completing the necessary sick or injury leave forms. The Medical Section will provide guidance in this area.

4. Written authorization from a certified medical physician must be submitted to the member's shift commander or immediate supervisor upon the member's return to work. If the Medical Section believes a second medical opinion is warranted, the member may be ordered to submit to a fitness for duty exam at Department expense.

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MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
AND
THE NEGOTIATING TEAM FOR THE CITY OF MILWAUKEE

This Memorandum records the agreement reached on all items between the parties for the time period commencing January 1, 2010, and expiring at the end of December 31, 2012.

Dated this _____ day of _____, 2011.

Representatives for the Milwaukee Police Supervisors' Organization	Representatives for the City of Milwaukee

AGREEMENT
Between
CITY OF MILWAUKEE
And
THE MILWAUKEE POLICE SUPERVISORS' ORGANIZATION

Effective January 1, ~~2010~~ Through December 31, ~~2012~~

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**MILWAUKEE POLICE SUPERVISORS' ORGANIZATION
AND
CITY OF MILWAUKEE
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1. Benefits

a. Basic Plan

During the term of this Agreement, Basic Plan health insurance benefits shall be the same as the Basic Plan benefits that were provided in the

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2007-2009 City/MPSO Agreement, including the following changes in these benefits:

- (1) Every medical procedure that can be performed on an outpatient basis shall not be covered by these benefits when the procedure is performed on a hospital inpatient basis. Procedures that can be performed on an outpatient basis that are done on an inpatient basis

in conjunction with other procedures requiring inpatient status, or any procedures performed on an inpatient basis that constitute a medically verifiable exception (as determined by the carrier providing Basic Plan health insurance benefits) to the requirement that it be performed on an outpatient basis, shall be covered.

- (2) A Utilization Review Case Management Program (UR/CM) shall be established by the City for all elective procedures. Elective procedures subject to the UR/CM program shall include all treatments for mental health disorders and substance abuse and home health care services. The program would be an independent review that assures each patient that the proposed hospitalization is necessary, based upon the medical condition of the patient, delivered in the most appropriate medical setting (inpatient or outpatient) and fair and equitably priced. Whenever an elective procedure is recommended for an employee, or his/her dependents, by a physician, the employee shall be required to notify the designated UR/CM program representative of this fact by telephone at the time such procedure is recommended, in accordance with procedures established by the Employee Benefits Manager for that purpose. Any elective procedure not submitted to the designated UR/CM program representative shall not be covered by these benefits. UR/CM shall determine whether or not a procedure is elective. Within 48 hours of the hospital admission time for any urgent or emergency procedure performed on an employee, or his/her dependents, the employee or adult responsible for him/her, shall be required to notify the designated UR/CM program representative of this fact by telephone in accordance with procedures established by the Employee Benefits Manager for that

purpose; provided however, that if bona fide medical circumstances applicable to the employee preclude compliance with the 48-hour notification requirement, UR/CM shall authorize reasonable extension of this time limit consistent with such medical circumstances or the availability of an adult responsible for the employee. Following its review of an elective procedure contemplated for an employee, or his/her dependents, UR/CM will inform the employee of its determination in respect to approval or denial of the procedure. After the patient informs his/her physician that the proposed elective procedure must be approved by the UR/CM program representative and the physician has contacted such representative, the UR/CM program will determine if the procedure will be approved or denied. If the physician and the UR/CM program representative disagree, discussions between them will continue in an attempt to resolve the disagreement. If discussions over five working days do not resolve the issue, the Employee Benefits Manager shall appoint a local physician who practices in a medical field relevant to the contemplated elective procedure and who is not affiliated with the employee's physician. The second physician's findings shall be submitted to the UR/CM program representative for review. If the second physician's prescribed treatment is approved by the UR/CM program representative, it shall be the treatment which is covered. In the event that both physicians either prescribe the same course of treatment, or each prescribes a different one, and the procedure(s) does (do) not meet the standards of the UR/CM program representative, and no compromise can be effected, the UR/CM program representative will approve the course of treatment

prescribed by the employee's physician. Once established, the foregoing appeal procedure shall remain in effect until the execution date of the successor contract to this Agreement.

- (3) The major medical deductible shall be to \$100 per person, \$300 per family maximum on the Basic Plan.
- (4) Transplant Benefit
 - (a) Medically necessary human to human heart transplants shall be a covered benefit under the Basic Plan. The participant must obtain prior authorization from the Utilization Review contractor and is subject to the terms and conditions of the Utilization Review program set forth in subsection 1.a.(2). of this Article above.
 - (b) The aggregate lifetime maximum benefit limit per participant for all organ or tissue transplant services for all covered transplant procedures is \$250,000. This aggregate lifetime maximum benefit limit applies to all benefits arising out of an organ or tissue transplant.

The maximum annual benefit per participant for outpatient services for alcoholism, drug abuse and nervous and mental disorders provided in the outpatient department of a hospital, an Outpatient Treatment Facility or a physician's office, that is provided under the "Hospital Surgical-Medical Group Master Plan Document for City of Milwaukee" shall be two thousand dollars (\$2,000). The maximum benefits provided under the "Major Medical Coverage" section of the Basic Plan for benefits for professional services for psychiatric care, including any type of nervous or mental care provided to a participant without confinement, shall be 80% of two thousand dollars (\$2,000) of charges.

The Major Medical lifetime maximum benefit shall be \$500,000.

b. Health Maintenance Organization (HMO) Plans

(1) Except as provided in subsection 1.b.(2), hereunder, employees shall have the right to select coverage under an HMO Plan approved by the City in lieu of coverage provided by the Basic Plan. The benefits for employees enrolled in an HMO plan offered by the City shall be the uniform benefits specified in the 1999-2000 City of Milwaukee's Request for Proposals from Health Maintenance Organizations.

(2)

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Effective upon execution of the 2007-2009 Agreement, t

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The City may offer to employees an Exclusive Provider Organization (EPO) Plan instead of or in addition to a Health Maintenance Organization (HMO) Plan. An EPO Plan offered by the City shall use a Southeastern Wisconsin network and shall only include in-network benefits. There shall be no coverage for services obtained outside of the EPO Plan network. The benefits for employees enrolled in an EPO Plan offered by the City shall be the uniform benefits specified in the 1999-2000 City of Milwaukee's Request for Proposals from Health Maintenance Organizations. In the event that the City offers an EPO Plan instead of or in addition to an HMO Plan, any references to "Health Maintenance Organization" or "HMO" in this Agreement shall be understood to also refer to an "Exclusive Provider Organization", "EPO", or to a combination of Health Maintenance Organizations and Exclusive Provider Organizations.

(3)

Effective December 1, 2009, or the first full month following execution of the Agreement date of this Agreement, whichever is later, t

The following co-payments shall be implemented:

- (a) An employee shall pay a \$10.00 office visit co-payment (OVCP) for all office or urgent care visits due to illness or injury, except as noted in 1.b.(3)(b) and (c), hereunder.
- (b) The OVCP shall be waived for preventive exams, tests, and other age-appropriate procedures as determined by the plan for screening, pre-natal and baby wellness.
- (c) The OVCP shall be waived for on-going disease management office visits as determined by the plan.
- (d) An employee shall pay a \$50.00 emergency room co-payment for each emergency room visit.
- (e) The prescription drug card plan under the uniform benefits shall be replaced with a three-tier drug card plan. The designation of legend drugs and the assignment of drugs to the following tiers shall be determined by the plan:
 - i. Tier 1 co-payment equal to \$5.00;
 - ii. Tier 2 co-payment equal to \$17.00;
 - iii. Tier 3 co-payment equal to \$25.00;
 - iv. Legend Drugs co-payment equal to \$5.00;
 - v. Mail Order Drug co-payment amount for a three-month or 90-day supply shall be equal to the co-payment amount for a two-month or 60-day

supply.

c. Basic Dental Plan

Basic Dental Plan insurance benefits shall be the same as the benefits provided for in the DENTAL SERVICES GROUP CONTRACT FOR THE CITY OF MILWAUKEE, effective October 17, 1981 executed April 26, 1982, except that:

The age limit at which the orthodontic benefits provided for under the "Orthodontics" Section of said DSG CONTRACT cease for participants shall be changed from age 19 to age 25; all other terms and conditions applicable to orthodontic benefits shall remain unchanged.

The dental insurance coverage for an eligible employee electing coverage under the Basic Dental Plan shall be in lieu of the coverage provided by Prepaid Dental Plans (PDP).

d. Prepaid Dental Plans (PDP)

Employees shall have the right to select coverage under a Prepaid Dental Plan (PDP) approved by the City in lieu of the coverage provided by the Basic Dental Plan.

e. Provisions Applicable to All Plans:

- (1) The City will not pay for any services or supplies that are unnecessary according to acceptable medical procedures.
- (2) The City shall have the right to require employees to execute a medical authorization to the applicable Group to examine employee medical and/or dental records for auditing purposes.
- (3) The City shall have the right to establish methods, measures and procedures it deems necessary to restrict abuses and/or excessive costs in application of the benefits provided under subsections 1.a. through 1.d., inclusive, of this Article, above.

- (4) The City, in conjunction with its insurance carrier, shall have the right to develop and implement any other cost containment measures it deems necessary.
- (5) An employee's health/dental insurance benefits provided by this Article shall terminate on the last day of the calendar month in which the employee is removed from the Police Department payroll; provided however, that when an employee is suspended from duty without pay, such benefits shall not terminate on the last day of the calendar month in which the suspension begins if the suspension ends prior to the last day of the next following calendar month. The Police Department Administration will provide written advance notice to an employee indicating the date on which his/her health/dental insurance coverage will be terminated.

Notwithstanding the foregoing, an employee's health insurance coverage shall not terminate so long as he/she and/or his/her dependent(s) are eligible for and receiving health insurance coverage under the specific provisions of this Agreement that are applicable to individuals not on the Department payroll. Except for suspensions (as provided above) this exception does not extend the termination date of an employee's dental insurance coverage beyond the last day of the calendar month in which the employee is removed from the Department payroll.
- (6) An annual Health Risk Assessment (HRA), which shall include basic biometrics, a written health risk assessment questionnaire and a blood draw, shall be implemented as soon as practicable following execution of the Agreement.
- (7) Both a Wellness and Prevention Program and Committee shall be implemented. A description of both the program and the committee

is appended hereto as Appendix G.

2. Eligibility for Benefits

a. Employees in Active Service

(1) Basic Plan and Health Maintenance Organization (HMO) Plans
Employees in active service shall be entitled to health insurance benefits under either the Basic Plan or an HMO Plan at their option so long as they remain in active service.

(2) Dental Benefits

Employees in active service shall be entitled to the dental benefits provided in subsections l.c. or l.d. of this Article so long as they remain in active service. Individuals not in active service shall not be eligible for dental benefits.

b. Duty Disability

(1) Except as provided in b.(2), below, employees in active service who commence receiving duty disability retirement allowance between January 1,

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2010, and December 31, 2009, as such allowance is defined in Section 36.05(3) of the ERS Act or Section 35.01(50) of the City Charter, shall be entitled to the benefits provided in subsection 1.a. or 1.b., of this Article, above, between January 1,

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2010, and December 31, 2009, so long as they continue to receive such duty disability retirement allowance and so long as they are under age 65. If a duty disability retiree eligible for these benefits dies prior to attaining age 65, the duty disability retiree's surviving spouse shall be eligible for these benefits until the last day of the month in which the deceased duty disability retiree would have attained age 65.

(2) An employee in active service who commences receiving a duty

disability retirement allowance of 90% of his/her current salary between January 1,

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2010, and December 31, 2009, as such allowance is defined in Section 36.05(3) of the ERS Act or Section 35.01(50) of the City Charter, shall be entitled to the benefits provided in subsections 1.a. or 1.b. of this Article, above, between January 1,

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2010, and December 31, 2009, so long as he/she continues to receive such duty disability retirement allowance. If a duty disability retiree eligible for these benefits dies prior to attaining age 65, the duty disability retiree's surviving spouse shall be eligible for these benefits until the last day of the month in which the deceased duty disability retiree would have attained age 65.

c. Employees Who Retire between January 1,

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2010, and December 31, 2009.

Employees in active service who retire on normal pension between January 1,

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2010, and December 31, 2009, with at least 15 years of creditable service, shall be entitled to the benefits provided in either subsections 1.a. or 1.b. of this Article, above, between January 1,

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2010, and December 31, 2009, so long as they are less than age 65. If an employee eligible for these benefits dies following his/her retirement on normal pension, but prior to attaining age 65, the retiree's surviving spouse shall be

eligible for these benefits until the last day of the month in which the deceased retiree would have attained age 65.

d. Duty Death

A surviving spouse who becomes eligible to receive a pension under the provisions of either Section 36.05(5) of the ERS Act or Chapter 35.01(34) of the Milwaukee City Charter, on or after January 1,

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2010, shall be entitled to the benefits provided in subsections of 1.a. or 1.b. of this Article between January 1,

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2010, and December 31, 2009, so long as the surviving spouse continues to receive such pension and is less than age 65.

3. Cost of Coverage -- Basic Plan or HMO Plan

a. Employees in Active Service

(1) Basic Plan - Calendar Years 2007, 2008 and 2009

(a) Prior to implementation of a Health Risk Assessment (HRA), an employee enrolled in the Basic Plan shall contribute an amount toward meeting the subscriber cost in the Basic Plan of \$75.00 per month for single enrollment when such employee's enrollment status is single and \$150.00 per month for family enrollment when such employee's enrollment status is family. The amount of employee contribution shall be deducted from the employee's pay check on a monthly basis. Any subscriber costs for single or family enrollment in excess of the above-stated amounts shall be paid by the City.

(b) Effective the first full calendar month following

implementation of the annual HRA,

but not sooner than December 1, 2009,

for active employees enrolled in the Basic Plan, the employee contributions shall be as

follows:

- i. The employee contribution shall increase to \$85.00 per month for single enrollment when an employee's enrollment status is single and to \$170.00 per month when an employee's enrollment status is family.
- ii. The employee contributions shall also increase \$20.00 per month over the amounts specified in 3.a.(1)(b)i., above, for each adult covered by the plan (maximum of two, excluding dependent children) who chooses not to fully participate in and complete the HRA.
- iii. For an employee in the single plan and for an employee and his or her spouse (if applicable) in the family plan who participate fully in the HRA and who do not smoke (as determined by the HRA), the employee contribution shall be \$75.00 per month for single enrollment when an employee's enrollment status is single and \$150.00 per month for family enrollment when an employee's enrollment status is family. The amount of employee contribution shall be deducted from the employee's pay check on a monthly basis. Any subscriber costs for single or

family enrollment in excess of the above-stated amounts shall be paid by the City.

(2) Health Maintenance Organization – Calendar Years 2007 and 2008

(a)

For employees in active service enrolled in a health maintenance organization during calendar years 2007 and 2008, the City will contribute an amount towards meeting the subscriber cost for enrollment in the HMO Plan elected of up to 100% of the monthly subscriber cost of single enrollment in the HMO offered by the City pursuant to section 1.b., hereof, having the lowest single enrollment subscriber cost to the City when an employee's enrollment status is single or up to 100% of the monthly subscriber cost of family enrollment in the HMO offered by the City pursuant to section 1.b., hereof, having the lowest family enrollment subscriber cost to the City when an employee's enrollment status is family.. If the subscriber cost for enrollment in the plan elected exceeds the maximum City contribution provided, the employee shall have the amount of excess cost deducted from his/her pay check on a monthly basis.

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2) HMO – Calendar Year 2009

(a)

An employee enrolled in an HMO plan shall contribute \$20.00 per month toward the monthly

subscriber cost of the HMO plan when such employee's enrollment status is single and \$40.00 per month toward the monthly subscriber cost of the HMO plan when such employee's enrollment status is family.

(b) Effective the first full calendar month following implementation of the annual HRA

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but not sooner than December 1, 2009

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, an employee enrolled in an HMO plan shall contribute the following amounts:

- i. An employee shall contribute \$30.00 per month toward the monthly subscriber cost of the HMO plan when such employee's enrollment status is single and \$60.00 per month toward the monthly subscriber cost of the HMO plan when such employee's enrollment status is family
- ii. An employee shall also contribute an additional \$20.00 per month over and above the amount specified in (3)(b)i., above, for each adult (maximum of two, excluding dependent children) who chooses not to fully participate in and complete the HRA.
- iii. For an employee in a single HMO plan and for an employee and his or her spouse (if applicable) in a family HMO plan who participate fully in the HRA and who do not smoke (as determined by the HRA), the employee contribution shall be reduced to

\$20.00 per month for single enrollment when an employee's enrollment status is single and \$40.00 per month for family enrollment when an employee's enrollment status is family.

- (c) In addition to the amounts specified in subsections (3)(a) and (3)(b), above, an employee who enrolls in an HMO plan whose monthly subscriber cost exceeds that of the lowest cost HMO plan shall also contribute a monthly amount equal to the difference between the monthly subscriber cost of the plan selected and the monthly subscriber cost of the lowest cost HMO plan.
- (d) The amount of employee contribution shall be deducted from the employee's pay check on a monthly basis.
- (e) The maximum City contributions provided above shall be determined by the employee's effective enrollment status; when his/her enrollment status is single, the above maximum shall be computed using the subscriber cost established for single enrollment status and when it is family, such computation shall be based on the subscriber cost established for family enrollment status.

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- 3) An employee who exhausts his/her sick leave during the term of this Agreement shall be permitted to maintain the benefits for the plan he/she was covered under on the date his/her sick leave was exhausted for up to six (6) months immediately following that date so long as the employee is unable to return to work because of medical reasons. For calendar years

2011, the City's contribution towards the cost of maintaining the benefits shall be as provided for in subsection 3.a. of this Article, above. This provision shall not cover retirees (including disability retirements).

b. Duty Disability

For Calendar Years 2007, 2008 and 2009

Depending on the individual's single/family enrollment status, the cost of coverage for individuals receiving a duty disability retirement allowance shall be as provided in subsection 3.a. of this Article, above.

c. Employees Who Retire Between January 1,

2010, and December 31, 2009

- (1) For eligible employees who retire, between January 1,

2010, and December 31, 2009, the City will make monthly contributions towards meeting the monthly subscriber cost for single or family enrollment in the plan elected by the retiree as follows:

(a) Single Enrollment Status

For a retiree with single enrollment status, the City will contribute an amount up to the percentage of the subscriber cost for single enrollment in the Basic Plan that is determined by the formula provided in subsection 3.c.(1)(c) during the period after retirement the retiree is less than age 60 and an amount up to 100% of the subscriber cost for single enrollment in the Basic Plan during the period after

retirement the retiree is at least age 60 but less than age 65.

(b) Other Than Single Enrollment Status

For a retiree with other than single enrollment status, the City will contribute an amount up to the percentage of the subscriber cost for his/her enrollment status in the Basic Plan that is determined by the formula provided in subsection 3.c.(1)(c) during the period after retirement the retiree is less than age 60 and the greater of either such amount or an amount up to 100% of the subscriber cost for single enrollment in the Basic Plan during the period after retirement the retiree is at least age 60 but less than age 65.

(c) Contribution Formula

<u>Unused Sick Leave</u>	<u>City Contribution</u>
Less than 150 work days.....	65%
At least 150 work days, but less than 159 work days.....	66%
At least 159 work days, but less than 167 work days.....	67%
At least 167 work days, but less than 176 work days.....	68%
At least 176 work days, but less than 184 work days.....	69%
At least 184 work days, but less than 193 work days.....	70%
At least 193 work days, but less than 201 work days.....	71%
At least 201 work days, but less than 210 work days.....	72%
At least 210 work days, but less than 219 work days.....	73%
At least 219 work days, but less than 227 work days.....	74%

At least 227 work days, but
less than 236 work days.....75%

At least 236 work days, but
less than 244 work days.....76%

At least 244 work days, but
less than 253 work days.....77%

At least 253 work days, but
less than 261 work days.....78%

At least 261 work days, but
less than 270 work days.....79%

At least 270 work days, but
less than 278 work days.....80%

At least 278 work days, but
less than 285 work days.....81%

At least 285 work days, but
less than 291 work days.....82%

At least 291 work days, but
less than 298 work days.....83%

At least 298 work days, but
less than 304 work days.....84%

At least 304 work days, but
less than 311 work days.....85%

At least 311 work days, but
less than 317 work days.....86%

At least 317 work days, but
less than 324 work days.....87%

At least 324 work days, but
less than 330 work days.....88%

At least 330 work days, but
less than 336 work days.....89%

At least 336 work days, but
less than 343 work days.....90%

At least 343 work days, but
less than 349 work days.....91%

At least 349 work days, but
less than 356 work days.....92%

At least 356 work days, but
less than 362 work days.....93%

At least 362 work days, but less than 369 work days.....	94%
At least 369 work days, but less than 375 work days.....	95%
At least 375 work days, but less than 381 work days.....	96%
At least 381 work days, but less than 388 work days.....	97%
At least 388 work days, but less than 394 work days.....	98%
At least 394 work days, but less than 400 work days.....	99%
At least 400 work days.....	100%

Unused Sick Leave is expressed in eight-hour work days and represents the amount of earned and unused sick leave credited to an employee's sick leave account on the effective date of his/her retirement.

City Contribution is expressed as a percentage of the effective Basic Plan subscriber cost for the enrollment status applicable to the retiree and represents the maximum contribution made by the City on behalf of such retiree.

If the per capita subscriber cost for enrollment in the plan selected by the retiree exceeds the maximum City contribution for retirees provided, the retiree shall have the amount of such excess cost deducted from his/her pension check.

(2) **Surviving Spouse**

The provisions of subsection 3.c.(1) shall be applicable to a surviving spouse eligible for retiree health insurance benefits under subsections 2.c. or 2.d. of this Article. An eligible surviving spouse without eligible dependents shall be covered by subsection

3.c.(1)(a); in all other circumstances he/she shall be covered by subsection 3.c.(1)(b). For purposes of interpretation and administration, the age the deceased retiree would have been shall determine the City contribution.

d. Duty Death

Depending on single/family enrollment status, the cost of coverage for the surviving spouse of an employee receiving a duty death pension, under either Section 36.05(5) of the ERS Act or Chapter 35.01(34) of the Milwaukee City Charter, shall be as follows:

During calendar years 2007, 2008 and 2009, the City will contribute an amount toward meeting the subscriber cost for enrollment in the plan elected of up to 100% of the monthly subscriber cost of either single or family enrollment in the Basic Plan. If the subscriber cost for enrollment in the plan elected exceeds the maximum City contribution provided, the employee shall have the amount of excess cost deducted from his/her pay check on a monthly basis.

e. Cost of Health Insurance After Conversion From Duty Disability

Upon conversion from a duty disability retirement allowance to a service retirement allowance, the cost of the retiree health insurance coverage to which he/she is entitled hereunder until he/she attains age 63 shall be as provided under subsection 3.a. of this Article. The benefits shall be in lieu of the benefits provided under subsection 3.c.. Thereafter, until attainment of age 65, the cost of such coverage shall be as provided under subsection 3.c. of this Article, except that the individual's unused sick leave as of the effective date his/her duty disability retirement allowance commenced shall be used to compute the City-paid retiree health insurance benefits to which he/she is entitled hereunder.

4. Cost of Coverage -- Dental Plan Only

For calendar years 2007, 2008 and 2009, the City will contribute an amount up to \$13.00 per month for single enrollment and an amount up to \$37.50 per month for family enrollment towards meeting the subscriber cost of the dental plan. If the subscriber cost for single or family enrollment in the Dental Plan exceeds the maximum City contribution provided, the employee shall have the amount of such excess cost deducted from his/her pay check on a monthly basis.

5. Self-Administration Offset

The per capita subscriber costs associated with the health or dental insurance coverage provided by each of the plans listed in subsection 1., above, includes amounts allocable to the administrative costs of the carriers providing such coverage. If the City elects to self-administer the Basic Plan and/or the Basic Dental Plan, then effective with the calendar month during which this election becomes effective, and so long as it continues in effect, the maximum City contributions provided in subsections 3 and 4, above, for employees covered by such a self-administered plan shall be reduced by an amount equal to 100% of the difference between the monthly administrative costs associated with such plan prior to the effective date it became self-administered and the monthly administrative costs associated with the plan when it is self-administered, capitated for each subscriber in the plans on the basis of single or family enrollment status. While in effect, this provision shall not increase an employee's payroll deductions required to meet the costs of his/her health/dental insurance benefits beyond the deductions that would be required under subsections 3, 4 and 8 of this Article, if the provision was not in effect.

6. Right of City to Select Carrier

It shall be the right of the City to select and, from time to time, to change any of its carriers that provide the benefits set forth in subsection 1. of this Article; at its sole option, the City shall have the right to provide any or all of these benefits on a self-

insured basis and/or to self-administer them (in this circumstance, the term "carrier" as used in this Article shall also mean self-insurer and/or self-administrator).

7. Non-duplication

- a. If more than one City employee is a member of the same family, as that term is defined in provisions of the Plans defined in subsection 1. of this Article, the coverage shall be limited to one family plan.
- b. In the event a program of health insurance is adopted by the Federal or State government and the City is required or elects to participate, benefits under the City plan shall be coordinated with such systems but shall not operate to increase or diminish the extent of the coverage.
- c. A retiree shall be ineligible to receive the retiree health insurance benefits provided hereunder when receiving health insurance benefits from other employment or from the employment of the retiree's spouse if the benefits received by the spouse cover the retiree.
- d. City health insurance cost contributions provided hereunder to retirees shall be in lieu of any other City retiree health insurance contributions provided by ordinance, resolution or by other means, while retirees are receiving the benefits hereunder.
- e. After the deductible is paid, the employee's share of the cost for claims made under the Major Medical co-insurance provisions shall not be less than 20%.
- f. In the event an employee or eligible dependent becomes eligible for Medicare benefits prior to attaining age 65, the City will contribute an amount up to the City's maximum contribution provided in subsection 3.c.(1), of this Article towards the cost of coverage for the City's Medicare Supplemental Plan.

8. Employees on Leave of Absence

Employees in active service may elect to be covered by the benefits in subsections 1.a. or 1.b. of this Article, above, while on an authorized leave of absence.

Individuals on an authorized leave of absence shall pay 100% of the cost associated with their coverage. The rates for such coverage shall be determined by the City and may be adjusted from time to time. This provision shall be applicable only during the first 12 months of an employee's authorized leave of absence.

9. There shall be a 270-day waiting period for pre-existing conditions for the benefits provided by the Basic Plan.

10. Effective Date

Except where specifically provided otherwise herein, the provisions of this Article shall be deemed to be in force and effect beginning January 1,

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2010, and ending December 31,

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2011.

11. An employee who retires on pension during the term of this Agreement shall be entitled to the benefits provided during the term of this Agreement so long as he or she is less than age 65. After this Agreement expires, such an individual, so long as he or she is less than age 65, shall be entitled to:

(1) The same health insurance benefits concurrently provided employees in active service covered by the effective Agreement between the City and the MPSO as is in effect from time to time (it is understood that the exclusion of retirees from coverage under dental insurance benefits, as set forth above, shall continue unchanged). If a retiree eligible for these benefits dies prior to age 65, the retiree's surviving spouse shall be eligible for these benefits until the last day of the month in which the deceased retiree would have attained age 65; and

(2) The same City/retiree health insurance cost sharing formula that was provided for such retiree by this Agreement.

This paragraph shall only cover the kinds of retirements for which health insurance coverage is provided by this Agreement.

12. Subject to the conditions contained therein, the parties agree to abide by the retiree health insurance provisions of the October 29, 1999 Final Global Settlement Agreement for Active Police Officers.

If any portion of the Global Pension Settlement Agreement or implementing Charter Ordinance is held invalid, or if compliance with it is restrained by operation of law or by any court of competent jurisdiction, the parties shall immediately enter into collective bargaining for the purpose of arriving at a mutually satisfactory replacement for such portion of the Global Pension Settlement Agreement or Charter Ordinance.

This paragraph shall in no way affect or restrict other benefits unrelated to retiree health insurance benefits in the Global Settlement Agreement.



City of Milwaukee Fiscal Impact Statement

A

Date 9-12-11 **File Number** 110518

Subject Resolution to ratify and confirm the 2010-2012 final Agreement between the City of Milwaukee and the Milwaukee Police Supervisors' Organization.

B

Submitted By (Name/Title/Dept./Ext.) Nicole Fleck/Labor Relations Officer/DER-Labor Relations/x3371

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

- This Note** Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

Current staffing levels and prior years experience.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$1,150,319	
Supplies/Materials			
Equipment			
Services			
Other	Pension/Life Ins	\$133,805	
	Health Insurance		\$517,075
TOTALS		\$1,284,124	\$517,075

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

Cost of \$132,497 will recur in 2012.

J

Additional information.



City of Milwaukee Fiscal Impact Statement

A

Date	9-7-11	File Number	110518
Subject	Resolution to ratify and confirm the 2010-2012 final Agreement between the City of Milwaukee and the Milwaukee Police Supervisors' Organization.		

B

Submitted By (Name/Title/Dept./Ext.)	Nicole Fleck/Labor Relations Officer/DER-Labor Relations/x3371
---	--

C

This File	<input checked="" type="checkbox"/> Increases or decreases previously authorized expenditures. <input type="checkbox"/> Suspends expenditure authority. <input type="checkbox"/> Increases or decreases city services. <input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability. <input type="checkbox"/> Increases or decreases revenue. <input type="checkbox"/> Requests an amendment to the salary or positions ordinance. <input type="checkbox"/> Authorizes borrowing and related debt service. <input type="checkbox"/> Authorizes contingent borrowing (authority only). <input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.
------------------	---

D

This Note	<input type="checkbox"/> Was requested by committee chair.
------------------	--

E

Charge To	<input checked="" type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
	<input type="checkbox"/> Capital Projects Fund	<input type="checkbox"/> Special Purpose Accounts
	<input type="checkbox"/> Debt Service	<input type="checkbox"/> Grant & Aid Accounts
	<input type="checkbox"/> Other (Specify) _____	

F

Assumptions used in arriving at fiscal estimate.

Current staffing levels and prior years experience.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$963,813	
Supplies/Materials			
Equipment			
Services			
Other	Pension/Life Ins	\$176,991	
	Health Insurance		\$517,075
TOTALS		\$1,140,804	\$517,075

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____

I

List any costs not included in Sections E and F above.

Cost of \$97,222 will recur in 2012.

J

Additional information.

**Summary of Wage and Fringe Benefit Modifications
In the 2010 – 2012 Agreement
Between the
City of Milwaukee (City)
and the
Milwaukee Police Supervisors Organization (Association)**

1. Article 1, Duration Article 1: Three year, January 1, 2010 through December 31, 2012
2. Article 9, Base Salary:
 - (a) Effective Pay Period 1, 2011, increase the biweekly rates of pay of Police Sergeant by \$102.31 (\$2,667 annually), and increase the biweekly rates of pay of all other employees by \$55.77 (\$1,454 annually), with corresponding reductions in 2011 VSAP and Certification Pay payments.
 - (b) Effective Pay Period 1, 2012:
 - include education pay in base salary for those that are eligible and increase biweekly rates of pay as follows:
 - i. Associate’s Degree or 64 credits - \$15.34 (\$400 annually)
 - ii. Bachelor’s Degree – \$34.52 (\$900 annually)
 - iii. Master’s Degree or Higher - \$42.19 (\$1,100 annually)which shall also be increased by the below listed across the board increases
 - A 3.5% across the board wage increase for Police Sergeant over Pay Period 26, 2011 wage rates
 - A 2.0% across the board wage increase for all other employees over Pay Period 26, 2011 wage rates
 - (c) Effective Pay Period 14, 2012:
 - A 1.25% across the board wage increase for Police Sergeant over Pay Period 13, 2012 wage rates
 - A 1.0% across the board wage increase for all other employees over the Pay Period 13, 2012 wage rates
3. Article 49, Variable Shift Assignment Pay:
 - (a) Effective for calendar year 2011 payments eliminate the VSAP payment provided to employees in subsections 1.a.(1) and (2).
 - (b) Modify section 6: *It is understood that including VSAP payments in the base biweekly salary is in recognition of the City’s sole and unrestricted right to vary from time to time and without advance notice the starting time of an employee’s regularly scheduled eight-hour shift assignment and/or the day on which such regular shift assignment occurs. Including the VSAP payments in base salary is in lieu of any other compensation for the City’s retention of this right, including, without limitation, and “Out-of-Shift” premium pay.*
 - (c) Renumber subsection 1.b. and update entire Article, as needed.

4. Article 58, Certification Pay:
 - (a) Effective for calendar year 2011 payments eliminate Certification Pay payments provided to employees in section 1. After the payments for calendar year 2010 (paid in 2011), there shall be no Certification Pay payments.
 - (b) Insert the following at the beginning of the Article: Certification Pay payments have been included in the Salary Schedule as of Pay Period 1, 2011.

5. Article 12, Overtime. Insert the following in section 4.b.:

Effective the beginning of the first pay period following the execution date of the 2010-2012 Agreement, all overtime earned for work performed under grants shall be paid in cash.

6. Article 17, Health Insurance:
 - (a) Effective January 1, 2012, active employees shall contribute 12% of the Health Insurance Premium payment for plan selected.
 - (b) Remove prohibited subjects of bargaining from the remainder of the article.

7. Article 24, Vacations. Insert the following in section 4:

Effective January 1, 2012, vacation shall be taken on a fiscal year basis.

8. Article 54, Drug Testing:
 - (a) Eliminate the existing memorandum of understanding and the contractual reference thereto. Incorporate a reference to the new Standard Operating Procedure (hair testing).

9. Article 35, Educational Program:
 - (a) Effective for calendar year 2012 payments eliminate Educational Pay payments made to employees in section 1. After the payments for calendar year 2011 (made in 2012), there shall be no Educational Pay payments.
 - (b) Insert the following at the beginning of the Article: Educational Pay shall be included in the Salary Schedule as of Pay Period 1, 2012.
 - (c) Update entire article as needed

10. Incorporate into contract tentative agreements with necessary additions and updates of language and dates and deletion of obsolete language.

MILWAUKEE POLICE SUPERVISORS' ORGANIZATION

2900 W. Forest Home Avenue • Milwaukee, WI 53215 • (414) 672-M.P.S.O. (6776) Fax (414) 672-6798



August 30, 2011

Troy M. Hamblin, Labor Negotiator
City of Milwaukee
200 East Wells Street, Room 706
Milwaukee, WI 53202

Mr. Hamblin,

On August 29th, 2011, the Milwaukee Police Supervisors' Organization membership voted to ratify the 2010-2012 tentative agreement which we reached with your office on August 5th, 2011.

We therefore respectfully request that your office initiate the City ratification process as soon as administratively possible.

Sincerely,



Thomas P. Klusman
Labor Relations Manager
Milwaukee Police Supervisors Organization

11 SEP 7 AM 11/22



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

September 7, 2011

The Honorable
The Committee on Finance
and Personnel
Common Council
City of Milwaukee

Dear Committee Members:

To implement the rates of pay contained in the 2010-2012 Memorandum of Understanding between the City of Milwaukee and the Milwaukee Police Supervisors' Organization, we request your approval of amendments to Section 19 of the Salary Ordinance.

1. **EFFECTIVE PAY PERIOD 1, 2010 (DECEMBER 27, 2009)**

The existing footnotes under these pay ranges are to be retained.

Under Pay Ranges 831 through 842, maintain the current biweekly rates of pay:

Pay Range 831

Official Rate - Biweekly

2,245.88 2,334.36 2,426.43 2,522.15 2,621.67 2,725.25

Pay Range 835

Official Rate - Biweekly

2,522.15 2,621.67 2,725.25 2,832.89 2,944.88 3,061.18

Pay Range 836

Official Rate - Biweekly

2,621.67 2,725.25 2,832.89 2,944.88 3,061.18 3,182.30

Pay Range 839

Official Rate - Biweekly

2,944.88 3,061.18 3,182.30 3,308.21 3,439.23 3,575.41

Pay Range 842

Official Rate - Biweekly

3,308.21 3,439.23 3,575.41 3,717.09 3,864.42 4,017.62

2. EFFECTIVE PAY PERIOD 1, 2011 (DECEMBER 26, 2010)

Under Pay Ranges 831 through 842 delete the current biweekly rates of pay and substitute therefor the following biweekly rates of pay:

Pay Range 831

Official Rate - Biweekly

2,348.19 2,436.67 2,528.74 2,624.46 2,723.98 2,827.56

Pay Range 835

Official Rate - Biweekly

2,577.92 2,677.44 2,781.02 2,888.66 3,000.65 3,116.95

Pay Range 836

Official Rate - Biweekly

2,677.44 2,781.02 2,888.66 3,000.65 3,116.95 3,238.07

Pay Range 839

Official Rate - Biweekly

3,000.65 3,116.95 3,238.07 3,363.98 3,495.00 3,631.18

Pay Range 842

Official Rate - Biweekly

3,363.98 3,495.00 3,631.18 3,772.86 3,920.19 4,073.40

3. EFFECTIVE PAY PERIOD 1, 2012 (DECEMBER 25, 2011)

Under Pay Ranges 831 through 842 delete the current biweekly rates of pay and substitute therefor the following biweekly rates of pay:

Pay Range 831

Official Rate - Biweekly

2,430.38 2,521.95 2,617.25 2,716.32 2,819.32 2,926.52

Add footnote designation "3/" which should read as follows: "3/ Effective Pay Period 1, 2012, and employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 2,446.25, 2,537.83, 2,633.12, 2,732.19, 2,835.20, 2,942.40."

Add footnote designation "4/" which should read as follows: "4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 2,466.10, 2,557.68, 2,652.97 , 2,752.04, 2,855.05, 2,962.25."

Add footnote designation "5/" which should read as follows: "5/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 2,474.04, 2,565.62, 2,660.91, 2,759.98, 2,862.99, 2,970.19."

Pay Range 835

Official Rate - Biweekly

2,629.48 2,730.99 2,836.64 2,946.43 3,060.66 3,179.29

Add footnote designation "1/" which should read as follows: "1/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 2,645.13, 2,746.64, 2,852.29, 2,962.08, 3,076.31, 3,194.94."

Add footnote designation "2/" which should read as follows: "2/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 2,664.69, 2,766.20, 2,871.85, 2,981.64, 3,095.87, 3,214.50."

Add footnote designation "3/" which should read as follows: "3/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 2,672.51, 2,774.02, 2,879.67, 2,989.47, 3,103.70, 3,222.32."

Pay Range 836

Official Rate - Biweekly

2,730.99 2,836.64 2,946.43 3,060.66 3,179.29 3,302.83

Add footnote designation "3/" which should read as follows: "3/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 2,746.64, 2,852.29, 2,962.08, 3,076.31, 3,194.94, 3,318.48."

Add footnote designation "4/" which should read as follows: "4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 2,766.20, 2,871.85, 2,981.64, 3,095.87, 3,214.50, 3,338.04."

Add footnote designation "5/" which should read as follows: "5/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 2,774.02, 2,879.67, 2,989.47, 3,103.70, 3,222.32, 3,345.87."

Pay Range 839

Official Rate - Biweekly

3,060.66 3,179.29 3,302.83 3,431.26 3,564.90 3,703.80

Add footnote designation "2/" which should read as follows: "2/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 3,076.31, 3,194.94, 3,318.48, 3,446.91, 3,580.55, 3,719.45."

Add footnote designation "3/" which should read as follows: "3/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 3,095.87, 3,214.50, 3,338.04, 3,466.47, 3,600.11, 3,739.01."

Add footnote designation "4/" which should read as follows: "4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 3,103.70, 3,222.32, 3,345.87, 3,474.29, 3,607.93, 3,746.84."

Pay Range 842

Official Rate - Biweekly

3,431.26 3,564.90 3,703.80 3,848.32 3,998.59 4,154.87

Add footnote designation "2/" which should read as follows: "2/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 3,446.91, 3,580.55, 3,719.45, 3,863.96, 4,014.24, 4,170.51."

Add footnote designation "3/" which should read as follows: "3/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 3,466.47, 3,600.11, 3,739.01, 3,883.53, 4,033.80, 4,190.08."

Add footnote designation "4/" which should read as follows: "4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 3,474.29, 3,607.93, 3,746.84, 3,891.35, 4,041.63, 4,197.90."

4. EFFECTIVE PAY PERIOD 14, 2012 (JUNE 24, 2012)

Under Pay Ranges 831 through 842 delete the current biweekly rates of pay and substitute therefor the following biweekly rates of pay:

Pay Range 831

Official Rate - Biweekly

2,460.76 2,553.47 2,649.97 2,750.27 2,854.56 2,963.10

Amend footnote designation "3/" to read as follows: "3/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 2,476.83, 2,569.55, 2,666.03, 2,766.34, 2,870.64, 2,979.18."

Amend footnote designation "4/" to read as follows: "4/ Effective Pay Period

14, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 2,496.93, 2,589.65, 2,686.13, 2,786.44, 2,890.74, 2,999.28."

Amend footnote designation "5/" to read as follows: "5/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 2,504.97, 2,597.69, 2,694.17, 2,794.48, 2,898.78, 3,007.32."

Pay Range 835

Official Rate - Biweekly

2,655.77 2,758.30 2,865.01 2,975.89 3,091.27 3,211.08

Amend footnote designation "1/" to read as follows: "1/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 2,671.58, 2,774.11, 2,880.81, 2,991.70, 3,107.07, 3,226.89."

Replace footnote designation "2/" with the following: "2/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 2,691.34, 2,793.86, 2,900.57, 3,011.46, 3,126.83, 3,246.65."

Amend footnote designation "3/" to read as follows: "3/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 2,699.24, 2,801.76, 2,908.47, 3,019.36, 3,134.74, 3,254.54."

Pay Range 836

Official Rate - Biweekly

2,758.30 2,865.01 2,975.89 3,091.27 3,211.08 3,335.86

Amend footnote designation "3/" to read as follows: "3/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 2,774.11, 2,880.81, 2,991.70, 3,107.07, 3,226.89, 3,351.66."

Amend footnote designation "4/" to read as follows: "4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 2,793.86, 2,900.57, 3,011.46, 3,126.83, 3,246.65, 3,371.42."

Amend footnote designation "5/" to read as follows: "5/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 2,801.76, 2,908.47, 3,019.36, 3,134.74, 3,254.54, 3,379.33."

Pay Range 839

Official Rate - Biweekly

3,091.27 3,211.08 3,335.86 3,465.57 3,600.55 3,740.84

Amend footnote designation "2/" to read as follows: "2/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 3,107.07, 3,226.89, 3,351.66, 3,481.38, 3,616.36, 3,756.64."

Amend footnote designation "3/" to read as follows: "3/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 3,126.83, 3,246.65, 3,371.42, 3,501.13, 3,636.11, 3,776.40."

Amend footnote designation "4/" to read as follows: "4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 3,134.74, 3,254.54, 3,379.33, 3,509.03, 3,644.01, 3,784.31."

Pay Range 842

Official Rate - Biweekly

3,465.57 3,600.55 3,740.84 3,886.80 4,038.58 4,196.42

Amend footnote designation "2/" to read as follows: "2/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate's Degree or 64 Credits shall be paid the following biweekly rates: 3,481.38, 3,616.36, 3,756.64, 3,902.60, 4,054.38, 4,212.22."

Amend footnote designation "3/" to read as follows: "3/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor's Degree shall be paid the following biweekly rates: 3,501.13, 3,636.11, 3,776.40, 3,922.37, 4,074.14, 4,231.98."

Amend footnote designation "4/" to read as follows: "4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master's Degree or Higher shall be paid the following biweekly rates: 3,509.03, 3,644.01, 3,784.31, 3,930.26, 4,082.05, 4,239.88."

The costs of these amendments to the Salary Ordinance are included in the fiscal note attached to the resolution approving the Memorandum of Understanding, Common Council File Number 110518.

We recommend adoption of the attached amendments to the Salary Ordinance.

Sincerely,



Troy M. Hamblin
Labor Negotiator

cc: Cynthia Ratliff
Gloria Ng
Melody Johnson
Faranda Wragg
Michelle Stein
Renee Keinert



Legislation Details (With Text)

File #: 110153 **Version:** 0

Type: Communication **Status:** In Committee

File created: 5/24/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Health Department relative to technical corrections to the 2011 Positions Ordinance.

Sponsors: THE CHAIR

Indexes: HEALTH DEPARTMENT, POSITIONS ORDINANCE

Attachments: Letter from Health Department, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
5/24/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110153

Version
ORIGINAL

Reference

Sponsor
The Chair

Title

Communication from the Health Department relative to technical corrections to the 2011 Positions Ordinance.

Requestor
Health Department

Drafter
YMR
05-18-11
Positions Ordinance Communication 2011 - TITLE ONLY



Health Department

Tom Barrett
Mayor

Bevan K. Baker, FACHE
Commissioner of Health

Raquel M. Filmanowicz
Health Operations Administrator

Family and Community Health Services

web site: www.milwaukee.gov/health

September 12, 2011

Mr. James Owczarski
Deputy City Clerk
Milwaukee Common Council
City Hall, Room 205
200 E. Wells Street
Milwaukee, WI 53202

Re: File #110153 Communications from the Health Department relative to technical corrections to the 2011 Positions Ordinance.

Dear Mr. Owczarski:

In an effort to maintain proper position authority for grant funded positions in the 2011 Positions Ordinance, the Health Department is submitting this communication relative to technical corrections to the 2011 Positions Ordinance. These changes are needed as a result of inadvertent errors made to corrections to the Positions Ordinance at the time of the Grant Resolution and to various classification and reorganization corrections and updates made throughout the year. Other changes are simply changes that can be done as a result of grants ending. The 2011 Positions Ordinance would need to be amended as follows:

Caption/Position Title
HEALTH DEPARTMENT

Under

Disease Control and Environmental Health Services Division
Home Environmental Health

DELETE:

Childhood Lead Poisoning Prevention Program (W)

Public Health Educator II (X)(W)	1 position
Lead Risk Assessor II (X)(W)(QQ)	2 positions
Program Assistant II (W)	1 position

Think Health. Act Now!

Health Services Assist II (X)(W)(PP)	1 position
Public Health Nurse (X)(G)(W)	1 position

Under

Disease Control and Environmental Health Services Division
Lead Poisoning Control Program - (CDBG)

DELETE:

Public Health Nurse (X)(G)(TT)	3 positions
--------------------------------	-------------

ADD:

Public Health Nurse (X)(G)(TT)	2 positions
--------------------------------	-------------

Under

Disease Control and Environmental Health Services Division
CDBG Lead Grant (TT)

DELETE:

Lead Risk Assessor II (TT)(X)	5 positions
Health Services Assistant II (X) (TT)	1 position
Office Assistant II (TT)	1 position

ADD:

Lead Risk Assessor II (TT)(X)	4 positions
Program Assistant II (TT)	1 position
Health Services Assistant II (X) (TT)	2 positions

Under

Disease Control and Environmental Health Services Division
Lead Hazard Reduction Demonstration Grants (HUD) (QQ)(RR)

DELETE:

Lead Risk Assessor II (X)(QQ)(RR)	3 positions
-----------------------------------	-------------

ADD:

Lead Risk Assessor II (X)(QQ)(RR)	6 positions
-----------------------------------	-------------

DELETE Footnotes (H), (M), (CC), (QQQ) and (TTT)

CHANGE Footnote (J) to read as follows:

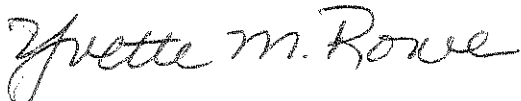
To expire 12/31/11 unless the Maternal and Child Health Grant is extended.

CHANGE Footnote (TT) to read as follows:

To expire 12/31/11 unless the CDBG Lead Grant is extended

As always, thank you for your assistance regarding this matter. If you require additional information or clarification I will be available at the Finance and Personnel Committee Meeting on September 15, 2011 or available at X3997.

Sincerely,

A handwritten signature in cursive script that reads "Yvette M. Rowe".

Yvette M. Rowe

Business Operations Manager – Health



Legislation Details (With Text)

File #: 110560 **Version:** 0

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution relative to the application, acceptance and funding of an Interlibrary Services Grant.

Sponsors: THE CHAIR

Indexes: PUBLIC LIBRARY, STATE GRANTS

Attachments: Grant Analysis Form, Operating Grant Budget, Fiscal Impact Statement, Hearing Notice List, Hearing Notice List 9/13/11

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
9/12/2011	0	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION AND ASSIGNED TO	Pass	5:0
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110560
Version
ORIGINAL

Reference

Sponsor
THE CHAIR

Title
Resolution relative to the application, acceptance and funding of an Interlibrary Services Grant.

Analysis
This resolution authorizes the Milwaukee Public Library to apply for, accept and fund an Interlibrary Services Grant from the Wisconsin Department of Public Instruction and the Milwaukee County Federated Library System (MCFLS) in the amount of \$86,715. The purpose of the project is to provide for the loan of library materials to other libraries in the State of Wisconsin in answer to specific requests. The project also provides for the request of materials not available in Milwaukee County libraries for MCFLS members.

Body
Whereas, The City of Milwaukee appears to be eligible for grant funds from the Wisconsin Department of Public Instruction and MCFLS for the loan of library materials to and from other

libraries in the State of Wisconsin in answer to specific requests; and

Whereas, The operation of this grant from 07/01/11 to 06/30/12 would cost \$86,715 of which \$86,715 (100%) would be provided by the grantor; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to the State of Wisconsin is authorized and the Milwaukee Public Library shall accept this grant without further approval unless the terms of the grant change as indicated in Section 304-81, Milwaukee Code of Ordinances; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the Project/Grant Parent of the 2011 Special Revenue--Grant and Aid Projects Fund, the following amounts for the project titled Interlibrary Services Grant:

<u>Proj/Grant</u>	<u>Fund</u>	<u>Org</u>	<u>Program</u>	<u>BuYr</u>
GR0001100000	0150	9990	0001	0000
<u>Subclass</u>	<u>Acct</u>	<u>Project</u>		<u>Amount</u>
R999	000600	Grantor Share		\$86,715

2. Create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project Level values; budget to these Project/Grant values the amount required under the grant agreement;

3. Establish the necessary City Share Project values; and, be it

Further Resolved, That these funds are budgeted for Milwaukee Public Library which is authorized to:

1. Expend from the amount budgeted for specified purposes as indicated in the grant budget and incur costs consistent with the award date;

2. Expend from the 2011 grant budget funds for specific items of equipment;

3. Expend from the 2011 grant budget funds for training and out-of-town travel by departmental staff.

; and, be it

Further Resolved, That the Common Council directs that the 2011 Positions Ordinance, C.C. File 100414 should be amended as follows:

LIBRARY BOARD
CENTRAL LIBRARY SERVICES DECISION UNIT
Interlibrary Services Grant

Add:
(1) Library Circulation Aide (0.56 FTE) (H)

Delete:
(1) Library Circulation Assistant I (0.50 FTE) (H)

and, amend footnote (H) as follows:

To expire 06/30/12 unless the Interlibrary Services Grant, available from the Wisconsin Department of Public Instruction, is extended. Positions are authorized only as reflected in the grant agreements as approved by the Grantor Agencies.

Requestor
LIBRARY BOARD
Drafter
TS-WPL / jj
08/25/11

GRANT ANALYSIS FORM OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS

Department/Division: LIBRARY BOARD

Contact Person & Phone No: KATHRYN MLSNA, 286-3050

Category of Request

New Grant

Grant Continuation

Change in Previously Approved Grant

Previous Council File No. 100569

Previous Council File No. _____

Project/Program Title: Interlibrary Loan Services

Grantor Agency: State of Wisconsin Department of Public Instruction and Milwaukee County Federated Library System (MCFLS)

Grant Application Date: N/A Anticipated Award Date: August 2011

1. Description of Grant Project/Program (Include Target Locations and Populations):

The Interlibrary Services grant provides staff and equipment to receive, retrieve, and distribute requests from State residents for library materials from the Milwaukee Public Library collection. Under the provisions of this grant, Milwaukee area users may also obtain materials from other libraries in the state if these materials are unavailable in Milwaukee area library collections.

2. Relationship to City-Wide Strategic Goals and Departmental Objectives:

City goals support providing information and resources that enhance city residents' ability to get jobs, additional education or training, or attend college. Materials made available to city residents under this grant may be used for these purposes.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

The grant fully funds the staff and other operating costs required to provide the specified services.

4. Results Measurement/Progress Report (Applies only to Programs):

N/A

5. Grant Period, Timetable and Program Phase-Out Plan:

The grant period runs from July 1, 2011 – June 30, 2012.

6. Provide a list of Subgrantees:

7. If Possible, complete Grant Budget Form and attach to back.

CITY OF MILWAUKEE OPERATING GRANT BUDGET

NOTE: The highlighted cells include formulas to automatically total dollar amounts. If you insert additional rows, you may need to copy the formulas into the inserted rows. Make sure to check the formulas to ensure they are calculating the numbers correctly.

PROJECT/PROGRAM TITLE: Interlibrary Loan Services

PROJECT/PROGRAM YEAR: 2011-12

CONTACT PERSON: Kathryn Mlsna, 286-3050

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE/ UNITS	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1	Library Reference Assistant (FT)	504	\$40,836			\$40,836
1		Library Circulation Aide (0.56)	906	\$9,460			\$9,460
		TOTAL PERSONNEL COSTS		\$50,296			\$50,296
		FRINGE BENEFITS					
		TOTAL FRINGE BENEFITS		*\$32,119			\$32,119
		*Rate based on experience.					
		OPERATING EXPENDITURES					
		General Office and Operating Supplies		\$700			\$700
		Travel and Subsistence		\$500			\$500
		Photo Reproduction		\$100			\$100
		Telephone		\$350			\$350
		Postage		\$2,000			\$2,000
		TOTAL OPERATING EXPENDITURES		\$3,650			\$3,650
		EQUIPMENT					
		Library Materials	Lot	\$150			\$150
		Computer, etc.	1	\$500			\$500
		TOTAL EQUIPMENT		\$650			\$650

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE/ UNITS	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		INDIRECT COSTS					
		TOTAL INDIRECT COSTS					
1	1	TOTAL COSTS		\$86,715			\$86,715



City of Milwaukee Fiscal Impact Statement

A	Date <u>8/25/2011</u> File Number <u>110560</u> <input checked="" type="checkbox"/> Original <input type="checkbox"/> Substitute
	Subject <u>Resolution relative to application, acceptance, and funding for the Interlibrary Services Grant.</u>

B	Submitted By (Name/Title/Dept./Ext.) <u>Taj Schoening, Business Operations Manager, Library Board, 286-3024</u>
----------	--

C	This File	<input type="checkbox"/> Increases or decreases previously authorized expenditures.
		<input type="checkbox"/> Suspends expenditure authority.
		<input type="checkbox"/> Increases or decreases city services.
		<input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability.
		<input type="checkbox"/> Increases or decreases revenue.
		<input checked="" type="checkbox"/> Requests an amendment to the salary or positions ordinance.
		<input type="checkbox"/> Authorizes borrowing and related debt service.
		<input type="checkbox"/> Authorizes contingent borrowing (authority only).
	<input checked="" type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.	

D	Charge To	<input type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
		<input type="checkbox"/> Capital Projects Fund	<input type="checkbox"/> Special Purpose Accounts
		<input type="checkbox"/> Debt Service	<input checked="" type="checkbox"/> Grant & Aid Accounts
		<input type="checkbox"/> Other (Specify) _____	

E	Purpose	Specify Type/Use	Expenditure	Revenue
	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$86,715.00	\$86,715.00
			\$0.00	\$0.00
	TOTALS		\$86,715.00	\$86,715.00

F

Assumptions used in arriving at fiscal estimate. Departmental Estimates

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- | | | |
|------------------------------------|------------------------------------|-------|
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |

H

List any costs not included in Sections D and E above. _____

I

Additional information. _____

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 110575 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution relative to application, acceptance and funding of the Infant Mortality Reduction Initiative from the United Way of Greater Milwaukee.

Sponsors: THE CHAIR

Indexes: GRANTS, HEALTH CARE

Attachments: Grant Analysis, Operating Grant Budget, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number

110575

Version

Substitute

Reference

Sponsor

The Chair

Title

Substitute resolution relative to application, acceptance and funding of the Infant Mortality Reduction Initiative from the United Way of Greater Milwaukee.

Analysis

This resolution authorizes the Health Department to apply for, accept and fund the Infant Mortality Reduction Initiative from the United Way of Greater Milwaukee in the amount of \$200,000. The purpose of the Infant Mortality Reduction Initiative is to work to improve birth outcomes in a targeted geographic area with the worst birth outcomes in the city.

BODY:

Whereas, The City of Milwaukee appears to be eligible for grant funds from the United Way of Greater Milwaukee to work to improve birth outcomes; and

Whereas, The operation of this grant program from 10/01/11 to 09/30/13 would cost \$200,000 entirely provided by the grantor; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to the United Way of Greater Milwaukee is authorized and the Health Department shall accept this grant without further approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the Project/Grant parent account of the 2011 Special Revenue-Grant and Aid Projects Fund, the following amounts for the project titled Infant Mortality Reduction Initiative Grant:

Project/Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$200,000

2. Create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project Levels; budget to these Project/Grant values the amounts required under the grant agreement; and be it

Further Resolved, That these funds are budgeted to the Health Department which is authorized to:

1. Expend from the amount appropriated sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date;
2. Expend from the 2011 grant budget funds for training and out-of-town travel by departmental staff; and,
3. Enter into subcontracts as detailed in the grant budget; and, be it

Further Resolved, That the Common Council directs that the 2011 Positions Ordinance C.C. File Number 100414, should be amended as follows:

Under

HEALTH DEPARTMENT
Family and Community Health Services Division
Comprehensive Home Visiting Grant (E)

ADD:

Public Health Nurse (X)(G)(EEE) 1 position

ADD footnote (EEE) to read as follows:

To expire 09/30/2013 unless the Infant Mortality Reduction Initiative Grant from the United Way of Greater Milwaukee is extended.

Requester
Health Department

Drafter
ymr
09-09-11
Infant Mortality-UW 2011-13 Res

GRANT ANALYSIS FORM OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS

Department/Division: **Health Department**

Contact Person & Phone No: **Anna Benton, X3064**

Category of Request

- New Grant**
- Grant Continuation**
- Change in Previously Approved Grant**

Previous Council File No.

Previous Council File No.

Project/Program Title: **Infant Mortality Reduction Initiative**

Grantor Agency: **United Way**

Grant Application Date: **July 2011**

Anticipated Award Date: **September 2011**

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

MHD will work to improve birth outcomes in a targeted geographic area with the worst birth outcomes in the city: 53206, 53210 and 53216. Activities will include direct service as well as advocacy and education.

2. Relationship to City-wide Strategic Goals and Departmental Objectives:

This program helps to improve the health of children, reduce infant mortality and insure that all children entering school are prepared to make satisfactory educational achievements. All of these are departmental objectives and assist in attaining the City-wide objective of making Milwaukee a city of healthy citizens.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

This grant funds one Public Health Nurse in the Empowering Families of Milwaukee project.

4. Results Measurement/Progress Report (Applies only to Programs):

In the Empowering Families of Milwaukee project, MHD follows up with approximately 300 home visitation clients each year to assure they have access to appropriate care and information during pregnancy to promote healthy birth outcomes and appropriate child development.

5. Grant Period, Timetable and Program Phase-out Plan:

October 1, 2011 through September 30, 2013.

6. Provide a List of Subgrantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach.

See attached.

CITY OF MILWAUKEE OPERATING GRANT BUDGET

PROJECT/PROGRAM TITLE: Infant Mortality Reduction Initiative-United Way
 CONTACT PERSON: Anna Benton- X3064

PROJECT/PROGRAM YEAR: 2011-13

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE NO.	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1.0	Public Health Nurse (X)(G)(EEE)		104,000	0	0	104,000
							0
		TOTAL PERSONNEL COSTS		104,000	0	0	104,000
		FRINGE BENEFITS					
		Fringe Benefit Rate 50%		52,000			52,000
		TOTAL FRINGE BENEFITS		52,000	0	0	52,000
		SUPPLIES AND MATERIALS					
		Miscellaneous Operating Supplies		25,000			25,000
		TOTAL SUPPLIES AND MATERIALS		25,000	0	0	25,000
		SERVICES					
		Cell Phone/Mileage		4,000			
		Advocacy/Education		15,000			15,000
							0
		TOTAL SERVICES		19,000	0	0	15,000
		CONTRACTUAL SERVICES					0
		TOTAL CONTRACTUAL SERVICES		0	0	0	0
		TOTAL COSTS		200,000	0	0	196,000



City of Milwaukee Fiscal Impact Statement

A

Date September 9, 2011 **File Number** 110575

Subject Substitute resolution relative to application, acceptance and funding of the Infant Mortality Reduction Initiative from the United Way of Greater Milwaukee.

B

Submitted By (Name/Title/Dept./Ext.) Yvette M. Rowe, Business Operations Manager-Health, X3997

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

This Note Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$156,000	\$156,000
Supplies/Materials		\$29,000	\$29,000
Equipment			
Services		\$15,000	\$15,000
Other			
TOTALS		\$200,000	\$200,000

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.



Legislation Details (With Text)

File #: 110576 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution relative to application, acceptance and funding of the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services.

Sponsors: THE CHAIR

Indexes: HEALTH CARE, STATE GRANTS

Attachments: Grant Analysis, Operating Grant Budget Plain Talk Budget 2011, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number
110576

Version
Substitute

Reference

Sponsor

The Chair

Title
Substitute resolution relative to application, acceptance and funding of the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services.

Analysis
This resolution authorizes the Health Department to apply for, accept and fund the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services in the amount of \$111,330. The purpose of the Plain Talk-Prep for Youth Grant is to provide support for teen pregnancy efforts and outreach to family planning services at Keenan Health Center.

BODY:

Whereas, The City of Milwaukee appears to be eligible for grant funds from the State of Wisconsin Department of Health Services to provide support for teen pregnancy efforts and outreach to family planning services; and

Whereas, The operation of this grant program from 08/01/11 to 07/31/12 would cost \$111,330 of which \$61,330 (55%) would be provided by the city and \$50,000 (45%) would be provided by the grantor; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to the State of Wisconsin Department of Health Services is authorized and the Health Department shall accept this grant without further approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the Project/Grant parent account of the 2011 Special Revenue-Grant and Aid Projects Fund, the following amounts for the project titled Plain Talk-Prep for Youth Grant:

Project/Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$50,000

2. Create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project Levels; budget to these Project/Grant values the amounts required under the grant agreement; and be it

Further Resolved, That these funds are budgeted to the Health Department which is authorized to:

1. Expend from the amount appropriated sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date;
2. Expend from the 2011 grant budget funds for training and out-of-town travel by departmental staff; and,
3. Enter into subcontracts as detailed in the grant budget; and, be it

Further Resolved, That the Common Council directs that the 2011 Positions Ordinance C.C. File Number 100414, should be amended as follows:

Under

HEALTH DEPARTMENT
Family and Community Health Services Division
Plain Talk Initiative

DELETE:

Health Project Coordinator-Plain Talk (X)(Y)(BBB)

ADD:

Health Project Coordinator-Plain Talk (X)(Y)(BBB)(PPP)

ADD footnote (PPP) to read as follows:

To expire 07/31/2012 unless the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services is extended.

Requester
Health Department

Drafter
ymr
09-09-11
Plain Talk-Prep 2011-12 Res

**GRANT ANALYSIS FORM
OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS**

Department/Division: **Health Department**

Contact Person & Phone No: Anna Benton X3064 and Denise Crumble X8478

Category of Request

New Grant

Grant Continuation

Change in Previously Approved Grant

Previous Council File No.

Previous Council File No.

Project/Program Title: Plain Talk- *Prep Talk for Youth (The Personal Responsibility Education Program (PREP))*

Grantor Agency: *State of Wisconsin – DHFS- Division of Public Health*

Grant Application Date:

Anticipated Award Date: August 1, 2011

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations): *The Personal Responsibility Education program (PREP) is a federal initiative to help young people avoid teen pregnancy and sexually transmitted infections. These formula grants are given directly to the state agency that administers the program. The State of Wisconsin – DHFS- Division of Public Health is sub-contracting with the City of Milwaukee Health Department to expand the Plain Talk Milwaukee Initiative's current focus on reducing adolescent risk through training parents and other influence adults, to serving youth 11-19.*

The program is will address several other issues to help prepare youth for adulthood including healthy relationships, financial literacy, parent-child communication, and educational and career success.

2. Relationship to City-wide Strategic Goals and Departmental Objectives:

The City of MHD has a goal to reduce the birth rate to teens by 46% to a rate of 30 births per thousand teens 15-17 years by 2015.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

This new contract will provide support for teen pregnancy prevention efforts and also provide outreach support to family planning services provided at Keenan Health Clinic.

4. Results Measurement/Progress Report (Applies only to Programs):

To be determined

5. Grant Period, Timetable and Program Phase-out Plan:

August 1, 2011 through July 31, 2012

6. Provide a List of Subgrantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach.

CITY OF MILWAUKEE OPERATING GRANT BUDGET

PROJECT/PROGRAM Plain Talk -MAPPP

PROJECT/PROGRAM YEAR: 2011-12

CONTACT PERSON: Anna Benton X3064/Denise Crumble X8478

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE NO.	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1.0	Health Project Coordinator-Plain Talk (X)(Y)(BBB)(PPP)		20,340	29,660		50,000
							0
		TOTAL PERSONNEL COSTS		20,340	29,660	0	50,000
		FRINGE BENEFITS					
		48% Fringe Benefit Rate		9,763	14,237		24,000
		TOTAL FRINGE BENEFITS		9,763	14,237	0	24,000
		SUPPLIES AND MATERIALS					
		Training, meeting and outreach supplies		7,320			7,320
		TOTAL SUPPLIES AND MATERIALS		7,320	0	0	7,320
		EQUIPMENT AND FACILITY RENT					
		TOTAL EQUIPMENT AND FACILITY RENT		0	0	0	0
		SERVICES					
		Staff support (travel, training)		1,000			1,000
		Phone/aircard		700			700
		Graphics/printing/youth media production		4,236			4,236
		TOTAL SERVICES		5,936	0	0	5,936
		EQUIPMENT					
							0

		TOTAL EQUIPMENT		0	0	0	0
		CONTRACTUAL SERVICES					
		Summer Youth Ambassador Program Team Leader		999			999
		Interns/Work Study Students		5,642			5,642
		TOTAL CONTRACTUAL SERVICES		6,641	0	0	6,641
		INDIRECT COSTS					
		Overhead/Admin. (27.56%)		0	17,433		17,433
		TOTAL INDIRECT COSTS		0	17,433	0	17,433
		TOTAL COSTS		50,000	61,330	0	111,330



City of Milwaukee Fiscal Impact Statement

A

Date September 9, 2011 **File Number** 110576

Subject Substitute resolution relative to application, acceptance and funding of the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services.

B

Submitted By (Name/Title/Dept./Ext.) Yvette M. Rowe, Business Operations Manager-Health, X3997

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

- This Note** Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$74,000	\$30,103
Supplies/Materials		\$7,320	\$7,320
Equipment		\$	\$
Services		\$12,577	\$12,577
Other		17,433	
TOTALS		\$111,330	\$50,000

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.

\$50,000 Grantor Share and \$61,330 City In-Kind Share



Legislation Details (With Text)

File #: 110577 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution relative to the application, acceptance and funding of the 2011-12 SURVNET-ACA Grant from the State of Wisconsin Department of Health Services.

Sponsors: THE CHAIR

Indexes: HEALTH CARE, STATE GRANTS

Attachments: Operating Budget, Grant Analysis 2011-2012, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number
110577

Version
Substitute

Reference

Sponsor
The Chair

Title
Substitute resolution relative to the application, acceptance and funding of the 2011-12 SURVNET-ACA Grant from the State of Wisconsin Department of Health Services.

Analysis
This resolution authorizes the Health Department to apply for, accept and fund the SURVNET Affordable Care Act (ACA) Project from the Wisconsin Department of Health Services in the amount of \$60,680 grantor share. The purpose of the project is to maintain a countywide system for reporting communicable diseases in Milwaukee.

BODY:
Whereas, The City of Milwaukee appears to be eligible for grant funds from the Centers for Disease Control through the Wisconsin Department of Health Services to maintain a county-wide system for reporting communicable diseases; and

Whereas, The operation of this grant project from 09/01/11 to 08/31/12 would cost \$60,680 entirely provided by the grantor; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to the Wisconsin - Department of Health Services is authorized and the Health Department shall accept this grant without further approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the Project/Grant Parent of the 2011 Special Revenue-Grant and Aid Projects Fund, the following amounts for the project titled SURVNET ACA Grant:

Project/Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$60,680

2. Create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project/Grant Levels; budget to these Project/Grant values the amounts required under the grant agreement; and be it

Further Resolved, That these funds are budgeted to the Health Department which is authorized to:

1. Expend from the amount budgeted for specified purposes as indicated in the grant budget and incur costs consistent with the award date;
2. Expend from the 2011 grant budget funds for training and out-of-town travel by departmental staff;
3. Expend from the 2011 grant budget funds for specific items of equipment.
4. Enter into subcontracts and leases as detailed in the grant budget.

Further Resolved, That the Common Council direct that the 2011 Positions Ordinance C.C. File Number 100414, should be amended as follows:

Under

HEALTH DEPARTMENT
Disease Control and Environmental Health Services Division

DELETE:

Survnet Grant (V)
Office Assistant III (V)

ADD:

Survnet Grant

Office Assistant III (V)(T)

ADD Footnote (T) to read as follows:

To expire 08/31/12 unless the SURVNET ACA Grant available from the Wisconsin Department of Health Services, is extended.

Requestor

HEALTH DEPARTMENT

Drafter

ymr

09/09/11

SURVNET-ACA 2011-12-RES

CITY OF MILWAUKEE OPERATING GRANT BUDGET

PROJECT/PROGRAM TITLE: ACA - SurvNet
 CONTACT PERSON: Angie Hagy, X5833

PROJECT/PROGRAM YEAR: 8/1/2011-7/31/2012

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE NO.	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1	Office Assistant III (V) (T)	425	\$ 37,464	\$ -	\$ -	\$ 37,464
							\$ -
		TOTAL PERSONNEL COSTS		\$ 37,464			\$ 37,464
		FRINGE BENEFITS					
		Fringe Benefits for 1.0 FTE (Rate = 50%)		\$ 18,732	\$ -	\$ -	\$ 18,732
		TOTAL FRINGE BENEFITS		\$ 18,732			\$ 18,732
		SUPPLIES & MATERIALS					
		Office Supplies/Printing		\$ 1,484	\$ -	\$ -	\$ 1,484
		TOTAL SUPPLIES & MATERIALS		\$ 1,484			\$ 1,484
		SERVICES					
		Temp Assistance		3,000	\$ -	\$ -	\$ 3,000
		TOTAL SERVICES		\$ 3,000	\$ -	\$ -	\$ 3,000
		TOTAL COSTS		\$ 60,680	\$ -	\$ -	\$ 60,680

#	Name
	25.1
	32.19
	21.2
	17.3
	83.6
	25.1
	130.4
	348.8
	36.8
	29
	21.2
	21.2
	17.3
	44.6
	25.1
	17.3
	32.9
	25.1
	954.19

**GRANT ANALYSIS FORM
OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS**

Department/Division: Health Department/Disease Control and Environmental Health

Contact Person & Phone No: Angie Hagy, Infectious Disease Epidemiologist, 286-5833

Category of Request <input checked="" type="checkbox"/> New Grant <input type="checkbox"/> Grant Continuation <input type="checkbox"/> Change in Previously Approved Grant	Previous Council File No. Previous Council File No.
---	--

Project/Program Title: Affordable Care Act (ACA) – SurvNet

Grantor Agency: Department of Health Services (DHS)

Grant Application Date: May 31, 2011

Anticipated Award Date: September 1, 2011

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

SURVNET refers to a centralized communicable disease-reporting network within Milwaukee County that is operated by the Milwaukee Health Department. The grant supports 1.0 FTE Office Assistant for processing of communicable disease reports from clinical laboratories, local public health agencies, hospitals, etc. as mandated by the State of Wisconsin and federal Centers for Disease Control and Prevention. Centralized disease case reporting within Milwaukee County results in early detection of clusters and outbreaks that occur across jurisdictions and allows for as rapid and coordinated epidemiologic investigation and intervention. Collection of county-wide disease case reports also allows for trend analysis with regard to tracking incidence of certain communicable diseases of public health importance.

Note: This project was originally included as part of Epidemiology and Lab Capacity Grant from CDC via DHS for the past five years. This just represents a new funding stream for this ongoing project.

2. Relationship to City-wide Strategic Goals and Departmental Objectives:

This grant is consistent with departmental strategic goals of reducing illness and injury associated with communicable and chronic diseases.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

SURVNET represents essential epidemiologic infrastructure in the monitoring of disease trends within Milwaukee County as well as early detection and response to unusual disease occurrence, clusters or outbreaks and is an important component of Health Department emergency preparedness and response to bioterrorism

4. Results Measurement/Progress Report (Applies only to Programs):

Communicable disease reports for Milwaukee County are entered in the Wisconsin Electronic Disease Surveillance System (WEDSS). A yearly project report sent to DPH describing program is required.

5. Grant Period, Timetable and Program Phase-out Plan:

Grant period extends September 1, 2011 thru August 31, 2012 and is competitively renewable each year.

6. Provide List of Sub grantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach to Back.

Attached



City of Milwaukee Fiscal Impact Statement

A

Date September 9, 2011 **File Number** 110577

Subject Substitute resolution relative to the application, acceptance and funding of the 2011-12 SURVNET-ACA Grant from the State of Wisconsin Department of Health Services.

B

Submitted By (Name/Title/Dept./Ext.) Yvette M. Rowe, Business Operations Manager-Health, X3997

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

- This Note** Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$56,196	\$56,196
Supplies/Materials		\$1,484	\$1,484
Equipment		\$	\$
Services		\$3,000	\$3,000
Other			
TOTALS		\$60,680	\$60,680

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.



Legislation Details (With Text)

File #: 110578 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution amending Common Council File #100947 relative to the application, acceptance and funding of the 2011 SURVNET Grant from the State of Wisconsin Department of Health Services.

Sponsors: THE CHAIR

Indexes: HEALTH CARE, STATE GRANTS

Attachments: Operating Budget 2011, Grant Analysis 2011, Hearing Notice List, Hearing Notice List -FP

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number
110578

Version
Substitute

Reference

Sponsor
The Chair

Title
Substitute resolution amending Common Council File #100947 relative to the application, acceptance and funding of the 2011 SURVNET Grant from the State of Wisconsin Department of Health Services.

Analysis
This resolution amends Common Council File #100947 relative to application, acceptance and funding of the 2011 SURVNET Grant project from the State of Wisconsin Department of Health Services. The purpose of the project is to maintain a countywide system for reporting communicable diseases in Milwaukee.

Body
Whereas, Common Council File #100947 authorized the Health Department to apply for, accept and fund the 2011 SURVNET Grant from the State of Wisconsin - Department of Health Services. This grant provided for a Grantor share total of \$54,576; and

Whereas, The Grantor share for this program has remained the same, however the budget has been amended; now, therefore be it

Resolved, By the Common Council of the City of Milwaukee, that application to the State of Wisconsin Department of Health Services is authorized and the Health Department shall accept this grant without further Common Council approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81; and, be it

Further resolved, That all standard resolved clauses articulated in Common Council File #100947 remain applicable.

Requestor
HEALTH DEPARTMENT

Drafter
ymr
09/09/11
SURVNET AMENDMENT RES 2011

CITY OF MILWAUKEE OPERATING GRANT BUDGET

REVISED
SEPTEMBER 2011

PROJECT/PROGRAM TITLE: SurvNet Grant
CONTACT PERSON: Angie Hagy, X5833

PROJECT/PROGRAM YEAR: 2011

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE NO.	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL	
NEW	EXISTING							
		PERSONNEL COSTS						
	1	Office Assistant III (V) (T)	425	\$ 27,134	\$ -	\$ -	\$ 27,134	
		TOTAL PERSONNEL COSTS		\$ 27,134			\$ 27,134	
		FRINGE BENEFITS						
		Fringe Benefits for 1.0 FTE (Rate = 50%)		\$ 13,567	\$ -	\$ -	\$ 13,567	
		TOTAL FRINGE BENEFITS		\$ 13,567			\$ 13,567	
		SUPPLIES AND MATERIALS						
		Office Supplies and Materials		\$ 3,635	\$ -	\$ -	\$ 3,635	
		TOTAL SUPPLIES AND MATERIALS		\$ 3,635			\$ 3,635	
		SERVICES						
		Temporary Services		10,240	\$ -	\$ -	\$ 10,240	
		TOTAL SERVICES		\$ 10,240	\$ -	\$ -	10,240	
		EQUIPMENT						
						\$ -	\$ -	\$ -

					\$ -	\$ -	\$ -
		TOTAL EQUIPMENT		\$ -			\$ -
		TOTAL COSTS		\$ 54,576	\$ -	\$ -	\$ 54,576

#	Name
	25.1
	32.19
	21.2
	17.3
	83.6
	25.1
	130.4
	348.8
	36.8
	29
	21.2
	21.2
	17.3
	44.6
	25.1
	17.3
	32.9
	25.1
	954.19

**GRANT ANALYSIS FORM
OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS**

Department/Division: Health Department/Disease Control and Environmental Health

Contact Person & Phone No: Angie Hagy, Infectious Disease Epidemiologist

Category of Request <input type="checkbox"/> New Grant <input checked="" type="checkbox"/> Grant Continuation <input type="checkbox"/> Change in Previously Approved Grant	Previous Council File No. 100947 Previous Council File No.
---	---

Project/Program Title: Milwaukee County Communicable Disease Surveillance Network - SURVNET

Grantor Agency: Department of Health Services (DHS)

Grant Application Date: August 31, 2010

Anticipated Award Date: January 1, 2011

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

SURVNET refers to a centralized communicable disease-reporting network within Milwaukee County that is operated by the Milwaukee Health Department. The grant supports 1.0 FTE Office Assistant for entry of communicable disease reports from clinical laboratories, local public health agencies, hospitals, etc. as mandated by the State of Wisconsin and federal Centers for Disease Control and Prevention. Centralized disease case reporting within Milwaukee County results in early detection of clusters and outbreaks that occur across jurisdictions and allows for as rapid and coordinated epidemiologic investigation and intervention. Collection of county-wide disease case reports also allows for trend analysis with regard to tracking incidence of certain communicable diseases of public health importance including those pathogens that are easily transmittable or developing antibiotic resistance.

2. Relationship to City-wide Strategic Goals and Departmental Objectives:

This grant is consistent with departmental strategic goals of reducing illness and injury associated with communicable and chronic diseases.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

SURVNET represents essential epidemiologic infrastructure in the monitoring of disease trends within Milwaukee County as well as early detection and response to unusual disease occurrence, clusters or outbreaks and is an important component of Health Department emergency preparedness and response to bioterrorism

4. Results Measurement/Progress Report (Applies only to Programs):

Monthly confirmed disease case reports are submitted to the State Division of Public Health as part of the grant agreement. Specific disease incidence (case rates) is calculated to determine trends within the community as well as for comparative analysis regionally, statewide and nationally.

5. Grant Period, Timetable and Program Phase-out Plan:

Grant period extends January 1, 2011 thru December 31, 2011 and is competitively renewable each year.

6. Provide List of Sub grantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach to Back.

Attached



Legislation Details (With Text)

File #: 110579 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution relative to application, acceptance and funding of the Seek, Test, Treat: Addressing HIV in the Criminal Justice System Grant from Tulane University.

Sponsors: THE CHAIR

Indexes: GRANTS, HIV/AIDS

Attachments: Operating Grant Budget, Grant Analysis-Tulane, Fiscal Impact Statement, Hearing Notice List, Hearing Notice List - FP

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number
110579

Version
Substitute

Reference

Sponsor

The Chair

Title
Substitute resolution relative to application, acceptance and funding of the Seek, Test, Treat: Addressing HIV in the Criminal Justice System Grant from Tulane University.

Analysis

This resolution authorizes the Health Department to apply for, accept and fund the Seek, Test, Treat (STT): Addressing HIV in the Criminal Justice System Grant from Tulane University in the amount of \$69,536. The purpose of the project is to implement and evaluate a comprehensive STT program for detainees in the WI prison system that is being released to Milwaukee County.

Body

Whereas, The City of Milwaukee appears to be eligible for grant funds from Tulane University for implementing and evaluating a comprehensive STT program for detainees in the WI prison system that is being released to Milwaukee County.

; and

Whereas, The operation of this grant project from 07/01/11 to 06/30/12 would cost \$69,536 provided by the grantor; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to Tulane University is authorized and the Health Department shall accept this grant without further approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81; and, be it

Further Resolved, That the City Comptroller is authorized to commit funds within the Project/Grant Parent of the 2011 Special Revenue-Grant and Aid Projects Fund, the following amounts for the project titled Seek, Test, Treat (STT): Addressing HIV in the Criminal Justice System Grant:

Project Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$69,536

And to create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project/Grant Levels; budget against these Project/Grant values the amounts required under the grant agreement; and, be it

Further Resolved, That these funds are appropriated to the Health Department which is authorized to:

1. Expend from the amount budgeted sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date; and
2. Expend from the 2011 grant budget funds for training and out-of-town travel by departmental staff;
3. Expend from the 2011 grant budget for subcontracts and equipment as specified in the grant budget; and, be it

Further Resolved, That the Common Council directs that the 2011 Positions Ordinance C.C. File Number 100414, should be amended as follows:

Under
HEALTH DEPARTMENT
Disease Control and Environmental Health Services Division
Sexually Transmitted Disease Clinic

DELETE:

Communicable Disease Specialist (X)(F)(BBB) 8 positions

ADD:

Communicable Disease Specialist (X)(F)(BBB)(DDD) 8 positions

ADD footnote (DDD) to read as follows:

To expire 06-30-12 unless the Seek, Test, Treat (STT): Addressing HIV in the Criminal Justice System Grant, available from Tulane University is extended.

Requester
Health Department

Drafter
ymr
09-09-11
STT HIV-Tulane 11-12 Res

CITY OF MILWAUKEE OPERATING GRANT BUDGET

NOTE: The highlighted cells include formulas to automatically total dollar amounts. If you insert additional rows, you may need to copy the formulas into the inserted rows. Make sure to check the formulas to ensure they are calculating the numbers correctly.

PROJECT/PROGRAM TITLE: Seek, Test, Treat: Addressing HIV in the Criminal Justice System

PROJECT/PROGRAM YEAR: 10/1/2011-9/30/2012

CONTACT PERSON: Irmine Reitl : Communicable and Infectious Disease Program Manager (x8555)

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE/ UNITS	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1	Communiabie Disease Specialist (X) (F) (BBB) (DDD)	530	\$43,694			\$43,694
		TOTAL PERSONNEL COSTS		\$43,694			\$43,694
		FRINGE BENEFITS					
		50% Fringe Benefits		\$21,847			\$21,847
		TOTAL FRINGE BENEFITS (48%)		\$21,847			\$21,847
		OPERATING EXPENDITURES					
		TOTAL OPERATING EXPENDITURES					
		CONTRACTUAL					
		TOTAL CONTRACTUAL					
		SERVICES					
		Misc. Operating Services (cell phone, auto mileage, training)		\$3,995			\$3,995
		TOTAL SERVICES		\$3,995			\$3,995
		TOTAL COSTS		\$69,536			\$69,536

GRANT ANALYSIS FORM OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS

Department/Division: **Health Department**

Contact Person & Phone No: **Irvine Reitl; Communicable and Infectious Disease Program Manager 286-8555**

Category of Request

New Grant

Grant Continuation

Change in Previously Approved Grant

Previous Council File No.

Previous Council File No.

Project/Program Title: Seek, Test, Treat (STT): Addressing HIV in the Criminal Justice System

Grantor Agency: Tulane University

Grant Application Date: 5-24-11

Anticipated Award Date: 7-1-11

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

CAIR in collaboration with UW-Madison School of Medicine and Public Health HIV Care Program, the AIDS Resource Center of WI, the WI Department of Corrections and the Milwaukee Secure Detention Facility (MSDF), the WI Division of AIDs/HIV and the City of Milwaukee Health Department will implement and evaluate a comprehensive STT program for detainees in the WI prison system who are being released to Milwaukee County, a major metropolitan area that accounts for nearly 60% of all HIV cases in WI. The specific aims of this study are: 1. To assess the feasibility of, and collect preliminary outcome data for, a comprehensive STT strategy for people released from the WI State prison system to Milwaukee County. Aim 1a-Test: Persons entering MSDF, (a short term facility serving approximately 8,000/year) will be provided HIV testing. Aim 1b-Treat: Newly-identified HIV-positive people released to Milwaukee County will be linked to low or no-cost community treatment and case management services. Aim 1c-Seek: "High-risk" negative persons released from MSDF provide a point of entry into high-risk social/sexual networks (including needle sharing partners) and provide important information about the feasibility and effectiveness of seeking out undiagnosed infections in the high-risk social, sexual, and drug use networks of correction-involved persons. Aim 2. To assess the cost and cost-effectiveness for the STT program.

2. Relationship to City-wide Strategic Goals and Departmental Objectives: The goals and objectives of this grant are consistent with the City-wide strategic goal of improving the health of its citizens and the Health Department objectives of reducing illness from communicable disease.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs): In the first 4 years of the grant, the funds will nearly fully support a Communicable Disease Specialist (CDS) position in the STD/HIV Program. In the final year of the grant 2014-2015 the grant is projected to provide approximately 20% toward support of a CDS position.

4. Results Measurement/Progress Report (Applies only to Programs): not applicable

5. Grant Period, Timetable and Program Phase-out Plan:

July 1, 2011 to June 30, 2012 (extending through June 30, 2015 with subsequent annual grant amendments)

6. Provide a List of Subgrantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach.



City of Milwaukee Fiscal Impact Statement

A

Date September 9, 2011 **File Number** 110579

Subject Substitute resolution relative to application, acceptance and funding of the Seek, Test, Treat: Addressing HIV in the Criminal Justice System Grant from Tulane University.

B

Submitted By (Name/Title/Dept./Ext.) Yvette M. Rowe, Business Operations Manager, Health, X3997

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

- This Note** Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$65,541	\$65,541
Supplies/Materials			
Equipment			
Services		\$3,995	\$3,995
Other			
TOTALS		\$69,536	\$69,536

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____

I

List any costs not included in Sections E and F above.

J

Additional information.



Legislation Details (With Text)

File #: 110580 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution relative to the application, acceptance and funding of the 2011-12 HIV Risk Reduction Grant from the Medical College of Wisconsin.

Sponsors: THE CHAIR

Indexes: GRANTS, HIV/AIDS

Attachments: Operating Grant Budget, Grant Analysis 2011-12, Fiscal Impact Statement, Hearing Notice List, Hearing Notice List - FP

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number
110580

Version
Substitute

Reference

Sponsor
The Chair

Title
Substitute resolution relative to the application, acceptance and funding of the 2011-12 HIV Risk Reduction Grant from the Medical College of Wisconsin.

Analysis
This resolution authorizes the Health Department to apply for, accept and fund the HIV Risk Reduction Grant from the Medical College of Wisconsin in the amount of \$107,127. The purpose of the project seeks to develop a new intervention that addresses life issues (employment, housing, domestic violence, substance abuse), as well individual behaviors, in order to reduce risk among people at high vulnerability for HIV infection.

Body
Whereas, The City of Milwaukee appears to be eligible for grant funds from the Medical College of Wisconsin to develop a new intervention in order to reduce risk among people at high vulnerability for HIV infection; and

Whereas, The operation of this grant project from 08/01/11 to 07/31/12 would cost \$107,127 provided entirely by the grantor; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to the Medical College of Wisconsin is authorized and the Health Department shall accept this grant without further approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the Project/Grant Parent of the 2011 Special Revenue-Grant and Aid Projects Fund, the following amounts for the project titled HIV Risk Reduction Grant from the Medical College of Wisconsin:

Project/Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$107,127

2. Create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project/Grant Levels; budget against these Project/Grant values the amount required under the grant agreement; and, be it

Further Resolved, That these funds are budgeted to the Health Department which is authorized to:

1. Expend from the amount budgeted sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date;
2. Expend from the 2011 grant budget for training and out-of-town travel for staff;
3. Expend from the 2011 grant budget for equipment as specified in the grant budget; and, be it

Further Resolved, That the Common Council directs that the 2011 Positions Ordinance C.C. File Number 100414, should be amended as follows:

Under

HEALTH DEPARTMENT

CHANGE footnote (AAA) to read as follows:

To expire 07/31/12 unless the HIV Risk Reduction Grant from the Medical College of Wisconsin is extended. A portion of the Nurse Practitioner position may be funded by the Dual Protection Grant.

Requestor
Health Department

Drafter
09/09/11
ymr
HIV Risk Reduction Grant 2011-12-RES

CITY OF MILWAUKEE OPERATING GRANT BUDGET

PROJECT/PROGRAM TITLE:
CONTACT PERSON:

HIV Risk Reduction Grant
Irvine Reitl x8555

PROJECT/PROGRAM YEAR: 8/1/11 - 7/31/12

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE NO.	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1	Nurse Practitioner (X)(BBB)(AAA)	670	67,624			67,624
							0
		TOTAL PERSONNEL COSTS		67,624			67,624
		FRINGE BENEFITS (50%)					
		50%		33,812			33,812
		TOTAL FRINGE BENEFITS		33,812			33,812
		SUPPLIES AND MATERIALS					
		Program Supplies/Condoms/Literature		4,891			4,891
		TOTAL SUPPLIES AND MATERIALS		4,891			4,891
		EQUIPMENT AND FACILITY RENT					
							0
		TOTAL EQUIPMENT AND FACILITY RENT		0			0
		SERVICES					
		Mileage Reimbursement		800			800
		TOTAL SERVICES		800			800
		CONTRACTUAL SERVICES					
							0
		TOTAL CONTRACTUAL SERVICES		0			0
		TOTAL COSTS		107,127	0	0	107,127

**GRANT ANALYSIS FORM
OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS**

Department/Division: **Health Department**

Contact Person & Phone No: **Irvine Reitl x8555**

Category of Request

- New Grant**
- Grant Continuation**
- Change in Previously Approved Grant**

Previous Council File No. 100984

Previous Council File No.

Project/Program Title: HIV Risk Reduction for Repeat STI Patients

Grantor Agency: Medical College of Wisconsin

Grant Application Date: August 2010

Anticipated Award Date: Annually for 5 years in the month of August

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

People repeatedly affected by sexually transmitted infections (STIs) are at increased risk for exposure and infection with HIV. The project seeks to develop a new intervention that addresses life issues (employment, housing, domestic violence, substance abuse), as well individual behaviors, in order to reduce risk among people at high vulnerability for HIV infection. The target population will include people of both genders who come to the City's Sexually Transmitted Disease (STD) clinic for STD examinations or HIV testing, who consent to participate in the study and are age 18 or older, present for a diagnosis of a STI, have had a previous bacterial STI diagnosis in the clinic more than 30 days ago and within the past 12month and no HIV-positive test result in the past.

2. Relationship to City-wide Strategic Goals and Departmental Objectives:

The project is directly related to the City-wide goals of improving health in the community and to the specific Health Department objectives related to decreasing the rate of STDs and HIV.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

These grant funds support the majority of a nurse practitioner position, program supplies and computer equipment for the STD program.

4. Results Measurement/Progress Report (Applies only to Programs):

Please refer to Question 1 above.

5. Grant Period, Timetable and Program Phase-out Plan:

The funding period is September 1, 2011 – July 31, 2012

6. Provide a List of Subgrantees:

N/A

7. If Possible, Complete Grant Budget Form and Attach.



City of Milwaukee Fiscal Impact Statement

A

Date September 9, 2011 **File Number** 110580

Subject Substitute resolution relative to the application, acceptance and funding of the 2011-12 HIV Risk Reduction Grant from the Medical College of Wisconsin.

B

Submitted By (Name/Title/Dept./Ext.) Yvette M. Rowe, Business Operations Manager-Health, X3997

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

- This Note** Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$101,436	\$101,436
Supplies/Materials		\$4,891	\$4,891
Equipment		\$	\$
Services		\$800	\$800
Other			
TOTALS		\$107,127	\$107,127

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.



Legislation Details (With Text)

File #: 110581 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution relative to application, acceptance and funding of the Healthy Homes Grant from the U.S. Department of Housing and Urban Development (HUD).

Sponsors: THE CHAIR

Indexes: FEDERAL GRANTS, HEALTH CARE, HOUSING

Attachments: Operating Grant Budget 2011-14, Grant Analysis 2011 - 2014, Fiscal Impact Statement, Hearing Notice List, Hearing Notice List -FP

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/9/2011	0	PUBLIC SAFETY COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/14/2011	0	PUBLIC SAFETY COMMITTEE			

Number
110581

Version
Substitute

Reference

Sponsor

Title
Substitute resolution relative to application, acceptance and funding of the Healthy Homes Grant from the U.S. Department of Housing and Urban Development (HUD).

Analysis
This resolution authorizes the Health Department to apply for, accept and fund the Healthy Homes Demonstration Grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of \$2,228,232 comprised of \$2,000,000 in grantor share and \$228,232 in matching funds. The purpose of this project is to reduce or eliminate housing related health hazards and promote housing that is healthy, safe and accessible.

BODY:
Whereas, The City of Milwaukee appears to be eligible for grant funds from the U.S. Department of Housing and Urban Development to serve 150 families in Milwaukee and reduce or eliminate housing related health hazards; and

Whereas, The operation of this grant project from 10/01/11 to 09/30/14 would cost \$2,228,232; \$2,000,000 (90%) to be provided by the grantor and \$228,232 (10%) in matching funds; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that application to the U.S. Department of Housing and Urban Development is authorized and the Health Department shall accept this grant without further approval unless the terms of the grant change as indicated in Milwaukee Code of Ordinances Section 304-81 and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the Project/Grant Parent of the 2011 Special Revenue-Grant and Aid Projects Fund, the following amounts for the project titled Healthy Homes Grant:

Project/Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$2,000,000

2. Create the necessary Special Revenue Fund - Grant and Aid Project/Grant and Project/Grant Levels; budget against these Project/Grant values the amounts required under the grant agreement;

3. Establish the necessary City Share project values; and be it

Further Resolved, That these funds are budgeted to the Health Department which is authorized to:

1. Expend from the amount budgeted for specified purposes as indicated in the grant budget and incur costs consistent with the award date;

2. Expend from the 2011 grant budget funds for training and out-of-town travel by departmental staff;

3. Expend from the 2011 grant budget funds for specific items of equipment;

4. Enter into subcontracts and leases as detailed in the grant budget; and, be it

Further Resolved, That the Common Council directs that the 2011 Positions Ordinance C.C. File Number 100414, should be amended as follows:

Under:

HEALTH DEPARTMENT
Disease Control and Environmental Health Services Division

Home Environmental Health

DELETE:

Home Environmental Health Manager (X)(W)(Y)(PP)(QQ)(RR)(SS)(TT)

ADD:

Home Environmental Health Manager (X)(W)(Y)(PP)(QQ)(RR)(SS)(TT)(UU)

DELETE:

Lead-Based Paint Hazard Control Grant (HUD) (PP)

(2 positions) Lead Risk Assessor II (X)(PP)
(1 position) Lead Grant Monitor (X) (Y) (PP) (SS)
(1 position) Office Assistant IV (PP)(SS)
(1 position) Chemist II (PP)(SS)

Healthy Homes Demonstration Grant - Economic Stimulus Funding (HUD)(SS)

(1 position) Healthy Homes Inspector (X)(SS)

ADD:

Lead-Based Paint Hazard Control Grant (HUD) and Healthy Homes Grants (HUD)

(2 positions) Lead Risk Assessor II (X)(PP)
(1 position) Environmental Hygienist (X)(PP)
(1 position) Lead Grant Monitor (X) (Y) (PP) (SS)(UU)
(1 position) Office Assistant II (UU)
(1 position) Chemist II (PP)(SS)(UU)
(1 position) Healthy Homes Inspector (X)(SS)(UU)
(1 position) Public Health Nurse (X)(G)(UU)

ADD Footnote (UU) to read as follows:

To expire 09/30/14 unless the Healthy Homes Grant from the U.S. Department of Housing and Urban Development (HUD) is extended.

Requestor
Health Department

Drafter
YMR
09-09-11
HUD Healthy Homes Grant-2011-14-Res

CITY OF MILWAUKEE OPERATING GRANT BUDGET

PROJECT/PROGRAM TITLE: HUD- Healthy Homes Grant
 CONTACT PERSON: Lisa Acheson X2388

2011-2014

NUMBER OF POSITIONS		LINE DESCRIPTION	PAY RANGE NO.	GRANTOR SHARE	IN-KIND SHARE	CASH MATCH A/C #	TOTAL
NEW	EXISTING						
		PERSONNEL COSTS					
	1	Home Environmental Health Manager (X)(W)(Y)(PP)(QQ)(RR)(SS)(TT)(UU)	009	22,888			22,888
	1	Lead Grant Monitor (X)(Y)(PP)(SS)(UU)	007	166,234			166,234
	1	Healthy Homes Inspector (X)(SS)(UU)	553	131,727			131,727
1		Public Health Nurse (X)(G)(UU)	666	84,708			84,708
1		Office Assistant II (UU)	445	15,400			15,400
	1	Chemist II (PP) (SS)(UU)	642	74,911			74,911
		TOTAL PERSONNEL COSTS		495,868			495,868
		FRINGE BENEFITS					
		41%		247,934			247,934
		TOTAL FRINGE BENEFITS		247,934			247,934
		SUPPLIES AND MATERIALS					
		Office Supplies		3,600			3,600
		Lab supplies		18,000			18,000
		Intervention Supplies		64,080			64,080
		Smoking Cessation Incentives		3,750			3,750
		Nicotine Replacement Supplies		4,000			4,000
		Program Incentives		9,000			9,000
							0
		TOTAL SUPPLIES AND MATERIALS		102,430			102,430

		EQUIPMENT AND FACILITY RENT				
				0		0
		TOTAL EQUIPMENT AND FACILITY RENT		0		0
		SERVICES				
		Travel and Training-Grantee Meeting		4,263		4,263
		Auto Allowance		20,000		20,000
		Uniform Allowance				0
		Cellular phone line charges		3,605		3,605
		Printing		5,400		5,400
		Laboratory Instrument Accrediation Service				0
		Sampling				0
		Miscellaneous Services				0
		TOTAL SERVICES		33,268		33,268
		EQUIPMENT				
				0		0
		TOTAL EQUIPMENT		0		0
		CONTRACTUAL SERVICES				
		Home Remediation		742,500		742,500
		Dominican Center for Women		135,000		135,000
		Children's Hospital and Health System		126,000		126,000
		UWM		90,000		90,000
		Community Clinics (Westside & 16th Street)		27,000		27,000
		Various In-Kind Contributions			61,243	61,243
		TOTAL CONTRACTUAL SERVICES		1,120,500	61,243	0
						1,181,743

		INDIRECT COSTS					
		City Indirect Match		0		166,989	0
		TOTAL INDIRECT COSTS		0	0	166,989	166,989
		TOTAL COSTS		2,000,000	61,243	166,989	2,228,232

GRANT ANALYSIS FORM OPERATING & CAPITAL GRANT PROJECTS/PROGRAMS

Department/Division: **Health Department**

Contact Person & Phone No: Lisa Acheson, X2388

Category of Request

New Grant

Grant Continuation

Change in Previously Approved Grant

Previous Council File No.

Previous Council File No.

Project/Program Title: HUD Healthy Homes Demonstration Grant – Economic Stimulus Funding

Grantor Agency: U.S. Department of Housing and Urban Development

Grant Application Date: June 9, 2011

Anticipated Award Date: October 2011

Please provide the following information:

1. Description of Grant Project/Program (Include Target Locations and Populations):

This grant supports housing and community-based healthy homes initiative. It incorporates a research based healthy housing standard to maximize the number of: 1) children protected from asthma triggers within the housing unit, and 2) interior safety hazards to the housing unit. The proposed strategy targets one of the most at-risk zip codes in the City of Milwaukee for childhood asthma.

2. Relationship to City-wide Strategic Goals and Departmental Objectives:

The Home Environmental Health (HEH) Program within the City of Milwaukee Health Department (MHD) has a long history of dealing with environmental hazards in the home environment. MHD is committed to make the City of Milwaukee the healthiest city in the nation. HEH is committed on working towards this goal by expanding efforts in addressing additional health hazards in the home beyond lead paint hazards.

3. Need for Grant Funds and Impact on Other Departmental Operations (Applies only to Programs):

The Home Environmental Health (HEH) program does not currently have funding to address asthma issues within the City of Milwaukee. With this funding, HEH will be able to provide low cost measures to eligible families to address Asthma triggers and other safety issues within the household. Additionally the program will leverage the experience that HEH currently has with regards to lead poisoning to address those hazards when applicable.

4. Results Measurement/Progress Report (Applies only to Programs):

Activities and results will be measured at a variety of methods, including: daily data collection in the field, enrollment forms, and within an Excel database which tracks specific information on each housing unit that receives healthy homes services. Furthermore, key housing activity data will be tracked on a monthly basis and reported to HUD each quarter.

5. Grant Period, Timetable and Program Phase-out Plan:

The grant will fund staff and healthy homes efforts for three years, from October 1, 2011 through September 30, 2014

6. Provide a List of Subgrantees:

**Dominican Center for Women
Children's Hospital and Health System
UWM
Westside Community Clinic
16th Street Community Clinic
Home Remediation Contractors**

7. If Possible, Complete Grant Budget Form and Attach.

See attached.



City of Milwaukee Fiscal Impact Statement

A

Date September 9, 2011 **File Number** 110581

Subject Substitute resolution relative to application, acceptance and funding of the Healthy Homes Grant from the U.S. Department of Housing and Urban Development (HUD).

B

Submitted By (Name/Title/Dept./Ext.) Yvette M. Rowe, Business Operations Manager-Health, X3997

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

- This Note** Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$743,802	\$743,802
Supplies/Materials		\$102,430	\$102,430
Equipment		\$	\$
Services		\$1,215,011	\$1,153,768
Other		\$166,989	\$0
TOTALS		\$2,228,232	\$2,000,000

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____

I

List any costs not included in Sections E and F above.

J

Additional information.



Legislation Details (With Text)

File #: 110444 **Version:** 0

Type: Communication **Status:** In Committee

File created: 7/26/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Administration - Procurement Division and other City agencies relating to the implementation of reverse auctions.

Sponsors: ALD. BOHL

Indexes: PURCHASING PROCEDURES

Attachments: E-mail from Alderman Bohl, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
7/26/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110444
Version
ORIGINAL
Reference

Sponsor
ALD. BOHL
Title

Communication from the Department of Administration – Procurement Division and other City agencies relating to the implementation of reverse auctions.

Requestor

Drafter
Cc-CC
jro
7/25/11

Peterson, Todd

From: Bohl, James

Sent: Thursday, June 16, 2011 1:45 PM

To: Owczarski, Jim; Black, Tobie

Cc: Pfaff, Richard; Murphy, Michael (Alderman); Peterson, Todd; Kelsey, Rhonda; Korban, Ghassan

Subject: New File and Scheduling of it

Michael, Jim, Rich & Tobie,

I am requesting a communication file on Reverse Auction in Purchasing that can be scheduled at one of the upcoming Financing & Personnel Committee hearings immediately after the August break (during the 1st meeting of F&P on September 15). As you may recall, I had a resolution that would direct the Purchasing Director and DPW's Purchasing person to conduct several pilot Reverse Auction procedures within 6 months and report back to the Council. While the ordinance allowing Reverse Auctions passed, the Finance Committee elected to not pass the resolution directing studies but stipulated that they still wanted these trial pilots being conducted done with the progress reported back in of that 6 month period. This item came before F&P on February 2. I want a file created to serve as the mechanism for that follow up discussion as well as have a designated date in the books, thus my request for September 15. Sept. 15 is in excess of 8 months from the time of the original hearing of the matter and also provides 3 months heads up to Ms. Kelsey and Mr. Korban (or whomever his successor for these functions may be).

Please let me know if there are any issues with scheduling such a file for that date. Thanks much! jb

Reverse Auction

6/16/2011



Legislation Details (With Text)

File #: 101306 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 2/8/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: A substitute resolution relating to reverse auction purchasing.

Sponsors: ALD. BOHL, ALD. HAMILTON

Indexes: PURCHASING PROCEDURES

Attachments: Attachment A, Attachment B, Daily Reporter Article- January 17, 2011, Press Release from Ald Jim Bohl, Memo from Wisconsin Underground Contractors Assoc Inc, E-mail to Finance and Personnel Committee re Reverse Auction, Hearing Notice List-9/13/11, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
2/8/2011	0	COMMON COUNCIL	ASSIGNED TO		
3/11/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
3/11/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
3/11/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
3/15/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
3/18/2011	0	FINANCE & PERSONNEL COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	5:0
7/12/2011	1	CITY CLERK	Sponsor added		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
101306

Version
SUBSTITUTE 1

Reference

Sponsor
ALD. BOHL

Title
A substitute resolution relating to reverse auction purchasing.

Analysis

This resolution directs the City Purchasing Director and the Commissioner of Public Works to conduct 6 reverse auctions in the next 8 months and then report the results of these reverse auctions to the Common Council with in 45 days of the final sixth auction.

Body

Whereas, Reverse auctions give vendors the opportunity to openly bid against each another the lowest price they are willing to sell specified goods and services, and promise to yield the lowest market price to buyers; and

Whereas, Recent changes in the Milwaukee Code of Ordinances give the City Purchasing Director and the Commissioner of Public Works to option to use reverse auctions when purchasing goods and services for the City; and

Whereas, The Common Council is anxious to learn how much reverse auction purchasing in likely to save the City on goods and services as the Common Council considers the impact of proposed state funding cuts on City services; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the City Purchasing Director is directed to conduct not fewer than 6 reverse auctions in the 9 months following adoption of this resolution to purchase a variety of goods or services as described in Attachment A; and, be it

Further Resolved, That the Commissioner of Public Works is directed to conduct not fewer than 6 reverse auctions in the 9 months following adoption of this resolution to purchase a variety of goods or services where the expected contract is more than \$25,000 as described in Attachment B; and, be it

Further Resolved, The City Purchasing Director and the Commissioner shall report the results of these reverse auctions to the Common Council not later than 45 days after completing the sixth reverse auction.

Requester

Drafter

LRB #125300-1
Aaron Cadle
02/14/11

Attachment A

The Common Council of the City of Milwaukee, through Resolution #101306, directs the City Purchasing Director to conduct not fewer than 6 reverse auctions in the next 8 months to purchase a variety of goods or services as follows:

1. These Reverse Auctions:
 - a. At least 4 shall be conducted where the expected contract is more than \$30,000.
 - b. At least 2 shall be conducted as the sole bid award vehicle.
 - c. At least 2 shall be conducted in conjunction with a competitive-bid, a request-for-proposal or any other bid award vehicle.
2. At least 4 of these reverse auctions shall be conducted with the help, consultation and services of a bona fide expert in the conduct of reverse auctions.
3. To the extent practicable and reasonable, all fees and charges for the conduct of these reverse auctions shall be borne by the bidders.

Attachment B

The Common Council of the City of Milwaukee, through Resolution #101306, directs the Commissioner of Public Works to conduct not fewer than 6 reverse auctions in the next 8 months to purchase a variety of goods or services where the expected contract is more than \$25,000 as follows:

1. The Commissioner shall first conduct a sealed, competitive-bid auction, and then invite some, or all, bidders participating in this sealed, competitive-bid auction to participate in a second round of reverse auction bidding on the same work before awarding the contract.
2. The Commissioner shall seek the help, consultation and services of a bona fide expert in the conduct of at least 4 of these 6 reverse auctions to ensure an effective and successful reverse auction.
3. To the extent practicable and reasonable, all fees and charges for the conduct of these reverse auctions shall be borne by the bidders.

Online auction for contractors could be up for bids (UPDATE)

by Marie Rohde

Published: January 17th, 2011

By Marie Rohde

A Milwaukee alderman wants the city to treat project bidding in much the same way people sell items on eBay.

The bidding idea, which Alderman Jim Bohl will introduce to the Common Council on Wednesday, would let competitors for a city project view online what others are bidding and give them the opportunity to go lower to get the contract. It would be a departure from the city's closed-door approach when opening bids, Bohl said, and an opportunity to save money.

"It's a more competitive process that establishes a true market value," he said. "Around the country, it has resulted in major cost savings."

The ordinance could not require the city's purchasing department use the online bidding system. Still, Bohl said, he would want the ordinance to recommend the city use the process.

But there are no guarantees the auction approach would save the city money, according to some in the construction industry.

"The Army Corps of Engineers did a one-year pilot study and found no savings over typical bidding process," said Mike Fabishak, chief executive officer of the Associated General Contractors of Greater Milwaukee. "They also found that it can have an adverse effect on safety and work quality."

Still, Bohl said, the proposal is drawing attention from other members of the Common Council.

"I think that sends a strong message," Bohl said, adding the expected loss of state aid will make cost-cutting more important.

The procedure has withstood court challenges, the last in 2005, and the federal government now recommends its use, said David Wyld, professor of management at Southeastern Louisiana University and director of the Reverse Auction Research Center.

"It varies from agency to agency, but Customs and Border Protections is a strong user," Wyld said. "Even the Department of Defense uses it worldwide."

The concept, Bohl said, was proposed a decade ago in the Kettl Report, which is a set of recommendations made by the Blue Ribbon Commission on State and Local Relations created by then-Gov. Tommy Thompson.

Bohl said he was able to find only one state contract, let by the Department of Administration in 2001, using reverse auction.

"I found a press release that the state had saved 20 percent on a \$200,000 contract," Bohl said. "I haven't found anything since then."

Reverse auctions still play a relatively small role in government spending, but interest is growing, Wyld said.

"It's a combination of the technology getting better and budget pressures," he said. "It's a no-lose proposition. You're making sure the competition is open and free."

The process might work fine for buying concrete or computers, but that doesn't mean it's appropriate for construction projects, said Kevin O'Toole, executive vice president of Hunzinger Construction Co., Brookfield.

FOR IMMEDIATE RELEASE



FOR INFORMATION CALL

January 14, 2011

Ald. Jim Bohl
(414) 286-3870

Proposed "Reverse Auction" Legislation Could Save City Time and Money

A bold online-centered "reverse auction" approach to securing goods and services could be saving the City of Milwaukee time and money, according to **Alderman Jim Bohl**, who will introduce legislation Wednesday seeking Common Council support in establishing such a system.

The reverse auction approach – long used in the corporate world and which has become increasingly popular with many state and local governments across the U.S. – was a recommendation of the Kettl Commission (formally the Governor's Blue-Ribbon Commission on State-Local Partnerships for the 21st Century) in January 2001.

Reverse auctions follow a structured bid process that works much like online auction site E-Bay, only in reverse. Alderman Bohl said. "With reverse auctions, the city would put out an invitation to purchase a quantity of goods or services online, which pre-qualified vendors -- instead of using a single, blind sealed bid -- would compete over to win. During the bidding process, vendors would be able to view the current status of the bids online, allowing them to adjust their bids in real-time. This more competitive process establishes a true market value that usually results in a major cost savings to the buyer," he said.

Alderman Bohl said that in traditional government blind-bid procurement situations, it is not uncommon for losing vendors to state that they would have bid lower to secure a contract if they were only given an additional opportunity to re-bid. "Because these vendors can see the low bid in a reverse auction process, they can adjust their own bid in that situation," he said.

-More-

Reverse Auction/ADD ONE

Significant time savings have also been realized by using reverse auctions, Alderman Bohl said. “Typical 30-day sealed bid process timelines can be reduced, in many cases, to just hours, resulting in huge time savings for the local government and greatly improving efficiency,” he said. “An added benefit to utilizing open technology in reverse auctions is the increased transparency and legitimacy to the process.”

To protect the city, bidders would be pre-approved by city officials in terms of quality of the goods or services to be provided, and in terms of ability to deliver those goods and services, Alderman Bohl said.

Alderman Bohl said the following are examples of savings realized by government use of reverse auctions:

- State of Minnesota officials estimate that they’ve saved \$1 million in the first year of their program, and those savings jumped to \$22 million over the five-year life of the contracts awarded through the state’s Internet bidding system, according to the Minnesota Materials Management Division.
- Minnesota trimmed its \$10 million copy paper contract by \$1.2 million, a 13% savings; chopped its \$200,000 paint contract by \$36,000, an 18% savings, and slashed \$67,000 from its \$432,000 body armor contract, a 16% savings.
- The Kentucky League of Cities completed 18 auctions in 2003 for everything from fire apparatus to computers. Estimated costs related to these auctions totaled close to \$5 million with low bids resulting in an average savings of 15%.
- Delaware saved more than \$13 million on its utility bills from 2010 through 2013.
- The City of Dayton will enjoy average savings of 12% on some basic commodity purchases for 2010 and 2011 as the result of a pilot “reverse auction.”
- The City of Chicago shaved \$1 million dollars from the purchase of snow removal equipment for O’Hare airport in 2009 by utilizing a reverse auction instead of a traditional sealed bid process that had taken place only months before with the same 4 suppliers.
- In a pilot first-year trial, the Louisville Metro Government ran eight reverse auctions and realized a savings of nearly \$600,000.

Some Questions or Issues with Reverse Auctions for Procurement of Construction Services by the City of Milwaukee

1. Who really benefits with reverse auctions?
2. Is the process fair to all bidders?
3. Is reverse auction used exclusively for bidding or used on occasion?
4. With reverse auctions, are contractors awarded the contract based on lowest price or for some other reason?

In March 2005 the Wisconsin Legislature considered the idea of reverse auctions with the following statement by the legislative sponsor:

"In light of legislative proposals to restrict the revenue that local governments can collect, we must also find ways to partner with them that will allow tax dollars to be spent more effectively. This bill requires the Department of Administration to devise rules and fees for making the state 's reverse auction system available to local units of government. Reverse auctions work just like e-Bay but in the opposite direction. Instead of posting things it wants to sell, this bill will allow local governments to post requests for items it wishes to purchase. Vendors then compete in an open, honest process to provide goods or services at the lowest cost. By encouraging public competition, we can not only save local governments tax dollars, but move our procurement system towards greater transparency and openness. More access should mean more bidders and more bids. That will lead to lower government costs and lower taxes for Wisconsin residents. Additionally, by making the system available for labor procurement, DWD will have access to additional data, allowing it to more accurately determine appropriate labor rates for other state projects."

Five years ago when this legislation was proposed, Rep. Samantha Kerkman, Chairperson of the Assembly Budget Review Committee decided that after talking to a number of constituents and interested parties decided to withdraw AB 161, the Reverse Auction bill from consideration.

Five years ago, many Wisconsin contractor trade associations opposed AB161 and worked collectively to defeat this legislative proposal. Contractor groups wrote:

- Because there is so much at stake, it is important to have a system in place that all parties can regard as fair.
- From the contractor's point of view, nobody wants to put time and energy into quote that is just going to be used for price shopping.
- Only a sealed bid provides the lowest responsible bid from any particular contractor. In a reverse auction contractors can submit bids that are considerably higher than their bottom line number in hopes that they can pick up a "plum" job.
- Reverse auctions will increase the likelihood of disputes, change orders, bad faith bidding, and increased risk damaging the relationship between contractors and owners.
- The use of reverse auctions may lead to higher costs due to decreased competition in the market place.

- Reverse auctions may compromise the quality of the project and the safety and wages of the employees working on the project if a contractor is pressured into submitting an artificially low bid.
- Many contractor organizations have strong reservations about the use of reverse auctions for construction services. There have been numerous negative articles on the topic as contractors see the topic as bid gaming.
- Many contractors see reverse auction as compromising the industry.
- In the past the U.S. Office on Federal Business Opportunities office withdrew a reverse auction proposal after contractors opposed the procedure.
- Minority contractors are concerned that only the largest contractors would win work under reverse auctions. Many believe that small contractors will not bid through reverse auctions and larger contractors would benefit.
- As with the 5% local geographic bid preference already in force, the traditional use of sealed competitive bids on tax-funded construction is gone. The use of reverse auctions for procurement just makes it worse. The use of sealed competitive bids is something that area municipalities and contractors have used for 100 years in Wisconsin due to fear of corruption, graft and/or favoritism in the award of construction contracts.

Contractors ask that the City of Milwaukee to drop the idea of reverse auctions for procurement of construction services.

(January 18, 2011 WUCA)

From: Bohl, James
Sent: Monday, March 21, 2011 12:14 PM
To: Black, Tobie
Subject: FW: Reverse Auction Notes to the City

From: "Matt Miller" <matt.miller@k2sourcing.com>
Date: March 21, 2011 11:15:27 AM CDT
To: <mmurph@milwaukee.gov>, <rjbauma@milwaukee.gov>, <jdudzi@milwaukee.gov>, <mcoggs@milwaukee.gov>, <nkovac@milwaukee.gov>
Cc: "Mary Ellen Groh" <meg@k2sourcing.com>
Subject: Reverse Auction Notes to the City
Reply-To: <matt.miller@k2sourcing.com>

Dear Finance Committee Members:

Regarding the proceedings surrounding reverse auctions Friday, March 18th, I would like to make sure you have complete and correct information.

- K2 Sourcing and has provided information and education with the intent for the City to allow the practice. As taxpayers please accept our gratitude for allowing the use of proven more effective procurement tools and methods than currently being employed.
- Please note there has never been any indication, suggestion, expectation or assumption on the part of K2 Sourcing that the competitive bidding process would not be utilized to select a Reverse Auction partner. Again our focus was on education to allow the practice.

There also was discussion regarding building software internally vs. buying because outside fees to software companies were exorbitant.

- Regarding excessive fees, Ms. Kelsey provided a single pricing option. The option mentioned utilized a consulting firm to run the auctions and requiring the awarded supplier to pay a fee.
- Other payment options exist. The City may pay a provider directly. As a benchmark starting price, the cost of reverse auction can be \$139 per month / per seat. Or individual auctions can be purchased for under \$1500. Multiple vendors offer such pricing models.
- I would further note that these systems are designed to handle complex procurements. While the City of Milwaukee may have an excellent IT department, with little experience with reverse auctions the resulting system will most likely miss the

mark again as it did in the early 2000's. It is my opinion, the City would need to hire a consultant to design the system.

I applaud the decision the Committee has made, and look forward to reviewing the progress in 6 months. In the interim, we are happy to continue to provide any requested information. I also want to assure the Committee we will work with integrity regarding the City's process for selecting the best methodology for the City.

Sincerely,

Matt Miller
President

www.k2sourcing.com

<http://www.linkedin.com/pub/matt-miller/0/108/434>

Direct: 262-285-3334



Legislation Details (With Text)

File #: 110650 **Version:** 0

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution relating to the City of Milwaukee’s Socially Responsible Investment Program and the investment of City funds in financial institutions designated as eligible to participate in the investment program.

Sponsors: THE CHAIR

Indexes: BANKS AND LENDING INSTITUTIONS, DESIGNATION OF DEPOSITORIES, SOCIAL CONCERNS

Attachments: Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number

110650

Version

ORIGINAL

Reference

890493, 901974, 911795, 930357, 930358, 930841, 940518, 950419, 960586, 970624, 980598, 101551

Sponsor

THE CHAIR

Title

Resolution relating to the City of Milwaukee’s Socially Responsible Investment Program and the investment of City funds in financial institutions designated as eligible to participate in the investment program.

Analysis

This resolution consolidates various resolutions adopted by the Common Council relating to the City’s Socially Responsible Investment Program and the investment of City funds in financial institutions designated as eligible to participate in the investment program. The resolution also rescinds obsolete resolutions relating to the Socially Responsible Investment Program.

Body

Whereas, The Fair Lending Action Committee, in its report Equal Access to Mortgage Lending: The Milwaukee Plan submitted to Mayor John Norquist and Governor Tommy G. Thompson in October, 1989, found that mortgage lending volume was disproportionately low for blacks and in predominantly black neighborhoods as compared to whites and predominantly white neighborhoods in the Milwaukee metropolitan area; and

Whereas, The lending practices of local financial institutions have a major impact on the City’s tax base, homeownership, maintenance of properties, quality of life and overall economic viability of the

City; and

Whereas, It is in the best interests of the City of Milwaukee that City funds are invested in a socially and economically beneficial way to the betterment of all segments of the community; now, therefore be it

Resolved, By the Common Council of the City of Milwaukee, that a Socially Responsible Investment Program shall be established under which City funds shall be invested in financial institutions which are compatible with the following goals:

1. Liquidity, safety and competitive returns on investments.
2. Increasing the amount and percentage of home mortgages made by financial institutions to City minority residents.
3. Increasing the amount and percentage of home mortgages made by financial institutions to City residents in census tracts identified as eligible for the Targeted Area Single Family Mortgage Loan Program.
4. Increasing employment opportunities for minority residents.
5. Increasing the amount of money available for small business loans in the Targeted Area Single Family Mortgage Loan Program area.
6. Increasing the amount of money available for student loans to residents of the Targeted Area Single Family Mortgage Loan Program area.
7. Increasing commitment by financial institutions to provide free technical assistance to potential home buyers and small business owners through existing home buying clinics and business incubators.

; and, be it

Further Resolved, That the City Comptroller, utilizing Home Mortgage Disclosure Act and Community Reinvestment Act data, shall prepare an annual Financial Institution Lending Report to the Mayor and Common Council, summarizing the number of residential mortgage loans made by each financial institution engaged in residential lending in the targeted area; and, be it

Further Resolved, That the City Comptroller shall request that each financial institution provide data on its lending activity in the targeted area concerning attainment of the goals specified above, and such data shall be summarized in the City Comptroller's Financial Institution Lending Report, particularly with respect to data on residential loans in the targeted area of the City and business loans to low- and moderate-income areas; and, be it

Further Resolved, That the City Treasurer shall annually designate, as financial institutions eligible for public depository status under the City's Socially Responsible Investment Program, those institutions placing in the top half of institutions in the City Comptroller's Annual Financial Institution Lending Report relating to residential loans in the targeted area and business loans to low- and moderate-income areas; and, be it

Further Resolved, That the City Treasurer may invest City funds only in those financial institutions designated eligible for public depository status under the Socially Responsible Investment Program; and, be it

Further Resolved, That the City Treasurer shall report annually to the Common Council the amount of City funds invested in financial institutions that have public depository status under the Socially Responsible Investment Program; and, be it

Further Resolved, That the following Common Council resolutions are rescinded: File Numbers 890493, 901974, 911795, 930357, 930358, 930841, 940518, 950419, 960586, 970624, 980598, 101551.

Requestor
City Treasurer's Office
Drafter
LRB 132110-1
Teodros W. Medhin/sd
8/31/2011



Legislation Details (With Text)

File #: 110536 **Version:** 0

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee debt.

Sponsors: ALD. MURPHY

Indexes: MUNICIPAL BORROWING, PROMISSORY NOTES

Attachments: Cover Letter, Preliminary Official Statement-DRAFT, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110536

Version
Original

Sponsor
Ald. Murphy

Title
Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee debt.

Analysis
In connection with the sale of City debt, a Preliminary Official Statement is prepared and distributed to provide potential investors with information on the City. The rules of the Securities and Exchange Commission require that the governing body of the municipality review and approve the Official Statement for accuracy and completeness.

Body
Whereas, The City Comptroller has prepared a Preliminary Official Statement (the form of which is attached hereto), and will prepare an Official Statement, for the purpose of providing comprehensive financial and economic information respecting the City of Milwaukee in connection with the sale of the City of Milwaukee, Wisconsin, General Obligation Bonds, Notes, and/or Revenue Anticipation Notes (“RANs”) (individually, an “Offered Obligation”, and collectively, the “Offered Obligations”); and

Whereas, Financial and economic information has been compiled by the Office of the Comptroller

from its annual financial report, property tax records maintained by the Assessor's Office and from other books and records of the City; and

Whereas, Concurrently with the delivery of the Offered Obligations, the City will deliver its certificates signed by its Comptroller stating that the descriptions and statements, including financial statements, as pertaining to the City contained in the Official Statements as of their dates and the date of sale and delivery of each Offered Obligation, were and are true and correct in all material respects and do not contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary to make the statements contained therein in the light of circumstances in which they were made not misleading; and

Whereas, Such certificates will further confirm to the effect that insofar as the descriptions and statements including financial data, contained in the Official Statements of or pertaining to non-governmental bodies and governmental bodies other than the City are concerned, such descriptions, statements and data have been obtained from sources believed by the City to be reliable, and that the City has no reason to believe that they are untrue or incomplete in any material respect; and

Whereas, It is the intention of the Common Council to approve the aforementioned Preliminary Official Statement on the basis of the representations of the Comptroller to be included in the certificates signed by the Comptroller and delivered concurrently with the delivery of each Offered Obligation; and

Whereas, The City desires to use the Master Continuing Disclosure Certificate approved by Common Council File Number 100846 adopted on November 23, 2010 in connection with the issuance of the Offered Obligations; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the form of the Preliminary Official Statement as attached hereto, and to be used in connection with the sale of the City of Milwaukee, Wisconsin, General Obligation Bonds, Notes, and/or RANs, (the "Offered Obligations") be and hereby are approved; and, be it

Further Resolved, By the Common Council of the City of Milwaukee that the Preliminary Official Statement was and is true and correct in all material respects and do not contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary to make the statements contained therein in the light of circumstances in which they were made not misleading; and, be it

Further Resolved, By the Common Council of the City of Milwaukee that the Comptroller is hereby authorized to prepare an Official Statement, in substantially the same form of the Preliminary Official Statement, after the same have been completed by the insertion of the maturities, interest rates and other details of the debt and by making such other insertions, changes or corrections as the Comptroller, based on the advice of the City's financial advisor and legal counsel (including the City Attorney or Bond Counsel), deem necessary or appropriate; and the Common Council hereby authorizes the Official Statement and the information contained therein to be used by the underwriters of the debt in connection with the sale of the Offered Obligations; and, be it

Further Resolved, By the Common Council of the City of Milwaukee that the Comptroller is hereby authorized to execute Supplemental Certificate(s) of the Master Continuing Disclosure Certificate for the Offered Obligations.

Drafter
Comptroller

RL

REF: PD-7833aW.rtf



Office of the Comptroller
August 10, 2011

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the introduction of the enclosed resolution that relates to the Preliminary Official Statement used in the sale of Milwaukee Public School Revenue Anticipation Notes.

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Very truly yours,


W. MARTIN MORICS
Comptroller

WMM:RL

REF: PD-7833W.DOC

This is a Preliminary Official Statement, subject to correction and change. The City has authorized the distribution of the Preliminary Official Statement to prospective purchasers and others. Upon the sale of the Offered Obligations, the City will complete, adopt and deliver a Final Official Statement substantially in this form.

DRAFT
09/12/2011

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 12, 2011

**NEW ISSUE
BOOK ENTRY ONLY**

RATINGS:
(See "RATINGS" herein)

Moody's
"MIG 1"

Standard & Poor's
"SP-1+"

In the opinion of Katten Muchin Rosenman LLP, and of Hurtado, S.C., Bond Counsel, under existing law, if there is continuing compliance with certain requirements of the Internal Revenue Code of 1986, interest on the Notes will not be includable in gross income for federal income tax purposes. The Notes are not "private activity bonds" and the interest thereon is not required to be included as an item of tax preference for purposes of computing individual or corporate "alternative minimum taxable income." However, interest on the Notes is includable in corporate earnings and profits and therefore must be taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the Notes is not exempt from Wisconsin income taxes.

\$145,000,000*
CITY OF MILWAUKEE, WISCONSIN
SCHOOL REVENUE ANTICIPATION NOTES, SERIES 2011 M6
(Not a general obligation of the City)

Dated: Expected Date of Delivery

Due: As shown below

The School Revenue Anticipation Notes, Series 2011 M6 (the "Notes") are issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Individual purchases will be made in the principal amounts of \$5,000 or any integral multiple thereof and will be in book-entry-only form. Purchasers will not receive certificates representing their beneficial ownership in the Notes. Interest shall be payable at maturity. The Notes are not a general obligation of the City, do not constitute an indebtedness for the purpose of determining the City's constitutional debt limitation, and no tax shall be levied to pay the Notes or the interest thereon. The Notes are not subject to redemption prior to maturity.

MATURITY SCHEDULE

<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP ⁽¹⁾</u>
June 27, 2012	145,000,000*			Base 602424

The Notes are issued for the purpose of financing the Milwaukee Public School's general operating purposes pending receipt of school State Aid Payments from the State of Wisconsin (the "State"). School Operations Fund revenues have been pledged as security for the repayment on the Notes. In addition, the City has pledged available surplus revenues in its Debt Service Fund to the payment of interest due on the Notes at maturity. (See "THE NOTES – SECURITY AND PURPOSE" herein.)

The Notes have been offered for sale by competitive bid in accordance with the Official Notice of Sale dated October 12, 2011 and are being issued subject to the legal opinion of Katten Muchin Rosenman LLP, Chicago, Illinois, and of Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, and other conditions specified in the Official Notice of Sale. Delivery of the Notes will be on or about November 9, 2011 (the "Expected Date of Delivery") in New York, New York.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

For Further Information Contact:
W. Martin Morics, City Comptroller and Secretary to Public Debt Commission
City Hall, Room 404, 200 East Wells Street - Milwaukee, WI 53202 - Phone (414) 286-3321

⁽¹⁾The above-referenced CUSIP number has been assigned by an independent company not affiliated with the City and is included solely for the convenience of the holders of the Notes. The City is not responsible for the selection or uses of such CUSIP number, and no representation is made as to its correctness on the Notes, or as indicated above. The CUSIP number is subject to change after the issuance of the Notes.

*Subject to change in accordance with the Official Notice of Sale.

**ELECTRONIC BIDS FOR THE NOTES WILL BE RECEIVED
UNTIL 10:00 A.M. (CENTRAL TIME) ON THURSDAY, OCTOBER 20, 2011**

October __, 2011

No dealer, broker, salesperson or other person has been authorized by the City of Milwaukee or Milwaukee Public Schools to give any information or to make any representation other than as contained in this Official Statement in connection with the sale of these securities and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities by a person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City of Milwaukee or Milwaukee Public Schools since the date hereof. The Notes have not been registered pursuant to the Securities Act of 1933, in reliance upon exemptions contained in such Act.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

**Table of contents to be updated
closer to the print date.**

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INTRODUCTION TO THE OFFICIAL STATEMENT

The purpose of this Official Statement, including the cover page and appendices, is to set forth certain information concerning the City of Milwaukee (“City”), Milwaukee Public Schools (“MPS”) and the offering of \$145,000,000* School Revenue Anticipation Notes, Series 2011 M6 of the City dated the Expected Date of Delivery (the “Notes”).

The following information is furnished solely to provide limited introductory information regarding the Notes and does not purport to be comprehensive. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement, including Appendices hereto.

SUMMARY STATEMENT

Issuer:	City of Milwaukee, Wisconsin.		
Issue:	\$145,000,000* School Revenue Anticipation Notes, Series 2011 M6.		
Dated Date:	Expected Date of Delivery.		
Sale Date and Time:	Thursday, October 20, 2011, Until 10:00 A.M. C.T.		
Principal Maturity:	<u>Amount</u>	<u>Maturity</u>	<u>Rate</u>
	\$145,000,000*	June 27, 2012	
Interest:	Calculated on a 30/360-day basis and due on the respective maturity dates.		
Denominations:	\$5,000 or integral multiples thereof.		
Purpose:	To finance MPS operations on an interim basis pending receipt of school State Aid payments.		
Security:	MPS and the City have pledged and will irrevocably segregate upon receipt, school State Aid payments in an amount sufficient with interest thereon, to pay, when due, the principal of and interest on the Notes. MPS and the City have also pledged all other revenues of the School Operations Fund included in the budget for the current fiscal year which are due MPS, which have not been received as of the date of delivery of the Notes, and which are not otherwise pledged or assigned. The City has also pledged available surplus revenues of the City’s Debt Service Fund to the payment of interest on the Notes. (See “THE NOTES – SECURITY AND PURPOSE” herein.)		
	The Notes are not a general obligation, do not constitute an indebtedness of the City for the purpose of determining the City’s constitutional debt limitation, and no tax shall be levied to pay the Notes or interest thereon.		
Authority for Issuance:	The City of Milwaukee Common Council and the Milwaukee Board of School Directors (“MBSD”) have authorized the issuance and sale of the Notes in accordance with the provisions of the City Charter and Section 67.12(1), Wisconsin Statutes.		

**Subject to change in accordance with the Official Notice of Sale.*

Form of Issuance: The Notes will be issued in fully registered “Book-Entry-Only-Form” in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York which will act as security depository for the Notes. (See “BOOK-ENTRY-ONLY SYSTEM” herein.)

Tax Exemption: Under existing law, if there is continuing compliance with certain requirements of the Internal Revenue Code of 1986, interest on the Notes will not be includable in gross income for federal income tax purposes. The Notes are not “private activity bonds” and the interest thereon is not required to be included as an item of tax preference for purposes of computing individual or corporate “alternative minimum taxable income.” However, interest on the Notes is includable in corporate earnings and profits and therefore must be taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the Notes is not exempt from Wisconsin income taxes. (See “TAX STATUS” herein)

Redemption Feature: The Notes are not subject to redemption prior to maturity.

Official Statement: The City will provide the original purchaser(s) of the Notes with up to 100 copies (pro rata) of this Official Statement within seven business days following the award of the Notes.

Professionals:

Bond Counsel:	Katten Muchin Rosenman LLP Chicago, Illinois
	Hurtado, S.C. Wauwatosa, Wisconsin
Financial Advisor	Robert W. Baird & Co. Milwaukee, Wisconsin

Record Date: June 15, 2012.

Delivery: Delivery will be on or about November 9, 2011 (the “Expected Date of Delivery”) at the expense of the City, through the facilities of The Depository Trust Company (“DTC”), New York, New York.

Reoffering: The public reoffering price(s) and/or yield(s) of the Notes are detailed on the cover of the Final Official Statement.

Continuing Disclosure Certificate: In order to assist bidders in complying with the continuing disclosure requirements of SEC Rule 15c2-12 and as part of the City’s contractual obligation arising from its acceptance of the successful bidder’s proposal, at the time of the delivery of the Notes, the City will provide an executed copy of its Continuing Disclosure Certificate. (See “RULE 15c2-12” and Appendix C-Form of Continuing Disclosure Certificate herein.)

THE NOTES

AUTHORITY

Pursuant to Sections 65.05 and 119.46 of the Wisconsin Statutes, the Milwaukee Board of School Directors (the "MBSD"), the governing board of Milwaukee Public Schools ("MPS"), has full responsibility for its budget expenditures, and the required tax levy. These requirements are included with the City's financial requirements, and MPS is effectively treated as a department of the City.

Pursuant to a resolution adopted on June 30, 2011, MBSD has determined that it will be necessary to finance the operating budget of MPS on an interim basis, and has requested the City to issue notes pursuant to Section 67.12(1), Wisconsin Statutes, for that purpose.

The Common Council of the City has authorized the issuance and sale of the Notes through adoption of a resolution on July 6, 2011 in accordance with the provisions of the City Charter and Section 67.12(1), Wisconsin Statutes.

SECURITY AND PURPOSE

Pursuant to a resolution of MBSD adopted on June 30, 2011, MBSD has authorized the City to issue the Notes, and to pledge all revenues of the School Operations Fund included in the budget for the current fiscal year, which are due MPS, which have not been received as of the date of delivery of the Notes, and which are not otherwise pledged or assigned, as security for repayment of the Notes (the "Pledged Revenues").

The School Operations Fund is established by Section 119.46, Wisconsin Statutes, and is held by the City on behalf of MPS. Revenues from the local property tax, school State Aid payments and federal school aid payments are deposited into the School Operations Fund. See "REVENUES OF MILWAUKEE PUBLIC SCHOOLS" generally, and "Milwaukee Public Schools-School Operations Fund Budget Fiscal Year 2012 and 2011" herein.

"State Aid" means the general school aids paid by the State to MPS pursuant to subchapter II of Chapter 121, Wisconsin Statutes, as the same may be amended or renumbered from time to time, or any other payments made directly or indirectly by the State to MPS in partial or full replacement or substitution for the school aid payments now made under subchapter II of Chapter 121, Wisconsin Statutes.

Pursuant to Section 121.115, Wisconsin Statutes, MBSD is anticipating receipt of school State Aid Payments from the State of Wisconsin to the School Operations Fund in September and December, 2011, and in March, June, and July 2012. Such payments, per Section 119.50, Wisconsin Statutes, shall be received by the City Treasurer.

The Notes are being issued to fund MPS operations pending receipt of school State Aid Payments. A cash flow deficit of approximately \$145* million is anticipated to occur in November 2011 due to the receipt of the majority of State Aid and property tax revenues during December 2011 through June 2012, the last seven months of the MPS fiscal year. In contrast, MPS expenditures are relatively evenly distributed throughout the school year (See "School Operations Fund Trends" herein). In September 2011, \$50,000,000 of General Obligation Commercial Paper was issued, and in October 2011 \$50,000,000 is anticipated to be issued to provide interim borrowing for Milwaukee Public Schools. The commercial paper will be refunded by this issue.

This Note issue of \$145* million is the anticipated final interim borrowing for MPS during the 2011-2012 fiscal year. (See "MILWAUKEE PUBLIC SCHOOLS - Borrowing – Future Financing" herein.)

Pursuant to a resolution of the Common Council of the City adopted on July 6, 2011 (the "City Resolution"), the Common Council of the City has pledged the Pledged Revenues for the repayment of the Notes and has established a segregated account within the School Operations Fund to capture school State Aid Payments received under Section 121.15, Wisconsin Statutes, in June 2012 in the principal amount of the Notes. The City Resolution also directs the City Treasurer to segregate, for payment of the Notes, June 2012 school State Aid Payments, in the principal amount of the Notes. The City Treasurer has no discretion to otherwise apply such revenues.

The City has also pledged available surplus revenues in its Debt Service Fund to the payment of interest on the Notes.

MATURITY, INTEREST RATE(S) AND REDEMPTION

The Notes are dated the Expected Date of Delivery and will mature on December 29, 2011 and on June 27, 2012 without option of prior redemption. Interest is payable at the respective maturity dates at the rates as shown on the cover of this Official Statement and is calculated on a 30/360 day basis.

STATUTORY BORROWING LIMITATIONS

Section 67.12(1)(a) of the Wisconsin Statutes limits issuance for the purpose of the Notes to sixty percent (60%) of the Estimated School Operation Fund Revenues for 2011-2012 Fiscal Year.

Total Amount of Estimated School Operations Fund Revenues For the 2011-2012 Fiscal Year	\$944,311,187
Statutory Borrowing Limit (60% of Estimated Revenues)	\$566,586,712
Borrowing-School Revenue Anticipation Notes, Series 2011 M6, dated October 12, 2011*	<u>\$145,000,000</u>
Unused Amount Following this Issue	<u>\$421,586,712</u>
Percentage of Borrowing Limit Used	25.6%
Percentage of Borrowing to Estimated Revenues	15.4%

**Subject to change in accordance with the Official Notice of Sale.*

MILWAUKEE PUBLIC SCHOOLS

GENERAL

MPS was established on February 3, 1846, and operates under Chapter 119 of the Wisconsin Statutes. MPS is effectively treated by State Statutes as a City department. MPS is governed by MBSD. MPS has budget adoption authority (the City must then levy and collect a tax to support the MBSD budget). MPS provides elementary, secondary, vocational and special education services for grades K through 12 to residents of the City, whose boundaries are coterminous with those of MPS. All funds for MPS flow through the City Treasurer who, by statute, disburses them at the direction of the Director/Board Clerk of MBSD. The City Comptroller, City Treasurer and City Attorney perform their respective functions for MPS as well as the City.

BORROWING - GENERAL OBLIGATION DEBT

MPS does not have authority to issue debt. The City has the authority (under Chapters 67 and 119, Wisconsin Statutes) to issue municipal obligations for specific school purposes including the acquisition of sites and constructing, enlarging and remodeling of school buildings for the purpose of providing additional classroom space to accommodate anticipated school enrollments. Such municipal obligations require the adoption of a resolution by the City and the levying by the City of required debt service. The table below shows the City's outstanding general obligation debt for school purposes of \$132,965,519. The City also has authorized but unissued general obligation debt for school purposes. (See "MILWAUKEE PUBLIC SCHOOLS - Borrowing - Future Financing" herein.)

CITY OF MILWAUKEE OUTSTANDING GENERAL OBLIGATION DEBT FOR SCHOOL PURPOSES (Other than RANs) AS OF OCTOBER 1, 2011

Year	Principal ⁽¹⁾	Interest ⁽²⁾	Total
12/31/2011	\$0	\$181,334	\$181,334
12/31/2012	12,315,441	5,181,022	17,496,463
12/31/2013	12,682,137	4,658,623	17,340,760
12/31/2014	12,288,334	5,019,799	17,308,133
12/31/2015	11,440,876	5,230,830	16,671,706
12/31/2016	13,155,446	4,796,591	17,952,037
12/31/2017	11,238,405	5,062,661	16,301,066
12/31/2018	10,088,637	4,644,472	14,733,110
12/31/2019	9,747,344	5,138,747	14,886,091
12/31/2020	8,887,988	5,267,861	14,155,849
12/31/2021	5,304,814	4,941,185	10,245,999
12/31/2022	5,555,671	5,778,404	11,334,074
12/31/2023	5,340,427	5,611,439	10,951,866
12/31/2024	3,645,000	2,106,600	5,751,600
12/31/2025	3,375,000	2,099,850	5,474,850
12/31/2026	3,450,000	1,958,250	5,408,250
12/31/2027	4,450,000	979,125	5,429,125
TOTAL	\$132,965,519	\$68,656,795	\$201,622,313

⁽¹⁾ Assumes Sinking Fund Deposits in year due.

⁽²⁾ Compound interest is included in year paid.

Wisconsin Statutes establish a limit on the authority of the City to incur general obligation indebtedness in any form for City and school purposes of 7% of the full value of taxable property located within the City, as equalized by the Wisconsin Department of Revenue. Of the 7%, 2% is authorized for school purposes only. The City may issue bonded debt for school purposes pursuant to the provisions of Chapter 119 or Chapter 67. Bonded indebtedness issued by the City under Chapter 119 for school purposes is limited to 2% of the full value of taxable property in the City as equalized by the State Department of Revenue. Separately, bonded indebtedness issued by the City under Chapter 67 for school purposes counts against the City's debt limit of 5% of the full value of taxable property within the City. Debt issued under Chapter 67 requires adoption of a resolution by the City but does not require voter approval.

**TOTAL UNUSED DEBT MARGIN FOR THE CITY OF MILWAUKEE
AS OF OCTOBER 1, 2011**

Verify the City's 2011 Equalized Value
--

2011 Equalized Value of Taxable Property in the City		\$27,954,669,900
Legal Debt Limitation for City Borrowing		
5% of Equalized Value		\$1,397,733,495
General Obligation Debt Outstanding subject to 5% Limit as of 10/01/11	\$958,065,000 *	
Less: Provision for current year maturities	(\$2,475,000)	
Net General Obligation Debt Outstanding subject to the 5% Limit as of 10/01/11		\$955,590,000
Total Debt Margin for City Borrowing (in Dollars)		\$442,143,495
(As a percentage)		31.6%
(As a percentage excluding Cash Flow Notes)		39.9%
Legal Debt Limitation for School Purpose Borrowing		
2% of Equalized Value		\$559,093,398
General Obligation Debt Outstanding subject to 2% Limit as of 10/01/11	\$14,774,150	
Less: Provision for current year maturities	—	
Net General Obligation Debt Outstanding subject to the 2% Limit as of 10/01/11		\$14,774,150
Total Debt Margin for School Purpose Borrowing (in Dollars)		\$544,319,248
(As a percentage)		97.4%

**Excludes G.O. debt issued for school RAN purposes that will be paid off upon the issuance of the Notes.*

**HISTORY OF FULL VALUATION IN
THE CITY OF MILWAUKEE
(2006-2010)**

<u>Levy Year</u>	<u>Collection Year</u>	<u>Full Valuation</u>	<u>Percent Increase/Decrease</u>
2007	2008	\$31,887,192,100	+5.49
2008	2009	32,257,525,000	+1.16
2009	2010	31,266,329,200	-3.07
2010	2011	29,520,783,200	-5.58
2011	2012	27,954,669,900	-5.31

BORROWING-REVENUE BONDS

The following sections provide information on outstanding revenue obligations issued by the Redevelopment Authority of the City of Milwaukee (“RACM”) for school purposes.

Neighborhood Schools Initiative

In February 2002, RACM issued \$33,300,000 of its Revenue Bonds, Series 2002A (the “2002A Bonds”) and in November 2003, RACM issued \$78,740,000 of its Revenue Bonds, Series 2003A (the “2003A Bonds”) (Milwaukee Public Schools – Neighborhood Schools Initiative) (collectively, the "NSI Revenue Bonds"). RACM loaned the proceeds of the NSI Revenue Bonds to MPS to partially finance the initial cost of providing approximately 750,000 square-feet of additional classroom capacity for MPS schools, to implement the Neighborhood Schools Initiative and for related activities of MPS. MPS is obligated to make payments to RACM sufficient to pay the principal of and interest on the NSI Revenue Bonds. MPS's repayment obligation is payable solely from and secured by a pledge of all intra-district aid received by MPS from the State.

In February 2007, RACM issued \$31,865,000 of Refunding Revenue Bonds, Series 2007A, which advance refunded a portion of the 2003A Bonds.

The schedule of remaining debt service payments on the NSI Revenue Bonds is as follows:

**CITY OF MILWAUKEE
REDEVELOPMENT AUTHORITY REVENUE BONDS
ANNUAL DEBT SERVICE PAYMENTS AS OF JULY 1, 2011**

<u>Year ending June 30</u>	<u>Debt Service Payments</u>	<u>Year ending June 30</u>	<u>Debt Service Payments</u>	<u>Year ending June 30</u>	<u>Debt Service Payments</u>
2012	\$8,474,868	2017	\$9,606,995	2022	\$10,391,138
2013	8,705,504	2018	9,848,206	2023	10,650,500
2014	8,922,258	2019	10,094,129	2024	11,097,600
2015	9,144,649	2020	10,343,094		
2016	9,376,675	2021	10,126,549		

Lease Revenue Bonds

The lease revenue bonds do not constitute general obligations of MPS or the City and shall not constitute or give rise to a charge against the City's taxing powers. MPS does, however, have an obligation to pay rents under a lease to support the debt service on the lease revenue bonds. Under the lease, the annual rent payments constitute a budgeted expenditure of MPS payable only if funds are budgeted and appropriated annually by MPS from its School Operations Fund. MPS's obligation under the lease may be terminated on an annual basis by MPS if MPS fails to budget and appropriate for lease payments.

In November 2005, RACM issued \$12,415,000 Redevelopment Lease Revenue Bonds, Series 2005A (the "Series 2005A Bonds") on behalf of MPS to pay certain costs in connection with constructing additions and making improvements to three public schools of the City of Milwaukee: Congress Extended Year-Round Elementary School, Craig Montessori School and La Escuela Fratney. The schedule of lease payments is as follows:

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$530,000	\$456,420	\$986,420
2013	550,000	436,028	986,028
2014	575,000	413,940	988,940
2015	595,000	390,243	985,243
2016	620,000	365,180	985,180
2017	645,000	338,609	983,609
2018	675,000	310,221	985,221
2019	705,000	280,030	985,030
2020	735,000	248,166	983,166
2021	770,000	214,488	984,488
2022	805,000	178,648	983,648
2023	845,000	140,698	985,698
2024	880,000	101,683	981,683
2025	925,000	61,521	986,521
2026	920,000	20,470	940,470
	<u>\$10,775,000</u>	<u>\$3,956,345</u>	<u>\$14,731,345</u>

Pension Obligation Bonds

In December, 2003, RACM issued its \$146,569,122 Taxable Pension Funding Bonds, 2003 Series C and 2003 Series D (Milwaukee Public Schools) (the "Pension Bonds"). RACM loaned the proceeds of the Pension Bonds to MPS, which, together with the proceeds of a general obligation note issue issued by the City, was used to retire MPS unfunded actuarial accrued liability owed to the Wisconsin Retirement System with respect to retirement benefits for MPS employees. MPS is obligated to make payments to RACM sufficient to pay the principal of and interest on the Pension Bonds, subject to annual appropriation. MPS's repayment obligation is payable solely from and secured by a pledge of monies in the School Operations Fund. MPS has also pledged certain State Aid payments received by MPS from the State of Wisconsin to secure the payment of debt service.

The 2003 Series D Pension Bonds were issued as variable rate securities. In 2005, the 2003 Series D Pension Bonds were converted to index linked at a fixed spread of 0.25% over 1-Month LIBOR for the life of the bonds. The City, on behalf of MPS, entered into Interest Rate Exchange Agreements to synthetically fix the interest rate payable for the entire term of the Pension Bonds. Under the Interest Rate Exchange Agreement, MPS receives a fixed spread of 0.20% over 1-Month LIBOR for the life of the bonds. Interest Rate Exchange Agreements covering \$70,850,000 of 2003 Series D Pension Bonds (the "Agreements") are with Lehman Brothers Special Financing Inc, which filed for bankruptcy in October, 2008. At the time of the bankruptcy filing, the Agreements had a negative value of approximately \$8,000,000 to MPS (MPS would have to pay Lehman to terminate the Agreements). On June 30, 2011, the Agreements had a negative value of approximately \$15 million. No payments have been due from Lehman since the bankruptcy filing. MPS and the City are working to replace the Agreements with a new counterparty at no net cost to the MPS or the City. The schedule of loan payments, after taking into account the Interest Rate Exchange Agreements, is as follows:

**REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE
TAXABLE PENSION FUNDING BONDS
(Milwaukee Public Schools)
ANNUAL LOAN PAYMENTS AS OF OCTOBER 1, 2011**

<u>Year Ending</u> <u>June 30</u>	<u>Loan</u> <u>Payments</u>	<u>Year Ending</u> <u>June 30</u>	<u>Loan</u> <u>Payments</u>	<u>Year Ending</u> <u>June 30</u>	<u>Loan</u> <u>Payments</u>
2012	\$7,340,685	2024	\$13,590,685	2036	\$19,353,978
2013	7,340,685	2025	13,315,060	2037	19,673,353
2014	7,340,685	2026	14,420,228	2038	20,530,533
2015	7,340,685	2027	14,239,603	2039	20,957,713
2016	7,340,685	2028	15,298,978	2040	21,784,893
2017	7,340,685	2029	15,743,353	2041	8,787,073
2018	7,340,685	2030	15,707,728	2042	7,239,253
2019	7,340,685	2031	16,707,103	2043	6,891,433
2020	7,340,685	2032	16,766,478	2044	6,296,806
2021	7,340,685	2033	17,725,853		
2022	7,340,685	2034	17,890,228		
2023	7,340,685	2035	18,804,603		

Borrowing – Qualified Zone Academy Projects

In December, 2001, MPS entered into a \$8,590,000 Lease Purchase Agreement (2001 QZAB Project) for the purpose of purchasing and installing certain equipment for use at the Lynde and Harry Bradley Technology and Trade School. In November, 2002 and in August, 2003, respectively, MPS entered into a \$4,979,000 Lease and Deferred Payment Agreement (2002 QZAB Project), and \$2,650,000 Lease and Deferred Payment Agreement (2003 QZAB Project). In December 2005, MPS entered into a \$2,021,000 Lease and Deferred Payment Agreement (2005 QZAB Project) and in December, 2006, entered into a \$1,078,100 Lease and Deferred Payment Agreement (2006 QZAB Project) for the purpose of constructing certain improvements to, and purchasing and installing certain equipment for use at, various MPS schools. MPS entered into QZAB Agreements with each investor, under which MPS makes annual impoundment payments which are subject to annual appropriation by MPS. The schedule of total remaining impoundment payments is as follows:

<u>December 1</u>	<u>Payment Amount</u>
2011	\$329,625
2012	329,625
2013	103,298

BORROWING - FUTURE FINANCING

The City has \$7,950,000 of authorized, but unissued, general obligation borrowing authority for school purposes. The 2011-2012 MPS budget includes \$0 of Qualified School Construction Bonds and \$0 of traditional borrowing.

BOARD OF SCHOOL DIRECTORS

MPS is governed by a nine member Board of Directors. Eight Directors represent and are elected by Districts from within a total population of approximately 594,833. One member is elected at-large. Directors serve staggered four year terms which expire in April, and annually, at its organizational meeting, elect a president. The current members and the years in which their terms of office expire are as follows:

Michael Bonds, President	(2015)	Meagan Holman	(2015)
Peter Thomas Blewett, Vice President	(2013)	Jeff Spence	(2015)
Mark Sain	(2015)	Annie Woodward	(2013)
Larry Miller	(2013)	David Voeltner	(2013)
Terrance Falk, Member At-Large	(2015)		

The City Officials who serve in identical capacities for MPS, and the year in which their terms of office expire are as follows:

W. Martin Morics	Comptroller	(2012)
Grant F. Langley	Attorney	(2012)
Wayne F. Whittow	Treasurer	(2012)

PUBLIC SERVICES AND FACILITIES

In the 2010-11 school year, MPS had approximately 81,372 full-time students and 5,474 teachers, attending 184 school programs within approximately 139 school buildings. The average age of the MPS buildings is just over 50 years, however, significant investment was made in upgrading many of these buildings in the 1970's and 1980's and by the Neighborhood Schools Initiative in 2002-2006.

The purpose and responsibility of MPS is to provide an efficient educational system for children enrolled in the public schools, whereby each child has access to programs and services that are appropriate to his or her educational needs. In addition to the regular educational programs, MPS offers comprehensive programs in the areas of vocational education, special education, and bilingual education. Through its specialty school programs, MPS offers advanced educational programs in such areas as fine arts, computer science, health professions, business, and technical trades. In addition, MPS provides community recreation and education services through its parks and centers for the elderly.

The following schools closed effective June 2011:

- Vel Phillips School for the Arts and Technology
- Milwaukee African American Immersion High School
- Lady Pitts School Age Parents Program (the services the program provided will be available through a new delivery model)
- Phillis Wheatley School
- Genesis High School
- Washington High School (the facility remains open and will continue to house Washington High School of Information Technology)
- Starms Monumental (consolidated with Starms Early Childhood Center)
- Cornerstone Achievement Academy

The following partnership schools' contracts with MPS terminated as of June 2011:

El Puente High School
 Spotted Eagle High School
 Wisconsin Transition Success Learning Center

The following contracted schools' contracts with MPS terminated as of June 2011:

Garden Homes Montessori School

All of MPS has been accredited by the North Central Association of Colleges and Schools.

ENROLLMENT

<u>School Year</u>	Average School Daily <u>Membership</u> ⁽¹⁾	<u>School Year</u>	Average School Daily <u>Membership</u> ⁽¹⁾
1999-2000	100,682	2005-2006	94,975
2000-2001	99,332	2006-2007	92,226
2001-2002	99,025	2007-2008	89,113
2002-2003	99,054	2008-2009	87,140
2003-2004	98,323	2009-2010	85,221
2004-2005	96,874	2010-2011	84,358

⁽¹⁾ Kindergarten 1/2 day membership converted to full day equivalents.

EMPLOYEE RELATIONS

On December 2nd, 2010, the MBSD and the Milwaukee Teachers' Education Association reached agreement on the teacher contract for the period July 1, 2009 thru June 30, 2013.

On February 15th, 2011, the MBSD and the Milwaukee Teachers' Education Association reached agreement on the school accountant/bookkeeper contract for the period January 1, 2009 thru June 30, 2009 and July 1, 2009 thru June 30, 2012.

On February 15th, 2011, the MBSD and the Milwaukee Teachers' Education Association reached agreement on the substitute teacher contract for the period July 1, 2009 thru June 30, 2012.

On February 15th, 2011, the MBSD and the Milwaukee Teachers' Education Association reached agreement on the educational assistant contract for the period January 1, 2009 thru June 30, 2009 and July 1, 2009 thru June 30, 2012.

On February 15th, 2011, the MBSD and Local 1053 reached an agreement on the clerical contract for the period July 1, 2008 thru June 30, 2009 and July 1, 2009 thru June 30, 2012.

On February 15th, 2011 the MBSD and the Psychologists' Association in the Milwaukee Public Schools reached an agreement on their contract for the period July 1, 2009 thru June 30, 2013.

On February 15th, 2011 the MBSD and Local 150 reached an agreement on their contract for the period July 1, 2008 thru June 30, 2009 and July 1, 2009 thru June 30, 2012.

On February 15th, 2011 the MBSD and Local 950 reached an agreement on their contract for the period January 1, 2009 thru June 30, 2009 and July 1, 2009 thru June 30, 2012.

On February 15th, 2011 the MBSD and Local 1616 reached an agreement on their contract for the period July 1, 2008 thru June 30, 2009 and July 1, 2009 thru June 30, 2012.

On March 25th, 2011, the MBSD and the Administrators and Supervisors Council reached an agreement on their contract for the period July 1, 2009 thru June 30, 2013.

The above listed contracts are currently in force through their respective expiration dates.

All eligible MBSD personnel are covered by the Municipal Employment Relations Act (MERA) of the Wisconsin Statutes. Pursuant to that law, employees have limited rights to organize and collectively bargain with the municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

the Act took effect on June 29, 2011. On June 15, 2011, a number of labor unions filed a lawsuit in the United States District Court for the Western District of Wisconsin asking, among other things, that a declaratory judgment be entered on the basis that the Act violates the First and Fourteenth Amendments and that preliminary and permanent orders be entered to enjoin the implementation and enforcement of the Act.

As a result of the amendments to MERA, the MBSD is prohibited from bargaining collectively with municipal employees with respect to any factor or condition of employment except total base wages. The MBSD or employee union has the option to pursue mediation and grievance arbitration. Voluntary impasse resolution procedures are prohibited for municipal employees including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that a work slow down or stoppage will be rare. Furthermore, if job actions do occur, they may be enjoined by the courts.

FINANCIAL INFORMATION

MPS has full control of all expenditures and revenues required to operate the school district. Section 119.46 of the Wisconsin Statutes requires MPS to transmit to the City a budget to operate, maintain, equip and improve the schools. The City's Common Council must levy and collect property taxes equal to the amount of money budgeted by MPS. All taxes so collected and all other funds received by MPS for these purposes are deposited to accounts of the School District.

INSURANCE

The District purchases commercial property insurance, auto liability insurance, errors and omissions insurance, and excess liability insurance. The District assumes a \$250,000 self insured retention for any one loss or occurrence under its self-insured general liability program. The District purchases excess liability insurance for its general liability that provides per occurrence and aggregate protection. The District is fully self-insured for environmental-related liabilities and purchases no excess environmental liability insurance. In addition, Section 893.80 of the Wisconsin Statutes limits the amount recoverable against a political corporation, its officers, officials, or employees for acts done within the scope of their official capacity to \$50,000 in tort liability for non-automobile cases and \$250,000 in automobile cases.

MPS is self-insured for health, dental, and workers' compensation benefits and certain other general liability exposures. The accrued liability for estimated self-insured claims of \$40,278,347 recorded in the School Operations Fund and \$6,512,755 represents an estimate of the amount of claims incurred, but not paid or reported, as of June 30, 2010.

INVESTMENT POLICIES

The City may invest any of its funds not immediately needed in accordance with Section 66.0603 of the Wisconsin Statutes. The City, through Common Council Resolution 930358, adopted July 6, 1993, has instructed the City Treasurer to invest City funds, including Milwaukee Public Schools (MPS) funds, in: (a) Certificates of Time Deposit at approved public depositories limited to the equity capital or net worth of the financial institution with collateralization required when total deposits at any institution exceed \$500,000; (b) Repurchase Agreements with public depository institutions; (c) the State of Wisconsin Local Government Investment Pool; (d) U.S. Treasury and Agency instruments; and (e) commercial paper which has a rating in the highest or second highest rating category assigned by Standard & Poor's Ratings Group, Moody's Investors Service, Inc., or some other similar nationally recognized rating agency.

To the extent possible, the City Treasurer attempts to match investments with anticipated cash flow requirements. No limits have been placed on how much of the portfolio can be invested in any of the above investment categories.

The State of Wisconsin Investment Board ("SWIB") provides the Local Government Investment Pool ("LGIP") as a subset of the State Investment Fund (the "Fund"). The LGIP includes deposits from elective participants consisting of over 1,000 municipalities and other public entities. The Fund also consists of cash balances of participants required to keep their cash balances in the Fund. These required participants include the State General Fund, State agencies and departments and Wisconsin Retirement System reserves. The LGIP portion of the Fund is additionally secured as to credit risk.

The LGIP is a local option City depository. The City utilizes the LGIP in a manner similar to a "money market" account. When other investment options provide more favorable results, such options are utilized. As of December 31, 2010, the City had approximately 30.16% (\$190,901,138) of its and MPS's investments deposited in the LGIP.

SWIB invests the assets of the Fund, which includes assets of the LGIP. Overall policy direction for SWIB is established by an independent, eight-member Board of Trustees (the "Trustees"). The Trustees establish long-term investment policies, set guidelines for each investment portfolio and monitor investment performance.

The objectives of the Fund are to provide (in order of priority) safety of principal, liquidity, and a reasonable rate of return. The Fund includes retirement trust funds cash balances pending longer-term investment by other investment divisions. The Fund also acts as the State's cash management fund and provides the State's General Fund with

liquidity for operating expenses. The Fund is strategically managed as a mutual fund with a longer average life than a money market fund. This strategic advantage is made possible by the mandatory investment of State funds for which the cash flow requirements can be determined significantly in advance. Because of the role played by the Fund, the cash balances available for investment vary daily as cash is accumulated or withdrawn from various funds.

A copy of SWIB's annual report may be obtained by submitting a written request to the State of Wisconsin Investment Board, P.O. Box 7842, Madison, WI 53707-7842.

REVENUES OF MILWAUKEE PUBLIC SCHOOLS

SOURCES OF FUNDING

In addition to borrowing, MPS revenues are derived from three major sources - local property taxes, state school aids and federal school aids. Sources of MPS revenues are detailed in the four year summary presented under the caption "MILWAUKEE PUBLIC SCHOOLS-GENERAL FUND-FOUR YEAR SUMMARY".

LOCAL PROPERTY TAX

Property taxes levied on behalf of MPS by the City account for a significant portion of the School Operations Fund revenues available to MPS. For the fiscal year 2010-11, MPS share of the levy produced approximately \$265.443 million of the total revenues to the School Operations Fund. MPS's 2011-12 School Operations Fund revenues are budgeted at \$944.311 million, of which City ad valorem property taxes are estimated at \$277.638 million.

MILWAUKEE PUBLIC SCHOOLS PROPERTY TAX LEVIES ALL FUNDS (2006-2010)

<u>Levy Year</u>	<u>Collection Year</u>	<u>Taxes Levied</u>
2006	2007	\$230,345,991
2007	2008	235,491,856
2008	2009	287,778,700
2009	2010	295,833,114
2010	2011	293,500,000

In addition to taxes for operations levied under Section 119.46 of the Wisconsin Statutes, the MBSD by two-third vote of members elect may direct the City to levy a tax to provide funds to purchase school sites and construct or remodel school buildings. The school construction fund taxes in any one year may not exceed 0.6 mills on each dollar of assessed valuation of taxable property in the City.

Property Subject to Taxation - The City, at the direction of the MBSD, is required to levy and collect ad valorem taxes on or against all taxable property within MPS. Both real and personal property are subject to taxation, but there are certain classes of property which are exempt from taxation. These include, but are not limited to, property of the United States of America; property of the State and its political subdivisions; public libraries; public school property; certain charitable property not used for profit; religious property; manufacturing machinery and equipment; business computers; non-profit cemeteries; household furnishings and personal effects not used to produce income; intangible personal property; and inventories of merchandise and materials and supplies which are held for consumption by a business or are held primarily for sale.

Assessment of Property - The City Tax Commissioner's staff of assessors and appraisers annually conducts appraisals in order to determine the full (fair market) value of all non-manufacturing taxable real property and full cash value of all taxable personal property within MPS as of January 1st. Real property is divided into classes for taxation purposes. In cities there are four classes of real estate: (1) Residential; (2) Commercial; (3) Manufacturing; and (4) Agricultural.

The assessed value of a property is intended to represent current full market (cash) value and, with certain exceptions, is determined from manuals and associated data published by the State Department of Revenue. The State Department of Revenue certifies the competency of local assessors and supervises the administration of all laws concerning the valuation and assessment of taxable property and the levying of property taxes. Annually, the Department analyzes sales data reported to the Register of Deeds for each county to determine the relative level of local assessments to actual market sales. This process is referred to as “equalization”. The ratios developed by the Department of Revenue are reported to each assessor.

Assessed valuation represents the value upon which ad valorem property taxes are levied. Wisconsin law requires that assessed values in any taxation district be established within 10% of “full value,” as determined by the Department of Revenue, at least once during each four year period ending with the current year. If a district fails to meet this criteria in any year, the district’s assessors are subject to special supervision by Department of Revenue employees during the ensuing assessment year. For 2010, the City’s ratio of assessed to equalized value, as reported by the Department of Revenue, was 95.01 percent. Full values of any two major classes of property must also be within 10% during such four-year period or State Revenue Department supervision is required.

For each assessment year the City assessors must complete their assessments for review by the Tax Commissioner on or before the second Monday in May.

Manufacturing property is assessed by the Wisconsin Department of Revenue which annually notifies the City of the assessed value of all such property to be placed on the City tax roll. Manufacturing machinery and equipment are exempt from local property taxes.

Property owners are notified of increases in assessed valuation of their land or improvements, or taxable personal property in accordance with certain statutory deadlines. Property owners are given the opportunity to object to the amount or valuation of their real or personal properties by filing written objections with the board of assessors, which consists of the chief assessor, chief appraiser, supervising assessors and assistant supervising assessors of the Tax Commissioner’s office and a City Board of Review or, for State assessments of manufacturing property, by the State Tax Appeals Commission. The City Board of Review consists of nine residents of the City appointed by the Mayor with approval of the City Common Council for staggered five-year terms.

Adjustments for increases or decreases in assessed values resulting from appeals are made. Upon conclusion of such hearings, the tax assessors are required to complete the assessment roll of all taxable property for the City and return it to the City Tax Commissioner no later than the first Monday of November each year. The Tax Commissioner must prepare the tax roll and return it to the City Treasurer for collection no later than the third Monday in December. Assessments may be appealed to the State courts from the Board of Review or State Tax Appeals Commission within a short period of time, provided the taxes are paid timely on the challenged assessment. Refund of any excess taxes paid may be ordered by the court. If rebated or abated taxes reduce equalized values of the City, the Wisconsin Department of Revenue may prorate the rebated amounts among all taxing jurisdictions which levied a tax against the subject property or adjust equalized values.

In addition to MPS’s tax levy, owners of property within MPS are obligated to pay taxes to other taxing entities in which their property is located. There are five other active taxing entities which have authority to levy ad valorem property taxes on property within MPS. These include the City, Milwaukee County, State of Wisconsin, Vocational School District and Milwaukee Metropolitan Sewerage District. As a result, property owners within the School District’s boundaries are subject to a variety of different mill levies.

The 2010 levies (collected in 2011) were as follows (amounts in millions):

Milwaukee Public Schools	\$293.5
City of Milwaukee	\$246.7
Milwaukee County	\$126.7
MATC	\$54.6
Metropolitan Sewerage District	\$41.1
State Forestry Tax	\$5.0

The net tax rate for all taxing jurisdictions in 2010 was \$26.57 per assessed thousand of property valuation.

Property Tax Collections - Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2011 will be collected in 2012. Taxes are due on January 31st in the year of collection; however, taxes on real property may be paid in 10 equal installments not later than the last day of each month from January to October without interest or penalty. Personal property taxes may be paid in 7 equal installments on the last day of each month from January to July without interest or penalty. First installments which are not timely paid within the prescribed time bear interest at the rate of 1% per month until paid, plus 0.5% of the tax with interest from January 31 and penalty. The City Treasurer collects current and delinquent property taxes, as well as any interest or penalty, and after deducting a statutory fee for such collection, remits the balance to MPS on a monthly basis from January through May and any balance of the annual levy remaining at June 30 is remitted to MPS in early July. If a tax payment is insufficient to pay all charges, City special charges, special assessments and special taxes are paid before MPS receives its share of the levy.

All taxes levied on property, together with interest thereon and penalties for default, as well as all other costs of collection, constitute a perpetual lien on and against the property taxed from January 1 of the levy year until paid. Such lien is on a parity with the tax liens of other general taxes. It is the City Treasurer's duty to enforce the collection of delinquent real property taxes by tax sale of such realty. Delinquent personal property taxes are enforceable by an action in debt and the property taxed or other property may be seized on execution to pay the judgment. Tax sales on realty are held on or before the second Monday in December of the collection year, preceded by a notice of delinquency to the taxpayer and a minimum of four weeks of public notice of the impending sale. Sales of personal property may be held at any time after October 1st of the collection year following notice of delinquency and public notice of sale. There can be no assurance, however, that the value of property sold, in the event of foreclosure and sale would be sufficient to produce the amount required with respect to taxes levied for MPS, taxes levied by overlapping taxing entities, as well as any interest or costs due thereon. Further, there can be no assurance that the property will be bid on and sold and if that should occur, the City Treasurer will remove the property from the tax rolls and delinquent taxes are payable when the property is sold or redeemed.

STATE AIDS

The Wisconsin Constitution requires the State Legislature to provide for establishment of district schools "which shall be free and without charge for tuition to all children between the ages of 4 and 20 years". MPS receives revenues in the form of general school aids from the State as well as federal sources. State Aid is divided into two general categories, referred to as general and categorical aids. As explained below, general aid consists of equalization aid (determined by formula based upon pupil membership and property valuation) and integration aid (determined by a formula based on the number of students transferring into and out of minority areas). Categorical aid is based upon specific instructional or supporting programs.

In 1996, the Governor and the State Legislature approved reducing funding for schools from property taxes. The State approved increasing its proportionate share of school aid from 40% to at least 66.7% beginning in 1996-1997.

Although the State has a multi-year tradition of providing State Aid to local school districts to reduce their reliance on local property taxes, there can be no assurance that the State will not decrease, perhaps materially, the amount of State Aid provided to MPS. Unless offsetting revenue sources are obtained, or expenses reduced, MPS would have to increase its reliance upon the property tax to fund its operations if that were to occur.

STATE AID-GENERAL AIDS

Equalization Aid

MPS receives the majority of its State Aid in the form of equalization aid. Equalization aid is paid based on a formula designed to compensate for differences in property values between Wisconsin school districts. The effect is to equalize the property tax base supporting each Wisconsin student.

The State guarantees a minimum tax base to support the education of each public school child. The ratio of MPS' equalized valuation to the State's guaranteed valuation determines the percentage of shared costs funded by local property tax versus State equalization aid.

$$\text{Equalization Aid} = \text{Shared Costs} \times \frac{\text{Net Guaranteed Valuation}}{\text{Guaranteed Valuation}}$$

where Net Guaranteed Valuation equals Guaranteed Valuation minus Equalized Valuation. Shared Costs equals the net cost of the general fund plus the net cost of the debt service fund.

While MPS' annual revenue per pupil has been above the State-wide average during the past three school years (as detailed below), these revenues have been met with above average federal and State Aid payments.

ANNUAL REVENUES PER PUPIL

	<u>Statewide</u>			<u>Milwaukee</u>		
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
Revenue per Pupil	\$12,010	\$12,463	\$12,823	\$13,305	\$14,211	\$14,863
Federal share (%)	6.42	12.08	10.50	15.94	23.37	20.66
State share (%)	50.11	44.39	44.78	59.55	50.93	53.00
Local share (%)	43.47	43.53	44.72	24.51	25.70	26.34

Integration Aid

MPS also receives integration aid from the State under a plan where compensation is paid for each minority pupil transferring from an attendance area where minority pupils comprise 30% or more of the population to an attendance area which has less than a 30% minority population. Also, aid is paid for each non-minority pupil transferring from a non-minority attendance area to a minority attendance area.

The State provides for intradistrict transfer aid as well as interdistrict transfer aid. Intradistrict aid is calculated by multiplying the number of eligible transfer pupils by .25 and multiplying the product by the district's current equalization aid per pupil.

For interdistrict transfers, the State provides a financial incentive for both the sending and receiving districts. The receiving district is paid an amount equal to its average cost per pupil for each student it receives. The sending district is allowed to continue to count the transferred students for equalization aid purposes at 0.75 full-time equivalent (FTE), thereby removing any disincentive for transferring students. MPS must pay the transportation costs for its students sent to other districts, as well as the students it receives from other districts.

STATE AID-CATEGORICAL AIDS

MPS receives State Aid in the form of categorical aids to finance or reimburse specific categories of instructional or supporting programs.

Pupil transportation aids are paid to reimburse MPS for transportation of public and non-public school pupils. Reimbursement for transportation aids is made on the basis of the number of children/mileage transported during the prior year and miles transported during the regular school year, with an additional flat per pupil payment for summer school. MPS is not required to transport children who live two miles or less from the school attended following the shortest commonly traveled route unless the route is considered hazardous.

The State pays tuition for the following types of children attending public schools:

- a) children in children's homes;
- b) children of parents employed at and residing on the grounds of a state or federal military camp, federal veteran's hospital, or state, charitable or penal institution; and
- c) children in foster homes or group homes if the home is located outside the district in which the child's parent or guardian resides and is exempt from property tax.

School library aid paid from the common school fund under Article 10, sections 4 and 5 of the Wisconsin Constitution and Section 43.70 of the Wisconsin Statutes, is distributed on the basis of the number of children between age 4 and 20 residing in the district as of June 30 of the year before payments are made. School library aid payments to MPS for 2010-11 were \$4,127,179 or \$27.29 per child.

The State pays special aids to the district to finance approved programs for handicapped children or children with exceptional educational needs, including those with visual or hearing disabilities, speech or language disabilities, learning disabilities and requiring homebound instruction. This aid has been decreasing as a percent of costs for the last two decades.

Other categorical aids include grants for demonstration projects to assist minors in avoiding or overcoming problems resulting from the abuse of alcohol or drugs; State matching payments for school lunch programs required under 42 U.S.C. 1751, et. seq.; elderly food service aid; grants to provide pre-school structured educational experience focusing on the needs of low-income pupils and encouraging early skill development; bilingual/bicultural aids for programs designed to improve comprehension, speaking, reading and writing ability of limited English speaking pupils in the English language; youth initiatives for education and training programs for youths 14 through 21; and Wisconsin morning milk program for children enrolled in kindergarten through grade 5. MPS also receives funding under Sections 119.71, 119.72 and 119.74 of the Wisconsin Statutes for five-year old kindergarten and early childhood education.

These categorical aids are in addition to equalization aid and integration aid.

PARENTAL CHOICE PROGRAM

Beginning in the 1990-91 school year, low-income children constituting up to 1.5% of the pupils in grades kindergarten to 12 residing in the City and enrolled in MPS may attend at no charge any private non-sectarian school located in the City which meets all public school health and safety laws and codes, complies with federal nondiscrimination laws and meets a standard of advancement, attendance, academic progress, or parental involvement. Beginning in the 1996-97 school year, no more than 15% of the school district's membership may attend private school under Wisconsin Statute 119.23. In March 2006, Governor Doyle signed Act 125 which increases the limit of participants to 22,500 students. Upon proof of a pupil's enrollment in the private school the State Superintendent provides a proportionate share of basic and supplemental State school aids. Since 2002 annual general school aids for MPS are reduced by an amount equal to 45% of the total cost of the Choice Program.

For the 2010-11 school year, approximately 20,189 low-income children enrolled in the Milwaukee Parental Choice Program.

FEDERAL SCHOOL AIDS

In addition to State Aid, MPS receives federal aids for specific school programs.

The federal government provides basic school lunch aid to school districts. This program is administered by the State Department of Public Instruction. For the 2010-2011 school year, MPS received \$23,176,131 in basic lunch aid under the federal program administered by the United States Department of Agriculture through the Wisconsin Department of Public Instruction.

MPS has applied for and received federal aid for numerous other programs. In general, these federal aids are known as categorical aids and require MPS to make the expenditure first, with federal reimbursement following. The federal programs administered by the Wisconsin Department of Public Instruction from which MPS received program reimbursement include the following: Public Law 89-313 providing funds for handicapped children; Title I - Disadvantaged and Low Income Children; Special Education – Grants to States; Carl Perkins Act; Emergency Immigrant Educational Assistance; Title II; Public Law 99-457. MPS received aid directly from the Federal Government in the case of several federal programs including the Drug Free Schools program and Headstart.

For the year 2010-2011, total federal aids to MPS for food services and other categorical aids are estimated to be approximately \$236,297,224.

The district budgeted \$95.5 million less in categorical (grant) funding in FY12. The majority of this, \$82,061,109, was budgeted with American Recovery and Reinvestment (ARRA) funding that will not be available in FY12. ARRA funding was additional federal funding received for two years ending in FY11.

GENERAL FUND TRENDS

Equalization Aid revenues in the 2009-2010 school year increased by approximately \$45,078,149. Property tax revenues increased by approximately \$15,509,751.

Total expenditures increased approximately \$35,936,324 in 2009-10 over the previous year. Expenditures for instructional services were 62.43% of total expenditures. The District remains under a revenue cap limitation first imposed in 1993-1994. Despite this restriction, MPS expects to provide all necessary instructional and operating services without major disruptions.

**MILWAUKEE PUBLIC SCHOOLS
GENERAL FUND ⁽¹⁾
FOUR YEAR SUMMARY**

	2010 <u>Year End</u> ⁽²⁾	2009 <u>Year End</u> ⁽³⁾	2008 <u>Year End</u> ⁽⁴⁾	2007 <u>Year End</u> ⁽⁵⁾
Revenues				
Property tax levy	\$284,416,319	\$268,906,568	\$234,101,757	\$203,124,231
Other local sources	9,627,675	12,174,169	15,465,538	12,501,939
Microsoft Settlement Refunds	6,796,310	—	—	—
State aid:				
Equalization aid	514,990,790	469,912,641	570,812,646	586,583,661
Special classes	46,323,816	47,564,912	42,288,233	39,265,952
Integration	40,804,682	41,276,129	41,864,808	45,208,452
Other state aid	72,041,083	74,510,985	53,695,405	49,850,506
Federal aid:				
Education Consolidation Improvement Act	121,231,450	102,207,198	81,727,901	70,566,992
Erate Refunds	1,920,868	1,751,957	3,638,805	976,664
Other federal aid	77,649,458	129,957,356	54,167,075	43,114,005
Intergovernmental Aid from City of Milwaukee	191,000	—	—	—
Miscellaneous	1,222,859	932,475	816,009	—
Interest and investment earnings	187,144	438,526	1,187,660	1,979,041
Total Revenues	<u>1,177,403,454</u>	<u>1,149,632,916</u>	<u>1,099,765,837</u>	<u>1,053,171,443</u>
Expenditures				
Current operating:				
Instructional services:				
Undifferentiated curriculum	419,013,141	426,468,415	420,350,045	420,196,158
Regular and other curriculum	162,055,281	152,019,378	139,085,524	113,231,381
Special curriculum	151,818,754	138,130,512	124,508,207	122,663,028
Total instructional services	<u>732,887,176</u>	<u>716,618,305</u>	<u>683,943,776</u>	<u>656,090,567</u>
Community services	23,184,162	23,482,483	19,337,638	20,022,461
Pupil and staff services	114,858,237	112,412,796	109,023,100	98,509,411
General and school building administration	128,618,542	118,520,404	112,066,634	109,867,741
Business services	160,335,051	161,983,843	169,019,755	160,817,367
Debt Service:				
Principal	12,226,343	3,762,400	3,537,425	3,327,450
Interest	1,086,685	1,304,377	1,446,457	1,568,747
Bond administrative fees	835,507	—	—	—
Bond Issuance Cost	—	10,771	471,133	8,612
Total Expenditures	<u>1,174,031,703</u>	<u>1,138,095,379</u>	<u>1,098,845,918</u>	<u>1,050,212,356</u>
Excess of revenues over (under) expenditures	3,371,751	11,537,537	919,919	2,959,087
Other Financing Sources (Uses)				
Capital Leases	11,504,297	—	—	—
Transfers in (out)	(19,506,580)	(13,156,982)	(13,285,576)	(1,678,776)
Total Other Financing Sources(uses)	<u>(8,002,283)</u>	<u>(13,156,982)</u>	<u>(13,285,576)</u>	<u>(1,678,776)</u>
Net Change in Fund Balances	(4,630,532)	(1,619,445)	(12,365,657)	1,280,311
Fund balance - beginning of year	96,645,106	—	—	109,349,897
Fund balance - beginning of year, as restated		98,264,551	110,630,208	
Fund balance - end of year	\$92,014,574	\$96,645,106	\$98,264,551	\$110,630,208

(1) Reflects the GASB 34 reporting format begun in 2002.

(2) Source: Comprehensive Annual Financial Report for June 30, 2010, p. 19

(3) Source: Comprehensive Annual Financial Report for June 30, 2009, p. 19

(4) Source: Comprehensive Annual Financial Report for June 30, 2008, p. 19

(5) Source: Comprehensive Annual Financial Report for June 30, 2007, p. 19

**Milwaukee Public Schools
School Operations Budget
Fiscal years 2012 and 2011**

	<u>2011-12 Budget</u> ⁽¹⁾	<u>2010-11 Budget</u> ⁽²⁾
REVENUES		
Locally Generated:		
Property Tax Levy	\$277,638,498 ⁽⁴⁾	\$265,443,248
Other Local Sources	<u>9,971,336</u>	<u>21,986,482</u>
Subtotal	<u>287,609,834</u>	<u>287,429,730</u>
State Aid:		
Equalization Aid	494,356,529	544,914,729
Special Education	45,634,408	45,634,408
Integration	35,101,268	39,158,000
Other	<u>23,903,709</u>	<u>27,416,529</u>
Subtotal	<u>598,995,914</u>	<u>657,123,666</u>
Federal Aid:		
School Nutrition Commodities & Federal Indirect	42,800,000	45,000,000
Other	<u>9,942,875</u>	<u>6,484,625</u>
Subtotal	<u>52,742,875</u>	<u>51,484,625</u>
TOTAL REVENUES	939,348,623	996,038,021
Plus Use of Surplus	<u>4,962,564</u>	<u>2,400,000</u>
TOTAL SOURCES OF FUNDS	<u><u>\$944,311,187</u></u>	<u><u>\$998,438,021</u></u>
EXPENDITURES ⁽³⁾		
Instructional Services	\$596,675,233	\$631,498,413
Support Services	<u>347,635,954</u>	<u>366,939,608</u>
TOTAL EXPENDITURES	<u><u>\$944,311,187</u></u>	<u><u>\$998,438,021</u></u>
SUMMARY		
Total Revenues and Use of Surplus	\$944,311,187	\$998,438,021
Total Expenditures	<u>944,311,187</u>	<u>998,438,021</u>
Difference	<u><u>\$0</u></u>	<u><u>\$0</u></u>

(1) Initial Fiscal Year 2012 School Operations Fund Budget approved June, 2011.

(2) Final Fiscal Year 2011 School Operations Fund Budget approved October, 2010.

(3) Expenditure categories include allocations based on estimates and may differ from actual experience.

(4) See "REVENUES OF MILWAUKEE PUBLIC SCHOOLS-LOCAL PROPERTY TAX", page 16 herein.

The management of MPS has prepared the projected financial information set forth below to present the cash flow needs of MPS for the fiscal year 2011-2012. It is the belief of MPS management that these projections are reasonable and reflect the best current estimates and judgments regarding future cash flows. MPS's independent auditors have not compiled, examined, or performed any procedures with respect to the prospective financial information set forth below, nor have they expressed any opinion or any form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, this prospective financial information.

**MILWAUKEE PUBLIC SCHOOLS
SCHOOL OPERATIONS FUND MONTHLY CASH FLOW SUMMARY
2010-11 ACTUAL RESULTS (UNAUDITED)
2011-2012 PROJECTED
(Millions of Dollars)**

ACTUAL

	<u>Beginning</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending</u>
July, 2010	39.399	37.163	89.455	(12.893)
August	(12.893)	45.910	69.283	(36.266)
September	(36.266)	141.210 ⁽¹⁾	100.683	4.261
October	4.261	281.840 ⁽²⁾	238.183 ⁽³⁾	47.918
November	47.918	41.071	95.415	(6.426)
December	(6.426)	184.468	175.085 ⁽⁴⁾	2.957
January, 2011	2.957	189.619	102.243	90.333
February	90.333	63.185	108.288	45.230
March	45.230	196.651	109.835	132.046
April	132.046	28.533	129.972	30.607
May	30.607	61.126	101.169	(9.436)
June	(9.436)	385.790	356.570 ⁽⁵⁾	19.784

⁽¹⁾ Includes \$50,000,000 of GO Commercial Paper Proceeds.

⁽²⁾ Includes \$45,000,000 of GO Commercial Paper Proceeds and \$145,000,000 2010 M8 Notes.

⁽³⁾ Includes the repayment of \$95,000,000 of GO Commercial Paper Proceeds issued for cash flow purposes.

⁽⁴⁾ Includes \$50,000,000 repayment of the 2010 M8 Notes.

⁽⁵⁾ Includes \$175,000,000 repayment of the 2010 M8 Notes.

PROJECTED

Richard, please double check footnotes. Thank you.

	<u>Beginning</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending</u>
July, 2011	19.784	41.999	63.544	(1.761)
Aug	(1.761)	30.374	67.749	(39.136)
Sept	(39.136)	112.483 ⁽¹⁾	121.429 ⁽³⁾	(48.082)
Oct	(48.082)	66.388	91.892	(73.586)
Nov	(73.586)	181.915 ⁽²⁾	96.303	12.026
Dec	12.026	150.728	160.337 ⁽⁴⁾	2.417
Jan, 2012	2.417	137.047	99.971	39.493
Feb	39.493	70.835	106.350	3.978
Mar	3.978	169.837	136.704	37.111
Apr	37.111	89.107	91.213	35.005
May	35.005	58.612	91.505	2.112
Jun	2.112	343.701	314.553 ⁽⁴⁾	31.260

⁽¹⁾ Includes \$50,000,000 of GO Commercial Paper Proceeds.

⁽²⁾ Includes \$50,000,000 of GO Commercial Paper Proceeds, and \$145,000,000 2011 M6 Notes.

⁽³⁾ Includes the repayment of \$50,000,000 of GO Commercial Paper issued for cash flow purposes.

⁽⁴⁾ Includes repayment of the 2011 M6 Notes.

MILWAUKEE PUBLIC SCHOOLS
SCHOOL OPERATIONS FUND - CASH FLOW ACTUALS
JULY 1, 2010 - JUNE 30, 2011
(Millions of Dollars)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Balance	39.399	(12.893)	(36.266)	4.261	47.918	(6.426)	2.957	90.333	45.230	132.046	30.607	(9.436)	
RECEIPTS													
Property Taxes	—	—	—	—	—	—	151.228	28.916	—	—	—	86.967	267.111
Integration Aid	—	—	—	—	—	—	—	—	—	—	—	39.158	39.158
Computer Aid	4.327	—	—	—	—	—	—	—	—	—	—	—	4.327
State Aid	—	—	—	—	—	—	—	—	—	—	—	—	—
Equalization Aid	9.213	—	80.266	—	—	134.098	—	—	131.809	—	—	189.624	545.010
Other	—	—	0.020	0.029	7.138	7.138	9.781	7.138	19.498	4.127	1.461	13.983	70.313
Categorical Aid	11.601	30.967	2.806	4.372	29.738	23.908	12.467	16.592	30.006	12.760	45.942	38.750	259.909
Nutrition	5.310	0.025	0.097	1.296	0.385	7.276	4.003	1.238	6.350	0.174	7.239	0.042	33.435
Local Revenues	0.349	4.812	0.015	0.018	0.013	0.042	4.401	0.003	0.003	0.017	0.007	5.058	14.738
Other Local Receipts	2.478	3.685	1.545	1.567	3.473	1.474	1.508	4.197	3.507	4.834	1.475	2.712	32.455
Non Operating Receipts	—	—	1.135	0.258	0.324	0.261	0.109	0.098	0.165	0.000	0.318	0.004	2.672
Reimbursed Interest (QSCB)	—	—	—	—	—	—	—	—	—	—	—	—	—
GASB 45	3.885	6.421	5.326	4.300	—	10.271	6.122	5.003	5.313	6.621	4.684	9.492	67.438
GO CP Proceeds	—	—	50.000	45.000	—	—	—	—	—	—	—	—	95.000
Note Proceeds	—	—	—	225.000	—	—	—	—	—	—	—	—	225.000
Total Receipts	37.163	45.910	141.210	281.840	41.071	184.468	189.619	63.185	196.651	28.533	61.126	385.790	1,656.566
DISBURSEMENTS													
Salaries and Benefits	26.122	24.208	65.893	120.189	80.067	86.564	78.578	80.045	80.751	123.416	82.237	91.528	939.598
Services & Supplies	51.907	34.079	24.963	10.173	4.177	20.679	15.267	17.167	19.055	(5.906)	10.358	87.326	289.245
Other Local Expenses	2.478	3.685	1.545	1.567	3.473	1.474	1.508	4.197	3.507	4.834	1.475	2.712	32.455
Non Operating Expenses	—	—	1.135	0.258	0.324	0.261	0.109	0.098	0.165	0.000	0.318	0.004	2.672
GASB 45	7.628	6.781	6.781	7.628	6.781	6.781	6.781	6.781	6.357	7.628	6.781	0.000	76.708
Debt Service	1.320	0.530	0.366	3.368	0.593	9.326	—	—	—	—	—	—	15.503
Go CP Repayment	—	—	—	95.000	—	—	—	—	—	—	—	—	95.000
Note Repayment	—	—	—	—	—	50.000	—	—	—	—	—	175.000	225.000
Total Disbursements	89.455	69.283	100.683	238.183	95.415	175.085	102.243	108.288	109.835	129.972	101.169	356.570	1,676.181
Balance	(12.893)	(36.266)	4.261	47.918	(6.426)	2.957	90.333	45.230	132.046	30.607	(9.436)	19.784	

MILWAUKEE PUBLIC SCHOOLS
SCHOOL OPERATIONS FUND - CASH FLOW PROJECTION
JULY 1, 2011 - JUNE 30, 2012
(Millions of Dollars)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Balance	19.784	(1.761)	(39.136)	(48.082)	(73.586)	12.026	2.417	39.493	3.978	37.111	35.005	2.112	
RECEIPTS													
Property Taxes	—	—	—	—	—	—	100.000	29.500	—	62.071	15.000	71.067	277.638
Integration Aid	—	—	—	—	—	—	—	—	—	—	—	35.101	35.101
Computer Aid	5.821	—	—	—	—	—	—	—	—	—	—	—	5.821
State Aid	—	—	—	—	—	—	—	—	—	—	—	—	—
Equalization Aid	9.174	—	80.372	—	—	114.035	—	—	121.504	—	—	169.272	494.357
Other	—	—	—	—	6.845	7.793	9.173	6.845	17.550	3.554	—	11.984	63.744
Categorical Aid	9.222	14.153	18.800	5.601	18.020	13.575	11.334	21.352	15.555	9.167	29.216	31.647	197.642
Nutrition	8.257	0.025	0.324	1.109	1.133	2.918	3.995	2.721	4.575	1.660	4.267	2.916	33.900
Local Revenues	0.457	1.206	0.072	0.064	0.355	0.090	1.076	0.049	0.052	0.550	0.203	5.797	9.971
Other Local Receipts	2.500	2.500	4.800	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	32.300
Non Operating Receipts	2.400	5.600	2.400	2.500	2.400	2.500	2.400	2.500	2.400	2.500	2.400	3.232	33.232
Reimbursed Interest (QSCB)	—	—	—	—	—	1.958	—	—	—	—	—	—	1.958
GASB 45	4.168	6.890	5.715	4.614	5.662	5.359	6.569	5.368	5.701	7.105	5.026	10.185	72.362
GO CP Proceeds	—	—	—	50.000	—	—	—	—	—	—	—	—	50.000
Note Proceeds	—	—	—	—	145.000	—	—	—	—	—	—	—	145.000
Total Receipts	41.999	30.374	112.483	66.388	181.915	150.728	137.047	70.835	169.837	89.107	58.612	343.701	1,453.026
DISBURSEMENTS													
Salaries and Benefits	23.004	21.961	94.352	72.804	72.756	74.284	72.975	72.734	107.469	72.649	73.213	79.480	837.681
Services & Supplies	31.163	33.654	16.076	9.344	12.602	14.319	15.099	23.079	17.803	6.204	7.283	67.773	254.399
Other Local Expenses	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	30.000
Non Operating Expenses	2.500	2.400	2.500	2.400	2.500	2.400	2.500	2.400	2.500	2.400	3.232	0.400	28.132
GASB 45	4.377	7.234	6.001	4.844	5.945	5.627	6.897	5.637	5.986	7.460	5.277	10.695	75.980
Debt Service	—	—	—	—	—	11.207	—	—	0.446	—	—	8.705	20.358
Go CP Repayment	—	—	—	—	—	50.000	—	—	—	—	—	—	50.000
Note Repayment	—	—	—	—	—	—	—	—	—	—	—	145.000	145.000
Total Disbursements	63.544	67.749	121.429	91.892	96.303	160.337	99.971	106.350	136.704	91.213	91.505	314.553	1,441.550
Balance	(1.761)	(39.136)	(48.082)	(73.586)	12.026	2.417	39.493	3.978	37.111	35.005	2.112	31.260	

THE CITY OF MILWAUKEE

GENERAL

The City is located on the western shore of Lake Michigan in southeastern Wisconsin. The City is the hub of the metropolitan area and a thriving place to live and work. The City is Wisconsin's largest city with a population of approximately 594,833 and is the principal trade, service and financial center of southeastern Wisconsin. The surrounding Metropolitan Statistical Area ("MSA") include the principal cities of Milwaukee, Waukesha and West Allis, in the counties of Milwaukee, Ozaukee, Waukesha and Washington, Counties, has a population of nearly 1.6 million.

The Port of Milwaukee provides access to the sea lanes of the world. General Mitchell International Airport is served by domestic and international airlines. Five rail lines serve the City and provide transportation links throughout the United States. The City is also connected with the interstate highway system.

The City was incorporated as a city on January 31, 1846, pursuant to the laws of the territory of Wisconsin. Wisconsin gained statehood in 1848. The City, operating under a Home Rule Charter since 1874, has a council-mayor form of government.

CITY OF MILWAUKEE SELECTED ECONOMIC DATA

Year	Population	Adjusted Gross Income Per Return
2010	580,500 (594,833 US Census)	Not Available
2009	584,000	\$32,492
2008	590,870	33,144
2007	590,190	33,225
2006	590,370	32,370

Sources: Wisconsin Department of Administration, Demographic Service Center and the Wisconsin Department of Revenue, Division of Research and Analysis. The Division's population estimates are used in the distribution of State Shared Revenues. It is anticipated that the 2011 population estimate will reflect the results of the 2010 US Census.

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BUILDING PERMITS

Another indicator of economic growth is the activity in the building industry. The following table indicates building permit activity during the period 2006 through December 2010.

General Total

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2006	\$424,763,947	2,655
2007	336,748,300	2,405
2008	249,992,533	2,067
2009	290,326,431	1,723
2010	283,026,280	2,065

Residential Building

<u>Year</u>	<u>Single Family</u>		<u>Multi-Family</u>		<u>Total</u>		<u>Permits Issued</u>
	<u>Value</u>	<u># Of Units</u>	<u>Value</u>	<u># Of Units</u>	<u>Value</u>	<u># Of Units</u>	
2006	\$25,146,380	162	\$95,804,142	519	\$120,950,522	681	189
2007	24,940,117	160	123,505,408	677	148,445,525	837	187
2008	15,632,811	90	63,975,007	509	79,607,818	599	104
2009	7,269,207	59	37,354,152	409	44,623,359	468	72
2010	8,400,090	84	91,179,501	726	99,579,591	810	118

Commercial Building

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2006	\$134,084,138	113
2007	82,501,318	105
2008	59,502,236	74
2009	127,122,466	37
2010	53,319,884	67

Public Building

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2006	\$38,009,733	243
2007	19,791,921	140
2008	9,107,611	85
2009	10,808,648	107
2010	22,238,704	129

Alterations and Additions

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2006	\$131,719,554	2,110
2007	86,009,536	1,973
2008	101,774,868	1,804
2009	107,771,958	1,506
2010	107,888,101	1,751

Sources: Development Center, Department of City Development. Data accumulated from monthly reports submitted to U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division, Washington D.C.

**LEADING BUSINESS AND INDUSTRIAL FIRMS
LOCATED WITHIN MILWAUKEE COUNTY**

The listing of large employers in the Milwaukee County area which follows reveals the diversity of Milwaukee County's economic base. The largest of these are shown in the following list which includes only employers with the majority or all of their employment in Milwaukee County.

Employer	2010 Employment Estimates	Type of Business or Service
Aurora Health Care	21,570 ⁽¹⁾	Health Care
U.S. Government (Includes Zablocki V.A. Medical Center)	10,800 ⁽²⁾	Government
Milwaukee Public Schools	9,958	Education
Wheaton Franciscan Healthcare	8,377	Health Care
Wal-Mart Stores	7,360	Discount retail stores and warehouse clubs
City of Milwaukee	7,297	Government
Roundy's Supermarket	6,800	Retail grocer
Kohl's Corporation	6,384	Specialty department stores
Froedert Memorial Lutheran Hospital and Community Health	6,090	Health Care
Quad Graphics	5,600	Commercial printing
Milwaukee County	5,457	Government
Northwestern Mutual Life	5,000	Insurance
Children's Hospital of Wisconsin	4,992	Health care
Medical College of Wisconsin	4,800	Medical school/academic/health care
Pro Healthcare, Inc.	4,401	Health care provider
AT & T Wisconsin	4,200	Communications
Columbia-St. Mary's	4,127	Health care provider
WE Energies	4,060	Electric/natural gas utility
BMO Financial Group ⁽³⁾	3,896	Holding company banking/finance and data services
University of Wisconsin-Milwaukee	3,881	Education
Harley-Davidson Motor Company	3,566	Manufacturer, motorcycles
U. S. Bank	3,318	Finance, banking
GE Healthcare Technologies	3,000	Medical imaging, healthcare services
Target Corporation	3,000	Discount department store chain
Rockwell Automation (formerly Allen-Bradley)	3,000	Manufacturer, electrical/electronic products
Walgreens Co.	2,641	Retail drugstore chain

⁽¹⁾ Aurora's employee number includes four hospitals, rehabilitation, homecare and hospice facilities and their corporate office within a six-county area in and around the City of Milwaukee.

⁽²⁾ Preliminary.

⁽³⁾ Formerly M&I Marshall & Ilsley Bank.

Source: The 2011 Business Journal Book of Lists, Employer contacts February 2011 and the U.S. Bureau of Labor Statistics February 2011.

EMPLOYMENT AND INDUSTRY

During 2010, the City's unemployment rate averaged approximately 11.1%. Presented below are unemployment rates for the City, as compared to the State of Wisconsin and the United States for the period 2006 through December 2010. The information below reflects revisions, corrections, and new inputs from the 2000 census, including the application of the changes to the prior years shown. For further information on the changes, please contact the U.S. Bureau of Labor Statistics, or visit their website at <http://www.bls.gov>.

Unemployment figures will be updated as we move closer to the print date.

ANNUAL UNEMPLOYMENT RATES (Not Seasonally Adjusted)

<u>Year</u>	<u>City of Milwaukee</u>	<u>Milwaukee Waukesha-West Allis Metropolitan Statistical Area</u>	<u>State of Wisconsin</u>	<u>United States</u>
2010	11.5%	8.7%	8.3%	9.6%
2009	11.4	8.9	8.7	9.3
2008	6.6	4.8	4.7	5.8
2007	7.2	5.1	4.9	4.6
2006	7.0	4.9	4.7	4.6

RECENT MONTHLY UNEMPLOYMENT RATES (Not Seasonally Adjusted)

<u>Month</u>	<u>City of Milwaukee</u>	<u>Milwaukee - Waukesha-West Allis Metropolitan Statistical Area</u>	<u>State of Wisconsin</u>	<u>United States</u>
March, 2011	10.4% ⁽¹⁾	8.1% ⁽¹⁾	8.1% ⁽¹⁾	9.2%

⁽¹⁾ Preliminary.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The City's economic structure reveals a diversified economy with strong service and manufacturing sectors. The service sector (service, finance, insurance, real estate and retail trade) employs over 69% of the workforce. Manufacturing firms employ 17% of the workforce. The area is not dominated by any large employers. Less than two percent of the manufacturers have employment levels greater than 500. Less than one percent of the employers in finance, insurance and services have more than 500 employees.

TEN LARGEST TAXPAYERS WITH 2010 ASSESSED VALUATIONS

US Bank Corporation	\$ 252,667,854
Northwestern Mutual Life Ins.	\$ 201,313,197
Metropolitan Associates	\$ 100,776,260
Marcus Corp/Milw City Center/Pfister	\$ 99,813,952
NNN 411 East Wisconsin LLC	\$ 94,243,182
Towne Realty	\$ 88,769,553
100 E. Wisconsin Ave Joint Venture	\$ 68,592,078
Riverbend Place	\$ 61,600,076
Flanders Westborough	\$ 59,556,623
Geneva Exchange Fund	\$ 58,568,371

Source: City of Milwaukee, Assessor's Office February 2011.

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BOOK-ENTRY-ONLY SYSTEM

The information contained in the following paragraphs of this subsection “Book-Entry-Only System” has been extracted from a document prepared by The Depository Trust Company (“DTC”) entitled “SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY ONLY ISSUANCE.” The City makes no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each issue of the Notes, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Notes held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Note certificates are required to be printed and delivered.

City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that City believes to be reliable, but City takes no responsibility for the accuracy thereof.

NEITHER THE CITY, THE PAYING AGENT NOR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; (2) THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE NOTES; (3) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF THE NOTES; (4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS THE HOLDER OF THE NOTES; OR (5) THE SELECTION BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNER TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF NOTES.

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LEGAL MATTERS

LITIGATION

Please alert City Attorney regarding the timing of the Litigation Statement for inclusion in the upcoming Official Statement

MPS and its directors, officers and employees have been defendants in numerous lawsuits over the years. Experience has shown that a relatively small number of suits commenced are reduced to judgment. MPS does carry Commercial General Liability Insurance, Umbrella General Liability Insurance and School Teachers Error and Omissions Insurance. Section 893.80 of the Wisconsin Statutes limits the amount recoverable against a political corporation, its officer, officials or employees for acts performed in their official capacity to \$50,000 in tort liability of non-automobile cases and \$250,000 in automobile cases.

The City Attorney's Office has currently reviewed the status of pending or threatened litigation, claims and assessments to which the office has devoted substantive attention in the form of legal consultation or representation. Those which individually represent the maximum potential loss exposure in excess of \$1 million which existed as of the date October 1, 2010 are summarized below.

Jamie S., et al. v. Milwaukee Bd. of Sch. Directors, Case No. 01-C-0298 (E.D. Wis.) (formerly known as Lamont A., et al. v. Milwaukee Bd. of Sch. Directors). This is a federal suit, pending in the U.S. District Court for the Eastern District of Wisconsin. It was filed by Disability Rights Wisconsin (DRW) on behalf of a class of District special education students, alleging violations of the Individuals with Disabilities Education Act (IDEA), the Rehabilitation Act of 1973 (Section 504) and Section 1983 of the Civil Rights Act of 1871 (42 U.S.C. §1983). The Plaintiffs allege that MPS violated the statutory and constitutional rights of the class members as a result of the District's delay in providing and/or failure to provide special education and related services to students protected under the referenced statutes. The Plaintiffs also brought claims against the State of Wisconsin, Department of Public Instruction, (DPI) alleging that the State of Wisconsin failed to properly monitor the District and enforce federal and state laws.

In May, 2003, the Court significantly narrowed the class of plaintiffs, dismissing some named plaintiffs and the unnamed class plaintiffs that had failed to exhaust administrative remedies for "post-determination claims" prior to commencing the federal court action. That decision was appealed to the Seventh Circuit Court of Appeals, which denied the appeal. The Court certified the class which consists of those students eligible for special services who are, have been, or will be denied or delayed entry into the special education process which results in a properly constituted initial IEP meeting between the IEP team and the parents or guardians of the student.

On July 19, 2005, the Court determined that a trial was necessary to resolve the outstanding issues of fact and that only expert testimony would be heard at this trial. The Phase I trial was held and on November 28, 2005, the Court determined that it was necessary to proceed to Phase II, which would consist of the factual presentation upon which the experts formed their respective opinions. The Phase II trial was held and on September 11, 2007, the Court entered its Decision and Order, which found liability on behalf of both the District and DPI. Specifically, the Court concluded that the District committed systemic violations of the Child Find provisions of the IDEA, including failure to refer children with a suspected disability in a timely manner for an initial evaluation; improperly extending the 90 day time requirement; imposing suspensions in a manner that improperly impeded the ability to refer children with suspected disabilities for an initial evaluation; and failure to insure that the child's parents or guardians attend the initial evaluation. The Court concluded also that DPI violated the IDEA and related state statutes by failing to adequately discharge its oversight and supervisory obligations in regard to the compliance by MPS with the IDEA and related state statutes, as that compliance relates to the systemic violations found by the Court.

On October 12, 2007, the Plaintiffs filed a motion for attorneys' fees and costs. The Defendants filed a joint response brief arguing, among other things, that the Plaintiffs had not achieved prevailing party status under the IDEA and, thus, were unable to recover any fees or costs at this time.

On February 27, 2008, the Plaintiffs and DPI agreed to a settlement that would require DPI to enforce outcome standards for MPS regarding parental participation in initial IEP team meetings, timely completion of initial special education evaluations, and referral of regular education students with suspension histories or who have been retained to a system of early intervening services. DPI also agreed to hire an Independent Expert to oversee MPS' compliance with these standards and a parent/staff trainer to assist parents/guardians and District staff in understanding their rights and obligations under the IDEA. Finally, DPI agreed to pay DRW \$475,000 for attorneys' fees and costs.

On May 1, 2008, MPS filed a motion objecting to the Plaintiffs' and DPI's proposed settlement agreement because, among other reasons, it infringed MPS' legal rights. On June 6, 2008, the Court granted preliminary approval of the proposed

settlement agreement, finding that the District did not have standing to object to the settlement agreement. On July 28, 2008, the Court approved the settlement agreement after receiving no objections from class members.

Phase III of trial was conducted in November 2008. In response to MPS' proposed remedy, which states that the Department of Public Instruction will share the costs of any compensatory education ordered by the Court, DPI submitted a motion for a declaratory ruling that it is not legally responsible for the cost of any Court-ordered remedy. MPS filed a response, and the Court denied the motion.

On June 9, 2009, U.S. Magistrate Judge Aaron E. Goodstein issued his Decision and Order Following Phase III ("Phase III Order"). His decision ordered and outlined the components of a remedial system. The Phase III Order concluded that the appropriate remedy for the four areas of liability found in its September 11, 2007 Decision and Order requires MPS to conduct an individualized evaluation of current and former students to determine whether compensatory education services are appropriate for those potential class members who may or may not have been denied a free and appropriate education. The Court outlined a procedural framework to accomplish its goals which are briefly addressed below.

Independent Monitor: The Court determined that an independent monitor with broad authority to determine class membership, promote parent participation in the process, and determine the nature of compensatory education was necessary to move the litigation to completion. No specific person is appointed, rather the parties are instructed to attempt to agree on a person prior to July 24, 2009 or, in the alternative, submit up to 2 suggestions for the Court to consider. MPS is responsible for any costs associated with the independent monitor.

Hybrid IEP Team: The Court concluded that the eligibility determinations for compensatory education should be made by a "Hybrid IEP team" made up exclusively of MPS employees. When circumstances require it, "rotating members" may be added to make decisions for a particular student. The permanent members must have diverse educational backgrounds and at least one member must be qualified to provide, or supervise specially designed instruction to meet the unique needs of children with disabilities.

Eligibility: Any person who responds to the class notification and meets the class definition may be eligible for compensatory education.

Notice: The parties are instructed to meet and agree on the contents of an individualized notice to be sent to readily identifiable class members and a general notice to be posted on MPS' website and in District buildings. The parties must also agree on a timeline for responding to the notice.

Status of Litigation: MPS filed its appeal on July 8, 2009, appealing the district court's decisions on class certification, liability and the remedy. It also appealed the district court's approval of the settlement between the Plaintiffs and DPI. On July 30, 2009 Plaintiffs filed a motion to dismiss MPS's appeal, arguing the appeal was premature. On August 14, 2009 MPS filed its response to Plaintiffs' motion. On August 20, 2009 MPS filed a motion to stay the district court's June 9, 2009 order; which order would have required MPS to begin implementing the class remedy. On August 26, 2009 and before Plaintiffs filed their response to MPS's motion, the Seventh Circuit granted the motion to stay the district court's June 9, 2009 order. The Court also ordered the parties to address Plaintiffs' arguments concerning the alleged prematurity of MPS's appeal in their briefs on the merits. MPS also moved the district court to stay two orders it issued on August 19, 2009. The August 19, 2009 orders appointed an independent monitor and outlined the procedures for class notification. Based on the Seventh Circuit's stay of the June 9, 2009 order, the district court granted a stay of the August 19, 2009 orders on August 27, 2009. MPS's opening appeal brief was filed on October 26, 2009.

The same day the Seventh Circuit granted MPS's motion to stay the district court's June 9, 2009 order, Plaintiffs moved the district court for an extension of time in which to file a cross-appeal in order to contest the class certification decisions. Without hearing from MPS, the court granted Plaintiffs' request. MPS immediately filed a motion for reconsideration, arguing that the Plaintiffs' request to file a late cross-appeal was not timely filed. After ordering the parties to brief the issue, the district court granted MPS' motion for reconsideration and denied Plaintiffs' request to file a late cross-appeal on September 8. Despite this, Plaintiffs filed a notice of appeal on September 11, 2009, alleging the court had jurisdiction over its appeal based on the district court's August 19, 2009 orders. MPS moved to dismiss Plaintiffs' appeal on September 24, 2009.

On March 11, 2010, the Court consolidated MPS's and Plaintiffs' appeals. Briefing on MPS's appeal and the Plaintiffs' cross-appeal is now complete. The 7th Circuit heard oral argument on the consolidated appeals on September 7, 2010.

LEGAL OPINION

The legal opinions of Katten Muchin Rosenman LLP, Chicago, Illinois, and Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, will be delivered to the purchasers of the Notes. A draft of the legal opinions for the Notes are included herein as Appendix B.

TAX STATUS

Summary of Bond Counsel Opinion

Bond Counsel are of the opinion that under existing law, interest on the Notes is not includable in the gross income of the owners thereof for federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), Bond Counsel are of the opinion the Notes are not "private activity bonds" within the meaning of Section 141(a) of the Code. Accordingly, interest on the Notes is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income. However, interest on the Notes is includable in corporate earnings and profits and therefore must be taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the Notes is not exempt from Wisconsin income taxes.

The Code contains certain requirements that must be satisfied from and after the date of issuance of the Notes in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Notes. These requirements relate to the use and investment of the proceeds of the Notes, the payment of certain amounts to the United States, the security and source of payment of the Notes and the use of the property financed with the proceeds of the Notes.

Notes Purchased at a Premium or at a Discount

The difference (if any) between the initial price at which a substantial amount of the Notes is sold to the public (the "Offering Price") and the principal amount payable at maturity of such Notes is given special treatment for federal income tax purposes. If the Offering Price is higher than the maturity value of a Note, the difference between the two is known as "bond premium;" if the Offering Price is lower than the maturity value of a Note, the difference between the two is known as "original issue discount."

Bond premium and original issue discount are amortized over the term of a Note on the basis of the owner's yield from the date of purchase to the date of maturity, compounded at the end of each accrual period of one year or less with straight line interpolation between compounding dates, as provided more specifically in the Income Tax Regulations. The amount of bond premium accruing during each period is treated as a reduction in the amount of tax-exempt interest earned during such period. The amount of original issue discount accruing during each period is treated as interest that is excludable from the gross income of the owner of such Note for federal income tax purposes, to the same extent and with the same limitations as current interest.

Owners who purchase Notes at a price other than the Offering Price, after the termination of the initial public offering or at a market discount should consult their tax advisors with respect to the tax consequences of their ownership of the Notes. In addition, owners of Notes should consult their tax advisors with respect to the state and local tax consequences of owning the Notes; under the applicable provisions of state or local income tax law, bond premium and original issue discount may give rise to taxable income at different times and in different amounts than they do for federal income tax purposes.

Exclusion from Gross Income: Requirements

The Code sets forth certain requirements that must be satisfied on a continuing basis in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Notes. Among these requirements are the following:

Limitations on Private Use. The Code includes limitations on the amount of Note proceeds that may be used in the trade or business of, or used to make or finance loans to, persons other than governmental units.

Investment Restrictions. Except during certain “temporary periods,” proceeds of the Notes and investment earnings thereon (other than amounts held in a reasonably required reserve or replacement fund, if any, or as part of a “minor portion”) may generally not be invested in investments having a yield that is “materially higher” (1/8 of one percent) than the yield on the Notes.

Rebate of Arbitrage Profit. Unless the City qualifies for an exemption, earnings from the investment of the “gross proceeds” of the Notes in excess of the earnings that would have been realized if such investments had been made at a yield equal to the yield on the Notes are required to be paid to the United States at periodic intervals. For this purpose, the term “gross proceeds” includes the original proceeds of the Notes, amounts received as a result of investing such proceeds and amounts to be used to pay debt service on the Notes.

Covenants to Comply

The City has covenanted to comply with the requirements of the Code relating to the exclusion from gross income for federal income tax purposes of interest on the Notes.

Risks of Non-Compliance

In the event that the City fails to comply with the requirements of the Code, interest on the Notes may become includable in the gross income of the owners thereof for federal income tax purposes retroactive to the date of issue. In such event, the City’s agreements with the owners of the Notes require neither acceleration of payment of principal of, or interest on, the Notes nor payment of any additional interest or penalties to the owners of the Notes.

Federal Income Tax Consequences

Pursuant to Section 103 of the Code, interest on the Notes is not includable in the gross income of the owners thereof for federal income tax purposes. However, the Code contains a number of other provisions relating to the treatment of interest on the Notes that may affect the taxation of certain types of owners, depending on their particular tax situations. Some of the potentially applicable federal income tax provisions are described in general terms below. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES OF THEIR OWNERSHIP OF THE NOTES.

Cost of Carry. Owners of the Notes will generally be denied a deduction for otherwise deductible interest on any debt which is treated for federal income tax purposes as incurred or continued to purchase or carry the Notes. As discussed below, special allocation rules apply to financial institutions.

Corporate Owners. Interest on the Notes is generally taken into account in computing the earnings and profits of a corporation and consequently may be subject to federal income taxes based thereon. Thus, for example, interest on the Notes is taken into account not only in computing the corporate alternative minimum tax but also the branch profits tax imposed on certain foreign corporations, the passive investment income tax imposed on certain S corporations, and the accumulated earnings tax. Interest on the Notes is not taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax.

Individual Owners. Receipt of interest on the Notes may increase the amount of social security and railroad retirement benefits included in the gross income of the recipients thereof for federal income tax purposes.

Certain Blue Cross or Blue Shield Organizations. Receipt of interest on the Notes may reduce a special deduction otherwise available to certain Blue Cross or Blue Shield organizations.

Property or Casualty Insurance Companies. Receipt of interest on the Notes may reduce otherwise deductible underwriting losses of a property or casualty insurance company.

Financial Institutions. Financial institutions may be denied a deduction for their otherwise allowable interest expense in an amount determined by reference, in part, to their adjusted basis in the Notes.

Foreign Personal Holding Company Income. A United States shareholder of a foreign personal holding company may realize taxable income to the extent that interest on the Notes held by such a company is properly allocable to the shareholder.

The opinions of Bond Counsel and the descriptions of the tax law contained in this Official Statement are based on statutes, judicial decisions, regulations, rulings and other official interpretations of law in existence on the date the Notes are issued. There can be no assurance that such law or the interpretation thereof will not be changed or that new provisions of law will not be enacted or promulgated at any time while the Notes are outstanding in a manner that would adversely affect the value or the tax treatment of ownership of the Notes.

STATE TAX MATTERS

Interest on the Notes is not exempt from State of Wisconsin income or franchise tax.

NO DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will not designate the Notes as “qualified tax-exempt obligations” for purposes of Section 265 (b)(3) of the Code relating to the ability of certain financial institutions (within the meaning of Section 265(b)(5) of the Code) to deduct from income for federal income tax purposes, 80% of the interest expense that is allocable to carrying and acquiring tax-exempt obligations.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Commission”), pursuant to the Securities Exchange Act of 1934 (the “Rule”), the City shall covenant pursuant to a Resolution adopted by the Governing Body to enter into an undertaking (the “Undertaking”) for the benefit of holders including beneficial holders of the Notes to provide certain financial information and operating data relating to the City annually to a central repository designated by the Commission, currently the Municipal Securities Rulemaking Board (the “MSRB”), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. The MSRB has designated its Electronic Municipal Market Access (“EMMA”) system as the system to be used for continuing disclosures to investors. The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificate to be executed and delivered by the City at the time the Notes are delivered. Such Certificate will be in substantially the form attached hereto as Appendix C. The City intends to fully comply with the Undertaking relating to the Notes.

Continuing disclosure undertakings entered into prior to August of 2003 required that the City provide Annual Financial Information (AFI) within six months of the end of each fiscal year. Each of the City’s continuing disclosure undertakings since August of 2003 have required filing AFI within nine months of the end of the fiscal year. While the city has consistently filed AFI within nine months, it has not proven feasible to do so within six months. In each of the last five years, AFI was not available within the six-month requirement and the city filed notices to that effect as required under the pre-August 2003 continuing disclosure undertakings. In the future, the City anticipates continuing to file AFI subsequent to the six month deadline. and expects to file required notices of failure to file AFI before June 30 of each year. The City has complied in all material respects with all continuing disclosure undertakings entered into since August of 2003.

A failure by the City to comply with the Undertaking will not constitute an event of default on the Notes (although holders will have the right to obtain specific performance of the obligations under the Undertaking). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

RATINGS

The City has requested ratings on the Notes from Moody's Investors Service, Inc. and from Standard & Poor's Ratings Group. Moody's Investors Service, Inc. has assigned a rating of "MIG 1" on the Notes. Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. has assigned a rating of "SP-1+" on the Notes.

The ratings, when issued, reflect only the views of the respective ratings agencies, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either upward or downward, or withdrawn entirely, by the respective agencies, if, in their judgment, circumstances so warrant. A revision or withdrawal of the credit rating could have an effect on the market price of the Notes.

FINANCIAL ADVISOR

Robert W. Baird & Co. has been retained as Financial Advisor to the City in connection with the issuance of the Notes. The Financial Advisor has requested and the City has consented to the Financial Advisor submitting bids for the Notes.

UNDERWRITING

The Notes will be purchased at competitive bidding conducted on October 20, 2011.

The award of \$____,000,000* of the Notes was made to _____, _____, _____, its co-managers and associates.

The public reoffering yields on the Notes will be detailed on the cover of the Final Official Statement.

LEGISLATION

The City is not aware of any pending legislation that would cause significant adverse consequences to either the Notes, the financial condition of the City or the financial condition of MPS.

CLOSING DOCUMENTS AND CERTIFICATES

Simultaneously with the delivery of and payment for the Notes by the original purchasers thereof, the City will furnish to the original purchasers the following closing documents, in form satisfactory to Bond Counsel:

- (1) a signature and no litigation certificate;
- (2) a tax certificate;
- (3) a certificate of delivery and payment;
- (4) the opinions as to the legality of the Notes under Wisconsin law and as to the tax-exempt status of the interest thereon for federal income tax purposes rendered by Katten Muchin Rosenman LLP, Chicago, Illinois, and by Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, in substantially the forms as set forth in Appendix B;
- (5) copies of this Official Statement issued in conjunction with the Notes within seven business days after the award of the Notes in accordance with SEC Rule 15c2-12(b)(3);
- (6) a Continuing Disclosure Certificate; and
- (7) a statement to the effect that this Official Statement, to the best of its knowledge and belief as of the date of sale and the date of delivery, is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading.

REPRESENTATIONS OF THE CITY

To the best of our knowledge, the information in this Official Statement does not include any untrue statement of a material fact, nor does the information omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

ADDITIONAL INFORMATION

Additional information may be obtained from the undersigned City Comptroller upon request.

W. MARTIN MORICS
City Comptroller and Secretary
City of Milwaukee
Public Debt Commission
City Hall - Room 404
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3321

/s/ _____
W. Martin Morics, City Comptroller and Secretary
City of Milwaukee, Wisconsin

October __, 2011

PLACEHOLDER

APPENDIX A

MILWAUKEE PUBLIC SCHOOLS

Basic Financial Statements Year Ended June 30, 2009 2010 and Independent Auditors' Report

Selected Sections

The complete Comprehensive Annual Financial Report
can be downloaded at the Milwaukee Public School's web page at:

www.milwaukee.k12.wi.us

The independent auditor has not been engaged to perform, and has not performed since the date of its report (a portion of which is included herein), any procedures on the financial statements addressed in the report nor on this Official Statement.

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APPENDIX B

Draft Form of Legal Opinion

APPENDIX C

Form of Continuing Disclosure Certificate

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APPENDIX D

Official Notice of Sale and Bid Form

**OFFICIAL NOTICE OF SALE AND
OFFICIAL BID FORM**

FOR

\$145,000,000*

**CITY OF MILWAUKEE, WISCONSIN
SCHOOL REVENUE ANTICIPATION NOTES, SERIES 2011 M6
Not a general obligation of the City**

“Bids for SERIES 2011 M6 Notes”

Sale Data:

SALE DATE AND TIME:

Thursday, October 20, 2011
10:00 a.m. Central Time

PLACE OF ACCEPTANCE FOR SEALED BIDS:

City of Milwaukee
Office of the City Comptroller
City Hall, Room 404
200 E. Wells St.
Milwaukee, Wisconsin 53202

Bids will also be accepted electronically via PARITY

** Subject to change in accordance with the Official Notice of Sale*



City of Milwaukee Fiscal Impact Statement

A **Date** 8/16/2011 **File Number** _____ **Original** **Substitute**

Subject Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee, Wisconsin, debt.

B **Submitted By (Name/Title/Dept./Ext.)** Richard Li, Public Debt Specialist, Comptroller, x2319

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$ 0.00	\$ 0.00

FAssumptions used in arriving at fiscal estimate. This file has no fiscal impact.**G**

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

 1-3 Years 3-5 Years 1-3 Years 3-5 Years 1-3 Years 3-5 Years**H**

List any costs not included in Sections D and E above.

I

Additional information.

JThis Note Was requested by committee chair.



Legislation Details (With Text)

File #: 110664 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution relating to the expenditure of funds to be reimbursed by greater than anticipated revenue. (Police Department)

Sponsors: THE CHAIR

Indexes: POLICE DEPARTMENT, REIMBURSABLE SERVICES

Attachments: Cover Letter File, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number

110664

Version

ORIGINAL

Reference

110333

Sponsor

THE CHAIR

Title

Resolution relating to the expenditure of funds to be reimbursed by greater than anticipated revenue. (Police Department)

Analysis:

This resolution authorizes the Office of the Comptroller to increase appropriations in the Special Purpose account for Contributions to complete the execution of the transfer authorized in Resolution 110333 adopted July 26, 2011.

Body:

Whereas, Common Council file 980965 established procedural guidelines related to the expenditure of funds to be reimbursed by greater than anticipated revenues; and

Whereas, Section 304-24 of the City of Milwaukee Code of Ordinances regulates the receipt, appropriation and expenditure of contributions received by the City, and

Whereas, The Estimated Contribution Revenue account as a source of funds for general city purposes was established at \$2,400,000.00 as a result of the 2011 Budget process; and

Whereas, Contribution revenue received to date exceeds \$2,323,795.34; and

Whereas, Resolution 110333 authorized the transfer of funds from the Police Department's Federal Forfeiture Trust Fund to the Federal Forfeiture Contribution Revenue account and their subsequent expenditure; and

Whereas, There are insufficient appropriations to accomplish this transfer in accordance with the established procedural guidelines; and

Whereas, The Comptroller has certified greater than anticipated revenue in the amount of \$353,500.00,

Pursuant to s. 304-91, I hereby certify that the money required for this item is anticipated to be realized on or before 12/31/2011 to be expended only for the purpose in this resolution.

Comptroller

Date

; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that \$353,500.00 is appropriated to the 2011 Special Purpose Contribution account 0001-2110-0001-D001-006300 with a corresponding increase to the Estimated Contribution Revenue account 0001-9990-009850 and, be it

Further Resolved, That the City Comptroller be, and hereby is, authorized and directed to carry out the intent of this resolution.

Requester:

Milwaukee Police Department

Drafter:

MPD

JJL

09/10/2011

September 12, 2011

To the Honorable
The Common Council
Milwaukee, Wisconsin 53202

RE: File 110664 Greater Than Anticipated Revenue – 2011 Asset Forfeiture Special Purpose Account

Dear Council Members:

I am submitting the attached resolution for consideration by the Council. The file was introduced at the September 1, 2011 Common Council meeting. This resolution requests the authority to increase 2011 appropriations in the Special Purpose account for Contributions. The Comptroller's Office established the 2011 Estimated Contribution Revenue account as a source of funds for general city purposes at \$2,400,000. The contribution revenue received as of August 31, 2011 exceeds \$2,323,759.34. There is insufficient appropriation authority in the contribution revenue account to carry out the execution of Resolution 110333 adopted July 26, 2011.

The Federally Forfeited Property Fund (Fund 0678) had \$877,566.26 cash on hand as of September 12th. This is sufficient to complete the requested \$353,500 transfer to the 2011 Asset Forfeiture Contribution expenditure account. This will complete the \$1,953,500.00 transfer authorized in Common Council Resolution 110333.

If you have any questions regarding the attached, please contact me at (414) 935-7495.

Sincerely,

EDWARD A. FLYNN
CHIEF OF POLICE

JOHN J. LEDVINA
Police Finance and Planning Manager

Enclosure
EAF:JLL
CC: Pamela Nash, Comptroller's Office



City of Milwaukee Fiscal Impact Statement

A **Date** 9/12/2011 **File Number** 110664 **Original** **Substitute**
Subject Resolution relating to the expenditure of funds to be reimbursed by greater than anticipated revenue. (Police Department.)

B **Submitted By (Name/Title/Dept./Ext.)** John Ledvina/Police Finance and Planning Manager/MPD/935-7495

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other	Contrib Revenue/SPA Exp	\$353,500.00	\$353,500.00
			\$0.00	\$0.00
	TOTALS		\$353,500.00	\$353,500.00

F

Assumptions used in arriving at fiscal estimate.

(1) Expenditures authorized by Resolution 110333 (7/26/2011)
(2) Actual deposits received in Federally Forfeited Property Fund (0678)

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

H

List any costs not included in Sections D and E above.

I

Additional information.

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 110523 **Version:** 0

Type: Communication-Report **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Comptroller's Office transmitting the Annual Report of the Public Debt Amortization Fund for the year ended December 31, 2010.

Sponsors: THE CHAIR

Indexes: PUBLIC DEBT COMMISSION, REPORTS AND STUDIES

Attachments: Report, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number

110523

Version

Original

Reference

Sponsor

The Chair

Title

Communication from the Comptroller's Office transmitting the Annual Report of the Public Debt Amortization Fund for the year ended December 31, 2010.

Drafter

Comptroller

WMM:RL

8/11/11



Office of the Comptroller

August 9, 2011

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

Ref: 2010 Annual Report

To the Honorable
the Common Council
City of Milwaukee - Room 205
Milwaukee, WI 53202

Dear Council Members:

In accordance with the provisions of Chapter 67.101(7) of the Wisconsin State Statutes, I herewith submit the Annual Report of the Public Debt Amortization Fund for the year ended December 31, 2010.

Respectfully submitted

W. MARTIN MORICS
Comptroller and Secretary
Public Debt Commission

WMM:RL
Attachment

PD-7856w.doc

ANNUAL REPORT
PUBLIC DEBT AMORTIZATION FUND

City of Milwaukee
For The Year Ended December 31, 2010

Prepared By:
W. Martin Morics, C.P.A.
Comptroller and Secretary

PUBLIC DEBT COMMISSION

KENNETH C. KREI, Chairperson

MARGARET J. HENNINGSEN, Member

JENNIFER A. MISWALD, Member

**W. MARTIN MORICS, Comptroller and Secretary
Ex Officio**

**WAYNE F. WHITTOW, Treasurer and Treasurer
Ex Officio**

PUBLIC DEBT AMORTIZATION FUND

OVERVIEW OF 2010 OPERATIONS

PREFACE

The Public Debt Amortization Fund (PDAF) is governed by Wisconsin State Statutes, Chapter 67.101. The principal sources of revenues are 1/3 of earnings on City investments, and earnings on PDAF investments.

Subject to certain limitations, the Public Debt Commission (PDC) may apply a portion of the balance of the PDAF to the purchase and cancellation of General Obligation Debt of the City. On September 3, 1997, the PDC adopted a policy that targets a balance of the PDAF in the range of 15-20% of non-self supporting General Obligation Debt shall be taken into account when determining the amount of the PDAF to be used to purchase and cancel debt.

These statements have not been independently audited, but were prepared from information used to prepare the City's Comprehensive Annual Financial Report, which is independently audited.

TOTAL FUND INVESTMENT PERFORMANCE

With a slow economy, short-term interest rates continued to stay near 0% in 2010. As part of an effort to increase the overall yield on the PDAF, the investment policy was modified, and \$12.5 million of taxable municipal bonds were purchased during the year. Although interest rates were fairly stable in 2010, a year-end sell off in the municipal market resulted in modest unrealized losses for the year.

The PDAF unrestricted portfolio returned an overall (interest earnings less loss in market value) +1.87% in 2010 compared to a +2.89% in 2009. The unrestricted long-term investments (investments excluding cash) had a return of +3.17% in 2010 vs. +5.10% in 2009. In comparison, a "benchmark" of the Barclays Capital Intermediate Index returned 5.29% in 2010, and -1.41% in 2009, which approximates a portfolio of U.S. Treasury obligations with a duration of four years.

OPERATIONS-UNRESTRICTED FUND BALANCE

The unrestricted portion of the PDAF produced earnings of \$1.3 million in 2010 (Earnings on Fund Investments plus Interest on City Debt) compared to \$1.1 million in 2009. Interest rates were low during 2010, continuing the interest rates from 2009.

2010 contributions to the PDAF were \$3.9 million, in line with the \$3.8 million in 2009. An increase in interest on Delinquent Taxes offset a reduction on the interest on general city investments.

The Commission authorized in 2010 payments for the payment of debt service on City of Milwaukee Bonds in the amount of \$4.9 million from the Unrestricted portion, and \$1.7 million from the Segregated portion of the PDAF. In 2009, \$5.4 million and \$1.95 million were used from the Unrestricted and Segregated portions of the PDAF to reduce the debt service levy. Due to the timing of the 2009 payment for 2010 debt service, the transfer is reflected as a "Due to other funds" on the balance sheet. In 2010, \$4,721,886 was intended to be transferred from the Segregated portion to the Unrestricted portion. The investments were not transferred until 2011, so the impending transfer shows as "Due to (from) other funds" in 2010.

As a result of the above, the amount of Fund Balance available for future prepayment or cancellation of City debt totaled \$50.7 million as of December 31, 2010, an increase, excluding interfund transfers, of \$0.3 million (+0.6%) from the comparable 2009 year-end balance.

The Public Debt Commission, on September 3, 1997, adopted a revised "Statement of Policy" which targets an Unrestricted PDAF balance between 15% to 20% of non-self supporting General Obligation debt. For 2010, the unrestricted portion of the PDAF equaled 11.3% of the City's non-self supporting debt compared to 10.6% in 2009, an improvement, but well below the 15% minimum target. The increase is due to the transfer of \$4.7 million surplus from the Segregated portion to the Unrestricted portion. Without the transfer, the ratio would have declined to 10.4%.

ACCOUNTING FOR CITY DEBT OWNED BY THE PDAF

In 2007, the City's Independent Auditors changed the accounting treatment of City Debt owned by the PDAF. For GAAP purposes, the City Debt owned by the PDAF is no longer considered outstanding debt of the City, nor an investment of the PDAF.

In order to provide an accurate financial condition of the PDAF, the GAAP adjustment for City Debt was not made. As such, these financial statements will differ from the City's CAFR by the amount of City Debt owned by the PDAF (see Note E at the end of the financial statements).

Public Debt Amortization Fund

Balance Sheet

December 31, 2010

with Comparative Totals for December 31, 2009

	2010		2009
	Unrestricted	Segregated	Total
Assets			
Cash and Cash Equivalents			
City - Pooled Cash	\$ 5,892,869	\$ -	\$ 5,892,869
LGIP & other cash investments (Note C)	10,271,845	9,437,934	19,709,779
Total Cash and Cash Equivalents	16,164,714	9,437,934	\$ 25,602,649
Investments and Loans (Note C)			
Book Value	27,485,395	9,864,088	37,349,483
Unrealized Gain (Loss)	(196,141)	155,447	(40,694)
Investment in City Debt (Note E)	7,075,000	-	7,075,000
Total Investments	\$ 34,364,253	\$ 10,019,535	\$ 44,383,788
Due from other funds	-	-	-
Market Value Adjustments to Treasurer's Report	-	-	-
Accrued Interest Receivable	202,310	1,494	203,804
TOTAL ASSETS	\$ 50,731,278	\$ 19,458,964	\$ 70,190,241
Liabilities			
Due to (from) other funds	\$ (4,721,886)	\$ 4,721,886	\$ -
TOTAL LIABILITIES	\$ (4,721,886)	\$ 4,721,886	\$ -
Fund Balance			
TOTAL FUND BALANCE	\$ 55,453,164	\$ 14,737,078	\$ 70,190,241
TOTAL LIABILITIES AND FUND BALANCE	\$ 50,731,278	\$ 19,458,964	\$ 70,190,241
			\$ 71,035,788
			\$ 78,385,788

The notes to the financial statements are an integral part of this statement.

Public Debt Amortization Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

December 31, 2010

with Comparative Totals for December 31, 2009

	2010		2009
	Unrestricted	SEGREGATED	TOTAL
REVENUES			
City of Milwaukee Proprietary Contributions			
Interest on Special Assessments	\$ 269,033	\$ -	\$ 269,033
One-third Interest on City Tax Certificates	3,348,893	-	3,348,893
One-third Interest on General Investments	250,876	-	250,876
One-third change in market value of General Investments	(2)	-	(2)
Total City of Milwaukee Proprietary Contributions	\$ 3,868,800	\$ -	\$ 3,868,800
Earnings on Fund Investments (excluding City Debt)			
Realized Gain (Loss) on Sale of Investments	1,126,962	627,860	1,754,821
Change in Fair Market Value of Investments	(196,141)	(81,730)	(277,871)
Total Earnings on Fund Investments	930,820	546,130	1,476,950
TOTAL REVENUES	\$ 4,799,620	\$ 546,130	\$ 5,345,751
EXPENDITURES			
Fund Administration Cost	\$ -	\$ -	\$ 3,996
Planned Cancellation of Debt	-	1,678,000	1,678,000
Annual Cancellation of Debt	4,900,000	-	4,900,000
TOTAL EXPENDITURES	\$ 4,900,000	\$ 1,678,000	\$ 6,578,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (100,380)	\$ (1,131,870)	\$ (1,232,250)
TRANSFERS			
Transfer from Debt Service Fund (Interest on City Debt, Note E)	\$ 386,703	\$ -	\$ 386,703
Transfers between accounts	4,721,886	(4,721,886)	-
NET CHANGE IN FUND BALANCE	\$ 5,008,209	\$ (5,853,756)	\$ (845,547)
FUND BALANCE JANUARY 1	50,444,955	20,590,834	71,035,788
FUND BALANCE DECEMBER 31	<u>55,453,164</u>	<u>14,737,078</u>	<u>70,190,241</u>

The notes to the financial statements are an integral part of this statement.

Public Debt Amortization Fund

Statement of Changes in Cash

December 31, 2010

with Comparative Totals for December 31, 2009

	<u>2010</u>	<u>2009</u>
<u>Cash Provided By</u>		
Beginning Cash & Cash Equivalents	44,229,032	33,849,109
Net Change in Fund Balance	(845,547)	(1,978,591)
Maturing and Sale of Investments	4,120,749	6,079,047
Change in Due to Other Funds	(7,350,000)	7,350,000
<u>Cash Was Used For</u>		
Change in Accrued Interest	(151,000)	(11,030)
Less: Change in Market Value	277,871	330,439
Purchase of Investments	(13,269,956)	(0)
Accretion (Amortization) - Unsegregated	(875,372)	(823,199)
Accretion (Amortization) - Segregated	(533,128)	(566,743)
Total Cash - Ending	<u>25,602,649</u>	<u>44,229,032</u>

CITY OF MILWAUKEE

PUBLIC DEBT AMORTIZATION FUND

Notes to the Financial Statements

For the Year Ended December 31, 2010

- A. **Statutory Background:** The Public Debt Amortization Fund ("PDAF") is governed by Section 67.101 of Wisconsin Statutes. The Commissioners of the Public Debt ("PDC") may apply, in any one year, up to 40 percent of the balance of the PDAF to the cancellation of general obligation bonds or notes of the City, but the PDAF shall not be decreased below \$2,000,000 as a result of such purchases and cancellations. Principal sources of revenue are one-third of all interest on general city investments, and interest on the PDAF's own investments.
- B. **Basis of Accounting:** The financial statements of the Public Debt Amortization Fund are prepared on the accrual basis. Revenues are recorded when earned and expenses are recorded as incurred, without regard to the receipt or payment of cash or its equivalent.
- C. **Investments:** Investments in marketable securities are reported at market value. Investments in non-marketable securities (City debt) are reported at amortized book value. Interest earnings is based upon amortized book value. Realized and unrealized gains and losses are reflected in the year they occurred.
- D. **Segregated Fund Balance:** The PDC has earmarked, in advance, a portion of the PDAF for future purchase and cancellation of City debt (the "Segregated" portion). The PDC intends not to consider the Segregated portion for purposes of determining the annual amount provided for prepayment of debt.
- E. **City Debt:** Investment in City Debt is considered a related party transaction, and excluded from consolidated GAAP financial statements. The net result is that Investments and Fund Balance is reduced by the amount of City Debt for GAAP reporting purposes. One exception is City Debt that is fully reimbursed by Milwaukee Public Schools. That debt is shown as a Loan Receivable, rather than an Investment, and thus has no effect on Fund Balance.

In order to more properly reflect the economics of the transaction, this Financial Statement treats City Debt as an investment. In order to be consistent with the GAAP presentation, interest on City Debt is reflected as a Transfer from the Debt Service Fund..



Legislation Details (With Text)

File #: 110590 **Version:** 0

Type: Communication-Report **Status:** In Committee

File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Comptroller's office relating to a report entitled, Comprehensive Annual Financial Report of the City of Milwaukee for the year ended December 31, 2010.

Sponsors: THE CHAIR

Indexes: COMPTROLLER, REPORTS AND STUDIES

Attachments: Report, Cover Letter, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110590
Version
ORIGINAL
Reference

Sponsor
THE CHAIR
Title

Communication from the Comptroller's office relating to a report entitled, Comprehensive Annual Financial Report of the City of Milwaukee for the year ended December 31, 2010.

Drafter
Comptroller
WMM:CLW
8/29/11



Comprehensive Annual Financial Report

City of Milwaukee, Wisconsin

for the Year Ended December 31, 2010

**W. Martin Morics
Comptroller**



Comprehensive Annual Financial Report

City of Milwaukee, Wisconsin

for the Year Ended December 31, 2010

Office of the Comptroller

**W. Martin Morics
Comptroller**

CITY OF MILWAUKEE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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 FOR THE YEAR ENDED DECEMBER 31, 2010

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Office of the Comptroller

July 29, 2011

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

Honorable Tom Barrett, Mayor
The Members of the Common Council
City of Milwaukee
Milwaukee, WI 53202

Dear Mayor and Council Members:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Milwaukee for the fiscal year ended December 31, 2010. This report is prepared to satisfy the City Charter requirement for the Office of the Comptroller to prepare an annual statement of revenues and expenditures and the Common Council's request for an independent examination of financial activity of the City of Milwaukee. The report was prepared by the Office of the Comptroller in conformity with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other authoritative accounting standard setting bodies. This report presents the financial position of the City of Milwaukee and its component units. The CAFR reflects the actual financial activity of the past year rather than proposed activity for a future year, as presented in the City's Annual Budget.

This report consists of management's representation concerning the finances of the City of Milwaukee. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Milwaukee and the component units are responsible for establishing and maintaining an internal control structure designed to ensure that the assets entrusted are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

An independent firm of licensed certified public accountants, KPMG LLP, has audited the City of Milwaukee's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Milwaukee for the fiscal year ended December 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Milwaukee's financial statements for the fiscal year ended December 31, 2010, are fairly presented in conformity with GAAP.

The GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of a Management's Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Comprehensive Annual Financial Report is presented in three sections. The **Introductory Section** includes a list of principal officials, an organizational chart, and this letter of transmittal, which highlights significant aspects of the City and particular financial issues. The **Financial Section** includes the independent auditors' report, Management's Discussion and Analysis, the basic financial statements (government-wide statements and fund statements), notes to the financial statements, other required supplementary information (RSI), combining financial statements and other financial schedules. The **Statistical Section** includes exhibits and tables of unaudited data depicting the financial history of the City, as well as demographic and other miscellaneous statistics, generally presented on a multi-year basis.

CITY OF MILWAUKEE
LETTER OF TRANSMITTAL
FOR THE YEAR ENDED DECEMBER 31, 2010

THE REPORTING ENTITY AND ITS SERVICES

The City of Milwaukee was incorporated as a city on January 31, 1846, pursuant to the laws of the territory of Wisconsin. The City, in operation under a Home Rule Charter since 1874, provides for a council-mayor form of government. The Mayor, Comptroller, Treasurer, City Attorney and 15 Common Council members are elected officials of the City. Local elections are nonpartisan. Officials are elected to identical four-year terms. The City of Milwaukee held a general election for these positions in April 2008. The Mayor is the Chief Executive Officer and maintains a cabinet form of government controlling major City departments by appointing department heads subject to confirmation by the Common Council. The Mayor is responsible for the preparation of an annual city expenditure budget, subject to review and adoption by the Common Council. The Common Council is responsible for the management and control of the finances and property of the City and has the full power and authority to establish, enforce and modify all regulations for the government. The Comptroller, as the Chief Financial Officer for the City, is responsible for establishing City accounting policies and procedures, revenue estimating and monitoring, examination and investigation of all matters related to the finances of the City, issuance of debt and financial reporting. The City Treasurer is responsible for the receipt, disbursement and investment of all monies accruing to the City, including the collection of property taxes. The City Attorney is responsible for all legal matters of the corporation, including furnishing legal opinions, drafting all legal documents and defending the City in any legal actions.

The City of Milwaukee provides a full range of municipal services, including police and fire protection, sanitation, health, culture and recreation, public works, conservation and development and administrative support services. Also included in the report are the enterprise operations of the Metropolitan Sewerage District User Charge, Parking, Port, Sewer Maintenance and Water Works. These activities are under the direct oversight responsibility of the Mayor and Common Council and constitute the primary governmental functions of the City of Milwaukee. In addition, entities for which the City has financial accountability or for which the nature and significance of their relationship with the City would cause these financial statements to be misleading or incomplete are a part of the reporting entity. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The following organizations are reported as discretely presented component units: Milwaukee Economic Development Corporation, City of Milwaukee Housing and Redevelopment Authorities and Neighborhood Improvement Development Corporation.

The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions of the annual budget adopted by the Common Council of the City of Milwaukee. Activities of the general, capital projects funds and certain special revenue, debt service and enterprise fund types (exclusive of the component units) are included in the City's annual budget. The component units' respective Boards approve their budgets. City departments are required to submit their annual budget requests for the ensuing year to the Mayor by the second Tuesday in May. The Comptroller is also required to provide a statement of anticipated revenues by this date. After all requests have been reviewed, the Mayor submits his proposed Executive Budget to the Common Council. The City Charter requires that this be done on or before September 28. The Common Council must complete its review and adopt the budget on or before November 14. Once adopted, Common Council approval is required to amend the total appropriations by a department, the legal level of control for each budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by object class (i.e. salaries, operating expenditures, equipment) for each department for the general fund and enterprise funds. Project life rather than the standard current fiscal year is utilized for capital funds and special revenue funds. The City of Milwaukee also maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Budget-to-actual comparisons are provided in the Required Supplemental Information Section of this report for the General Fund.

LOCAL ECONOMY

Geographically, Milwaukee consists of 96.9 square miles and is situated in the southeast corner of the State with Lake Michigan at its east boundary. It is located approximately 75 miles east of the State capital, Madison. It is the 28th largest city in the United States with a 2010 U.S. Census estimated population of 594,883. Due to its large population, it is the largest city in the State and also the only city of the First Class within the State of Wisconsin. Milwaukee is the main cultural and economic center of the combined population of 1.7 million for the Milwaukee-Racine-Waukesha metropolitan area. Milwaukee also is an international seaport.

CITY OF MILWAUKEE
LETTER OF TRANSMITTAL
FOR THE YEAR ENDED DECEMBER 31, 2010

The City's economic structure reveals a diversified economy with strong service and manufacturing sectors. The service sector (service, finance, insurance, real estate and retail trade) employs over 69% of the workforce. Manufacturing firms employ 17% of the work force. The area is not dominated by any large employers. Less than two percent of the manufacturers have employment levels greater than 500. Less than one percent of the employers in finance, insurance, and services have more than 500 employees.

Metropolitan area firms are engaged primarily in the manufacture of machinery. Once known almost exclusively as a manufacturing and brewing powerhouse, Milwaukee's economy has changed with the national shift to a service based economy. In spite of this national trend, the Milwaukee metro area remains a major producer of capital goods for the nation and the world, and, the State's largest source of manufacturing employment. In the past decade, major new additions to the City include the Milwaukee Riverwalk, the Frontier Airlines Center, Miller Park, an internationally renowned addition the Milwaukee Art Museum and Pier Wisconsin, as well a major renovations to the U.S. Cellular Arena. Many new skyscrapers, condos, lofts, and apartments have been constructed in neighborhoods on and near the lakefront and riverbanks.

Milwaukee is a major commercial shipping hub. Of vital importance to both the local and state economies is the Port of Milwaukee, a "shipping and receiving" point for international trade as well as the primary heavy-lift facility on the Great Lakes. A protected harbor permits year-round navigation through the port from three rivers in addition to Lake Michigan. With access to the eastern seaboard via the St. Lawrence Seaway and to the Gulf of Mexico through the Mississippi River, the Port of Milwaukee processes 2.3 metric tons of cargo annually and has helped the state maintain an export growth rate twice the national average. Both the Union Pacific Railroad and the Canadian Pacific Railway serve the Port, which is also served by convenient, non-congested access to the interstate highway system. Principal inbound commodities include cement, coal, machinery, steel, salt, limestone, asphalt, and crushed rock. The Port is also home to the U.S. Coast Guard, the U.S. Navy Reserve and the U.S. Army. The Harbor Commission's authority also includes the property of Milwaukee World Festivals, Inc., Pier Wisconsin and the Lake Express high speed ferry.

Economic development is encouraged through the growth of employment opportunities for the citizens of Milwaukee and supports private investment that grows the City's tax base. Four key approaches are utilized: 1) direct financial assistance to small businesses that helps clients take advantage of opportunities to increase sales and employment; 2) use of tax incremental financing to provide public infrastructure improvements or other assistance to encourage major private investments that will contribute significantly to the growth of the tax base, employment or availability of commercial services in underserved areas; 3) partnerships with organizations that represent businesses and employers to improve the business environment, either in a particular geographic area or a particular industry segment; and 4) management of projects that invest City resources to redevelop underutilized or vacant properties for eventual sale to private owners.

In addition to pursuing new business, the City takes an active role in guiding economic development to serve the community. The City manages a number of programs intended to assist in local business retention efforts, provide permit assistance to new businesses and seek out appropriate sites for these businesses. The City has recently established its 44th Business Improvement District and Tax Incremental District (TID) #76. Thirty-three and forty-six districts, respectively, remain active. In addition, the City manages various Development Fund Projects to promote urban renewal throughout the City.

Some of the City's noteworthy revitalization efforts were realized during 2010. In the Menomonee Valley, the seven year revitalization/redevelopment program reclaimed more than 120 acres of blighted property and transformed it into a vibrant industrial center and public park. The redevelopment has created more than \$120 million of natural resource value, a projected 1,200 sustainable wage jobs, and has added \$1 million to the City's annual tax base. The Menomonee Valley partners, a nonprofit collaboration of neighbor and businesses, have provided key assistance in the project.

Milwaukee welcomes new businesses. Ingeteam's \$15 million factory is the company's first North American production operation and will build Indar wind power generators and Ingeteam converters and solar power inverters. Ingeteam's new factory Menomonee Valley wind generator facility plans 275 new jobs. Helios USA is a start-up solar energy company that plans to employ 50 people within the next few years and more than 100 people by 2015 at its Menomonee Valley facility. Industry innovator American Micro Detection Systems (AMDS) chose Milwaukee for its manufacturing and support operations. AMDS has developed proprietary technology for analyzing water and other liquids. Initially, AMDS will employ fewer than ten people, but, after the start-up phase, it projects it could employ hundreds of workers in Milwaukee. AMDS is raising \$7.5 million in first-round financing to execute on its business model and fully build-out its Milwaukee operation.

CITY OF MILWAUKEE
LETTER OF TRANSMITTAL
FOR THE YEAR ENDED DECEMBER 31, 2010

In mid 2009, Mayor Tom Barrett, the State Attorney General, and Marquette University Law School (MU) initiated a Milwaukee Foreclosure Mediation Program. Under this Program, MU lawyers and law students work with home owners in danger of foreclosure to locate services and negotiate with lender banks to establish workable mortgage repayment terms. The City also launched Take Root Milwaukee, a campaign to promote homeownership and aid local homeowners faced with foreclosure. Take Root Milwaukee is a combined effort of Freddie Mac and the Milwaukee Homeownership Consortium, a collaboration of local housing partners. This campaign is the latest element of a broad local strategy to combat the impact of high rates of mortgage foreclosure.

Tourism is also a major contributor to the local economy. Milwaukee's arts, entertainment, professional sports, restaurants, parks, conventions, and businesses attract about six million visitors a year. There are about 20 major annual festivals hosted in Milwaukee. Summerfest is promoted as the world's largest music festival and attracts about one million attendees each year. Some of Milwaukee's ethnic festivals include the largest Native American festival in the country, America's largest Polish festival, America's largest Italian festival, America's largest 3-day German festival, and the largest Irish festival in the world.

The educational opportunities in Milwaukee offer a wide variety of choices within the City. They include Alverno College, Cardinal Stritch University, Marquette University, Medical College of Wisconsin, Milwaukee Area Technical College, Milwaukee School of Engineering, Mount Mary College, University of Wisconsin-Milwaukee and Wisconsin Lutheran College.

The City remains in good financial condition, as is demonstrated by the financial statements and schedules included in this report. The General Fund Reserve for Tax Stabilization increased by \$1.7 million to a year end balance of \$43.8 million compared to \$42.1 million for 2009. That portion of the Reserve for Tax Stabilization available for future years remained stable at \$29 million at year-end 2010 and 2009. However, the City faces numerous fiscal challenges. To fund its municipal expenditures, the City relies heavily on property taxes and State Shared revenue. Comprising 77% of the total General Fund revenues for 2010, these two revenues, are strongly impacted by a weakened economy. A slumping housing market and home foreclosures translate directly to a drop in city-wide assessed property values and property tax collections. State Shared Revenue decreased by nearly \$1.4 million from 2009's intergovernmental revenue. The breakdown in the State's Shared Revenue program has created substantial consequences for the City's fiscal sustainability. In the 2011 budget, members of the Common Council, the Mayor and most City employees will again be subject to four furlough days, as well as salary freezes as part of collective bargaining negotiations for 2010 and 2011. In addition, both the Common Council and the Mayor have, again, agreed to freeze their salaries in 2011, the third consecutive year of this freeze. In a separate legislation, concerning the City's pension system, the Council adopted legislation that will allow the City to reduce the risk associated with Employer's Reserve Fund investments. Prior to its passage, the reserve fund reflected the pension fund's investments and had been subject to the recent swings in stock market returns. The legislation will permit the Reserve Fund portfolio to be placed in investments that are not subject to this sort of market uncertainty.

ECONOMIC OUTLOOK

During 2010, the City's unemployment rate averaged approximately 11.1%; compared to the State of Wisconsin average of 8.3% and the United States average of 9.6% (as estimated by U.S. Department of Labor, Bureau of Labor Statistics).

Retaining the City's high "investment grade" bond ratings is of prime importance and serves to maintain low borrowing costs. The low costs of borrowing, both for capital and cash flow purposes, produces direct benefits to the taxpayer. The City continues to maintain high investment grade ratings of AA+ from Fitch; Aa1 from Moody's and AA from Standard & Poor's on the City's most recent 2011 General Obligation Bonds and Notes. As the ratings indicate, the City's capacity to meet its financial commitments on outstanding obligations is strong. The rating agencies indicate that the ratings reflect a combination of moderate overall debt burden, rapid debt repayment, manageable capital needs, and a diverse tax base. The City also assists in keeping the overall debt burden affordable by controlling the level of annual debt issued. The City of Milwaukee has never defaulted in the payment of the principal or interest on its debt obligations, nor has the City issued any refunding securities for the purpose of preventing default in the principal or interest on its debt obligations.

CITY OF MILWAUKEE
LETTER OF TRANSMITTAL
FOR THE YEAR ENDED DECEMBER 31, 2010

The 2010 property tax rate for 2011 purposes is \$9.12 compared to \$8.89 per \$1,000 of assessed value. The 2011 budgetary City property tax levy of approximately \$246.7 million represents a slight decrease compared to the \$246.8 million in 2010. The estimated assessed value used for 2011 budget purposes decreased approximately 2.6% from the value used for the 2010 budget purposes. This property tax levy will provide \$111.6 million in revenue for the general city purposes budget in 2011 compared to \$90 million for 2010 general city purposes. The actual 2010 property tax revenue reported in the General Fund was \$168 million compared to \$156.4 million in 2009. Property taxes revenue funding as a portion of total General Fund budgetary expenditures for 2010 was 26.2% compared to 2009 of 25.8% as depicted in Exhibits E-1.

Due to significant investment losses incurred in the Employees' Retirement System (ERS) in prior years, a \$49 million pension contribution was paid in 2010. Changes were implemented to the ERS funding policy and a strong 2009 investment return was achieved which resulted in a funded ratio of approximately 113% on an actuarial basis. As a result of these actions, no employer contribution is required for the 2011 budget. However, pension funding is one of the biggest challenges that impact future budgets; and, therefore, a \$17.35 million voluntary contribution to the Employer's Pension Reserve was provided in the 2011 budget to reduce the potential destabilizing impact that pension funding could have on future budgets.

Many significant challenges remain in achieving ongoing fiscal sustainability. There was a 98% increase in health care costs from 2003 through the 2011 budget. This increase is more than five times the rate of inflation during this same time period. For 2011, the costs increase is \$25.1 million or 21% above the 2010 estimate.

Home foreclosure is a tragedy for individuals and families. From the outset of the foreclosure crisis, the City and its partners are taking an active role in mitigating negative impacts. The City has worked together to bring banks, real estate professionals, neighborhood groups, educational institutions, housing counselors and government representatives together. By working together, hundreds of individuals in Milwaukee are in better situations. In some cases, good homeowners have kept their homes through mediation settlements. Recently, a \$35 million in federal resource to support these efforts to solve problems, create innovative solutions, and prod everyone involved to step up has been announced. For the 2011 budget, the foreclosure approach is changing from an annual date to foreclose on tax-delinquent properties to a quarterly basis in order to better protect individual houses and the neighborhoods where they are located. In addition to increasing the budget for maintenance of these city-owned homes, new additional funding has been incorporated in the budget for start repairs and management and market of these city-owned homes.

The American Recovery and Reinvestment Act (ARRA) of 2009 was enacted in February 2009. The City was awarded about \$203 million in ARRA funds, of which over \$150 million in competitive grants were awarded. This funding supports the City's efforts to address crime and public safety, energy efficiency and environmental quality, infrastructure and transportation improvements, public health, and job creation and workforce development. The City has convened an Economic Stimulus Task Force that will monitor and oversee the City's application for ARRA funding and report on the use of ARRA funds. The City has also created a website that explains how it is working to access and spend ARRA funds, part of the effort to create transparency and accountability in the program. The website provides details on proposed spending plans and how funds are spent by City government. Some of the known larger grant awards include \$33.6 million in Clean Water Revolving Loan Fund and \$31 million in Street Transportation Project funding.

City fees established by the Common Council include sewer user fee, storm-water fee, solid-waste fee, sewer maintenance fee (which includes leaf pickup and street sweeping), snow and ice control fee and special garbage pickups (greater than four cubic yards). For 2011, the Stormwater Management Fee will increase 1.6% to \$56.88. The Local Sewerage charge rate will remain at \$1.16 per one hundred cubic feet of water. The Common Council reduced the annual Solid Waste Charge by \$2.01 from \$170.17 to \$168.16 and added a new extra cart fee of \$20 per cart. It should be noted that the charge of these types of fees for service alleviates pressure on the tax levy, since the funds for providing these critical services is shifted away from the property tax levy and is more equitably spread onto all properties, including tax exempt properties. Also during 2010, the City decreased the frequency required to buy night parking permits; non-annual permits will be able to buy four month permits instead of the previous three month permits.

In order to accelerate the City's maintenance and replacement of its nearly 1,000 miles of residential city streets, the Common Council implemented a \$20.00 Vehicle Registration Fee in 2008. This fee is added on to the State of Wisconsin's annual vehicle registration fee. This \$20.00 fee has generated almost \$6.4 million in 2010; and, in accordance with state law; the City can only use it for transportation purposes. The implementation of this fee serves a dual purpose. It will increase funding for street maintenance and replacement, while relieving property owners of expensive and unpopular special assessments.

CITY OF MILWAUKEE
LETTER OF TRANSMITTAL
FOR THE YEAR ENDED DECEMBER 31, 2010

MAJOR CAPITAL PROJECTS

The 2011 capital budget includes funds for various infrastructure and building projects. For 2011, the City capital improvements budget, not including enterprise funds and grants and aid funding, totals \$117.9 million, a decrease of 2.8% or \$3.4 million from 2010 budget of \$121.3 million. Funding of \$30.7 million for various tax incremental district and development projects comprises 26% of the total capital budget for 2011. The Department of Public Works budget for bridges (\$6.4 million), local street resurfacing/reconstruction (\$14.3 million), major streets (\$8.3 million), street lighting (\$7.4 million) and major equipment purchases (\$5.5 million) total \$41.9 million or approximately 36% of the total 2011 capital budget. With the continuing funding for the Foundation and Hollow Walk Project for City Hall (\$3.2 million, representing 2.7% of the City funded portion of the capital budget), these projects account for approximately 38.7% of the total 2011 capital budget. Other department's major capital projects include Police remodel administration building offices (\$3.8 million); Fire major capital equipment (\$2.9 million); and Zeidler Municipal Building parking floor restoration (\$1.5 million). With the recent completion of the \$76 million City Hall Restoration Project, the City Hall Foundation and Hollow Walk Project which commenced in late 2009 will continue with the next phase of foundation and hollow walk repairs in 2011 through 2013.

The 2011 capital projects budget includes a separate listing of thirteen large scale projects for 2011. These projects identify all funding sources including city and grantor share funds whose components total at least \$2 million. These projects include a major bridge project (Juneau Avenue Bascule Bridge over the Milwaukee River) with a project total of \$17.5 million, a connecting highways project (West Capital Drive between North 60th Street and North 84th Street) projected at \$6.4 million and a state trunk highway (Appleton Avenue [Highway 41] from West Capitol Drive to US Highway 45) with an estimate of \$10.6 million.

The City also created a Capital Improvements Committee in 2009 to provide a continuing analysis and public focus on the City's investment and management of its public facilities and networks.

CASH MANAGEMENT POLICIES AND PRACTICES

The City maintains a pooled cash and investment account that is available for use by all funds, except the Debt Service Fund, the Water Works Enterprise Fund and component entities which maintain separate cash and investments. Cash temporarily idle during the year and under the control of the City Treasurer was invested in demand deposits, certificates of deposit, obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and commercial paper (all of which are permissible under State Statutes). The average interest earnings rate for City funds invested by the City Treasurer was approximately 0.315% in 2010 as compared to 0.746% in 2009. The City continued to use the State of Wisconsin Local Government Investment Pool to provide flexibility for short-term investments while maintaining high standards of safety and liquidity. In 2010, the average daily investable balance was \$235.8 million as compared to \$238.3 million in 2009, a 0.99% decrease. The investable balance generates interest earnings for the City, which is used to offset the property tax levy.

During 2010, the City continued its prudent use of financing techniques and investment instruments to maximize its investment return while meeting on-going cash flow needs. The City's use of cash flow borrowing in anticipation of State Shared and State Equalization Aid Revenues totaled \$372 million, compared to \$344 million in 2009. The financing was accomplished through two separate offerings -- \$147 million General Obligation Cash Flow Promissory Notes in April 2010 for City purposes and \$225 million School Revenue Anticipation Notes in September 2010 for school purposes. The timing of these offerings provided the City with an opportunity to earn additional interest on investments and still comply with the requirements of the Tax Reform Act of 1986. The second borrowing represented a joint effort with Milwaukee Public Schools to finance school operations on an interim basis pending its receipt of State Equalization Aids and is not a general obligation of the City.

In addition, the City continued its use of the State of Wisconsin's Clean Water Fund to finance sewer maintenance capital projects which began in June 2007. Over \$36.6 million of loans were obtained during 2010 with over \$1.8 million being immediately forgiven. The Clean Water Fund provides below market interest loans to communities to finance storm-water control projects. This financing strategy will save ratepayer's money, as Clean Water funding and General Obligation bonds have a lower interest rate than revenue bonds. However, the recently adopted 2011-2013 State Budget has curtailed the interest rate subsidy provided by the State Clean Water Fund. General Obligation debt will finance sewer capital projects that do not qualify for the Clean Water Fund. Also, during 2010, over \$205.8 million of commercial paper to finance various public improvement projects and fiscal requirements of the City was issued. The City, for the second year, issued Qualified School Construction Bonds on behalf of the Milwaukee Public Schools in the amount of \$37.3 million. This debt will be reimbursed by the Milwaukee Public Schools as the maturities come due.

CITY OF MILWAUKEE
LETTER OF TRANSMITTAL
FOR THE YEAR ENDED DECEMBER 31, 2010

RISK MANAGEMENT

The City is self-insured for workers' compensation, employee Basic Plan health and dental insurance, uninsured motorist motor vehicle coverage for City employees, and general liability claims. With certain exceptions, it is the policy of the City not to purchase commercial insurance against property or liability risks. Instead, the City has found it is more economical to manage its risk internally, setting aside funds as needed for estimated current claim settlements and judgments through annual and supplemental appropriations as needed. The City also purchases and maintains limited coverage for certain facilities and employee bonding. Indemnity and insurance protection is also required of City contractors, vendors, lessees and permit holders.

ACKNOWLEDGEMENTS

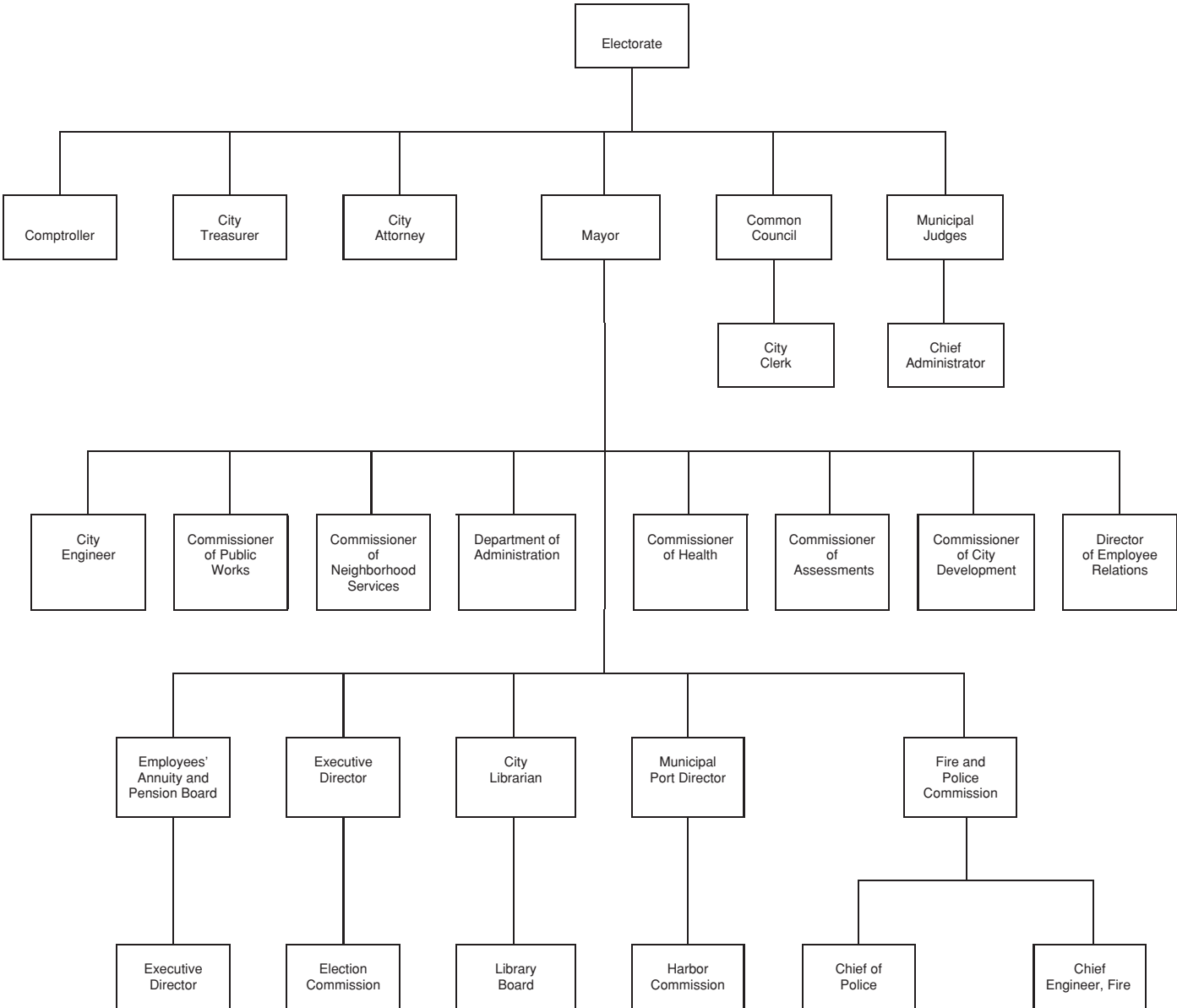
The Office of the Comptroller takes great pride in the preparation of this report. The professionalism, commitment and effort of each member of its General Accounting Division have made this presentation possible. The timely preparation of this report could not have been accomplished without the cooperation, dedication, and extensive involvement of the entire staff of the Office of the Comptroller and the able assistance of our independent auditors, KPMG LLP, as well as the accounting personnel of our component units. Special commendation and appreciation should be accorded to the dedicated staff of the Comptroller's Office in the preparation of this Comprehensive Annual Financial Report. In addition, I convey my appreciation to you and members of your respective staffs for your interest and support in planning and conducting the fiscal affairs of the City throughout the past year. The City will continue to remain fiscally sound through our cooperative efforts.

Very truly yours,



W. MARTIN MORICS
Comptroller

CITY OF MILWAUKEE
ORGANIZATION CHART
 DECEMBER 31, 2010



CITY OF MILWAUKEE
NAMES OF PRINCIPAL OFFICIALS
 DECEMBER 31, 2010

ELECTED

Mayor	Thomas M. Barrett
Comptroller	W. Martin Morics
City Treasurer	Wayne F. Whittow
City Attorney	Grant F. Langley
Municipal Judge	Derek C. Mosley
Municipal Judge	Phillip M. Chavez
Municipal Judge	Valarie A. Hill

COMMON COUNCIL

President	Willie L. Hines, Jr.
-----------------	----------------------

Aldermanic District

First
Second
Third
Fourth
Fifth
Sixth
Seventh
Eighth
Ninth
Tenth
Eleventh
Twelfth
Thirteenth
Fourteenth
Fifteenth

Alderman

Ashanti T. Hamilton
Joseph L. Davis, Sr.
Nik Kovac
Robert J. Bauman
James A. Bohl, Jr.
Milele A. Coggs
Willie C. Wade
Robert G. Donovan
Robert W. Puente
Michael J. Murphy
Joseph A. Dudzik
James N. Witkowiak
Terry L. Witkowski
T. Anthony Zielinski
Willie L. Hines, Jr.

FINANCE RELATED (Non-Elected)

Administration Director	Sharon D. Robinson
Budget & Management Director	Mark P. Nicolini
City Purchasing Director	Rhonda Kelsey
Commissioner of Assessments	Mary P. Reavey
Chief Information Officer	Nancy A. Olson

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KPMG LLP
Suite 1500
777 East Wisconsin Avenue
Milwaukee, WI 53202-5337

Independent Auditors' Report

The Honorable Members
Common Council
City of Milwaukee, Wisconsin:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Milwaukee, Wisconsin (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Housing Authority of the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, the Milwaukee Economic Development Corporation, and the Neighborhood Improvement Development Corporation, which represents 100% of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Milwaukee as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

The management's discussion and analysis, budgetary comparison information, and schedule of funding progress on pages 19 through 34 and 96 through 98 are not required parts of the basic financial statements, but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the



methods of measurement and presentation of this information. However, we did not audit this information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, miscellaneous financial data and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section, miscellaneous financial data, and statistical section have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 29, 2011, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

KPMG LLP

Milwaukee, Wisconsin
July 29, 2011

CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
(unaudited)

Within this section of the City of Milwaukee Comprehensive Annual Financial Report, the City's management provides narrative discussion and analysis of the financial activities of the City for the fiscal year ended December 31, 2010. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. This *Management Discussion and Analysis* (MD&A) should be read in conjunction with the City's basic financial statements, which follow this discussion. Additional information is available in the letter of transmittal, which precedes Management's Discussion and Analysis. The MD&A focuses on the City's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

FINANCIAL HIGHLIGHTS

- The assets of the City of Milwaukee exceeded its liabilities at the close of fiscal year 2010 by \$950 million (net assets); \$273 million in governmental activities and \$677 million in business-type activities. Governmental activities' unrestricted assets reflect a deficit of \$285 million. The City regularly makes significant investments in private purpose developments which do not produce any direct financial return to the City. The City also finances certain long-term liabilities as they come due rather than when they are incurred. The City's net assets increased 2% compared to the previous year of \$929 million.
- The vast majority of the City's net assets are capital assets, most of which do not generate revenues by their use or sale. Total net assets are comprised of the following:
 - Capital assets, including property and equipment, net of related debt and accumulated depreciation – \$980 million.
 - Restricted net assets, limited by constraints imposed externally such as debt covenants, grantors, laws, or regulations – \$222 million.
 - Unrestricted net assets – (\$252) million.
- The City's total 2010 year-end other post-employment benefits (OPEB) obligation is \$174 million; an increase of 37% from the 2009 obligation of \$127 million. The obligation is based on an actuarial valuation as of January 1, 2009, which indicates the 2010 actuarial accrued liability for benefits was \$1,008 million over a 30-year amortization period.
- Total liabilities of the City increased by \$144 million to \$1,879 million. The long-term portion of total liabilities (\$1,297 million) consists of \$174 million for OPEB, \$1,063 million for outstanding debt and \$60 million for compensated absences, claims, and judgments.
- City governmental expenses exceeded combined program revenues by \$757 million. General revenues and transfers of \$782 million resulted in a \$25 million increase of net assets for the year. Business-type activities produced a decrease of net assets of 1% over 2009, generating a \$4 million shortfall in 2010.
- For governmental activities, program revenue supported 25% of the total expenses for 2010. Property taxes and other taxes represented 28% of the primary government's governmental activities' expenses, state aids for the General Fund equaled 27%, and miscellaneous revenues and transfers supported 23% of the expenses. Revenues and transfers exceeded expenses by 3% in 2010.
- For business-type activities, program revenue supported 123% of the expenses for 2010; and, in total exceeded the expenses by \$43 million. Miscellaneous revenue net of transfers out reduced this excess to \$4 million shortfall for the year.
- The City's total governmental funds reported total ending fund balances of \$264 million this year. Compared to the prior year ending fund balance of \$226 million, an increase of \$38 million resulted by year end 2010; a 17% increase.
- The General Fund balance at year-end 2010 totaled \$60 million – a \$12 million reduction compared to 2009 (-15%). This ending Fund balance is about 8% of General Fund expenditures and transfers.
- The operating expenditures of the General Fund were \$8 million less than budgeted. This favorable variance is a result of savings from general government departments of \$6 million, public safety departments of \$1 million, and a combined savings of \$1 million in other departments. The combined savings from the general government departments of Comptroller, Treasurer, Employees' Retirement and Employees Relations resulted in a favorable variance in various fringe benefit costs that were allocated to capital and grant projects rather than to general fund accounts, and, thus saved \$4 million for the year. In addition, savings of \$1 million was realized in a non-departmental account set aside for

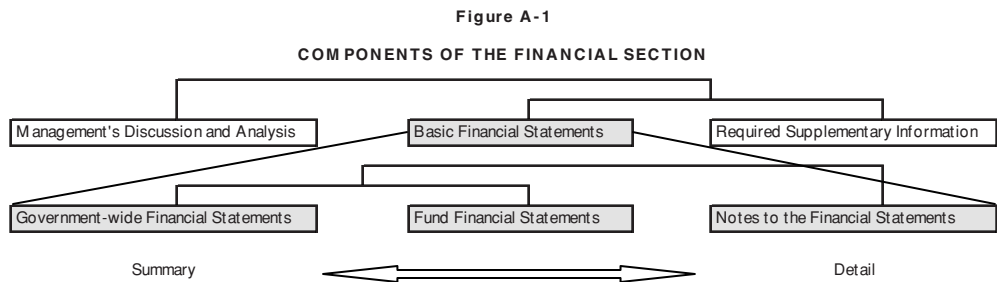
CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (unaudited)

contingencies. Fire, Police, and Neighborhood Services' operating accounts saved about \$1 million; with the remaining \$2 million from all other operating accounts of other departments.

- Outstanding General Obligation bonds and notes payable increased by \$114 million during the current fiscal year from \$780 million to \$894 million. This increase results from early retirement of General Obligation debt of \$471 million and issuance of \$585 million in new General Obligation bonds and notes for the continued funding of City capital projects as well as debt issued on behalf of the Milwaukee Public Schools.
- The City issued General Obligation Cash-flow Promissory Notes for \$147 million in advance of receipt of the State Shared Revenues. With the receipt of these revenues, an amount equal to the debt was transferred to the Debt Service Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the City's basic financial statements. The basic financial statements consist of three components: (1) **Government-wide** financial statements, (2) **Fund** financial statements, (3) **Notes** to the financial statements. This report also includes other (4) **Required Supplementary Information**. Figure A-1 shows how the required parts of the annual report are arranged and relate to one another.



The basic financial statements include two kinds of statements.

- Government-wide financial statements that provide both long-term and current period information about the City's overall financial status.
- "Fund" specific financial statements that focus on individual components of City government, reporting the City's operations in more detail than the government-wide statements.
 - Governmental fund statements tell how general government services such as public safety were financed in the past year as well as what remains for future spending.
 - Proprietary fund statements offer current year and long-term financial information about business type activities such as the water utility and the sewer maintenance systems.
 - Fiduciary fund statements provide financial information about certain operations - such as benefit plans for the City's employees—in which the City is solely a trustee or agent for the benefit of others to whom the resources belong.

A summary of the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain are depicted in table Figure A-2. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (unaudited)

FIGURE A-2
MAJOR FEATURES OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

	Government-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the city for basic governmental services	The day-to-day operating activities of the city for business-type enterprises	Instances in which the City administers resources on behalf of others, such as employee benefits
Required financial statements	* Statement of net assets * Statement of activities	* Balance Sheet * Statement of revenues, expenditures and changes in fund balances	* Statement of net assets * Statement of revenues, expenses, and changes in net assets * Statement of cash flows	* Statement of fiduciary net assets * Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual and current financial resources measurement focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus, except agency funds do not have measurement focus
Type of asset and liability information	All assets and liabilities, both financial and capital, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter; capital assets and long-term liabilities	All assets and liabilities, both financial and capital, short-term and long-term	All assets held in a trustee or agency capacity for others and all liabilities
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of the City's finances, in a manner similar to a private-sector business and include both long-term and short-term information about the City's financial status. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. All of the activities of the City, except those of a fiduciary nature, are included.

Two government-wide statements report the City's net assets and how they have changed. Net assets—the difference between the City's assets and liabilities—is one measure of the City's financial health, or financial position. Over time, increases or decreases in the City's net assets is one measure of whether its financial health is improving or deteriorating. Other non-financial factors such as changes in the property tax base and the condition of the City's infrastructure (streets, sewers, etc.) are also needed to assess the overall health of the City.

The government-wide financial statements of the City of Milwaukee are reported into three categories on these statements—governmental activities, business-type activities, and component units. A total column for the City is also provided.

- The *governmental activities* include the basic services of the City including general government (administration), police, fire, public works, health, culture, and development services. Taxes and general revenues generally support these activities.
- The *business-type activities* include the private sector type activities such as the water, sewer user charge, sewer maintenance, parking, and port. User charges or fees primarily support these activities.
- The *component units* include four other entities in its report. The Housing Authority and the Redevelopment Authority of the City of Milwaukee, Milwaukee Economic Development Corporation and the Neighborhood Improvement Development Corporation. Although legally independent entities, these organizations are closely related to the City of Milwaukee in terms of their respective financial and public policy responsibilities.

Fund Financial Statements

The City's major funds begin with Exhibit A-1. The fund financial statements provide detailed information about the most significant financial components of the municipality as opposed to the City as a whole. These individual funds are established for the purpose of executing specific activities and objectives in accordance with Federal, State and local laws and regulations.

CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
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The accounts of the City are organized on the basis of funds. Each fund is a separate fiscal and accounting entity with a self-balancing set of accounts including assets, liabilities, equities, revenues and expenditures or expenses.

The City reports financial activity and status according to three fund types: governmental, proprietary and fiduciary funds.

- Governmental funds: Most of the City's basic services are reported in governmental funds, applying modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine if more or fewer financial resources are available to be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in the reconciliation at the bottom of the fund financial statements.
- Proprietary funds: Operations which are financed primarily by user charges or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control and other purposes. Proprietary funds utilize full accrual accounting. The City's proprietary (enterprise) funds focus on the business-type activities reported in the government-wide statements, providing additional detail including cash flows.
- Fiduciary funds: The City is the trustee, or fiduciary, for its pension and other employee benefit trusts and various miscellaneous private purpose trusts. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets in Exhibits C-1, C-2 and H-1. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes which follow the Government-wide and Fund financial statements (Exhibits 1 through D-2) provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information to demonstrate legal budgetary compliance for each major fund for which an annual budget is adopted. This required supplementary information is presented in Exhibits E-1. A *Schedule of Funding Progress* relating to retiree health and life insurance is depicted in Exhibit E-2.

Combining and Individual Fund Statements and Schedules and Miscellaneous Financial Data

Combining schedules provide detail in connection with nonmajor governmental funds and nonmajor enterprise funds. Individual fund statements provide greater detail, presented as compared with the final amended budget for the General Fund, and each nonmajor special revenue fund. Capital Projects are also presented in detail by major category (i.e. streets, sewers) within the Miscellaneous Financial Data Section. See Exhibits F-1 through I-9.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

As year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the City as a whole. The net assets and net expenses of governmental and business-type activities of the City are presented separately below. Table 1 focuses on the net assets and Table 2 focuses on the changes in net assets.

CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (unaudited)

Table 1
Summary of Statement of Net Assets
(Thousands of Dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Current and other assets	\$ 839,138	\$ 888,034	\$ 99,970	\$ 117,622	\$ 939,108	\$ 1,005,656
Capital assets	929,995	985,504	795,192	837,899	1,725,187	1,823,403
Total assets	<u>1,769,133</u>	<u>1,873,538</u>	<u>895,162</u>	<u>955,521</u>	<u>2,664,295</u>	<u>2,829,059</u>
Long-term obligations	948,158	1,072,207	149,645	224,791	1,097,803	1,296,998
Other liabilities	572,852	528,317	64,488	53,925	637,340	582,242
Total liabilities	<u>1,521,010</u>	<u>1,600,524</u>	<u>214,133</u>	<u>278,716</u>	<u>1,735,143</u>	<u>1,879,240</u>
Net assets:						
Invested in Capital assets, net of related debt	367,061	360,132	650,478	619,758	1,017,539	979,890
Restricted	164,011	210,066	30,551	11,422	194,562	221,488
Unrestricted	<u>(282,949)</u>	<u>(297,184)</u>	<u>-</u>	<u>45,625</u>	<u>(282,949)</u>	<u>(251,559)</u>
Total net assets	<u>\$ 248,123</u>	<u>\$ 273,014</u>	<u>\$ 681,029</u>	<u>\$ 676,805</u>	<u>\$ 929,152</u>	<u>\$ 949,819</u>

Net assets of the City's governmental activities increased 11% to \$273 million for 2010. The portion of these net assets restricted as to use totaled \$198 million. Net assets invested in capital facilities (buildings, roads, bridges, etc) totaled \$360 million net of outstanding debt used to acquire those assets. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets are reported net of related debt, the funding needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The unrestricted net assets deficit (\$285 million) at the end of 2010 does not imply that the City has inadequate financial resources available to meet its current obligations. For example, the City's annual budgets do not include the full amounts needed to meet future liabilities arising from property-casualty claims, unused employee vacation-sick leave and outstanding debt. The City will include the amounts needed in future years' budgets as these obligations come due.

The net assets of business-type activities decreased 1% to \$677 million in 2010. The City generally can only use these net assets to finance the continuing operations of its specific enterprise activities.

Long-term obligations for governmental activities increased 13% and for business-type activities increased 50% from 2009 due primarily to the issuance and retirement of long-term debt and the recording of other post employment benefits (OPEB) obligation.

Total assets including capital assets increased \$165 million or 6% from 2009. Capital assets of the primary government increased 6% from the previous year due to several completed major street projects by the State of Wisconsin. For 2010, capital assets of the Water Works and the Sewer Maintenance Funds comprise 93% of the City's total capital assets related to business-type activities. These are the City's two largest enterprise (business-type) funds. The Water Works capital assets (48%) consist primarily of water mains and related water facilities and plants; and, the Sewer Maintenance Fund (45%) includes local sewer mains and connections.

Changes in net assets. Total annual City revenues less expenses yield the change in net assets. The City's program and general revenues totaled \$985 million for governmental activities. Forty-three percent of governmental purpose revenues are intergovernmental revenues (State aids, Federal and State grants) while 29% is derived from property and other taxes. Charges for services represent 10% of total revenues, and the remaining 18% generated by licenses, permits, fines and forfeits and other miscellaneous sources.

The City's governmental activity expenses cover a range of services, with \$326 million (32%) related to public safety (fire and police, neighborhood services). General government expenditures total \$259 million (26%) while public works expenditures total \$169 million (17%). Program specific revenues generated only about one-fourth of the revenue needed to support the cost of governmental activities. General City revenues, taxes and State aids provide the remaining funds.

CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (unaudited)

Total governmental activities revenues and transfers exceeded expenditures by \$26 million (3%). For business-type activities expenditures and transfers exceeded its revenues by \$4 million (2%). However, prior to the transfer of \$48 million from business type funds to governmental funds, business type funds showed a \$44 million excess of revenues over expenses while governmental activities showed a \$22 million gap of revenues below expenses. Chart 1, Expenses and Program Revenues – Governmental Activities and Chart 2 Expenses and Program Revenues – Business-type Activities depict this comparison by major function.

Table 2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Table 2
Changes in Net Assets
(Thousands of Dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2010	2009	2010	2009	2010
Revenues:						
Program revenues:						
Charges for services	\$ 91,057	\$ 97,146	\$ 213,032	\$ 226,139	\$ 304,089	\$ 323,285
Operating grants and contributions	73,694	95,018	-	-	73,694	95,018
Capital grants and contributions	-	57,739	18,674	3,094	18,674	60,833
General revenues:						
Property taxes and other taxes	270,191	283,442	-	-	270,191	283,442
State aids for General Fund	272,337	270,939	-	-	272,337	270,939
Miscellaneous	47,217	179,057	120	1,085	47,337	180,142
Total revenues	<u>754,496</u>	<u>983,341</u>	<u>231,826</u>	<u>230,318</u>	<u>986,322</u>	<u>1,213,659</u>
Expenses						
General government	207,504	259,420	-	-	207,504	259,420
Public safety	331,409	326,366	-	-	331,409	326,366
Public Works	167,983	168,699	-	-	167,983	168,699
Health	22,995	23,360	-	-	22,995	23,360
Culture and recreation	22,901	21,075	-	-	22,901	21,075
Conservation and development	50,683	66,758	-	-	50,683	66,758
Capital contribution to						
Milwaukee Public Schools	5,153	91,161	-	-	5,153	91,161
Contributions	21,026	23,321	-	-	21,026	23,321
Interest on long-term debt	23,985	26,467	-	-	23,985	26,467
Water	-	-	67,946	67,966	67,946	67,966
Sewer Maintenance	-	-	34,847	41,188	34,847	41,188
Parking	-	-	24,659	25,450	24,659	25,450
Port of Milwaukee	-	-	3,811	5,885	3,811	5,885
Metropolitan Sewerage District User Charges.	-	-	44,545	45,876	44,545	45,876
Total expenses	<u>853,639</u>	<u>1,006,627</u>	<u>175,808</u>	<u>186,365</u>	<u>1,029,447</u>	<u>1,192,992</u>
Increase in net assets before transfers	(99,143)	(23,286)	56,018	43,953	(43,125)	20,667
Transfers	40,111	48,177	(40,111)	(48,177)	-	-
Increase in net assets	(59,032)	24,891	15,907	(4,224)	(43,125)	20,667
Net assets – Beginning	<u>307,155</u>	<u>248,123</u>	<u>665,122</u>	<u>681,029</u>	<u>972,277</u>	<u>929,152</u>
Net assets – Ending	<u>\$ 248,123</u>	<u>\$ 273,014</u>	<u>\$ 681,029</u>	<u>\$ 676,805</u>	<u>\$ 929,152</u>	<u>\$ 949,819</u>

Governmental Activities

Revenues for the City's governmental activities totaled \$983 million, while total expenses totaled \$1,007 million for 2010. The 2010 governmental activity expenditures total increased by 18% over 2009. Total revenues, excluding transfers, supported 98% of total expenses; 103% with transfers. Comparable data for 2009 indicates 88% of all revenues, excluding transfers supported the 2009 expenses and, 93% including transfers.

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Property taxes represent 29% of the total revenues for 2010 compared to 36% for 2009; a 7% decrease in this category. While the actual revenue increased 5% over the previous year, the comparison to the total decreased due to an increase in additional grants and contributions. The City of Milwaukee's share of the Tax Rate increased eighty cents (from \$8.09 in 2009 to \$8.89 in 2010 (per \$1,000 of Assessed Value), due in part to a decrease in assessed property value. State aids for the General Fund of \$271 million decreased by \$1 million or 1% in 2010. The combined property taxes and State aids comprised approximately 56% of the total revenues for governmental funds in 2010 compared to 72% in 2009. Charges for services equaled 10% of the total revenues in 2010 compared to 12% in 2009. Operating grants, capital grants, and contributions increased \$79 million, to a total \$153 million or 16% of total revenues in 2010 compared to only 10% in 2009. During 2010, non-cash capital grants were recorded to represent the State contribution of completed major street projects on behalf of the City.

In 2010, governmental-activity-type expenses increased by \$153 million (18%) to 1,007 million in 2010. Federal Recovery Act funding, Milwaukee Public Schools (MPS) cash-flow borrowing and an addition to City Pension reserves were the major contributing factors. Expenses for general government, which comprise 26% of the total expenses, increased 25% in 2010. Public safety expenses represent the largest category of governmental activities or 32% of the total expenses for 2010 which is a decrease of 2% over 2009. The largest change occurred in the City's contribution to the Milwaukee Public Schools, an increase of \$86 million and represents 56% of the overall increase in expenditures. The Milwaukee Public Schools cannot issue its own debt. As a result, the City issued debt to finance MPS operations pending the issuance of revenue anticipation notes later in the year. Since this borrowing simply finances MPS operating costs until MPS receives State aids, this City increase does not reflect an expansion of MPS or City spending. Also, the General Government category increased \$52 million, primarily as a result of a one-time contribution payment to the Employees' Retirement System of \$49 million as a result of significant investment losses incurred in prior years. These two items represent \$135 million or 88% of the overall increase in governmental activities for 2010.

Chart 1
2010 Expenses and Program Revenues - Governmental Activities

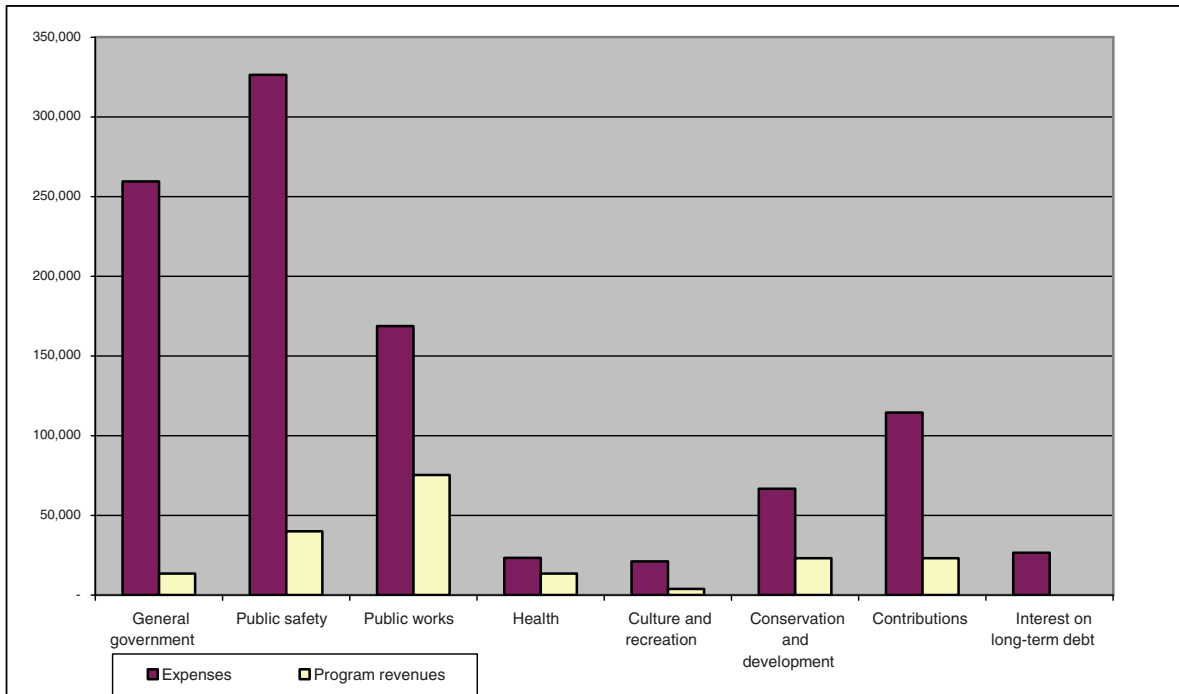


Table 3 presents the cost of each of the City's largest programs as depicted in the Chart 1 above, as well as each program's net costs (total cost less the revenues generated by the activities). General government includes most City departments, such as: Mayor, Common Council, Administration, Employee Relations, Municipal Court, City Attorney, Comptroller and Treasurer.

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Public safety includes Fire, Police and Neighborhood Services. "Net cost" shows the financial placed on the city taxpayers by each of these functions.

Table 3
Governmental Activities
(Thousand of Dollars)

	Total Cost of Services		Net Cost of Services	
	2009	2010	2009	2010
General government	\$ 207,504	\$ 259,420	\$ 195,668	\$ 245,926
Public safety	331,409	326,366	300,285	286,416
Public works	167,983	168,699	101,405	35,626
Health	22,995	23,360	10,496	9,942
Culture and recreation	22,901	21,075	19,094	17,181
Conservation and development	50,683	66,758	33,076	43,689
Contributions	26,179	114,482	4,879	91,477
Interest on long-term debt	23,985	26,467	23,985	26,467
Total Governmental Activities	<u>\$ 853,639</u>	<u>\$ 1,006,627</u>	<u>\$ 688,888</u>	<u>\$ 756,724</u>

The Table 3 above indicates that the cost of services not funded with direct program revenue for governmental activities increased in 2010 to \$757 million from \$689 million in 2009 or 10% change. Because such a small portion of total costs are supported by program revenue, the remainder of the total costs of service must be funded by general City taxes and State aids.

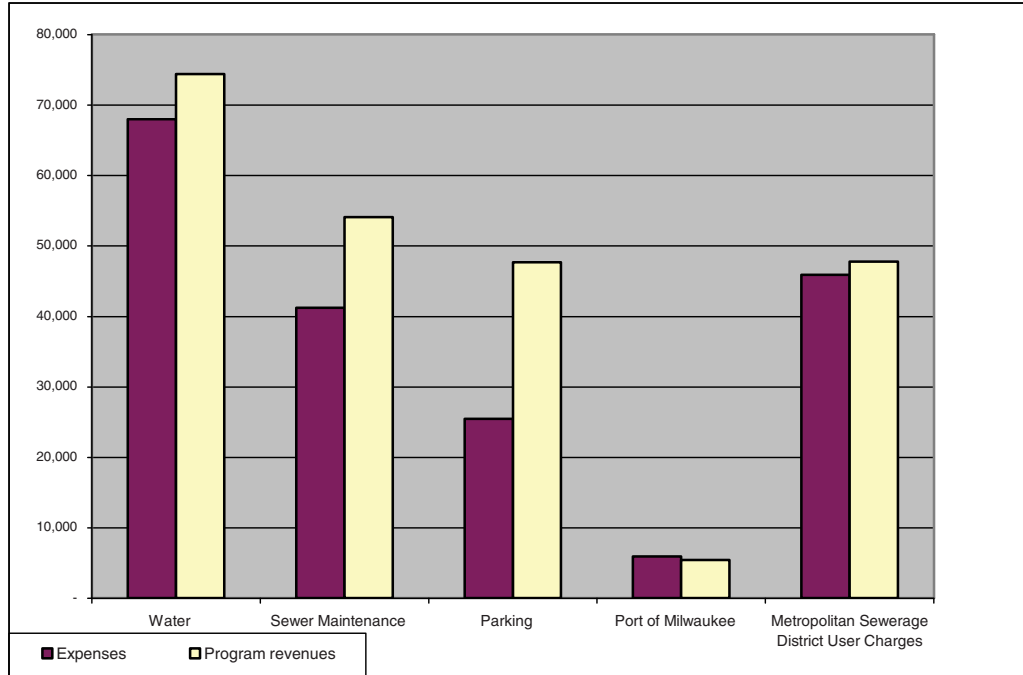
Business-type Activities

The two major enterprises or business-type activities for the City of Milwaukee are water services and sewer maintenance. The Water Works had operating expenses of \$67 million and operating income of \$6 million. The Sewer Maintenance produced a net operating income of \$30 million after incurring expenses of \$22 million.

Business-type revenues on Table 2 decreased by \$3 million in 2010 compared to 2009, or 1%. Total expenses and transfers of all enterprise funds of the City increased \$17 million, from \$216 million in 2009 to \$233 million in 2010 (+8%). Overall, 2010 year-end Total Net Assets decreased by \$4 million to \$677 million, or -1%.

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Chart 2
2010 Expenses and Program Revenues - Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses fund accounting consistent with finance related legal requirements and external government accounting standards.

Governmental Funds

Governmental Funds are reported in the fund based financial statements with a focus on the annual inflow and outflow of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with the succeeding year's requirements. In particular, the Reserved for Tax Stabilization account in the General Fund serves as one useful measure of the City's net resources available for financing subsequent year's budget. This budgeted reserve is intended to help stabilize year-to-year fluctuations in the City property tax rate. Types of Governmental Funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

As the City completed 2010, its Governmental Funds (as presented in the balance sheet on Exhibit A-1) reported a combined fund balance of \$264 million, an increase of \$38 million or 17% over 2009. The General Obligation Debt Service Fund and the Public Debt Amortization Fund generated nearly \$32 million of this increase. Non-major governmental funds produced a positive change from operations of \$2 million. The Capital Projects Fund balance increased by \$17 million; although, the total Fund balance remains a negative amount of \$20 million. This negative balance persists because the City of Milwaukee typically borrows to fund authorized capital projects only after expenditures for these projects. This practice minimizes City borrowing costs and facilitates compliance with Federal IRS regulations. Debt issued for capital projects totaled \$238 million in 2010 compared to \$84 million in 2009.

The total reserves of the General Fund decreased 15% to \$60 million from \$71 million in 2009. This decrease was due to a reduction in required reserves for encumbrances, carryovers, and inventory of \$14 million. Of the total year-end 2010 General Fund fund balance of \$60 million, \$29 million is reserved and available for 2012 and subsequent years' budgets. This amount is unchanged when compared to the \$29 million balance at year-end 2009.

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Chart 3 and 4 illustrate spending by function and revenues by source for all governmental funds.

Chart 3
2010 City Spending by Function - Governmental Funds

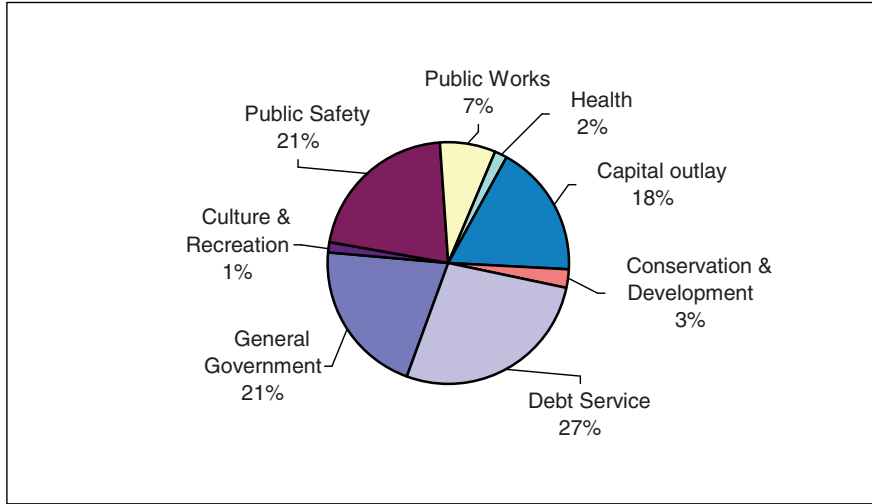
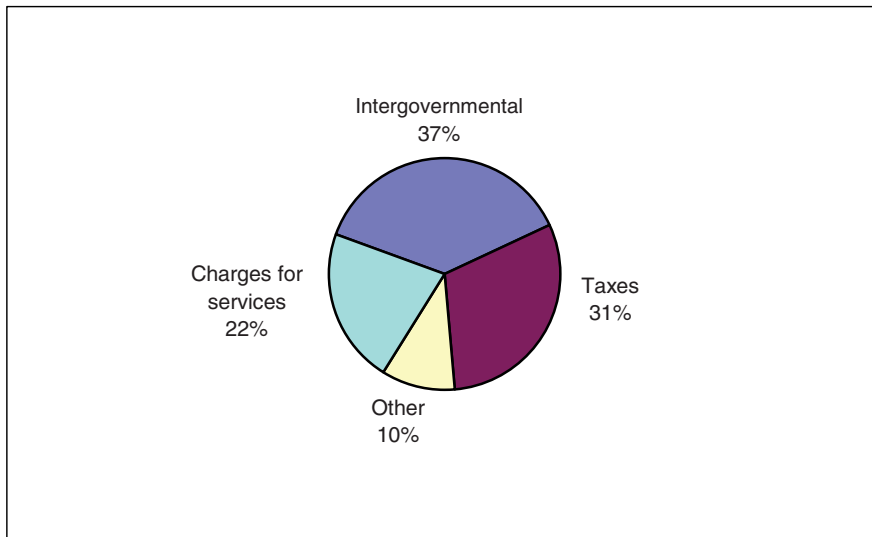


Chart 4
2010 Revenues by Source - Governmental Funds



Revenues for governmental functions overall totaled \$922 million in the fiscal year ended December 31, 2010 (+19%). Expenditures for governmental funds totaled \$1,356 million (+32%). Expenditures exceeded revenues by \$434 million. Other financing sources closed the gap, leaving a total net increase in governmental fund balances of \$38 million for the year compared to an increase of \$23 million in 2009. Other financing sources include, proceeds from issuance of debt, refunding payment and issuance premiums; transfers from enterprise funds; and receipt of loans receivable transferred from the Neighborhood Improvement Development Corporation component unit.

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Major Governmental Funds

The General Fund is the City's primary operating fund and the largest funding source for day-to-day services. The fund balance of the General Fund decreased by \$12 million or 16%. Revenues and other financing sources totaled approximately \$802 million and expenditures and other financing uses totaled approximately \$813 million - detailed in Table 4 below. While revenues growth remained consistent with the prior year (increasing by 4% over 2009), expenditures increased by 6% over 2009, with expenditures exceeding revenues by 10%. Other Financing Sources (consisting of debt proceeds and transfers in from other funds), exceeded Other Financing Uses (consisting of transfers out to other funds) by \$50 million. This excludes the budgeted use of funds from the Reserve for Tax Stabilization account. Thirteen million was budgeted from the Reserve for Tax Stabilization to fund the 2010 General Fund budget. This was a decrease of \$9 million from 2009.

Total General Fund revenues for 2010 totaled \$603 million. The largest revenue category is intergovernmental at \$271 million with 45% of the total revenue. The second largest revenue source is Property Taxes with \$168 million or 28%. The Charges for Services category, which includes revenues for services provided by City departments, comprises 16% or \$97 million. These three categories combined comprise 89% of the total revenues for 2010. The largest percentage increase in revenues compared to 2009 was the Other Taxes category with a 45% increase.

The following table (Table 4) presents a summary of revenues and expenditures of the General Fund compared to prior year:

Table 4
General Fund
Summary of Revenues, Expenditures and Other Financing Sources and Uses
(Thousands of Dollars)

Revenues and Other Financing Sources				Expenditures and Other Financing Uses			
Revenues:	2009	2010	% Change	Expenditures:	2009	2010	% Change
Property taxes	\$ 156,410	\$ 168,031	7.4%	General government.....	\$ 222,809	\$ 276,326	24.0%
Other taxes	3,504	5,097	45.5%	Public safety.....	276,060	264,067	-4.3%
Licenses and permits	12,186	12,948	6.3%	Public works.....	97,093	94,482	-2.7%
Intergovernmental	272,337	270,939	-0.5%	Health.....	10,446	9,996	-4.3%
Charges for services	91,057	97,146	6.7%	Culture and recreation	17,329	15,656	-9.7%
Fines and forfeits	4,802	5,422	12.9%	Conservation and development	4,230	3,747	-11.4%
Contributions received	21,300	23,005	8.0%	Total Expenditures	627,967	664,274	5.8%
Other	19,967	20,323	1.8%				
Total Revenues	581,563	602,911	3.7%				
Other Financing Sources				Other Financing Uses			
Debt proceeds	119,000	147,000	23.5%	Transfers out	118,081	149,078	26.3%
Transfers in	43,834	51,711	18.0%	Total Expenditures and other Financing Uses	\$ 746,048	\$ 813,352	9.0%
Total Revenues and Other Financing Sources .	<u>744,397</u>	<u>801,622</u>	7.7%				
Excess of Revenues over Expenditures	<u>(46,404)</u>	<u>(61,363)</u>	-32.2%				
Net Change in Fund Balance	<u>\$ (1,651)</u>	<u>\$ (11,730)</u>	-610.5%				

Beginning in 2006, the City began issuing General Obligation Cash-Flow Promissory Notes (rather than Revenue Anticipation Notes) in advance of receipt of the State Shared Revenues. For 2010, \$147 million was issued.

The City maintains two separate debt service funds. The General Obligation Debt Service Fund accounts for resources accumulated and payments made for principal and interest on the City's outstanding general obligation debt. The Public Debt Amortization Fund is governed by State Statutes Section 67.101 whereby accumulated resources can be used for the

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retirement of the public debt. The General Obligation Debt Service Fund increased its fund balance from \$81 million to \$118 million or 46%. Total revenues of the General Obligation Debt Service increased from \$103 million 2009 to \$205 million in 2010. Revenues combined with *Other Financing Sources* totaled \$519 million; expenditures combined with *Other Financing Uses* totaled \$482 million; resulting in a *net increase in Fund Balance* for year end 2010 of \$37 million.

Capital Projects Funds are used to account for the financial resources segregated for the acquisition, construction, or repair of major capital facilities other than those financed by proprietary funds. At year end, 2010 showed a fund balance deficit of \$20 million (an increase in the fund balance of \$16 million compared to a fund balance deficit of \$36 million in 2009). In 2010, total debt proceeds amounted to \$238 million as compared to \$84 million in 2009, a 183% increase. Total revenues increased 24% from \$17 million to \$21 million; expenditures increased from \$98 million to \$240 million or 145%. The issuance of bonds and notes during 2010 for capital purposes combined with revenues and transfers were sufficient to cover the current year's expenditures and also reduced the 2010 year end deficit in fund balance by \$16 million.

Proprietary Funds

The proprietary fund statements provide information on both short and long-term financial status, focusing on net assets and the change in net assets as a result of operations.

At the end of the fiscal year, the total unrestricted net assets for all enterprise funds were \$46 million. This was an increase from \$19 million at December 31, 2009 or 142%. This increase consists of \$(-18) million in Water Works and \$45 million in Sewer Maintenance fund.

In 2010, operating revenues of the enterprise funds totaled \$226 million (+7%); total operating expenses increased to \$164 million in 2010 (+2%). The Water Works is the largest enterprise activity for the City, comprising approximately 32% of the total operating revenues. The Sewer Maintenance Fund comprises 23% of the total operating revenues. Both funds primarily bill customers based on water consumption. For 2010, Water Works operating revenues increased 0.6% while Sewer Maintenance operating revenues increased 8%; all other enterprise funds combined increased by 10%. Water Works non-operating revenues for 2010 are mainly composed of interest income and other miscellaneous revenues. The investment income decreased \$73,000 (83%) compared to the 2009 income. Other miscellaneous non-operating revenue also decreased from \$63,000 to \$45,000 in 2010. These miscellaneous revenues (fees for servicing of branch water mains and water tapping services) decreased 29% from 2009.

The Water Works incurred total expenses of \$67 million for 2010 compared to \$68 million for 2009. Excluding depreciation expense, operating expenses increased over the previous year by \$32,000 or .06%. The non-operating expenses (interest expense) of the Water Works decreased by \$118,000 due to the declining principal balances on outstanding debt.

Excluding the Water Works, total operating expenses of all other enterprises funds increased 4% over 2009.

General Fund Budgetary Highlights

For the fiscal year ended December 31, 2010, the General Fund revenue budget exceeded actual revenues by \$3 million. Actual 2010 General Fund revenues also exceeded that of the prior year. On a budgetary basis, General Fund actual revenues totaled \$580 million in 2010, a \$20 million (4%) increase over 2009. Property Taxes and Other Taxes increased by 7% and 45%, respectively. All revenue categories except Intergovernmental had an increase in 2010. Charges for Services category increased of \$6 million. Noteworthy increases for this category over 2009 actual revenue include new revenue from Construction Debris Disposal and Vacant Building Registration and Residential Rental Inspection fees. These three revenues totaled \$0.8 million. While the revenues from paramedic activities decreased \$0.8 million, recycling revenues increased \$0.6 million. Combining the snow and ice fee and the solid waste fee, the overall net increase was \$2.7 million. In addition, services to the sewer maintenance enterprise fund showed had an increase of \$2.1 million. Property Taxes increased nearly \$12 million due to an increase in the tax rate for City purposes of eighty cents (from \$8.09 to \$8.89 per \$1,000 of Assessed Value). All other categories combined (Other Taxes, Licenses and permits, Intergovernmental, Fines and forfeits, and Other) increased by \$2 million or 0.6%. A major Other Revenue identified was interest on investments, which totaled \$503,000 for 2010. The average interest earnings rate was 0.315% compared to .746% in 2009 with a decrease in the average investable balance from \$238.3 million in 2009 to \$235.8 million in 2010.

The year 2010 also produced an unexpended budget surplus of \$8 million. The general government category contributed \$6 million; the public safety category had a surplus of \$1 million. Public works, health culture and recreation, and, conservation and development categories, in the aggregate, added nearly \$1 million. These savings included \$4 million in various fringe

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benefit costs that were allocated to capital and grant projects rather than to general fund accounts, \$1 million was realized in the non-departmental account for departments' contingencies primarily earmarked for snow operations, \$1 million in the aggregate from various Police, Fire and Neighborhood Services departments' operating accounts, and \$2 million from all other departmental operating accounts.

During 2010, the Common Council adopted seven resolutions which increased the General Fund appropriations due to greater than anticipated revenues. These increased revenues provided departments an additional \$2 million in appropriation authority.

The original budget for expenditures includes the adopted budget plus the encumbrances carried over from 2009 less the encumbrances carried over to 2011. The final budget includes the original budget as defined plus appropriations authorized for carryover from 2009 by the Common Council less those appropriations authorized for carryover to 2011. In addition, certain appropriations are budgeted in a general non-departmental account (i.e. contingency) and are only transferred from this account to specific departments during the year to expend after authorization by the Common Council. These appropriation adjustments are part of the final budget. As detailed in the Required Supplementary Information Section, Exhibit E-1 shows both the original 2010 General Fund expenditure budget of \$633 million and the final budget of \$650 million. This is a 4% increase over the final 2009 budget of \$625 million. The original General Fund revenue budget totaled \$582 million with the final budget increasing approximately \$1 million. This is a 4% increase over the final 2009 revenue budget of \$563 million.

The General Fund Schedule of Expenditures-Budget and Actual (Exhibit I-9) details current year expenditures by department.

The City's General Fund's beginning fund balance of \$71 million as reported on the General Fund Statement of Revenues, Expenditures and Changes in Fund Balance differs from the General Fund's budgetary fund balance reported in the budgetary comparison schedule by the amount of the budgeted withdrawal from the Reserve for Tax Stabilization of \$13 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets for governmental and business-type activities as of December 31, 2010 total \$1,823 million (net of accumulated depreciation). Capital assets include land, buildings, infrastructure, improvements other than buildings, machinery and equipment, furniture and furnishings, non-utility property, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$98 million or 5.7%. Governmental activities' capital assets increased \$56 million or a 6% increase from 2009. Business-type activities' capital assets increased \$43 million or 5.4% at the end of 2010. A schedule comparing the assets by type for 2009 and 2010 for both governmental and business-type activities is depicted in Table 5 below. The net change in assets as detailed in Note 4 reports that additions were \$78 million and deletions were \$23 million for 2010 for governmental activities. The Sewer Maintenance Fund had a net change in capital assets that resulted in an increase of \$35 million. Of the Sewer Maintenance Fund's net assets at year end, 99% relate to the sewer mains infrastructure. Infrastructure net assets of the Water Works Fund comprise 68% of its total net assets with 25% consisting of machinery and equipment. The total net change in all Water Works net assets was an increase of 2%.

Debt issued to finance tax incremental districts (TID) totals \$163 million outstanding at year end. The majority of these expenditures have no related assets for TID, so the net increase in TID debt reduces unrestricted net assets by an equal amount. In addition, debt issued for school purposes at year end was \$132 million. The Milwaukee Public Schools (MPS) is a separate governmental entity. By State Statute, MPS cannot issue its own debt. As a result, the City issues debt for school purposes. The City has the option of providing funds from its treasury or issue debt to finance school construction, operations and/or maintenance. The City chooses to issue debt. The MPS's assets are not an asset of the City and, as a result, capital expenditures for school purposes also reduce unrestricted net assets by an equal amount.

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Table 5
Capital Assets
 (net of depreciation)
 (Thousands of Dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Capital assets not being depreciated:						
Land	\$ 164,250	\$ 164,210	\$ 18,167	\$ 18,253	\$ 182,417	\$ 182,463
Construction in progress	40,839	26,513	18,095	14,897	58,934	41,410
Intangible right of ways	-	1,319	-	-	-	1,319
Capital assets being depreciated:.....						
Buildings	257,076	276,816	89,407	91,798	346,483	368,614
Infrastructure	1,377,383	1,450,918	802,717	861,200	2,180,100	2,312,118
Improvements other than buildings	11,687	11,811	7,717	7,771	19,404	19,582
Machinery and equipment	164,265	173,788	215,306	221,194	379,571	394,982
Intangible software.....	-	1,364	-	-	-	1,364
Nonutility property	-	-	5,509	4,692	5,509	4,692
Accumulated depreciation	<u>(1,085,505)</u>	<u>(1,121,235)</u>	<u>(361,726)</u>	<u>(381,906)</u>	<u>(1,447,231)</u>	<u>(1,503,141)</u>
Total	<u>\$ 929,995</u>	<u>\$ 985,504</u>	<u>\$ 795,192</u>	<u>\$ 837,899</u>	<u>\$ 1,725,187</u>	<u>\$ 1,823,403</u>

Debt

At year-end, the City had \$894 million in general obligation bonds and notes, \$81 million in State loans, and \$54 million in revenue bonds outstanding as itemized in Table 6.

New debt issued for general obligation bonds and notes totaled \$585 million, of which \$75 million related to Water Works, Sewer Maintenance, Port, and Parking Enterprises.

The City continues to maintain high investment grade ratings from the three major rating agencies. A rating of AA+ from Fitch Ratings, AA from Standard and Poor's Corporation, and Aa2 from Moody's Investors Service, Inc, were received on the City's April 2010 general obligation bond issues.

The City's gross general obligation debt per capita, excluding enterprise fund debt, was \$1,155 at the end of 2009 and \$1,259 at the end of 2010; an 9% increase from the prior year. As of December 31, 2010, the City's outstanding net general obligation debt for governmental activities was 2.40% of the City's total taxable value of property. (Statistical Section - Table 9) The legal debt limit is 7% of equalized property value, including Milwaukee Public Schools debt, which also is issued by the City. Excluding the 2% limit on School debt, the City has a 5% legal debt limit and has used about 52% of this limit. The City issues general obligation notes to purchase a portion of General Fund delinquent taxes. During 2010, notes were issued in the amount of approximately \$29.9 million. Collections on these taxes and related interest will be used to meet the related debt service requirements.

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Table 6
Outstanding Debt
General Obligation and Revenue Bonds
(Thousand of Dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2010	2009	2010	2009	2010
General obligation bonds and notes (backed by the City)	\$ 742,752	\$ 812,183	\$ 36,803	\$ 82,002	\$ 779,555	\$ 894,185
State loans	-	-	48,002	80,724	48,002	80,724
Revenue bonds (backed by specific fee revenues)	-	-	57,515	53,737	57,515	53,737
Total	<u>\$ 742,752</u>	<u>\$ 812,183</u>	<u>\$ 142,320</u>	<u>\$ 216,463</u>	<u>\$ 885,072</u>	<u>\$ 1,028,646</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND TAX RATE

The average unemployment rate within the City of Milwaukee for 2010 is 11.5%, compared to 11% for 2009. City of Milwaukee per capita income for the most recent fiscal year available (2009) was \$37,088, compared to 37,118 for 2008. The City's population over the last five years is depicted in the table below. The 2006-2009 data is estimated from the Wisconsin Department of Revenue used in the distribution of State Shared Taxes; and, these years differ from the U.S. Census Bureau. The 2010 data is from the Census Bureau.

2006	590,370
2007	590,190
2008	590,870
2009	584,000
2010	594,833

The 2011 adopted City Budget is about \$1.5 billion with a General Fund budget of \$683 million. The General Fund budget decreased 0.15% over the 2009 budget of \$684 million. In 2011, the City will expend \$145 million for health insurance and related costs compared to \$120 million budgeted for 2010, an increase of 21%. Estimated Full-time Equivalent (FTE) employment for all General Fund departments decreased by 24 FTE with the Public Works Department and the Unified Call Center Department showing a decrease of 20 and 7 FTE, respectively. The City reached agreements with its largest labor union (District Council (DC) 48) holding wage rates for 2010 and 2011 at 2009 levels, with progression steps not awarded. Also, the City continued four mandatory furloughs days for both 2010 and 2011.

Total property taxes levied for all funds of the City in 2010 for 2011 purposes increased \$0.23 per thousand dollars of assessed valuation to a rate of \$9.12 (+2.6%). The 2009 for 2010 rate increased \$0.80 (from \$8.09 to \$8.89 or +11.0%).

The total City property tax levy remained at the \$247 million for both 2009 and 2010. While the rate for 2010 increased, the assessed valuation decreased; thus providing roughly the same amount in property tax revenue. The property tax levy will provide \$111.6 million for general City purposes in 2011. This represents an increase of \$21.6 million from 2010 or 24%. The 2011 General City Purpose budget includes \$100 million in estimated revenue for City charges for services rendered, an increase of \$4 million. A City Solid Waste Fee is the largest revenue source in this category and is expected to generate \$32 million for 2011. This fee represents 32% of the total charges for services in the 2011 budget. The Street Sweeping-Leaf Collection Fee is expected to generate \$12 million for 2010, no increase over 2009. This Fee comprises 13% of the total charges for services for both 2011 and 2010. Most 2011 revenue estimates remained consistent with the prior year with only a net overall increase of 0.08%.

Estimated General City Purposes intergovernmental revenues, primarily from the State of Wisconsin, are projected to total \$271.6 million; a slight increase of \$750,000 from 2010.

Revenue increases were also implemented in City enterprise funds for 2011 including the following: the Water Works in late December 2010 received approval from the Public Service Commission at a reduced rate of return from what the Work Works

CITY OF MILWAUKEE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
(unaudited)

had requested. The delay in implementing the new rates cost the utility about \$18 million in revenue in 2010. Due to this loss in expected revenue, the Water Works took action to stabilize its 2010 finances by delaying equipment purchased, scrutinizing operating expenses and reducing overtime, and curtailing water main replacements. A second rate case approved a 4.18% rate of Return and should be fully implemented in mid-2011. As a result, the average single family residential user in the City of Milwaukee will pay \$45.48 per quarter. Sewer Maintenance Fee will increase 1.6% to \$14.22.

The City remains in sound financial condition, as demonstrated by the financial statements and schedules included in this report. The General Fund Reserve for Tax Stabilization remained stable at \$44 million for 12/31/10 compared to \$42 million for 12/31/09. That portion of the Reserve for Tax Stabilization available for future years also remained stable at \$29 million at year-end 2010 and for 2009. With expected continuing limitations on State Shared Revenue, growing health care and post employment costs and other fiscal pressures, the City is reviewing options for 2011.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with an overview of the City's finances and to demonstrate the City's accountability for the taxes and other funding received. If you have questions about this report or need additional financial information, contact the City of Milwaukee, Office of the City Comptroller, Office, City Hall, 200 East Wells Street Room 404, Milwaukee, WI 53202.

**BASIC
FINANCIAL
STATEMENTS**

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

CITY OF MILWAUKEE
STATEMENT OF NET ASSETS
 December 31, 2010
 (Thousands of Dollars)

Exhibit 1

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 274,745	\$ 53,665	\$ 328,410	\$ 60,099
Investments	14,883	-	14,883	4,687
Receivables (net):				
Taxes	213,584	-	213,584	-
Accounts	27,843	44,941	72,784	2,881
Unbilled accounts	754	15,156	15,910	-
Special assessments	10,556	-	10,556	-
Notes and loans	118,911	-	118,911	94,002
Accrued interest	315	8	323	5,758
Due from component units	17,707	-	17,707	-
Due from primary government	-	-	-	399
Due from other governmental agencies	198,245	51	198,296	26,072
Inventory of materials and supplies	7,621	2,632	10,253	-
Inventory of property for resale	26	-	26	8,027
Prepaid items	355	590	945	1,014
Deferred charges	2,489	321	2,810	999
Other assets	-	258	258	427
Total Noncapital Assets	<u>888,034</u>	<u>117,622</u>	<u>1,005,656</u>	<u>204,365</u>
Capital assets:				
Capital assets not being depreciated:				
Land	164,210	18,253	182,463	56,816
Construction in progress	26,513	14,897	41,410	16,732
Intangible right of ways	1,319	-	1,319	-
Capital assets being depreciated:				
Buildings	276,816	91,798	368,614	500,289
Infrastructure	1,450,918	861,200	2,312,118	379
Improvements other than buildings	11,811	7,771	19,582	1,725
Machinery and equipment	173,788	221,194	394,982	3,718
Intangible software	1,364	-	1,364	-
Nonutility property	-	4,692	4,692	-
Accumulated depreciation	(1,121,235)	(381,906)	(1,503,141)	(251,174)
Total Capital Assets	<u>985,504</u>	<u>837,899</u>	<u>1,823,403</u>	<u>328,485</u>
Total Assets	<u>1,873,538</u>	<u>955,521</u>	<u>2,829,059</u>	<u>532,850</u>

CITY OF MILWAUKEE
STATEMENT OF NET ASSETS
 December 31, 2010
 (Thousands of Dollars)

Exhibit 1 (Continued)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts payable	\$ 37,727	\$ 21,010	\$ 58,737	\$ 10,531
Accrued expenses	33,089	2,599	35,688	12,966
Accrued interest payable	12,122	1,167	13,289	-
Internal balances	(29,135)	29,135	-	-
Due to component units	399	-	399	-
Due to other governmental agencies	294	-	294	2,486
Deferred revenue	298,821	14	298,835	4,584
Revenue anticipation notes payable	175,000	-	175,000	-
Other payables	-	-	-	-
Other liabilities	-	-	-	10,782
Due to primary government:				
Due within one year	-	-	-	1,157
Due in more than one year	-	-	-	16,550
Long-term obligations:				
Due within one year	107,894	14,447	122,341	11,437
Due in more than one year	<u>964,313</u>	<u>210,344</u>	<u>1,174,657</u>	<u>133,946</u>
Total Liabilities	<u>1,600,524</u>	<u>278,716</u>	<u>1,879,240</u>	<u>204,439</u>
NET ASSETS				
Invested in capital assets, net of related debt	360,132	619,758	979,890	200,573
Restricted for:				
Debt Service	197,499	11,422	208,921	-
Other purposes	12,567	-	12,567	18,591
Unrestricted	<u>(297,184)</u>	<u>45,625</u>	<u>(251,559)</u>	<u>109,247</u>
Total Net Assets	<u>\$ 273,014</u>	<u>\$ 676,805</u>	<u>\$ 949,819</u>	<u>\$ 328,411</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MILWAUKEE
STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit 2

Functions/Programs	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:				
Governmental Activities:				
General government	\$ 259,420	\$ 9,931	\$ 3,563	\$ -
Public safety	326,366	16,202	23,748	-
Public works	168,699	68,135	7,199	57,739
Health	23,360	1,071	12,347	-
Culture and recreation	21,075	1,504	2,390	-
Conservation and development	66,758	303	22,766	-
Capital contribution to Milwaukee Public				
Schools	91,161	-	-	-
Contributions	23,321	-	23,005	-
Interest on long-term debt	26,467	-	-	-
Total Governmental Activities	<u>1,006,627</u>	<u>97,146</u>	<u>95,018</u>	<u>57,739</u>
Business-type Activities:				
Water	67,966	73,473	-	910
Sewer Maintenance	41,188	52,046	-	2,011
Parking	25,450	47,477	-	173
Port of Milwaukee	5,885	5,398	-	-
Metropolitan Sewerage District				
User Charges	45,876	47,745	-	-
Total Business-type Activities	<u>186,365</u>	<u>226,139</u>	<u>-</u>	<u>3,094</u>
Total Primary Government	<u>\$ 1,192,992</u>	<u>\$ 323,285</u>	<u>\$ 95,018</u>	<u>\$ 60,833</u>
Component units:				
Housing Authority	\$ 90,346	\$ 20,057	\$ 53,938	\$ 20,829
Redevelopment Authority	13,805	5,980	8,294	9,292
Milwaukee Economic Development Authority	3,385	2,969	1,814	-
Neighborhood Improvement Development Corporation	3,715	764	1,313	1,343
Total Component Units	<u>\$ 111,251</u>	<u>\$ 29,770</u>	<u>\$ 65,359</u>	<u>\$ 31,464</u>
General revenues:				
Property taxes and other taxes				
State aids for General Fund				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets - Beginning, as restated (note 1w)				
Net Assets - Ending				

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (245,926)		\$ (245,926)	
(286,416)		(286,416)	
(35,626)		(35,626)	
(9,942)		(9,942)	
(17,181)		(17,181)	
(43,689)		(43,689)	
(91,161)		(91,161)	
(316)		(316)	
<u>(26,467)</u>		<u>(26,467)</u>	
<u>(756,724)</u>		<u>(756,724)</u>	
-	\$ 6,417	6,417	
-	12,869	12,869	
-	22,200	22,200	
-	(487)	(487)	
<u>-</u>	<u>1,869</u>	<u>1,869</u>	
<u>-</u>	<u>42,868</u>	<u>42,868</u>	
<u>(756,724)</u>	<u>42,868</u>	<u>(713,856)</u>	
			\$ 4,478
			9,761
			1,398
			<u>(295)</u>
			<u>15,342</u>
283,442	-	283,442	-
270,939	-	270,939	-
179,057	1,085	180,142	4,908
<u>48,177</u>	<u>(48,177)</u>	<u>-</u>	<u>-</u>
<u>781,615</u>	<u>(47,092)</u>	<u>734,523</u>	<u>4,908</u>
24,891	(4,224)	20,667	20,250
<u>248,123</u>	<u>681,029</u>	<u>929,152</u>	<u>308,161</u>
<u>\$ 273,014</u>	<u>\$ 676,805</u>	<u>\$ 949,819</u>	<u>\$ 328,411</u>

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**FUND
FINANCIAL
STATEMENTS**

CITY OF MILWAUKEE
BALANCE SHEET
GOVERNMENTAL FUNDS
 DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit A-1

	General
ASSETS	
Assets:	
Cash and cash equivalents	\$ 57,002
Investments	135
Receivables (net):	
Taxes	139,841
Accounts	26,596
Unbilled accounts	754
Special assessments	-
Notes and loans	19
Accrued interest	87
Due from other funds	57,997
Due from component units	1,209
Due from other governmental agencies	337
Advances to other funds	9,798
Inventory of materials and supplies	7,194
Inventory of property for resale	26
Prepaid items	350
Total Assets	<u>\$ 301,345</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 19,891
Accrued expenses	32,462
Due to other funds	1,732
Due to component units	-
Due to other governmental agencies	-
Deferred revenue	187,634
Revenue anticipation notes payable	-
Advances from other funds	-
Total Liabilities	<u>241,719</u>
Fund Balances:	
Reserved for debt service	-
Reserved for delinquent taxes receivable	-
Reserved for economic development	-
Reserved for grant activities	-
Reserved for encumbrances, prepaids, and carryovers	8,144
Reserved for inventory	7,220
Reserved for mortgage trust	135
Reserved for environmental remediation	303
Reserved for tax stabilization - 2011	14,600
Reserved for tax stabilization - 2012 and subsequent years' budgets and advances to other funds	29,224
Unreserved:	
Undesignated	-
Special assessment (deficit)	-
Total Fund Balances	<u>59,626</u>
Total Liabilities and Fund Balances	<u>\$ 301,345</u>

The notes to the financial statements are an integral part of this statement.

General Obligation Debt Service	Public Debt Amortization	Capital Projects	Nonmajor Governmental Funds	Total
\$ 161,857	\$ 25,603	\$ 11,727	\$ 18,556	\$ 274,745
-	14,748	-	-	14,883
53,240	-	2,663	17,840	213,584
-	-	1,098	149	27,843
-	-	-	-	754
-	-	10,556	-	10,556
77,102	22,561	-	19,229	118,911
24	204	-	-	315
-	-	-	288	58,285
16,319	-	138	41	17,707
175,000	-	3,919	18,989	198,245
-	-	-	-	9,798
-	-	427	-	7,621
-	-	-	-	26
-	-	-	5	355
<u>\$ 483,542</u>	<u>\$ 63,116</u>	<u>\$ 30,528</u>	<u>\$ 75,097</u>	<u>\$ 953,628</u>
\$ 90	\$ -	\$ 10,753	\$ 6,993	\$ 37,727
7	-	226	394	33,089
3,700	-	12,244	11,474	29,150
-	-	287	112	399
-	-	-	294	294
187,020	-	17,075	11,957	403,686
175,000	-	-	-	175,000
-	-	9,798	-	9,798
<u>365,817</u>	<u>-</u>	<u>50,383</u>	<u>31,224</u>	<u>689,143</u>
117,725	63,116	-	16,658	197,499
-	-	-	14,570	14,570
-	-	-	213	213
-	-	-	12,432	12,432
-	-	7,649	-	15,793
-	-	427	-	7,647
-	-	-	-	135
-	-	-	-	303
-	-	-	-	14,600
-	-	-	-	29,224
-	-	(19,445)	-	(19,445)
-	-	(8,486)	-	(8,486)
<u>117,725</u>	<u>63,116</u>	<u>(19,855)</u>	<u>43,873</u>	<u>264,485</u>
<u>\$ 483,542</u>	<u>\$ 63,116</u>	<u>\$ 30,528</u>	<u>\$ 75,097</u>	<u>\$ 953,628</u>

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CITY OF MILWAUKEE
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS**
 DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit A-2

Fund balances - total governmental funds (Exhibit A-1) \$ 264,485

Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 164,210	
Buildings, net of \$78,395 accumulated depreciation	198,421	
Infrastructure, net of \$934,550 accumulated depreciation	516,368	
Improvements other than buildings, net of \$7,972 accumulated depreciation	3,839	
Machinery and equipment, net of \$100,221 accumulated depreciation	73,567	
Intangible assets net of \$97 accumulated depreciation	2,586	
Construction in progress	<u>26,513</u>	985,504

Deferred charges for debt issuance costs are not available to pay for current-period expenditures and therefore are deferred in the funds. 2,489

Some revenues are deferred in the funds because they are not available to pay current period's expenditures.

Taxes to be collected after year-end	11,916	
Other revenues to be collected after year-end	6,778	
Special assessments to be collected after year-end	9,069	
Notes and loans receivable to repay long-term bonds and notes	<u>77,102</u>	104,865

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net assets.

Accrued interest payable	(12,122)	
Bonds and notes payable	(812,183)	
Deferred amount on refunding	2,903	
Unamortized premiums	(35,478)	
Compensated absences	(38,948)	
Net other postemployment benefits obligation	(169,040)	
Claims and judgments	<u>(19,461)</u>	(1,084,329)

Total net assets of governmental activities (Exhibit 1) **\$ 273,014**

The notes to the financial statements are an integral part of this reconciliation.

CITY OF MILWAUKEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit A-3

	General
Revenues:	
Property taxes	\$ 168,031
Other taxes	5,097
Special assessments	-
Licenses and permits	12,948
Intergovernmental	270,939
Charges for services	97,146
Fines and forfeits	5,422
Contributions received	23,005
Other	20,323
Total Revenues	<u>602,911</u>
Expenditures:	
Current:	
General government	276,326
Public safety	264,067
Public works	94,482
Health	9,996
Culture and recreation	15,656
Conservation and development	3,747
Capital outlay	-
Debt Service:	
Principal retirement	-
Interest	-
Bond issuance costs	-
Total Expenditures	<u>664,274</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(61,363)</u>
Other Financing Sources (Uses):	
General obligation bonds and notes issued	147,000
Proceeds current refunding	-
Payment current refunding	-
Loans receivable activities	-
Issuance premium	-
Transfers in	51,711
Transfers out	(149,078)
Total Other Financing Sources and Uses	<u>49,633</u>
Net Change in Fund Balances	<u>(11,730)</u>
Fund Balances - Beginning	<u>71,356</u>
Fund Balances - Ending	<u>\$ 59,626</u>

The notes to the financial statements are an integral part of this statement.

General Obligation Debt Service	Public Debt Amortization	Capital Projects	Nonmajor Governmental Funds	Total
\$ 69,118	\$ -	\$ 4,768	\$ 6,039	\$ 247,956
25,663	3,349	-	-	34,109
-	-	3,421	-	3,421
-	-	-	-	12,948
1,197	-	3,831	68,962	344,929
103,315	-	-	-	200,461
-	-	-	-	5,422
-	-	-	-	23,005
5,684	1,997	9,094	12,443	49,541
<u>204,977</u>	<u>5,346</u>	<u>21,114</u>	<u>87,444</u>	<u>921,792</u>
392	-	-	5,260	281,978
-	-	-	23,748	287,815
-	-	-	7,199	101,681
-	-	-	12,347	22,343
-	-	-	2,390	18,046
-	-	-	31,721	35,468
-	-	240,480	-	240,480
333,780	-	-	-	333,780
33,305	-	-	-	33,305
1,314	-	-	-	1,314
<u>368,791</u>	<u>-</u>	<u>240,480</u>	<u>82,665</u>	<u>1,356,210</u>
<u>(163,814)</u>	<u>5,346</u>	<u>(219,366)</u>	<u>4,779</u>	<u>(434,418)</u>
-	-	238,424	29,867	415,291
94,420	-	-	-	94,420
(106,500)	-	-	-	(106,500)
-	-	-	(293)	(293)
21,632	-	-	-	21,632
198,244	3,457	-	-	253,412
(7,037)	(13,928)	(2,428)	(32,764)	(205,235)
<u>200,759</u>	<u>(10,471)</u>	<u>235,996</u>	<u>(3,190)</u>	<u>472,727</u>
36,945	(5,125)	16,630	1,589	38,309
<u>80,780</u>	<u>68,241</u>	<u>(36,485)</u>	<u>42,284</u>	<u>226,176</u>
<u>\$117,725</u>	<u>\$ 63,116</u>	<u>\$ (19,855)</u>	<u>\$ 43,873</u>	<u>\$ 264,485</u>

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CITY OF MILWAUKEE
**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**
FOR THE YEAR ENDED DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit A-4

Net change in fund balances - total governmental funds (Exhibit A-3)		\$ 38,309
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$105,478) exceeded depreciation expense (\$49,688) in the current period less loss on disposals (\$281)</p>		
	55,509	
Notes and loans receivable to repay long-term bonds and notes		52,350
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenue in the funds.		
Taxes accrued in prior years	\$ 1,377	
Other revenues deferred at year end	5,565	
Special assessments deferred revenue beginning of the year \$11,627 less deferred at end of the year \$9,069	(2,558)	
		4,384
<p>The issuance of long-term debt (bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Debt issued:		
Bonds and notes issued	(509,711)	
Issuance premiums	(21,632)	
Issuance costs	954	
Repayments:		
Principal retirement	440,280	
Amortization:		
Premiums	9,993	
Issuance costs	(508)	
Deferred amount on refunding	(1,097)	
		(81,721)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather as it accrues. The adjustment combines the net changes of the following balances.</p>		
Compensated absences	(44)	
Net other postemployment benefits obligation	(46,096)	
Claims and judgments	4,258	
Accrued interest on bonds and notes	(2,058)	
		(43,940)
Changes in net assets of governmental activities (Exhibit 2)		<u>\$ 24,891</u>

The notes to the financial statements are an integral part of this reconciliation.

CITY OF MILWAUKEE
STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
 DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit B-1

	Water Works	Sewer Maintenance	Nonmajor Enterprise Funds	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 3,494	\$ 17,745	\$ 21,004	\$ 42,243
Restricted cash and cash equivalents	680	1,910	-	2,590
Receivables (net):				
Accounts	14,528	15,816	14,597	44,941
Unbilled accounts	9,771	2,218	3,167	15,156
Accrued interest	2	6	-	8
Due from other funds	5,144	762	581	6,487
Due from other governmental agencies	-	51	-	51
Inventory of materials and supplies	2,632	-	-	2,632
Prepaid items	590	-	-	590
Deferred charges	-	321	-	321
Other assets	258	-	-	258
Total Current Assets	<u>37,099</u>	<u>38,829</u>	<u>39,349</u>	<u>115,277</u>
Noncurrent assets:				
Restricted cash and cash equivalents	-	8,832	-	8,832
Capital assets:				
Capital assets not being depreciated:				
Land	2,022	-	16,231	18,253
Construction in progress	12,717	-	2,180	14,897
Capital assets being depreciated:				
Buildings	25,406	-	66,392	91,798
Infrastructure	355,873	488,707	16,620	861,200
Improvements other than buildings	-	-	7,771	7,771
Machinery and equipment	206,450	4,563	10,181	221,194
Nonutility property	4,692	-	-	4,692
Accumulated depreciation	<u>(204,982)</u>	<u>(116,862)</u>	<u>(60,062)</u>	<u>(381,906)</u>
Net Capital Assets	<u>402,178</u>	<u>376,408</u>	<u>59,313</u>	<u>837,899</u>
Total Noncurrent Assets	<u>402,178</u>	<u>385,240</u>	<u>59,313</u>	<u>846,731</u>
Total Assets	<u>439,277</u>	<u>424,069</u>	<u>98,662</u>	<u>962,008</u>

CITY OF MILWAUKEE
STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit B-1 (Continued)

	Water Works	Sewer Maintenance	Nonmajor Enterprise Funds	Total
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 5,093	\$ 4,277	\$ 11,640	\$ 21,010
Accrued expenses	1,113	744	742	2,599
Accrued interest payable	246	-	234	480
Compensated absences	1,329	-	-	1,329
Due to other funds	23,888	-	11,734	35,622
Deferred revenue	-	-	14	14
General obligation debt payable - current	3,025	675	2,000	5,700
Revenue bonds payable - current	964	-	-	964
Total Current Liabilities	<u>35,658</u>	<u>5,696</u>	<u>26,364</u>	<u>67,718</u>
Current Liabilities Payable from Restricted Assets:				
Revenue bonds payable	-	6,454	-	6,454
Accrued interest payable	-	687	-	687
Total Current Liabilities Payable from Restricted Assets	<u>-</u>	<u>7,141</u>	<u>-</u>	<u>7,141</u>
Noncurrent Liabilities:				
General obligation debt payable	10,722	52,762	13,155	76,639
Revenue bonds & State loans payable	7,498	120,887	-	128,385
Other post employment benefits obligation	3,077	1,184	1,059	5,320
Total Noncurrent Liabilities	<u>21,297</u>	<u>174,833</u>	<u>14,214</u>	<u>210,344</u>
Total Liabilities	<u>56,955</u>	<u>187,670</u>	<u>40,578</u>	<u>285,203</u>
Net Assets:				
Invested in capital assets, net of related debt	379,969	195,630	44,159	619,758
Restricted for Debt Service	680	10,742	-	11,422
Unrestricted	1,673	30,027	13,925	45,625
Total Net Assets	<u>\$ 382,322</u>	<u>\$ 236,399</u>	<u>\$ 58,084</u>	<u>\$ 676,805</u>

The notes to the financial statements are an integral part of this statement.

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CITY OF MILWAUKEE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit B-2

	Water Works	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Operating Revenues:				
Charges for Services:				
Water sales	\$ 59,371	\$ -	\$ -	\$ 59,371
Statutory sewer user fee	-	-	46,279	46,279
Sewer maintenance fee	-	52,046	-	52,046
Rent	-	-	12,847	12,847
Fire protection service	6,607	-	-	6,607
Parking meters	-	-	5,112	5,112
Parking permits	-	-	3,928	3,928
Vehicle towing	-	-	5,341	5,341
Parking forfeitures	-	-	25,646	25,646
Other	7,495	-	1,467	8,962
Total Operating Revenues	<u>73,473</u>	<u>52,046</u>	<u>100,620</u>	<u>226,139</u>
Operating Expenses:				
Milwaukee Metropolitan Sewerage District charges ..	-	-	40,891	40,891
Employee services	-	8,642	9,726	18,368
Administrative and general	7,947	-	60	8,007
Depreciation	13,434	5,551	3,553	22,538
Transmission and distribution	20,381	-	3,342	23,723
Services, supplies, and materials	-	8,054	15,582	23,636
Water treatment	14,852	-	-	14,852
Water pumping	7,608	-	-	7,608
Billing and collection	2,823	-	1,471	4,294
Total Operating Expenses	<u>67,045</u>	<u>22,247</u>	<u>74,625</u>	<u>163,917</u>
Operating Income	<u>6,428</u>	<u>29,799</u>	<u>25,995</u>	<u>62,222</u>
Nonoperating Revenues (Expenses):				
Investment income	15	17	-	32
Grant Revenue	-	1,941	-	1,941
Interest expense	(921)	(4,073)	(702)	(5,696)
Other	45	(14,868)	(876)	(15,699)
Total Nonoperating Revenues (Expenses)	<u>(861)</u>	<u>(16,983)</u>	<u>(1,578)</u>	<u>(19,422)</u>
Income before Contributions and Transfers.....	5,567	12,816	24,417	42,800
Capital contributions	910	70	173	1,153
Transfers in	-	-	576	576
Transfers out	(13,154)	(8,757)	(26,842)	(48,753)
Change in Net Assets	(6,677)	4,129	(1,676)	(4,224)
Total Net Assets - Beginning	<u>388,999</u>	<u>232,270</u>	<u>59,760</u>	<u>681,029</u>
Total Net Assets - Ending	<u>\$ 382,322</u>	<u>\$ 236,399</u>	<u>\$ 58,084</u>	<u>\$ 676,805</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MILWAUKEE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit B-3

	Water Works	Sewer Maintenance	Nonmajor Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 68,385	\$ 50,927	\$ 99,747	\$ 219,059
Receipts from interfund services provided	5,254	-	-	5,254
Payments to suppliers	(7,533)	(6,565)	(60,315)	(74,413)
Payments to employees	(25,471)	(8,390)	(9,503)	(43,364)
Payments from other funds	-	-	1,671	1,671
Payments to other funds	(5,942)	(27,958)	(1,723)	(35,623)
Net Cash Provided by Operating Activities.....	<u>34,693</u>	<u>8,014</u>	<u>29,877</u>	<u>72,584</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Miscellaneous nonoperating revenue	45	1,941	-	1,986
Other nonoperating expenses	-	(14,868)	-	(14,868)
Transfers from other funds	-	-	576	576
Transfers to other funds	(13,154)	(8,757)	(26,842)	(48,753)
Net Cash Used for Noncapital Financing Activities	<u>(13,109)</u>	<u>(21,684)</u>	<u>(26,266)</u>	<u>(61,059)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from sale of bonds and notes	675	106,823	2,681	110,179
Acquisition of property, plant, and equipment	(20,875)	(40,571)	(2,809)	(64,255)
Retirement of bonds, notes, and revenue bonds	(3,445)	(30,671)	(1,920)	(36,036)
Interest paid	(1,014)	(3,985)	(710)	(5,709)
Other	-	(51)	(868)	(919)
Net Cash Used for Capital and Related Financing Activities	<u>(24,659)</u>	<u>31,545</u>	<u>(3,626)</u>	<u>3,260</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income	17	120	-	137
Net Increase (Decrease) in Cash and Cash Equivalents	(3,058)	17,995	(15)	14,922
Cash and Cash Equivalents - Beginning	<u>7,232</u>	<u>10,492</u>	<u>21,019</u>	<u>38,743</u>
Cash and Cash Equivalents - Ending	<u>\$ 4,174</u>	<u>\$ 28,487</u>	<u>\$ 21,004</u>	<u>\$ 53,665</u>

CITY OF MILWAUKEE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit B-3 (Continued)

	Water Works	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Cash and Cash Equivalents at Year-End Consist of:				
Unrestricted Cash	\$ 3,494	\$ 18,245	\$ 21,004	\$ 42,743
Restricted Cash	680	10,742	-	11,422
	<u>\$ 4,174</u>	<u>\$ 28,987</u>	<u>\$ 21,004</u>	<u>\$ 54,165</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$ 6,428	\$ 29,799	\$ 25,995	\$ 62,222
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	13,434	5,551	3,553	22,538
Changes in assets and liabilities:				
Receivables	(325)	(1,076)	(862)	(2,263)
Due from other funds	13,698	(43)	493	14,148
Inventories	(16)	-	-	(16)
Prepaid items	(550)	-	-	(550)
Other assets	(4)	-	-	(4)
Accounts payable	1,399	1,489	1,031	3,919
Accrued liabilities	(47)	(28)	33	(42)
Net other postemployment benefits obligation	676	280	190	1,146
Due to other funds	-	(27,958)	(545)	(28,503)
Deferred revenue	-	-	(11)	(11)
Net Cash Provided by Operating Activities	<u>\$ 34,693</u>	<u>\$ 8,014</u>	<u>\$ 29,877</u>	<u>\$ 72,584</u>

Non-cash Activities:

During the year, water mains and related property, installed by others were deeded to the Water Works in the amount of \$910,324.

During the year, the Sewer Maintenance Fund removed infrastructure assets costing \$104,054 with a net value of \$0, and, received donated assets in the amount of \$70,153.

The notes to the financial statements are an integral part of this statement.

CITY OF MILWAUKEE
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
 DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit C-1

	Pension and Other Employee Benefit Trusts	Private- Purpose Trusts	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 403	\$ 3,082	\$ 302,562
Investments	<u>-</u>	<u>2,429</u>	<u>-</u>
Total Assets	<u>403</u>	<u>5,511</u>	<u>\$ 302,562</u>
LIABILITIES			
Liabilities:			
Accounts payable	86	35	1,821
Due to other governmental agencies	<u>-</u>	<u>-</u>	<u>300,741</u>
Total Liabilities	<u>86</u>	<u>35</u>	<u>\$ 302,562</u>
Net Assets			
Employees' pension benefits and other purposes	<u>\$ 317</u>	<u>\$ 5,476</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF MILWAUKEE
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit C-2

	Pension and Other Employee Benefit Trusts	Private- Purpose Trusts
Additions		
Contributions:		
Plan members	\$ 1,397	\$ -
Private donations	-	3,325
Total Contributions	<u>1,397</u>	<u>3,325</u>
Investment earnings:		
Net appreciation in fair value of investments, dividends and interest	-	133
Total Additions	<u>1,397</u>	<u>3,458</u>
Deductions		
Benefits	1,482	-
Fees remitted from Trust	-	2,873
Other	-	144
Total Deductions	<u>1,482</u>	<u>3,017</u>
Change in Net Assets	(85)	441
Net Assets - Beginning	<u>402</u>	<u>5,035</u>
Net Assets - Ending	<u>\$ 317</u>	<u>\$ 5,476</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MILWAUKEE
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit D-1

	Housing Authority	Redevelopment Authority	Milwaukee Economic Development Corporation	Neighborhood Improvement Development Corporation	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 20,384	\$ 23,970	\$ 13,783	\$ 1,962	\$ 60,099
Investments	3,087	1,300	-	300	4,687
Receivables (net):					
Accounts	2,549	218	69	45	2,881
Notes and loans	41,924	19,228	32,351	499	94,002
Accrued interest	5,391	107	133	127	5,758
Due from primary government	-	378	-	21	399
Due from other governmental agencies	6,046	2,522	17,504	-	26,072
Inventory of property for resale	-	4,885	955	2,187	8,027
Prepaid items	952	62	-	-	1,014
Deferred charges	217	782	-	-	999
Other assets	344	-	83	-	427
Total Noncapital Assets	<u>80,894</u>	<u>53,452</u>	<u>64,878</u>	<u>5,141</u>	<u>204,365</u>
Capital assets:					
Capital assets not being depreciated:					
Land and land improvements	40,188	16,628	-	-	56,816
Construction in progress	16,217	515	-	-	16,732
Capital assets being depreciated:					
Buildings	397,056	103,233	-	-	500,289
Infrastructure	-	379	-	-	379
Improvements other than buildings	882	843	-	-	1,725
Machinery and equipment	3,502	-	216	-	3,718
Accumulated depreciation	(240,111)	(10,869)	(194)	-	(251,174)
Total Capital Assets, Net of Depreciation	<u>217,734</u>	<u>110,729</u>	<u>22</u>	<u>-</u>	<u>328,485</u>
Total Assets	<u>298,628</u>	<u>164,181</u>	<u>64,900</u>	<u>5,141</u>	<u>532,850</u>

CITY OF MILWAUKEE
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit D-1 (Continued)

	Housing Authority	Redevelopment Authority	Milwaukee Economic Development Corporation	Neighborhood Improvement Development Corporation	Total
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 5,984	\$ 3,278	\$ 1,220	\$ 49	\$ 10,531
Accrued expenses	6,254	6,712	-	-	12,966
Due to other governmental agencies	1,137	1,349	-	-	2,486
Deferred revenue	493	3,825	-	266	4,584
Other liabilities	<u>5,659</u>	<u>3,076</u>	<u>764</u>	<u>1,283</u>	<u>10,782</u>
Total Current Liabilities	<u>19,527</u>	<u>18,240</u>	<u>1,984</u>	<u>1,598</u>	<u>41,349</u>
Due to primary government:					
Due within one year	1,096	-	34	27	1,157
Due in more than one year	<u>-</u>	<u>15,102</u>	<u>1,448</u>	<u>-</u>	<u>16,550</u>
Total Due to Primary Government	<u>1,096</u>	<u>15,102</u>	<u>1,482</u>	<u>27</u>	<u>17,707</u>
Long-term obligations:					
Due within one year	11,437	-	-	-	11,437
Due in more than one year	<u>46,964</u>	<u>82,257</u>	<u>4,725</u>	<u>-</u>	<u>133,946</u>
Total Noncurrent Liabilities	<u>58,401</u>	<u>82,257</u>	<u>4,725</u>	<u>-</u>	<u>145,383</u>
Total Liabilities	<u>79,024</u>	<u>115,599</u>	<u>8,191</u>	<u>1,625</u>	<u>204,439</u>
NET ASSETS:					
Invested in capital assets, net of related debt ...	160,774	39,799	-	-	200,573
Restricted	5,113	4,128	8,196	1,154	18,591
Unrestricted	<u>53,717</u>	<u>4,655</u>	<u>48,513</u>	<u>2,362</u>	<u>109,247</u>
Total Net Assets	<u>\$ 219,604</u>	<u>\$ 48,582</u>	<u>\$ 56,709</u>	<u>\$ 3,516</u>	<u>\$ 328,411</u>

The notes to the financial statements are an integral part of this statement.

CITY OF MILWAUKEE
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
 FOR THE YEAR ENDED DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit D-2

		Program Revenues		
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Housing Authority				
Low income housing	\$ 90,346	\$ 20,057	\$ 53,938	\$ 20,829
Redevelopment Authority				
Prevention and elimination of blight	13,805	5,980	8,294	9,292
Milwaukee Economic Development Corporation				
Increase employment and expansion of business ..	3,385	2,969	1,814	-
Neighborhood Improvement Development Corp.				
Housing improvements	<u>3,715</u>	<u>764</u>	<u>1,313</u>	<u>1,343</u>
 Total Component Units	 <u>\$111,251</u>	 <u>\$ 29,770</u>	 <u>\$ 65,359</u>	 <u>\$ 31,464</u>

General revenues:	
Miscellaneous	
 Total General Revenues	
 Change in Net Assets	
 Net Assets - Beginning, as restated (note 1w).....	
 Net Assets - Ending	

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets				
Housing Authority	Redevelopment Authority	Milwaukee Economic Development Corporation	Neighborhood Improvement Development Corporation	Total
\$ 4,478	\$ -	\$ -	\$ -	\$ 4,478
-	9,761	-	-	9,761
-	-	1,398	-	1,398
<u>-</u>	<u>-</u>	<u>-</u>	<u>(295)</u>	<u>(295)</u>
<u>4,478</u>	<u>9,761</u>	<u>1,398</u>	<u>(295)</u>	<u>15,342</u>
<u>4,230</u>	<u>183</u>	<u>458</u>	<u>37</u>	<u>4,908</u>
<u>4,230</u>	<u>183</u>	<u>458</u>	<u>37</u>	<u>4,908</u>
8,708	9,944	1,856	(258)	20,250
<u>210,896</u>	<u>38,638</u>	<u>54,853</u>	<u>3,774</u>	<u>308,161</u>
<u>\$ 219,604</u>	<u>\$ 48,582</u>	<u>\$ 56,709</u>	<u>\$ 3,516</u>	<u>\$328,411</u>

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**NOTES
TO THE
FINANCIAL
STATEMENTS**

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. Reporting Entity

The City of Milwaukee (the "City") was incorporated on January 31, 1846, and operates under a Council-Mayor form of government. These financial statements present the City (the primary government) and other organizations, including component units, for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The component units discussed below are legally separate organizations for which the elected officials of the City are accountable. The City is considered financially accountable if it appoints a voting majority of the organization's governing body and is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits to or burdens on the City. The City may be financially accountable if an organization is fiscally dependent on the primary government.

Discretely Presented Component Units

The component units columns in the government-wide financial statements include the financial data of the City's component units. They are reported in a separate column to emphasize that they are legally separate from the City. The City has the following discretely presented component units:

Housing Authority - This entity is used to account for the Federal and State grants relating primarily to low-income housing and rental assistance programs. The entire governing board is appointed by the Mayor of the City. The daily operations of the Housing Authority of the City of Milwaukee (HACM) are managed by City employees.

Redevelopment Authority - The Redevelopment Authority of the City of Milwaukee (RACM) is responsible for activities related to the prevention and elimination of blighted conditions in the City. The City appoints all members of the Board and approves the budget.

Milwaukee Economic Development Corporation - The Milwaukee Economic Development Corporation (MEDC) is a non-profit organization formed to promote economic development within the City. The principal objective of the corporation is to benefit the community by fostering increased employment through expansion of business and industry within the metropolitan Milwaukee area. MEDC's primary source of funds is interest on loans originally granted through the City.

Neighborhood Improvement Development Corporation - The Neighborhood Improvement Development Corporation (NIDC) is a nonprofit organization established to promote reinvestment in both housing and commercial structures within the City. NIDC programs encourage private lending institutions and property owners to make improvements to the community's homes and businesses. Corporate officers of NIDC are provided by the City and daily operations are managed by City employees.

Financial statements of the individual component units can be obtained from their respective administrative offices. Addresses of the component units are as follows: HACM, 809 North Broadway, 3rd Floor, Milwaukee, Wisconsin 53202; RACM, 809 North Broadway, 2nd Floor, Milwaukee, Wisconsin 53202; MEDC, 809 North Broadway, 2nd Floor, Milwaukee, Wisconsin 53202; and NIDC, 841 North Broadway, Room 105, Milwaukee, Wisconsin 53202.

The basic financial statements exclude the accounts of the Wisconsin Center District, Milwaukee Public Schools, the Milwaukee Metropolitan Sewerage District, World Festivals Inc. ("Summerfest") and the Employees' Retirement System of the City of Milwaukee, because these entities operate with separate governing boards and do not meet the criteria established by the GASB Statement 14 as component units of the City. The Milwaukee Metropolitan Sewerage District (MMSD) is a special purpose municipal corporation created to provide sewerage treatment services in the Milwaukee metropolitan area. The City is responsible for paying usage charges within its jurisdiction. These amounts, in turn, are billed by the City to its water customers. The City has no equity interest in MMSD. Financial statements for MMSD can be obtained from its administrative office.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Related Organizations

Milwaukee Area Workforce Investment Board

The Milwaukee Area Workforce Investment Board (MAWIB) was established to provide job training, employment services, and workforce development within Milwaukee County. MAWIB acts as the recipient, dispenser, and administer of funding provided under the Workforce Development Act for Milwaukee County.

The Governor designated the Mayor of the City of Milwaukee as Milwaukee County's chief local elected officer for the Workforce Investment Act of 1998. The directors of the MAWIB are appointed by the Mayor in accordance with the Workforce Investment Act. The City is not legally obligated for any of MAWIB obligations or debt. The City is not entitled to access funds of the Milwaukee Area Workforce Investment Board.

B. Basis of Presentation

Government-wide Statements. The government-wide statement of net assets and statement of activities report the overall financial activity of the City, excluding fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities of the City. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) fines, fees, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary are presented. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues and expenses are a result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of rents, sales and services, administrative expenses, and depreciation on capital assets. All expenses not meeting these criteria are reported as nonoperating expenses. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund – The General Fund is used to account for all financial resources, except those required to be accounted for in another fund.

General Obligation Debt – This fund accounts for the resources accumulated and payments made for principal and interest on the City's outstanding long-term general obligation debt.

Public Debt Amortization – This fund accounts for one-third of all interest on general City investments and interest on Fund investments for the retirement of debt. The Public Debt Amortization Fund is governed by Section 67.101 of the Wisconsin Statutes for the retirement of the public debt. See Note 7 for further discussion.

Capital Projects Fund – The Capital Projects Fund is used to account for the financial resources segregated for the acquisition or construction of major capital expenditures other than those financed by proprietary funds.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

The City reports the following major enterprise funds:

Water Works – All activities necessary to provide water services to residents of the City and outlying areas. Fund activities include administration, billing and collection, operations, maintenance and financing.

Sewer Maintenance – This fund accounts for the maintenance of the City's sewer system. Wisconsin State Statutes Section 66.0821, permit municipalities to implement sewer fees to recover the costs of operation, maintenance, repair, and depreciation of sewer collection and transportation facilities. Sewer maintenance costs are recovered through a user fee rather than through the property tax.

Additionally, the City reports the following fiduciary fund types:

Pension and Other Employee Benefit Trusts – This fund accounts for resources for employee flexible spending plans.

Private Purpose Trust – These funds account for resources legally held in trust for use by various individuals, governmental entities, and nonpublic corporations. All resources of these funds, including any earnings on invested resources, may be used to support each trust's initiatives.

Agency – These funds account for taxes and deposits collected by the City, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

C. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property tax revenue, grants, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance, which is the year after the taxes are levied. Taxes levied in 2010 that will be collected in 2011 are recorded as receivable and deferred revenue. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Revenue from grants and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues, excluding property taxes, to be available if they are collected within 90 days of the end of the current year. Property taxes are considered to be available if they are collected within 60 days of the end of the current year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments, and compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Significant revenue sources, which are susceptible to accrual include property taxes, state shared revenues, grants, contributions, and interest. All other revenue sources including licenses, permits, fines, and forfeits are considered to be measurable and available only when cash is received.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. The City also has the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

D. Cash and Cash Equivalents

For purposes of the statements of cash flows, all highly liquid investments (including restricted cash and investments) purchased with a maturity of three months or less are considered to be cash equivalents. The City manages a cash and investment pool to maximize return on funds while providing liquidity to meet day-to-day obligations. Each fund's equity in the City's investment pool is considered to be a cash equivalent, since the funds can deposit or effectively withdraw cash at anytime without prior notice or penalty. The Housing Authority considers amounts on deposit with fiscal agents to be investments and not cash equivalents due to their restrictive nature.

E. Investments

Investments, primarily consisting of fixed income securities, are reported at fair value based on quoted market prices. Commercial paper, which is short term, defined as having an original maturity of one year or less, and highly liquid is carried at amortized cost. Investment transactions are recorded on the trade date. Under Wisconsin Statutes, one-third of all interest on pooled cash and investments is allocated to the Public Debt Amortization Fund. The remaining two-thirds are credited to the General Fund. Each fund type's portion of pooled cash and investments is included in the cash and cash equivalents line on the Statement of Net Assets/Balance Sheet.

Wisconsin Statutes permit the City to invest funds not immediately needed in any of the following:

- Time deposits maturing within three years in any credit union, bank, savings bank, trust company, or savings and loan association, which are authorized to transact business in the State of Wisconsin.
- Bonds or securities issued or guaranteed by the Federal government.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the State of Wisconsin, as well as bonds issued by a local exposition district, a local professional baseball park district, or the University of Wisconsin Hospitals and Clinics Authority.
- Local Government Investment Pool - Investment Fund of the State of Wisconsin. The Local Government Pooled Investment Fund is an external investment pool administered by the State of Wisconsin. The fair value of the City's investment in the fund is the same as the value of the pooled shares. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provisions of Section 25.50 of the Wisconsin Statutes.
- Repurchase agreements with public depositories, if the agreement is secured by federal bonds or securities.
- Any Security that matures or that may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating, which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors Service, Inc., or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- Securities of open-end management investment companies or investment trusts (mutual funds) if the portfolio is limited to (a) bonds and securities issued by the federal government or a commission, board, or other instrumentality of the federal government, (b) bonds that are guaranteed as to principal and interest by the federal government or a commission, board, or other instrumentality of the federal government, and (c) repurchase agreements that are fully collateralized by these bonds or securities.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

F. Property Taxes

Property taxes are recorded as receivables and deferred revenues in the taxing fund in the year levied because the taxes are restricted to funding the succeeding year's budget appropriations. Property tax payments received prior to year-end are also reflected in the taxing fund. Property taxes are recognized in the appropriate funds as revenues in the succeeding year when they are collected and available to finance City services. If not collected at year-end, the delinquent property taxes are reflected as receivables and deferred revenues. Delinquent property taxes and related interest are recognized as revenues when collected.

The allowance for uncollectible property taxes is based on an analysis of the delinquent property taxes and, in management's judgment, represents an amount adequate to provide for potential uncollectible taxes. The allowance is increased by provisions charged against revenues and is reduced by taxes receivable written off.

The City, through its Special Revenue Fund - Delinquent Tax, issues general obligation short-term promissory notes to finance the purchase of the most recent delinquent taxes from its General Fund. Collections on these delinquencies are used for the associated debt service requirements.

G. Accounts Receivable

Accounts receivables are presented net of allowances. The amount of the General Fund allowance as of December 31, 2010 is approximately \$2,186,000.

H. Unbilled Services

Unbilled water and sewer services at year-end are recognized as revenues and receivables in the accompanying financial statements.

I. Special Assessments

Special assessments consist of capital projects constructed through non-special assessment debt. In governmental fund financial statements, special assessments are recorded as receivables and deferred revenues when the related capital outlays are made and are recorded as revenues when due and payable. In the government-wide financial statements, special assessments are recorded as receivables and capital contribution revenue when the capital outlays are made. All special assessments are due when billed and may be paid on an installment basis with interest. Special assessment receivables that become delinquent are added to the general tax roll. The method of enforcing collections is the same as for general city taxes with like force and effect.

J. Notes and Loan Receivables

The General Fund, the Special Revenue Fund - Community Development Block Grant, and Neighborhood Improvement Development Corporation hold notes and loans receivable from individuals, small businesses, and corporations in the Milwaukee area that are secured by primary or secondary security interests in real estate or other assets. The City periodically analyzes the collectability of the notes and loans that are not insured and provides allowances as considered necessary. The amount of the allowance in the nonmajor governmental fund is approximately \$9,660,000 as of December 31, 2010.

The City creates tax incremental districts (TID) to issue debt to fund redevelopment projects. Pursuant to a cooperation agreement between the City, the Redevelopment Authority of the City of Milwaukee (Authority), and the Milwaukee Economic Development Corporation (Corporation), the City provides the Authority and the Corporation with the funds necessary to carry out the loan to a private developer to finance the redevelopment projects. Loan repayments to the Authority and the Corporation from the private developer, including interest income as well as other project income, are transferred to the City until the City's loan has been repaid or the TID expires. The City reflects these loans as notes receivable and deferred revenue in governmental fund financial statements based on an amount estimated to be repaid from the Authority and the Corporation.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

K. Inventories

Inventories of materials and supplies are stated at moving average cost, based upon perpetual recordkeeping systems and periodic cycle counts of quantities on hand. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories in governmental funds are reserved for in fund balance, because inventories are not expendable available financial resources.

L. Prepaid Items

Cash payments benefiting future periods have been recorded as prepaid items. They will be reflected as expenditures or expenses when incurred in the subsequent year. Prepaid items in governmental funds are reserved for in fund balance, because prepaids are not expendable available financial resources.

M. Capital Assets

Capital assets, which include property, plant, and equipment, and infrastructure, are reported at cost or estimated historical cost. Contributed assets are reported at estimated fair value at the time received. General infrastructure assets, such as roads, bridges, curbs, gutters, streets, sidewalks, and drainage and lighting systems, acquired prior to January 1, 2002 are reported at estimated historical cost using deflated replacement cost. Capital assets are depreciated using the straight-line method. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Major capital outlays for capital assets of business-type activities are included as part of the capitalized value of the assets constructed. Interest expenses incurred during construction were not capitalized as part of the additions to capital assets.

Capitalization thresholds and the estimated useful lives for the City and component units are as follows:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Infrastructure	\$ 5,000	5-50 years
Land	5,000	N/A
Land Improvements	5,000	N/A
Intangible right of ways	5,000	N/A
Site Improvements	5,000	3-50
Buildings	5,000	10-60
Building Improvements	5,000	10-45
Machinery and equipment	5,000	3-25
Works of Art, Historical Treasures	5,000	N/A
Intangible software	100,000	5-20

N. Pension Contributions

The employer's share of the annual contribution is recorded in the proprietary funds and government-wide financial statements as an expense when the liability is incurred and in the governmental funds as an expenditure when the liability is liquidated with expendable available financial resources.

O. Compensated Absences

The liability for compensated absences reported in the government-wide, proprietary, and fiduciary fund financial statements consists of unpaid, accumulated vacation, and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability has been calculated based on the employees' current salary level and includes salary related costs (e.g. social security and Medicare tax). A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

City employees accrue sick leave in accordance with labor agreements or Section 350-37 of the Code of Ordinances.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

P. Claims and Judgments

The liability for claims and judgments is reported in the government-wide, proprietary, and fiduciary fund financial statements when they are both probable and estimable. A liability for claims and judgments is reported in governmental funds only if they have matured (i.e. are due). The City accrues environmental remediation obligations when related liabilities are probable and reasonably estimable. These accruals generally are recognized no later than completion of a remedial feasibility study and are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value.

Q. Bond Premiums, Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, bond premiums and discounts, as well as issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The City records bond premiums for governmental fund types in the General Obligation Debt Service Fund.

R. Advance Refundings of Debt

In the government-wide and proprietary fund financial statements, gains and losses from advance refundings of debt resulting in defeasance are deferred and amortized as a component of interest expense over the shorter of the remaining life of the old debt or the life of the new debt using the effective interest method. Bonds payable are reported net of the applicable deferred amount.

S. Fund Balances

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for specific purposes.

T. Net Assets

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the City's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted – This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

U. Interfund Transactions

The City has the following types of interfund transactions:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (i.e. due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds. The noncurrent portions of long-term interfund loans receivable are reported as advances.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Services provided and used – sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net assets.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursement is reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return, including payments in lieu of taxes, and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

V. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

W. New Accounting Pronouncements

In June, 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This Statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. The City has implemented this Statement beginning with the year ending December 31, 2010 which resulted in the capitalization of approximately \$2,683,000 Primary Government intangible assets. This statement also resulted in the Redevelopment Authority adding \$231,000 of intangible assets to CIP as of January 1, 2009. This resulted in an addition of beginning net assets for component units from \$307,930,000 to \$308,161,000.

In June, 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The City has implemented this Statement beginning with the year ending December 31, 2010. The City does not have any Derivative Instruments meeting the criteria of GASB Statement No. 53.

In February, 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement establishes fund balance classifications that comprise a hierarchy primarily based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This Statement provides guidance for classifying stabilization amounts on the face of the balance sheet and requires disclosure of certain information about stabilization arrangements in the notes to the financial statements. This Statement also clarifies the definitions of the general fund, special revenue fund type, capital projects fund type, debt service fund type, and permanent fund type. The City will implement this Statement beginning with the year ending December 31, 2011. The City does not expect the implementation of the Statement to have a significant impact on its financial statements.

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. This Statement addresses service concession arrangements, which are a type of public-private partnership. The City will implement this Statement beginning with the year ending December 31, 2012. The City does not expect the implementation of the Statement to have a significant impact on its financial statements.

In November 2010, the GASB issued Statement No. 61, *an amendment of GASB Statements No. 14 and No. 34*. This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity display and disclosure requirements. The City will implement this Statement beginning with the year ending December 31, 2013. The City does not expect the implementation of the Statement to have a significant impact on its financial statements.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

2. DEPOSITS AND INVESTMENTS

A. Primary Government

The description of the City's deposit and investment policy is discussed in Note 1 D and E.

As of December 31, 2010, the City's deposits and investments are as follows:

	Fair Value	Investment Maturities (in Years)			Greater than 10	Credit Rating
		Less than 1	1-5	6-10		
Governmental and Business-type activities:						
<i>Investment type</i>						
Pooled Deposits and Investments	\$ 219,334	\$ 219,334	\$ -	\$ -	\$ -	see below
Segregated Deposits and Investments						
Interest Checking	10,167	10,167	-	-	-	not rated
Wisconsin Local Government						
Investment Pool	90,047	90,047	-	-	-	not rated
Municipal Bonds	12,574	-	495	10,210	1,869	see below
U.S. Treasury strips	1,680	1,116	1	563	-	AAA
Treasuries (Fiscal Agent)	8,997	8,997	-	-	-	AAA
Other	494	-	-	-	494	
	<u>\$ 343,293</u>	<u>\$ 329,661</u>	<u>\$ 496</u>	<u>\$ 10,773</u>	<u>\$ 2,363</u>	
Fiduciary activities:						
<i>Investment type</i>						
Investments in the Pool	\$ 260,074	\$ 260,074	\$ -	\$ -	\$ -	see below
Other Deposits	44,623	44,623	-	-	-	not rated
Segregated Deposits and Investments						
Wisconsin Local Government						
Investment Pool	1,350	1,350	-	-	-	not rated
U.S. Treasury strips	2,429	420	1,627	382	-	AAA
	<u>\$ 308,476</u>	<u>\$ 306,467</u>	<u>\$ 1,627</u>	<u>\$ 382</u>	<u>\$ -</u>	

Municipal Bonds

The Moody's ratings vary from AAA to A2 for the Municipal Bonds that were rated. The remainder of the Municipal bonds held by the City was not rated.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Pooled Deposits and Investments

The City maintains a cash and investment pool (Pool) that is available for use by all the funds, except for Debt Service Funds, Water Works Enterprise Fund, and component entities. Each fund's share of pooled cash and investments is included in the cash and cash equivalents line on the Statement of Net Assets/Balance Sheet.

As of December 31, 2010, the City had the following investments and maturities in the Pool:

	Fair Value	Investment Maturities (in Years)			Greater than 10	Credit Rating
		Less than 1	1-5	6-10		
<i>(Thousands of Dollars)</i>						
Pooled Deposits and Investments						
Bank Demand Deposits	\$ 19,620	\$ 19,620	\$ -	\$ -	\$ -	not rated
Other Deposits	751	751	-	-	-	not rated
Deposits and Investments						
Interest Checking	343,533	343,533	-	-	-	not rated
Wisconsin Local Government						
Investment Pool	99,504	99,504	-	-	-	not rated
Government Money Market	100	100	-	-	-	AAA
Certificates of Deposits	15,900	15,900	-	-	-	not rated
	<u>\$ 479,408</u>	<u>\$ 479,408</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the City's deposits may not be returned. Per Common Council the City Treasurer shall require collateralization of certificates of time deposit (including interest checking) at financial institutions when the total amount of such certificates of deposit with any institution exceeds the combined insured limit of \$650,000. As of December 31, 2010, the City's bank balances of \$1,012,000 were subject to custodial credit risk as they were neither insured nor collateralized.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the City's investments will decrease as a result of an increase in interest rates. The City's investment policy does not explicitly limit investment maturities. However, the City manages its exposure to interest risk based on the anticipated cash flow needs of the City and limiting the amount of pooled investments to \$60,000,000 with maturities greater than one year.

Credit risk

Credit risk is the risk that the City will not recover its investments due to the inability of the counterparty to fulfill its obligations. Wisconsin Statutes expressly limit the City to invest in certain allowable investments as listed in Note 1. E. The City's investment policy generally does not further limit its investment choices.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

B. Component Units

Deposits and Investments

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for interest bearing accounts and \$250,000 for noninterest bearing accounts. An additional \$400,000 is covered by the State Deposit Guarantee Fund.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the Component Unit investments are exposed to losses as a result of increases in interest rates.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligation.

The Component Units have the following investments on December 31, 2010:

	Investment Maturities (in Years)					Credit Rating
	<i>(Thousands of Dollars)</i>					
Component Units:	Fair value	Less than 1	1-2	8-10	10 and greater	
Local Government Investment Pool	\$ 16,378	\$ 16,378	-	-	-	not rated
U.S. Treasury Money Market Fund	12,527	12,527	-	-	-	Aaa
U.S. Agencies						
Government National Mortgage Association	649	4	-	645	-	Aaa
Certificates of Deposit	1,600	1,600	-	-	-	N/A
	<u>\$ 31,154</u>	<u>\$ 30,509</u>	<u>\$ -</u>	<u>\$ 645</u>	<u>\$ -</u>	

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the Component Units deposits may not be returned.

As of December 31, 2010 Component Units bank balances exposed to Custodial Credit Risk are as follows:

	Bank Balance	Uninsured and Uncollateralized
Housing Authority	\$ 7,144,323	\$ 1,030,669
Redevelopment Authority	13,328,705	-
Milwaukee Economic Development Corporation	12,593,350	3,745,716
Neighborhood Improvement Development Corporation	2,037,438	764,185

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty the component unit will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2010, the Housing Authority had \$648,877 of investments exposed to custodial credit risk as uninsured and uncollateralized.

As of December 31, 2010, the Redevelopment Authority had \$10,372,106 of investments exposed to custodial credit risk as uninsured and uncollateralized.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

3. PROPERTY TAXES

The City's property taxes are levied on or before December 31, on the assessed (taxable) value as of the prior January 1, for all general property located in the City. Taxes become a lien against the property upon filing the roll in the Office of the City Clerk. This generally takes place in December. The taxes are due January 31, but may be paid in ten monthly installments without interest from January through October. Foreclosure can be commenced after one year from date of delinquency.

The City purchases property taxes receivable from other taxing authorities at the unpaid amounts to facilitate the collection of the taxes. The purchases are a financing arrangement and are not included in property tax revenues. Also, delinquent water and sewer charges and special assessment receivables are transferred to the General Fund at the unpaid amounts.

At December 31, 2010, delinquent property taxes include delinquent sewer and water charges and special assessments by year levied, tax deeded property, and allowance for uncollectible taxes. These delinquent property taxes are reported as part of taxes receivable in the General Fund and Special Revenue Fund - Delinquent Tax and consist of the following:

	City Levy	Purchased Taxes Receivable	Total
<i>(Thousands of Dollars)</i>			
2005 and prior	\$ 685	\$ 1,085	\$ 1,770
2006	452	700	1,152
2007	1,202	1,810	3,012
2008	3,791	5,739	9,530
2009	<u>11,783</u>	<u>18,455</u>	<u>30,238</u>
 Total delinquent property taxes receivable	 <u>\$ 17,913</u>	 <u>\$ 27,789</u>	 45,702
 Property taxes receivable on foreclosed property			 19,562
 Less: Allowance for uncollectible taxes			 <u>(17,918)</u>
 Net delinquent property taxes receivable, including tax deeded property			 <u>\$ 47,346</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 was as follows:

	Balance 01-01-10	Additions	Deletions	Balance 12-31-10
Governmental activities	<i>(Thousands of Dollars)</i>			
<i>Capital assets not being depreciated:</i>				
Land	\$ 164,250	\$ 41	\$ 81	\$ 164,210
Construction in progress	40,839	8,308	22,634	26,513
Intangible right of ways	<u>-</u>	<u>1,319</u>	<u>-</u>	<u>1,319</u>
Total capital assets not being depreciated	<u>205,089</u>	<u>9,668</u>	<u>22,715</u>	<u>192,042</u>
<i>Capital assets being depreciated:</i>				
Buildings	257,076	20,365	625	276,816
Infrastructure.....	1,377,383	80,615	7,080	1,450,918
Improvements other than buildings	11,687	215	91	11,811
Machinery and equipment	164,265	15,885	6,362	173,788
Intangible software.....	<u>-</u>	<u>1,364</u>	<u>-</u>	<u>1,364</u>
Total capital assets being depreciated	<u>1,810,411</u>	<u>118,444</u>	<u>14,158</u>	<u>1,914,697</u>
Less accumulated depreciation for:				
Buildings	72,025	6,995	625	78,395
Infrastructure	911,616	30,014	7,080	934,550
Improvements other than buildings	7,731	328	87	7,972
Machinery and equipment	94,133	12,254	6,166	100,221
Intangible software	<u>-</u>	<u>97</u>	<u>-</u>	<u>97</u>
Total accumulated depreciation	<u>1,085,505</u>	<u>49,688</u>	<u>13,958</u>	<u>1,121,235</u>
Total capital assets being depreciated, net	<u>724,906</u>	<u>68,756</u>	<u>200</u>	<u>793,462</u>
Government activity capital assets, net	<u>\$ 929,995</u>	<u>\$ 78,424</u>	<u>\$ 22,915</u>	<u>\$ 985,504</u>
Depreciation expense for governmental activities was charged to functions as follows:				
General government				\$ 462
Public safety				8,680
Public works				39,610
Health				260
Culture and recreation				<u>676</u>
Total				<u>\$ 49,688</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

Business-type activities	Balance 01-01-10	Additions	Deletions	Balance 12-31-10
		<i>(Thousands of Dollars)</i>		
Water Works				
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,936	\$ 86	\$ -	\$ 2,022
Construction in progress	15,635	21,916	24,834	12,717
Total capital assets not being depreciated	<u>17,571</u>	<u>22,002</u>	<u>24,834</u>	<u>14,739</u>
<i>Capital assets being depreciated:</i>				
Buildings	24,135	1,271	-	25,406
Infrastructure	338,510	18,162	799	355,873
Machinery and equipment	202,027	6,133	1,710	206,450
Nonutility property	5,509	-	817	4,692
Total capital assets being depreciated	<u>570,181</u>	<u>25,566</u>	<u>3,326</u>	<u>592,421</u>
Less accumulated depreciation for:				
Buildings	14,581	1,393	-	15,974
Infrastructure	80,929	3,851	802	83,978
Machinery and equipment	97,272	8,190	1,009	104,453
Nonutility property	988	-	411	577
Total accumulated depreciation	<u>193,770</u>	<u>13,434</u>	<u>2,222</u>	<u>204,982</u>
Total capital assets being depreciated, net	<u>376,411</u>	<u>12,132</u>	<u>1,104</u>	<u>387,439</u>
Water Works capital assets, net	<u>393,982</u>	<u>34,134</u>	<u>25,938</u>	<u>402,178</u>
Sewer Maintenance				
<i>Capital assets not being depreciated:</i>				
Construction in progress	16	-	16	-
Total capital assets not being depreciated	<u>16</u>	<u>-</u>	<u>16</u>	<u>-</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	448,298	40,513	104	488,707
Machinery and equipment	4,419	144	-	4,563
Total capital assets being depreciated	<u>452,717</u>	<u>40,657</u>	<u>104</u>	<u>493,270</u>
Less accumulated depreciation for:				
Infrastructure	109,116	5,204	104	114,216
Machinery and equipment	2,299	347	-	2,646
Total accumulated depreciation	<u>111,415</u>	<u>5,551</u>	<u>104</u>	<u>116,862</u>
Total capital assets being depreciated, net	<u>341,302</u>	<u>35,106</u>	<u>-</u>	<u>376,408</u>
Sewer Maintenance capital assets, net	<u>341,318</u>	<u>35,106</u>	<u>16</u>	<u>376,408</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Balance 01-01-10	Additions	Deletions	Balance 12-31-10
		<i>(Thousands of Dollars)</i>		
Other business-type activities:				
<i>Capital assets not being depreciated:</i>				
Land	16,231	-	-	16,231
Construction in progress	<u>2,444</u>	<u>2,099</u>	<u>2,363</u>	<u>2,180</u>
Total capital assets not being depreciated	<u>18,675</u>	<u>2,099</u>	<u>2,363</u>	<u>18,411</u>
<i>Capital assets being depreciated:</i>				
Buildings	65,272	1,120	-	66,392
Infrastructure—port.....	15,909	711	-	16,620
Improvements other than buildings	7,717	54	-	7,771
Machinery and equipment	<u>8,860</u>	<u>1,362</u>	<u>41</u>	<u>10,181</u>
Total capital assets being depreciated	<u>97,758</u>	<u>3,247</u>	<u>41</u>	<u>100,964</u>
Less accumulated depreciation for:				
Buildings	37,105	2,373	-	39,478
Infrastructure—port.....	9,076	278	-	9,354
Improvements other than buildings	5,318	301	-	5,619
Machinery and equipment	<u>5,042</u>	<u>601</u>	<u>32</u>	<u>5,611</u>
Total accumulated depreciation	<u>56,541</u>	<u>3,553</u>	<u>32</u>	<u>60,062</u>
Total capital assets being depreciated, net	<u>41,217</u>	<u>(306)</u>	<u>9</u>	<u>40,902</u>
Other business-type activities, net	<u>59,892</u>	<u>1,793</u>	<u>2,372</u>	<u>59,313</u>
Business-type activity capital assets, net	<u>\$ 795,192</u>	<u>\$ 71,033</u>	<u>\$ 28,326</u>	<u>\$ 837,899</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Balance 01-01-10	Additions	Deletions	Balance 12-31-10
		<i>(Thousands of Dollars)</i>		
Component Units				
<i>Capital assets not being depreciated:</i>				
Land	\$ 56,527	\$ 400	\$ 111	\$ 56,816
Construction in Progress	3,409	23,740	10,417	16,732
Total capital assets not being depreciated	<u>59,936</u>	<u>24,140</u>	<u>10,528</u>	<u>73,548</u>
<i>Capital assets being depreciated:</i>				
Buildings	488,043	19,472	7,226	500,289
Infrastructure	789	-	410	379
Improvements other than buildings	1,725	-	-	1,725
Machinery and equipment	3,513	288	83	3,718
Total capital assets being depreciated	<u>494,070</u>	<u>19,760</u>	<u>7,719</u>	<u>506,111</u>
Less accumulated depreciation for:				
Buildings	241,452	12,882	6,450	247,884
Infrastructure	40	24	23	41
Improvements other than buildings	324	129	-	453
Machinery and equipment	2,616	261	81	2,796
Total accumulated depreciation	<u>244,432</u>	<u>13,296</u>	<u>6,554</u>	<u>251,174</u>
Total capital assets being depreciated, net	<u>249,638</u>	<u>6,464</u>	<u>1,165</u>	<u>254,937</u>
Component units capital assets, net	<u>\$ 309,574</u>	<u>\$ 30,604</u>	<u>\$ 11,693</u>	<u>\$ 328,485</u>

5. DEFERRED REVENUE

Deferred revenue is recorded in the governmental funds for amounts not yet available and for resources received prior to being earned by the City. Related revenue is recognized when these amounts become available or when earned. The composition of the deferred revenue balances in the governmental funds as of December 31, 2010 is as follows:

	General	General Obligation Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
		<i>(Thousands of Dollars)</i>			
Current property taxes	\$ 178,988	\$ 93,532	\$ 4,679	\$ -	\$ 277,199
Delinquent property taxes	8,646	-	-	3,270	11,916
Unearned revenue	-	-	3,327	8,572	11,899
Long-term receivables	-	93,488	-	115	93,603
Unbilled special assessments	-	-	9,069	-	9,069
Total	<u>\$ 187,634</u>	<u>\$ 187,020</u>	<u>\$ 17,075</u>	<u>\$ 11,957</u>	<u>\$ 403,686</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

6. SHORT-TERM DEBT

During 2010, the City issued and repaid \$147,000,000 of General Obligation Cash Flow Promissory Notes, Series 2010 R4 (G.O. CFNs). The G.O. CFNs were issued for the purpose of financing the City's operating budget on an interim basis pending receipt of State of Wisconsin shared revenue payments due in November, 2010.

As of December 31, 2009, the City had outstanding \$228,000,000 of short-term Revenue Anticipation Notes (RANs) on behalf of Milwaukee Public Schools. In 2010, the City repaid the outstanding balance and issued \$225,000,000 short-term RANs for the same purpose. Of the new notes, \$50,000,000 was repaid in 2010 and the remaining balance of \$175,000,000 bears interest rates from 1.5% to 2% and will mature on June 27, 2011. The liability and related receivable to repay the revenue anticipation notes are recorded in the Debt Service Fund.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

7. LONG-TERM OBLIGATIONS

A. Changes in Long-Term Obligations

Changes in long-term obligations for the year ended December 31, 2010 were as follows:

	Balance 01-01-10	Additions	Deductions	Balance 12-31-10	Amounts Due within One Year
		<i>(Thousands of Dollars)</i>			
Governmental activities:					
General obligation bonds and notes					
City	\$ 649,306	\$ 366,200	\$ 334,842	\$ 680,664	\$ 86,633
Milwaukee Public Schools	93,446	143,511	105,438	131,519	13,327
Deferred amount on refundings	(4,000)	-	(1,097)	(2,903)	-
Unamortized premiums	23,839	21,632	9,993	35,478	-
Compensated absences	38,904	3,141	3,097	38,948	4,014
Net other postemployment benefits obligation	122,944	77,666	31,570	169,040	-
Claims and judgments	23,719	2,812	7,070	19,461	3,920
Total governmental activities	<u>\$ 948,158</u>	<u>\$ 614,962</u>	<u>\$ 490,913</u>	<u>\$ 1,072,207</u>	<u>\$ 107,894</u>
Business-type activities					
Water Works					
General obligation bonds and notes	\$ 15,285	\$ 675	\$ 2,507	\$ 13,453	\$ 3,025
Deferred amount on refundings	(217)	-	(105)	(112)	-
Unamortized premiums	570	-	164	406	-
Revenue bonds	9,400	-	938	8,462	964
Compensated absences	1,248	1,598	1,517	1,329	1,329
Net other postemployment benefits obligation	2,400	2,072	1,395	3,077	-
Total Water Works	<u>28,686</u>	<u>4,345</u>	<u>6,416</u>	<u>26,615</u>	<u>5,318</u>
Sewer Maintenance					
General obligation bonds and notes	7,167	72,040	25,770	53,437	675
State Loans	48,002	34,783	2,061	80,724	3,514
Revenue bonds	48,115	-	2,840	45,275	2,940
Unamortized premiums	1,542	-	200	1,342	-
Net other postemployment benefits obligation	904	857	577	1,184	-
Total Sewer Maintenance	<u>105,730</u>	<u>107,680</u>	<u>31,448</u>	<u>181,962</u>	<u>7,129</u>
Other Enterprise Funds					
General obligation bonds and notes	14,351	2,681	1,920	15,112	2,000
Deferred amount on refundings	(141)	-	(46)	(95)	-
Unamortized premiums	193	-	55	138	-
Net other postemployment benefits obligation	826	716	483	1,059	-
Total Other Enterprise	<u>15,229</u>	<u>3,397</u>	<u>2,412</u>	<u>16,214</u>	<u>2,000</u>
Total business-type activities	<u>\$ 149,645</u>	<u>\$ 115,422</u>	<u>\$ 40,276</u>	<u>\$ 224,791</u>	<u>\$ 14,447</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Balance 01-01-10	New Issues	Repayments	Balance 12-31-10	Amounts Due within One Year
<i>(Thousands of Dollars)</i>					
Component Units					
Revenue bonds	\$ 94,393	\$ -	\$ 2,668	\$ 91,725	\$ 535
Unamortized discounts	(97)	-	(6)	(91)	-
Notes payable	41,264	9,739	290	50,713	10,664
Advance from other organizations	-	-	-	-	-
Compensated Absences.....	1,106	-	312	794	238
Net other postemployment benefits.....	1,441	893	92	2,242	-
Total component units	<u>\$ 138,107</u>	<u>\$ 10,632</u>	<u>\$ 3,356</u>	<u>\$ 145,383</u>	<u>\$ 11,437</u>

B. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the City and for Milwaukee Public Schools. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are secured by the full faith and unlimited taxing power of the City. The debt for governmental activities will be retired by future property tax levies and other resources accumulated in the Debt Service Funds. The debt for business-type activities (i.e. Water Works, Sewer Maintenance, Parking, and Port of Milwaukee Enterprise Funds) will be retired by revenues from those operations or, if the revenues are not sufficient, by future tax levies. During the year ended December 31, 2010, general obligation bonds totaling \$57,390,000 were issued. \$41,414,890 was issued to finance capital improvements, \$11,020,000 for school purposes and \$4,955,110 for business-type activities.

Use of Public Debt Amortization Fund for retirement of the public debt is governed by the Wisconsin Statutes. The Statutes provide that when total principal and accrued interest in the Public Debt Amortization Fund is substantially equal to the outstanding general obligation bonds and notes, the resources in the fund shall be applied to make annual interest and principal payments on that debt to maturity. The Statutes provide, in part, that "The Public Debt Commission may, however, at any time, apply the fund, not to exceed in any one year 40% of the balance in said fund on the preceding December 31, to acquire for cancellation general obligation bonds or notes prior to their maturity dates at prices not to exceed principal plus accrued interest to date of maturity, but the fund shall not be decreased below \$2,000,000 as a result of such purchases and cancellations." Principal sources of revenue are one-third of all interest on general City investments and interest on Fund investments. As authorized by the Statutes, the Public Debt Amortization Fund may purchase for investment or for cancellation, notes issued by the General Fund to fund operations.

Through 2010, \$154,206,284 has been borrowed and outstanding for forty-six tax incremental districts (TID). Total debt service requirements associated with these debt issues amounts to \$209,448,349. Active Tax increments received through 2010 total \$160,223,934. In any year in which TID debt service requirements for the ensuing year are greater than total tax increments received, the shortfall is funded by the property tax levy.

Under the Wisconsin Statutes, the City is required, if requested by the Board of Milwaukee Public Schools, and if approved by referendum, to issue general obligation bonds to finance purchases of school sites and to construct or remodel school buildings. No such bonds are currently outstanding. The \$131,519,000 of Milwaukee Public School long-term debt outstanding at December 31, 2010 consists of a portion of the City's general obligation bonds and notes that has been designated for school purposes. Under the Wisconsin Statutes, the City has title to the land and buildings of the Milwaukee Public Schools. However, the City does not control the use of the assets or receive the proceeds upon disposition of the assets. At June 30, 2010, the historical costs of the land and buildings as reported by Milwaukee Public Schools were approximately \$992,516,000. These assets are excluded from the financial statements of the City.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

C. Revenue Bonds and State Loans

The City issues revenue bonds to provide funds for water and sewer improvements. As such, they are not backed by the general credit or taxing powers of the City. During 2010, the City received loans from the State for the Clean Water Fund Program permitted under State Statutes to provide financial assistance for specific Sewer Maintenance Enterprise Fund projects for a total of \$34,783,000. The loans will be repaid from revenues of the Sewer Maintenance Enterprise Fund.

D. Notes Payable

The City issues installment notes to provide funds for various public improvement projects, cash flow for the school district, and purchases of delinquent taxes. During the year ended December 31, 2010, installment loans totaling \$137,565,000 were issued. \$101,748,180 was issued to finance capital improvements, \$5,950,220 for business-type activities and \$29,866,600 to purchase 2009's delinquent taxes.

During 2010, the City continued to issue General Obligation Commercial Paper Promissory Notes totaling \$205,852,000. \$46,491,400 was issued to finance capital improvements, \$64,491,400 for business-type activities and \$95,191,000 for schools. The notes are a direct general obligation of the City payable from taxes levied without limitation as to rate or amount. Following is a summary of the General Obligation Commercial Paper Promissory Notes issued (in thousands), which is included in the totals for the general obligation bonds and notes in the long-term obligation table in footnote 7(a) above:

Balance			Balance
01-01-10	Additions	Deletions	12-31-10
90,000	205,852	217,252	78,600

In order to provide a source for payment of the principal and interest on the General Obligation Commercial Paper Promissory Notes, on January 1, 2008, the City entered into an irrevocable letter of credit and reimbursement agreement with a bank. The letter of credit and reimbursement agreement has an authorized maximum draw of \$125 million, and expires on December 1, 2012. Each advance on the letter of credit is due and payable on the 60th day following the date of the draw; however, the agreement allows the bank to make a three-year term loan available upon each advance not repaid within 60 days, for which payments will begin one year after the date the term loan began. Principal payments on the term loan shall be made quarterly. Interest is required to be paid monthly, and the rate varies based on the period the advance is outstanding, as follows:

<u>Period Outstanding</u>	<u>Interest Rate</u>
30 days or less	Prime rate
31 days to 60 days	Prime rate plus 1%
Greater than 60 days (term loan)	Prime rate plus 2%

Further, under the terms of the letter of credit agreement, the City has agreed to meet various covenants, which includes maintaining an above investment grade rating on its outstanding indebtedness. As of December 31, 2010, the City had no outstanding draws on the letter of credit.

E. Qualified Schools Construction Bonds Payable

During the year ended December 31, 2010, the City issued Qualified Schools Construction Bonds totaling \$37,300,000 to finance schools construction projects which is included in the totals for the general obligation bonds and notes in the long-term obligation table in footnote 7(a) above.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

F. Debt Service Requirements

The maturities of the outstanding principal and related interest requirements are as follows:

Year	General Obligation Debt		Revenue Bonds Payable		Total Debt Service
	Principal	Interest	Principal	Interest	
<i>(Thousands of Dollars)</i>					
Governmental activities					
2011	\$ 99,959	\$ 34,174	\$ -	\$ -	\$ 134,133
2012	82,225	30,331	-	-	112,556
2013	75,928	26,750	-	-	102,678
2014	66,590	23,307	-	-	89,897
2015	61,484	20,212	-	-	81,696
2016-2020	270,152	61,477	-	-	331,629
2021-2025	115,230	20,850	-	-	136,080
2026-2030	40,615	3,113	-	-	43,728
Total	<u>\$ 812,183</u>	<u>\$ 220,214</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,032,397</u>
Business-type activities					
Water Works					
2011	\$ 3,026	\$ 674	\$ 964	\$ 211	\$ 4,875
2012	2,551	531	989	185	4,256
2013	2,161	395	1,015	158	3,729
2014	2,346	284	1,042	131	3,803
2015	1,736	171	1,069	104	3,080
2016-2020	1,348	166	3,383	135	5,032
2021-2025	285	35	-	-	320
Total	<u>\$ 13,453</u>	<u>\$ 2,256</u>	<u>\$ 8,462</u>	<u>\$ 924</u>	<u>\$ 25,095</u>
Sewer Maintenance					
2011	\$ 675	\$ 669	\$ 6,454	\$ 4,038	\$ 11,836
2012	677	644	6,649	3,841	11,811
2013	698	616	6,862	3,603	11,779
2014	700	585	7,086	3,351	11,722
2015	703	552	7,332	3,094	11,681
2016-2020	45,430	1,852	40,708	11,152	99,142
2021-2025	4,554	528	32,848	4,191	42,121
2026-2030	-	-	18,060	833	18,893
Total	<u>\$ 53,437</u>	<u>\$ 5,446</u>	<u>\$ 125,999</u>	<u>\$ 34,103</u>	<u>\$ 218,985</u>
Other Enterprise					
2011	\$ 2,000	\$ 674	\$ -	\$ -	\$ 2,674
2012	1,802	582	-	-	2,384
2013	1,643	498	-	-	2,141
2014	1,614	420	-	-	2,034
2015	1,477	344	-	-	1,821
2016-2020	4,620	924	-	-	5,544
2021-2025	1,956	188	-	-	2,144
Total	<u>\$ 15,112</u>	<u>\$ 3,630</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,742</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

Year	General Obligation Debt		Revenue Bonds Payable		Total Debt Service
	Principal	Interest	Principal	Interest	
<i>(Thousands of Dollars)</i>					
Total Component Units					
2011	\$ 10,664	\$ 1,332	\$ 535	\$ 710	\$ 13,241
2012	146	1,263	570	682	2,661
2013.....	157	1,253	990	653	3,053
2014.....	3,892	1,242	1,195	620	6,949
2015.....	880	1,218	1,425	585	4,108
2016-2020	3,619	5,805	7,275	2,303	19,002
2021-2025	1,000	5,064	36,645	1,232	43,941
2026-2030	279	4,891	26,485	541	32,196
2031-2035.....	2,389	4,644	16,605	70	23,708
2036-2040	224	4,139	-	-	4,363
2041-2045	4,915	3,067	-	-	7,982
2046-2050	18,995	1,302	-	-	20,297
2051-2055	-	764	-	-	764
2056-2060.....	3,553	298	-	-	3,851
Total	<u>\$ 50,713</u>	<u>\$ 36,282</u>	<u>\$ 91,725</u>	<u>\$ 7,396</u>	<u>\$ 186,116</u>

G. Debt Limit

Wisconsin Statutes limit direct general obligation borrowing in the amount equivalent to 7% of the equalized valuation of taxable property. The Statutes further provide that within the 7% limitation, borrowing for school construction purposes may not exceed 2% of the equalized valuation and borrowing for general city purposes may not exceed 5% of the equalized valuation. At December 31, 2010, the City's legal debt margin was \$1,382,983,000. Of this amount, \$625,327,000 was for school purposes and \$757,656,000 was for City purposes.

H. Refundings

During February 2010, the City issued General Obligation Promissory Notes, Series 2010 N1 and T2 with a par amount of \$73,620,000 and interest rates from 1% to 5% and Corporate Purpose Bonds, Series 2010 B5 with a par amount of \$13,800,000 and interest rates from 1.5% to 5%. The current refunding of \$110,000,000 General Obligation Commercial Paper Promissory Notes will provide long-term financing for temporary borrowing.

In prior years, the City defeased certain general obligation bonds by placing the proceeds from new general obligation bonds in an irrevocable trust to provide all future debt service payments on the bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's financial statements. At December 31, 2010, \$75,950,000 of bonds outstanding is considered defeased, which includes debt defeased during the current year.

I. Conduit Debt

From time to time, the City has issued revenue bonds in order to provide financing to private sector entities for the purpose of acquiring, constructing, or rehabilitating housing units and for retiring the existing debt associated with housing units. These obligations are primarily secured by mortgage or revenue agreements on the associated projects and, together with the interest obligation, are payable solely by the developers from leased rentals and other funds or revenues. In addition, these obligations do not constitute indebtedness of the City, as the City has no responsibility for the debt beyond the resources provided by related leases or loans. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The aggregate amount of all revenue bonds outstanding at December 31, 2010 is approximately \$46,509,000 for the City and \$592,077,000 for RACM.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

8. RETIREMENT PLANS

Pension Benefits

Plan Description – The City makes contributions to the Employees' Retirement System of the City of Milwaukee (the "System"), a cost-sharing multiple-employer defined benefit pension plan, on behalf of all eligible City employees. The System provides retirement, disability, and death benefits to plan members and beneficiaries. The City Charter assigns the authority to establish and amend benefit provisions. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Employees' Retirement System of the City of Milwaukee, 200 East Wells Street, Room 610, Milwaukee, WI 53202.

Funding Policy – Plan members are required to contribute, or have contributed on their behalf, a percentage of their annual earnable compensation equal to 5.5%, 7%, 7%, and 7% for general City employees, police officers, firefighters, and elected officials, respectively. New hires that are not sworn police/fire must pay 1.6% of pensionable earnings for 8 years to fund the cost of benefit escalators due to the Global Pension Settlement. The City is required to contribute the actuarially determined amount. The City Charter assigns the authority to establish and amend contribution requirements. The City's contributions to the System for the years ending December 31, 2010, 2009, and 2008, were \$17,371,000, \$19,294,000, and \$23,532,000, respectively, equal to the required contributions on behalf of the plan members for each year.

Other Postemployment Benefits

The City provides other postemployment benefits (OPEB) to its retirees for health and life insurance.

Plan Description. The City provides a single-employer defined benefit healthcare plan and life insurance administered by both the City and Milwaukee's Employee Retirement System (MERS). The City provides medical insurance benefits for substantially all retirees in accordance with terms set forth in labor contracts or by Common Council resolution. Retirees are eligible to enroll in any of the group plans offered by the City. Aside from the Basic Plan, this includes a Health Maintenance Organization (HMO) plan currently offered to active employees. The City provides full health insurance coverage to general City employees who retire at age 55, but less than age 65, with 30 years of creditable service or at age 60, but less than age 65, with 15 years of creditable service until the age of 65. Management employees retiring beginning in 2004 at age 55, but less than 65, pay a portion of health insurance the same as active management employees. In accordance with a "percentage formula" as provided in labor agreements, the City provides between 65% and 100% of the cost of the Basic Plan coverage for firefighters and police officers who retire with 25 years of creditable service and having attained at least the age of 52 but less than 60. Upon reaching the age of 60 but prior to the age of 65, the City provides full health insurance coverage for firefighters and police officers with single enrollment status. The City contribution for firefighters and police officers between the ages of 60 and 65 with family enrollment status is the greater of 100% of the cost of single enrollment in the Basic Plan or an amount determined using the "percentage formula." The "percentage formula" used to determine the City contribution in the labor agreements is based on the amount of unused sick leave at retirement.

After attaining the age of 65 and having completed a minimum of 15 years of creditable service, all retirees are eligible to enroll in a "subsidized plan" for medical insurance. Under this plan, the City contributes 25% of the base rate toward retirees enrolled in the Basic Plan, while the retiree pays 75% of the base rate and 100% of the major medical rate. For those retirees enrolled in an HMO, the City contributes a 25% subsidy of the applicable HMO premium.

In addition to medical insurance, the City allows its employees to continue life insurance coverage under the Group Life Insurance Plan offered to active employees in accordance with Section 350-25 of the Code of Ordinances. The base amount of coverage for general City employees is equal to the employee's annual basic salary to the next higher thousand dollars. The base amount of coverage for firefighters and police officers is equal to one and one-half the employee's annual basic salary to the next higher thousand dollars.

General City employees retiring at age 55 or older with 20 years of service or at age 60 regardless of years of service and covered under the group life insurance plan at retirement are eligible to continue coverage at the level on the date prior to their date of retirement. Firefighters and police officers retiring at age 52 or older with 20 years of service or at age 57 regardless of years of service and covered under the group life insurance plan at retirement are eligible to continue coverage up to their base amount of coverage on the date prior to their date of retirement. Prior to age 65, all retirees are required to pay the full premium rates as established by the insurance carrier, less an adjustment for estimated dividends. The rates established are group rates applied consistently to all employees, without regard to age or health. Upon reaching the age of 65, those retirees

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

still part of the group life plan have their coverage reduced in accordance with the reduction schedule in effect on their last day physically at work, with the City assuming all future premiums.

Funding Policy. The contribution of plan members and the City are established and may be amended by the City. The required contribution for medical and life insurance for retirees is based on a pay-as-you-go financing. Medical benefits provided through the basic health care plan are self-insured. For 2010, the City paid approximately \$32,872,000 and \$1,153,000, respectively, toward medical and life insurance for retirees.

Annual OPEB Cost and Net OPEB Obligation. The City's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 *Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan (pay-as-you basis), and the changes in the City's net OPEB obligation:

Funding Status and Funding Progress

ARC	\$ 80,498,000
Interest on Net OPEB Obligation	5,373,000
Adjustment to ARC	<u>(4,560,000)</u>
Annual OPEB Cost	81,311,000
Contribution made	<u>34,025,000</u>
Increase in net OPEB Obligation	47,286,000
Net OPEB obligation - beginning of year	<u>127,074,000</u>
Net OPEB obligation - end of year	<u>\$ 174,360,000</u>

The City annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

Annual Cost and Net OPEB Liability

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2008	\$ 73,100,000	45.0%	\$ 78,400,000
12/31/2009	77,389,000	37.1%	127,074,000
12/31/2010	81,311,000	41.8%	174,360,000

Funded Status and Funding Progress. As of January 1, 2010, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$1,007,573,000, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,007,573,000. The covered payroll (annual payroll of active employees covered by the plan) was \$413,648,000 and the ratio of the UAAL to the covered payroll was 244 percent.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. The retiree healthcare valuation was based on the projected unit credit (PUC) cost method. The PUC method produces an explicit normal cost and actuarial accrued liability. The normal cost and actuarial accrued liability are directly proportional to the employee's service. That is, the normal cost equals the present value of future benefits divided by projected service at retirement, and the actuarial accrued liability equals the present value of benefits multiplied by the ratio of service at valuation date to projected service at retirement. Depending on the demographic characteristics of the current group and new entrants in the future, this method could produce stable annual costs, in the aggregate, when expressed as a percentage of pay.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

The OPEB valuation uses a discount rate assumption of 4.5% based on the City's projected short-term investment rate of return. The healthcare cost trends rate is 9% initially, and reduced by decrements to the ultimate rate of 4.5% after 10 years. The actuarial assumption for wage inflation is 3.5%. The amortization of the unfunded actuarial accrued liability is based on a level percentage of pay over a 30-year open amortization period.

Terminal Leave Payments

Upon retirement, employees receive a portion of their unused sick leave as terminal leave, in accordance with labor contracts and Section 350-38 of the Code of Ordinances. Firefighters whose normal hours of work exceed 40 hours per week receive between \$45 and \$65 for each work shift equivalent of unused sick leave. Firefighters whose normal hours of work average 40 hours per week receive between \$21 and \$30 for each work shift equivalent of unused sick leave. Police officers receive payment for up to 55 days of unused sick leave at base pay. Management pay plan employees are entitled to payment of 30% of unused sick leave (maximum 960 hours) plus one-half of the sick leave days accumulated during the last twelve months of service for up to six additional days for a total maximum of 42 days at the rate of pay at retirement. Substantially all remaining City employees receive up to 30 days for unused sick leave as terminal leave, although some bargaining units receive slightly different benefits in accordance with related labor agreements. In 2010, approximately \$7,925,000 was paid for sick leave from all funds. At December 31, 2010, accumulated sick leave earned but not taken totaled approximately \$168,764,000 determined on the basis of current salary rates.

Terminal leave pay is funded on a pay-as-you-go basis and provided for in the salary budgets of the respective departments annually. In 2010, terminal leave payments totaled \$2,400,000 to employees retiring during the year. As of December 31, 2010, the City has accrued approximately \$21,490,000 in the government-wide statements for future terminal leave payments. This amount is included under the unfunded compensated absences of \$38,948,000 with the remainder accrued vacation leave of \$17,458,000.

9. FUND EQUITY

Reserved for Tax Stabilization and Advances to Other Funds

The Reserved for Tax Stabilization, \$43,824,000 at December 31, 2010, is governed by the City's Code of Ordinances. This reserve includes an amount for advances of \$9,798,000 from the general fund to the capital projects fund. The general fund has advanced this amount to fund special assessment projects. The availability of the \$9,798,000 for Tax Stabilization is contingent upon future collection of the special assessments receivable. All General Fund appropriation balances not encumbered or carried over are reserved for tax stabilization in subsequent years. The total amount that can be withdrawn from the Reserved for Tax Stabilization in any one year is an amount that prevents an increase of more than 3% in the City's property tax rate, as defined, and is anticipated to be available as of April 15 of the year covered by the budget. Such amount must be included in the adopted budget, which requires a majority affirmative vote of the Common Council. Fund withdrawals not needed to stabilize the tax rate can be made for up to 50% of the available balance, but require a three-fourths affirmative vote of the Common Council.

Fund deficit

The Capital Projects Fund had a deficit fund balance of \$19,855,000 as of December 31, 2010, which is the result of expending funds for construction in advance of issuing general obligation bonds. The City plans to eliminate the fund deficit through the issuance of general obligation bonds in 2011.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

10. INTERFUND RECEIVABLE AND PAYABLE BALANCES AND NET TRANSFERS

The individual interfund receivable and payable balances at December 31, 2010:

		Due From					
		General Fund	Nonmajor Governmental Funds	Water Works	Sewer Maintenance Fund	Nonmajor Enterprise Funds	Total
		<i>(Thousands of Dollars)</i>					
Due To	General Fund	\$ -	\$ 288	\$ 1,444	\$ -	\$ -	\$ 1,732
	General Obligation Debt	-	-	3,700	-	-	3,700
	Capital Projects	12,244	-	-	-	-	12,244
	Nonmajor Governmental Funds	11,474	-	-	-	-	11,474
	Water Works	22,545	-	-	762	581	23,888
	Sewer Maintenance	-	-	-	-	-	-
	Nonmajor Enterprise Funds ...	11,734	-	-	-	-	11,734
Totals	<u>\$ 57,997</u>	<u>\$ 288</u>	<u>\$ 5,144</u>	<u>\$ 762</u>	<u>\$ 581</u>	<u>\$ 64,772</u>	

Balances resulted from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, and (4) funds overdraw their share of pooled cash or when there are transactions between funds where one fund does not participate in the City's pooled cash.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

Interfund transfers for the year ended December 31, 2010 were as follows:

Funds Transferred To	Fund Transferred From	Amount	Purpose
General Fund	General Obligation Debt	\$ 3,006	Funding for debt payments
	Nonmajor Governmental Funds	8,850	Subsidize uncollected property taxes
	Water Works	3,000	Subsidy for operations
	Water Works	10,154	Payment in Lieu of taxes
	Sewer Maintenance	436	Pension contribution
	Nonmajor Enterprise Funds	1,297	Payment in Lieu of taxes
	Nonmajor Enterprise Funds	22,287	Subsidy for operations
	Nonmajor Enterprise Funds	355	Pension contribution
	Nonmajor Enterprise Funds	<u>2,326</u>	Excess earnings of Port
		Subtotal General Fund	<u>51,711</u>
General Obligation Debt	General	147,000	Funding for cash flow debt
	General	2,076	Funding for debt payments
	Public Debt Amortization	13,928	Subsidy for operations
	Capital Projects	2,428	Tax Incremental District closeouts
	Nonmajor Governmental Funds	23,914	Funding for debt payments
	Sewer Maintenance	8,321	Subsidy for operations
	Nonmajor Enterprise Funds	577	Subsidy for operations
		Subtotal Debt Service	<u>198,244</u>
Public Debt Amortization	General Obligation Debt	<u>3,457</u>	Funding for debt payments
	Subtotal Public Debt Amortization	<u>3,457</u>	
Nonmajor Enterprise	General Fund	2	Subsidy for operations
	General Obligation Debt	<u>574</u>	Funding for debt payments
	Subtotal Nonmajor Proprietary	<u>576</u>	
	Total Interfund Transfers	<u>\$ 253,988</u>	

Transfers are used to (1) move revenues from the fund that statute or budget requires collection from to the fund that statute or budget required to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

11. BALANCES BETWEEN THE CITY AND COMPONENT UNITS

Balances due to and due from component units as of December 31, 2010:

Component Unit Payable	Primary Government's Receivable <i>(Thousands of Dollars)</i>
Due from HACM for reimbursable expenditures	\$ 1,096
Due from RACM for reimbursable expenditures	93
Due from RACM for tax incremental district loans	138
Due from RACM for loans issued to developers for the purpose of renovations and improvements to existing parcels of real estate	14,871
Due from MEDC for reimbursements for expenditures ...	34
Due from MEDC for tax incremental district loans	1,448
Due from NIDC for home and Community Development Block grants	<u>27</u>
Total	<u>\$ 17,707</u>

Component Unit Receivable	Primary Government's Payable <i>(Thousands of Dollars)</i>
Due to RACM for tax incremental projects.....	\$ 136
Due to RACM for urban renewal projects.....	131
Due to RACM Community Development Block grants and Home grants.....	111
Due to NIDC for tax incremental projects.....	20
Due to NIDC Community Development Block grants and.. Home grants.....	<u>1</u>
Total	<u>\$ 399</u>

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

12. OPERATING LEASES

The City is the lessor for various properties under operating lease agreements expiring at various dates through 2010 and beyond. Certain leases contain provisions for possible renewal at term of the lease.

Scheduled minimum lease payments for years ending December 31 are as follows:

Year	Amount
<i>(Thousands of Dollars)</i>	
2011	\$ 5,770
2012	5,580
2013	5,478
2014	4,751
2015	4,701
2016-2020	17,782
2021-2025	8,357
2026-2030	7,298
2031 and beyond	<u>11,994</u>
Total	<u>\$ 71,711</u>

13. COMMITMENTS AND CONTINGENCIES

Claims and Other Legal Proceedings

The City is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employee or natural disaster. With certain exceptions, it is not the policy of the City to purchase commercial insurance for the risks of losses to which it is exposed. Instead, the City believes it is more economical to manage its risks internally and set aside funds as needed for reasonably estimated current claim settlements and unfavorable judgments through annual appropriations and supplemental appropriations. Current settlements are paid from the General Fund and recorded as expenditures when paid in the fund based statements. The liabilities are recorded in the government-wide financial statements.

Under Wisconsin Statutes, the amount recoverable by any person for any damages, injuries, or death in any action founded on fact against the City, agencies, officials, officers, or employees cannot exceed \$50,000, with certain exceptions.

The City is self-insured for workers' compensation, health insurance (basic plan), uninsured motorist motor vehicle coverage for City employees, and general liability. Liabilities are reported when it is probable that a loss can be reasonable estimated. These losses include an estimate of claims that have been incurred but not reported. Liabilities are based on the estimated ultimate cost of settling the claims, including the effects of inflation and other economic and social factors. Claims are paid from the General Fund and recorded as expenditures when paid in the fund based financial statements. The liabilities are recorded in the government-wide financial statements.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

The liabilities recorded as long-term debt in the government-wide financial statements at December 31, 2010 are as follows:

General liability claims	\$ 8,470,000
Workers' compensation claims	6,982,000
Unemployment claims	1,128,000
Health insurance claims	1,417,000
Pollution remediation obligation.....	1,464,000

Changes in the balances of claim liabilities during the past two years are as follows:

	2009	2010
Beginning of year liability	\$ 28,466,000	\$ 23,719,000
Current year claims and changes in estimates	10,233,000	2,812,000
Claim payments	<u>(14,980,000)</u>	<u>(7,070,000)</u>
End of year liability	<u>\$ 23,719,000</u>	<u>\$ 19,461,000</u>

On October 24, 2004, a claimant attended a party in the city that was hosted by a Milwaukee police officer and a number of other police officers had been invited. At some point, a number of the off-duty officers became involved in an altercation with the claimant who alleges that he was beaten for no reason and he did suffer severe injuries. The off-duty officers claim that they became involved with the claimant only after they suspected that he had stolen a badge from one of them. They also claim that the claimant resisted their efforts to obtain physical control of him. On-duty police were also called to the scene and claimant alleges that they, too, used excessive force on him and failed to stop the use of excessive force by those off-duty officers who were striking him. In addition to issues concerning the cause of the altercation, its actual participants, and its course, there is a substantial question of whether the off-duty officers involved in the matter were acting within the scope of their employment. All proceedings had been stayed pending the outcome of criminal trials. The county prosecutor charged three of the off-duty officers with crimes, but in April 2006 two were found not guilty and the jury could not reach a final verdict as to one charge against the third. Federal authorities indicted eight officers, with civil rights violations, and those cases, proceeded to trial in July 2007. Three of the officers were found guilty and one was acquitted. The other four officers entered into plea agreements. Now that all criminal trials have concluded, the court approved a discovery period. Discovery, including expert testimony, has been extended through August 1, 2011 and dispositive motions are due November 1, 2011.

Environmental Liabilities

The nature and sources of the City's pollution remediation obligation are asbestos abatement, underground storage tanks, PBC pollution, and contaminated properties. The probability-weighted expected cash flow measurement technique is used in determining the amount of liability. This involves determining a range of probabilities or likelihoods that different probable outlays will be necessary and calculating a weighted average of these outlays. There is a potential for changes in the estimated pollution remediation obligation due to third-party contracts and City labor costs changes, amendments to regulatory requirements and rules, and previously unknown conditions. The estimated costs of \$563,000 to address PBC pollution could increase if the Environment Protection Agency (EPA) does not approve the City's proposed cleanup methods. The EPA could require the City to do additional testing and remediation, resulting in greater costs to the City. The City qualifies for the State of Wisconsin *Municipal Liability Exemption Program* for contaminated properties. As long as the City is protective of human health environment, clean up is not required. The City generally cleans up contaminated properties based on remediation grants awarded to the City. The City does not expect to receive any non-grant revenues from insurance or other parties to reduce the City's liability for pollution remediation.

During 2010, the City spent \$305,000 in pollution remediation-related activities. At December 31, 2010, the City has an outstanding liability of \$1.4 million related to pollution remediation obligations.

CITY OF MILWAUKEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

The City is exposed to numerous environmental liabilities, the most significant of which relate to seven landfills. Four of the seven landfills have been closed. The remaining three landfills that are no longer accepting waste. The Wisconsin Department of Natural Resources has imposed closure requirements on the North College Avenue Site, which the City substantially closed during 2000. The City has accrued \$420,000 in the government-wide financial statement, as part of general liability claims for landfill closure related to the three sites. \$150,000 of these costs is meant to bring closure to the Hartung Quarry by constructing a sledding hill and additional landscaping. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, establishes requirements for disclosure of closure and postclosure requirements for all municipal solid waste landfills receiving solid waste after October 9, 1991. The City's landfills have not accepted waste of this type since 1976 and are therefore not required to accrue for closure and postclosure care in accordance with GASB Statement No. 18.

Construction Commitments

The governmental activities and the Water Works Fund (enterprise) have construction commitments of \$34,785,000 and \$8,088,000, respectively, for various capital improvement projects at December 31, 2010.

Intergovernmental grants

Intergovernmental awards received by the City are subject to audit and adjustment by the funding agency or their representatives. If grant revenues are received for expenditures, which are subsequently disallowed, the City may be required to repay the revenues to the funding agency. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements at December 31, 2010.

14. SUBSEQUENT EVENTS

On June 9, 2011, the City issued \$93,625,000 of general obligation promissory notes for the purpose of financing various public improvement projects and refunding debt of the City. These bonds mature on May 15 of each year beginning 2012 until 2021. Interest is payable on May 15 and November 15 commencing November 15, 2011.

On June 9, 2011, the City issued \$28,890,000 of general obligation corporate purpose bonds for the purpose of financing various public improvement projects and refunding debt of the City. These bonds mature on May 15 of each year beginning 2022 until 2028. Interest is payable on May 15 and November 15 commencing November 15, 2011.

On June 9, 2011, the City issued \$33,930,000 of general obligation corporate purpose bonds for the purpose of financing various public improvement projects and refunding debt of the City. These bonds mature on May 15 of each year beginning 2013 until 2028. Interest is payable on May 15 and November 15 commencing November 15, 2011.

On June 9, 2011, the City issued \$100,000,000 of general obligation cash flow promissory notes financing the City's operating budget until the receipt of State shared revenues. These notes mature on December 1, 2011 with interest.

On June 9, 2011, the City issued \$52,565,000 of Sewerage System Revenue Bonds for the purpose of refunding Sewer Maintenance debt. These bonds mature on June 1 of each year beginning 2013 until 2031. Interest is payable on June 1 and December 1 commencing December 1, 2011.

On June 26, 2011, Wisconsin Act 10 was signed by the Wisconsin Governor. This legislation will reduce 2012 state aids by an estimated \$14 million for the City of Milwaukee, freeze future property tax levies at the greater of zero percent or the percentage growth in net new construction, and eliminate most public employees' collective bargaining rights for pensions and health care benefits.

On July 26, 2011, the Milwaukee Common Council passed legislation that will change health care benefits for all City employees and retirees. Current general City employees, civilian personnel within the police and fire departments, and new retirees will also pay health care premium equivalent to 12% of the City's health care costs. These changes are likely to reduce the City's net expenditures on health care between 2011 and 2012 by over \$20 million.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

CITY OF MILWAUKEE
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)
 (unaudited)

Exhibit E-1

	Budgeted Amounts		Actual - Amounts Budgetary Basis	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Property taxes	\$ 176,843	\$ 176,843	\$ 168,031	\$ (8,812)
Other taxes	4,769	4,769	5,097	328
Licenses and permits	12,754	12,754	12,948	194
Intergovernmental	270,872	270,872	270,939	67
Charges for services	92,349	93,517	97,146	3,629
Fines and forfeits	5,255	5,255	5,422	167
Other	19,256	19,256	20,323	1,067
Total Revenues	<u>582,098</u>	<u>583,266</u>	<u>579,906</u>	<u>(3,360)</u>
Expenditures:				
Current:				
General government	259,798	259,925	253,328	6,597
Public safety	256,850	265,207	264,067	1,140
Public works	88,574	95,180	94,482	698
Health	9,239	9,996	9,996	-
Culture and recreation	15,391	15,671	15,656	15
Conservation and development	3,420	3,802	3,747	55
Total Expenditures	<u>633,272</u>	<u>649,781</u>	<u>641,276</u>	<u>8,505</u>
Deficiency of Revenues over Expenditures	<u>(51,174)</u>	<u>(66,515)</u>	<u>(61,370)</u>	<u>5,145</u>
Other Financing Sources (Uses):				
General obligation bonds and notes issued	-	-	147,000	147,000
Transfers in	38,073	41,079	51,711	10,632
Transfers out	-	(2)	(149,078)	(149,076)
Contributions received	27,843	28,793	23,005	(5,788)
Contributions used	(27,794)	(30,591)	(22,998)	7,593
Use of fund balance - reserved for tax stabilization ...	13,070	13,070	13,070	-
Total Other Financing Sources and Uses	<u>51,192</u>	<u>52,349</u>	<u>62,710</u>	<u>10,361</u>
Net Change in Fund Balance	18	(14,166)	1,340	15,506
Fund Balance - Beginning (Excludes Reserved for Tax Stabilization)	<u>58,286</u>	<u>58,286</u>	<u>58,286</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 58,304</u>	<u>\$ 44,120</u>	<u>\$ 59,626</u>	<u>\$ 15,506</u>

Explanation of Differences of Budget to GAAP:

For budget purposes, the fund balance - reserved for tax stabilization is reflected as other financing sources whereas for accounting purposes, it is reflected as part of fund balance. The difference between the fund balance on a GAAP basis compared with budget basis is \$13.070 million at January 1, 2010.

Contributions received and used for budget purposes are reported as other financing sources, but for GAAP are considered to be revenues and expenditures.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
 FOR THE YEAR ENDED DECEMBER 31, 2010
(unaudited)

Exhibit E-2

Retiree Health and Life Insurance

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) - Projected Unit Credit	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2008	-	\$ 880,700,000	\$ 880,700,000	0.0%	\$ 425,360,370	207.0%
1/1/2009	-	959,562,000	959,562,000	0.0%	419,811,361	228.6%
1/1/2010	-	1,007,573,100	1,007,573,100	0.0%	413,647,606	243.6%

See accompanying independent auditors' report.

CITY OF MILWAUKEE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2010

Budgets and Budgetary Accounting

City departments are required to submit their annual budget requests for the ensuing year to the Mayor by the second Tuesday in May. The Department of Administration, Division of Budget and Management Analysis, acting as staff for the Mayor, reviews the request in detail with the departments during June and July. After all of the requests have been reviewed, the Mayor submits his proposed Executive Budget to the Common Council. The City Charter requires that this be done on or before September 28. The Common Council must complete its review and adopt the budget on or before November 14. Once adopted, Common Council approval is required to amend the total appropriations by a department, the legal level of control for each budget. During the year, various amendments were made to the budget including carryovers of appropriations and encumbrances, and internal transfers.

Annual budgets are legally adopted by the Common Council for some but not all governmental funds. Annual budgets are not adopted for Special Revenue Fund - Delinquent Tax, Debt Service Fund - Public Debt Amortization and Capital Projects Funds. The Debt Service Fund - General Obligation Debt uses a non-appropriated budget. Budgets for Capital Projects Funds are prepared for the project life, rather than for the standard current fiscal year. Therefore, project appropriations for these budgets lapse at the conclusion of the project. All other appropriations lapse at the end of the current fiscal year. Governmental funds for which annual budgets have been adopted are included in the accompanying Required Supplementary Information Budgetary Comparison Schedule and in the Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.

Schedule of Funding Progress – Actuarial Methods and Assumptions

Valuation date	January 1, 2010
Actuarial cost method	Projected unit credit
Amortization method	Level-dollar
Amortization period	30 years (open)
Actuarial assumptions:	
Investment rate of return	4.5%
Projected salary increases	3.5%
Health care inflation rate	20.4% initial HMO
	7.7% initial Basic Plan
	4.5% ultimate

**COMBINING
AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**

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Nonmajor Governmental Funds

Nonmajor funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Grant and Aid Projects – This fund is used to account for Federal and State grants whose proceeds are legally restricted to expenditures for specific purposes and which are not accounted for in other special revenue funds.

Community Development Block Grant – The Community Development Block Grant Program receives annual grants pursuant to the Federal Housing and Community Development Act of 1974. This fund also includes amounts received under the Section 108 Loan Program. The City's Department of Administration is responsible for the planning, execution and evaluation of the Program.

Delinquent Tax – This fund was established as a reserve against uncollected delinquent property taxes. Fund resources, consisting initially of bond proceeds, are used to purchase delinquent property taxes from the General Fund. Collections on these purchased receivables and related interest thereon are transferred to the General Obligation Debt Service Fund to provide for the related debt service requirements.

Economic Development Fund – This fund provides expenditure authority for owner financed economic development in commercial areas, including the Business Improvement District program.

CITY OF MILWAUKEE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit F-1

	Grant and Aid Projects	Community Development Block Grant	Delinquent Tax	Economic Development	Total Nonmajor Governmental Funds
ASSETS					
Assets:					
Cash and cash equivalents	\$ 1,685	\$ -	\$ 16,658	\$ 213	\$ 18,556
Receivables (net):					
Taxes	-	-	17,840	-	17,840
Accounts	115	34	-	-	149
Notes and loans	15,536	3,693	-	-	19,229
Due from other funds	-	288	-	-	288
Due from component units	17	24	-	-	41
Due from other governmental agencies	15,254	3,735	-	-	18,989
Prepaid items	5	-	-	-	5
Total Assets	<u>\$ 32,612</u>	<u>\$ 7,774</u>	<u>\$ 34,498</u>	<u>\$ 213</u>	<u>\$ 75,097</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,362	\$ 3,631	\$ -	\$ -	\$ 6,993
Accrued expenses	203	191	-	-	394
Due to other funds	11,474	-	-	-	11,474
Due to component units	-	112	-	-	112
Due to other governmental agencies	260	34	-	-	294
Deferred revenue	8,572	115	3,270	-	11,957
Total Liabilities	<u>23,871</u>	<u>4,083</u>	<u>3,270</u>	<u>-</u>	<u>31,224</u>
Fund Balances:					
Reserved for debt service	-	-	16,658	-	16,658
Reserved for delinquent taxes receivable ..	-	-	14,570	-	14,570
Reserved for economic development	-	-	-	213	213
Reserved for grant activities	8,741	3,691	-	-	12,432
Unreserved, undesignated	-	-	-	-	-
Total Fund Balances	<u>8,741</u>	<u>3,691</u>	<u>31,228</u>	<u>213</u>	<u>43,873</u>
Total Liabilities and Fund Balances	<u>\$ 32,612</u>	<u>\$ 7,774</u>	<u>\$ 34,498</u>	<u>\$ 213</u>	<u>\$ 75,097</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE Exhibit F-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

	Grant and Aid Projects	Community Development Block Grant	Delinquent Tax	Economic Development	Total Nonmajor Governmental Funds
Revenues:					
Property taxes	\$ -	\$ -	\$ 6,039	\$ -	\$ 6,039
Intergovernmental	42,894	26,068	-	-	68,962
Other	-	-	4,104	8,339	12,443
Total Revenues	<u>42,894</u>	<u>26,068</u>	<u>10,143</u>	<u>8,339</u>	<u>87,444</u>
Expenditures:					
Current:					
General government	-	3,563	1,697	-	5,260
Public safety	20,493	3,255	-	-	23,748
Public works	5,529	1,670	-	-	7,199
Health	12,347	-	-	-	12,347
Culture and recreation	1,257	1,133	-	-	2,390
Conservation and development	6,319	16,447	-	8,955	31,721
Total Expenditures	<u>45,945</u>	<u>26,068</u>	<u>1,697</u>	<u>8,955</u>	<u>82,665</u>
Excess (deficiency) of Revenues over Expenditures	<u>(3,051)</u>	<u>-</u>	<u>8,446</u>	<u>(616)</u>	<u>4,779</u>
Other Financing Sources (Uses):					
General obligation bonds and notes issued .	-	-	29,867	-	29,867
Loans receivable activities.....	(1,462)	1,169	-	-	(293)
Transfers out	-	-	(32,764)	-	(32,764)
Total Other Financing Sources and Uses	<u>(1,462)</u>	<u>1,169</u>	<u>(2,897)</u>	<u>-</u>	<u>(3,190)</u>
Net Change in Fund Balances	(4,513)	1,169	5,549	(616)	1,589
Fund Balances - Beginning	<u>13,254</u>	<u>2,522</u>	<u>25,679</u>	<u>829</u>	<u>42,284</u>
Fund Balances - Ending	<u>\$ 8,741</u>	<u>\$ 3,691</u>	<u>\$ 31,228</u>	<u>\$ 213</u>	<u>\$ 43,873</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE Exhibit F-3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANT AND AID PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

	Amended Budget	Actual on Budgetary Basis	Variance - Favorable (Unfavorable)
Revenues:			
Intergovernmental	<u>\$ 47,320</u>	<u>\$ 42,894</u>	<u>\$ (4,426)</u>
Expenditures:			
Current:			
Public safety	21,350	20,493	857
Public works	5,638	5,529	109
Health	12,732	12,347	385
Culture and recreation	1,258	1,257	1
Conservation and development	<u>6,342</u>	<u>6,319</u>	<u>23</u>
Total Expenditures	<u>47,320</u>	<u>45,945</u>	<u>1,375</u>
Excess of Revenues over (under) Expenditures	-	(3,051)	(3,051)
Other Financing Sources (Uses):			
Loans receivable activities	-	(1,462)	(1,462)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(4,513)	(4,513)
Fund Balance - Beginning	<u>-</u>	<u>13,254</u>	<u>13,254</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 8,741</u>	<u>\$ 8,741</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE Exhibit F-4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2010
(Thousands of Dollars)

	Amended Budget	Actual on Budgetary Basis	Variance - Favorable (Unfavorable)
Revenues:			
Intergovernmental	<u>\$ 26,068</u>	<u>\$ 26,068</u>	<u>\$ -</u>
Expenditures:			
Current:			
General government	3,563	3,563	-
Public safety	3,255	3,255	-
Public works	1,670	1,670	-
Health	-	-	-
Culture and recreation	1,133	1,133	-
Conservation and development	<u>16,447</u>	<u>16,447</u>	<u>-</u>
Total Expenditures	<u>26,068</u>	<u>26,068</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	-	-	-
Other Financing Sources (Uses):			
Loans receivable activities	<u>1,169</u>	<u>1,169</u>	<u>-</u>
Fund Balance - Beginning	<u>2,522</u>	<u>2,522</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 3,691</u>	<u>\$ 3,691</u>	<u>\$ -</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE Exhibit F-5
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

	Amended Budget	Actual on Budgetary Basis	Variance - Favorable (Unfavorable)
Revenues:			
Other	\$ 9,478	\$ 8,339	\$ (1,139)
Expenditures:			
Current:			
Conservation and development	9,478	8,955	\$ 523
Excess of Revenues over (under) Expenditures	-	(616)	(616)
Fund Balance - Beginning	829	829	-
Fund Balance - Ending	\$ 829	\$ 213	\$ (616)

See accompanying independent auditors' report.

Nonmajor Enterprise Funds

Enterprise Funds are used to account for operations that provide services which are financed primarily by user charges, or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control or other purposes.

Parking – This fund accounts for revenues derived from parking meters, parking permits, rentals and leasing of parking facilities, and other revenues attributable to parking. The revenues are used to defray administrative and operational costs related to parking operations, and to acquire landscape and construct parking lots and structures.

Port of Milwaukee – All activities necessary to operate and maintain the Port of Milwaukee and other related harbor activities are accounted for in this fund.

Metropolitan Sewerage District User Charge – The Metropolitan Sewerage District User Charge Fund is used to account for sewerage treatment charges by the Milwaukee Metropolitan Sewerage District to the City on a “wholesale” user charge basis and the subsequent billing by the City to customers on a “retail” basis. The City adds administrative expense to the District’s charges and includes the sewer user charges on the quarterly water bills.

CITY OF MILWAUKEE
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit G-1

	Parking	Port of Milwaukee	Metropolitan Sewerage District User Charge	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 21,004	\$ -	\$ -	\$ 21,004
Receivables (net):				
Accounts	299	923	13,375	14,597
Unbilled accounts	-	-	3,167	3,167
Due from other funds	-	-	581	581
Due from other governmental agencies	-	-	-	-
Total Current Assets	<u>21,303</u>	<u>923</u>	<u>17,123</u>	<u>39,349</u>
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated:				
Land	8,440	7,791	-	16,231
Construction in progress	2,180	-	-	2,180
Capital assets being depreciated:				
Buildings	52,846	13,546	-	66,392
Infrastructures	-	16,620	-	16,620
Improvements other than buildings	5,429	2,342	-	7,771
Machinery and equipment	5,343	4,838	-	10,181
Accumulated depreciation	<u>(37,528)</u>	<u>(22,534)</u>	<u>-</u>	<u>(60,062)</u>
Total Noncurrent Assets	<u>36,710</u>	<u>22,603</u>	<u>-</u>	<u>59,313</u>
Total Assets	<u>58,013</u>	<u>23,526</u>	<u>17,123</u>	<u>98,662</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	1,300	301	10,039	11,640
Accrued expenses	576	164	2	742
Accrued interest payable	189	45	-	234
Due to other funds	-	1,354	10,380	11,734
Deferred revenue	14	-	-	14
General obligation debt payable - current	<u>1,533</u>	<u>467</u>	<u>-</u>	<u>2,000</u>
Total Current Liabilities	<u>3,612</u>	<u>2,331</u>	<u>20,421</u>	<u>26,364</u>
Noncurrent Liabilities:				
General obligation debt	10,253	2,902	-	13,155
Other post employment benefits obligation	<u>863</u>	<u>196</u>	<u>-</u>	<u>1,059</u>
Total Noncurrent Liabilities	<u>11,116</u>	<u>3,098</u>	<u>-</u>	<u>14,214</u>
Total Liabilities	<u>14,728</u>	<u>5,429</u>	<u>20,421</u>	<u>40,578</u>
NET ASSETS:				
Invested in capital assets, net of related debt	24,924	19,235	-	44,159
Unrestricted	<u>18,361</u>	<u>(1,138)</u>	<u>(3,298)</u>	<u>13,925</u>
Total Net Assets (Accumulated Deficit)	<u>\$ 43,285</u>	<u>\$ 18,097</u>	<u>\$ (3,298)</u>	<u>\$ 58,084</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE Exhibit G-2
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

	Parking	Port of Milwaukee	Metropolitan Sewerage District User Charge	Total Nonmajor Enterprise Funds
Operating Revenues:				
Charges for Services:				
Statutory sewer user fee	\$ -	\$ -	\$ 46,279	\$ 46,279
Rent	7,449	5,398	-	12,847
Parking meters	5,112	-	-	5,112
Parking permits	3,928	-	-	3,928
Vehicle towing	5,341	-	-	5,341
Parking forfeitures	25,646	-	-	25,646
Other	1	-	1,466	1,467
Total Operating Revenues	<u>47,477</u>	<u>5,398</u>	<u>47,745</u>	<u>100,620</u>
Operating Expenses:				
Milwaukee Metropolitan Sewerage District Charges	-	-	40,891	40,891
Employee services	7,877	1,737	112	9,726
Administrative and general	-	-	60	60
Depreciation	2,747	806	-	3,553
Transmission and distribution	-	-	3,342	3,342
Services, supplies and materials	14,269	1,313	-	15,582
Billing and collection	-	-	1,471	1,471
Total Operating Expenses	<u>24,893</u>	<u>3,856</u>	<u>45,876</u>	<u>74,625</u>
Operating Income	<u>22,584</u>	<u>1,542</u>	<u>1,869</u>	<u>25,995</u>
Nonoperating Revenues (Expenses):				
Interest expense	(557)	(145)	-	(702)
Other	733	(1,609)	-	(876)
Total Nonoperating Revenues (Expenses)	<u>176</u>	<u>(1,754)</u>	<u>-</u>	<u>(1,578)</u>
Income (Loss) before Contributions and Transfers	22,760	(212)	1,869	24,417
Capital contributions	173	-	-	173
Transfers in	-	576	-	576
Transfers out	(24,516)	(2,326)	-	(26,842)
Change in Net Assets	(1,583)	(1,962)	1,869	(1,676)
Total Net Assets (Accumulated Deficit) - Beginning	<u>44,868</u>	<u>20,059</u>	<u>(5,167)</u>	<u>59,760</u>
Total Net Assets (Accumulated Deficit) - Ending	<u>\$ 43,285</u>	<u>\$ 18,097</u>	<u>\$ (3,298)</u>	<u>\$ 58,084</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit G-3

	Parking	Port of Milwaukee	Metropolitan Sewerage District User Charge	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 47,885	\$ 5,430	\$ 46,432	\$ 99,747
Payments to suppliers	(14,090)	(1,135)	(45,090)	(60,315)
Payments to employees	(7,684)	(1,707)	(112)	(9,503)
Payments from other funds	-	1,178	493	1,671
Payments to other funds	-	-	(1,723)	(1,723)
Net Cash Provided by Operating Activities	<u>26,111</u>	<u>3,766</u>	<u>-</u>	<u>29,877</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	-	576	-	576
Transfers to other funds	(24,516)	(2,326)	-	(26,842)
Net Cash Used for Noncapital Financing Activities	<u>(24,516)</u>	<u>(1,750)</u>	<u>-</u>	<u>(26,266)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from sale of bonds and notes	1,629	1,052	-	2,681
Acquisition of property, plant and equipment	(1,925)	(884)	-	(2,809)
Retirement of bonds, notes and revenue bonds	(1,492)	(428)	-	(1,920)
Interest paid	(563)	(147)	-	(710)
Other	741	(1,609)	-	(868)
Net Cash Used for Capital and Related Financing Activities	<u>(1,610)</u>	<u>(2,016)</u>	<u>-</u>	<u>(3,626)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(15)	-	-	(15)
Cash and Cash Equivalents - Beginning	<u>21,019</u>	<u>-</u>	<u>-</u>	<u>21,019</u>
Cash and Cash Equivalents - Ending	<u>\$ 21,004</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,004</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 22,584	\$ 1,542	\$ 1,869	\$ 25,995
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	2,747	806	-	3,553
Changes in assets and liabilities:				
Receivables	419	32	(1,313)	(862)
Due from other funds	-	-	493	493
Accounts payable	179	178	674	1,031
Accrued liabilities	3	30	-	33
Net other postemployment benefits obligation	190	-	-	190
Due to other funds	-	1,178	(1,723)	(545)
Deferred revenue	(11)	-	-	(11)
Net Cash Provided by Operating Activities	<u>\$ 26,111</u>	<u>\$ 3,766</u>	<u>\$ -</u>	<u>\$ 29,877</u>

Non-cash Activities: During the year, the Parking fund received donated assets in the amount of \$173,000.

See accompanying independent auditors' report.

Agency Funds

These funds account for taxes and deposits collected by the City, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

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**MISCELLANEOUS
FINANCIAL
DATA**

CITY OF MILWAUKEE
COMBINED SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit I-1

Year Levied	Real Estate	Personal Property	Total
1985 -1999	\$ 141	\$ 1	\$ 142
2000	87	1	88
2001	114	-	114
2002	119	-	119
2003	165	-	165
2004	266	262	528
2005	346	269	615
2006	799	353	1,152
2007	2,680	332	3,012
2008	9,133	397	9,530
2009	<u>29,442</u>	<u>795</u>	<u>30,237</u>
Delinquent Taxes Receivable	<u>\$ 43,292</u>	<u>\$ 2,410</u>	45,702
Add: Property taxes receivable on foreclosed property (A)			<u>19,562</u>
Total Delinquent Taxes Receivable			65,264
Less: Estimated uncollectible taxes			<u>(17,918)</u>
Net Delinquent Taxes Receivable			<u>\$ 47,346</u>

(A) Property taxes receivable on foreclosed property is valued at the cost of delinquent taxes and assessments on acquired property.

See accompanying independent auditors' report.

CITY OF MILWAUKEE Exhibit I-2
COMBINED SCHEDULE OF CASH AND CASH EQUIVALENTS AND INVESTMENTS - PRIMARY GOVERNMENT
 DECEMBER 31, 2010
 (Thousands of Dollars)

Cash and Cash Equivalents:	
Cash	\$ 20,950
Local Government Pooled - Investment Fund	190,901
Institutional Money Market Fund	100
Cash with Fiscal Agent	8,862
Certificates of Deposit	<u>413,644</u>
 Total Cash and Cash Equivalents	 \$ 634,457
Investments:	
Treasury Notes, Bills and Agencies	4,109
Municipal Bonds.....	12,574
Other	<u>629</u>
 Total Investments	 <u>17,312</u>
 Total Cash and Cash Equivalents and Investments	 <u>\$ 651,769</u>

	Cash and Cash Equivalents	Investments	Restricted Cash and Cash Equivalents	Total
Cash and Cash Equivalents and Investments - Fund:				
General	\$ 57,002	\$ 135	\$ -	\$ 57,137
General Obligation Debt Service	161,857	-	-	161,857
Public Debt Amortization	25,603	14,748	-	40,351
Capital Projects	11,727	-	-	11,727
Nonmajor Governmental Funds	18,556	-	-	18,556
Water Works	3,494	-	680	4,174
Sewer Maintenance	17,745	-	10,742	28,487
Nonmajor Enterprise Funds	21,004	-	-	21,004
Pension and Other Employee Benefit Trusts	403	-	-	403
Private-Purpose Trusts	3,082	2,429	-	5,511
Agency Funds	<u>302,562</u>	<u>-</u>	<u>-</u>	<u>302,562</u>
 Total Cash and Cash Equivalents and Investments - Fund	 <u>\$ 623,035</u>	 <u>\$ 17,312</u>	 <u>\$ 11,422</u>	 <u>\$ 651,769</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE
**DEBT SERVICE REQUIREMENTS TO MATURITY -
GENERAL OBLIGATION BONDS AND NOTES**
DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit I-3

Year	Bridges		Economic Development		Finance Real and Personal Property Tax Receivables	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 2,470	\$ 1,148	\$ 2	\$ 1	\$ 25,082	\$ 1,251
2012	2,373	1,040	2	-	11,277	683
2013	2,269	931	2	-	4,696	382
2014	2,136	822	1	-	3,330	219
2015	2,122	717	1	-	2,115	98
2016	1,890	612	-	-	1,075	27
2017	1,739	523	-	-	-	-
2018	3,109	436	-	-	-	-
2019	1,528	359	-	-	-	-
2020	1,341	291	-	-	-	-
2021	1,525	222	-	-	-	-
2022	1,081	161	-	-	-	-
2023	978	113	-	-	-	-
2024	978	67	-	-	-	-
2025	969	21	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
Totals	26,508	7,463	8	1	47,575	2,660
Total Requirements	<u>\$33,971</u>		<u>\$9</u>		<u>\$50,235</u>	

See accompanying independent auditors' report.

Fire		Grant and Aid Improvements - City Share		Harbor	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 2,520	\$ 802	\$ 65	\$ 7	\$ 467	\$ 139
2,500	689	39	5	426	115
2,473	576	40	3	388	94
2,460	459	15	1	379	75
1,771	356	15	1	352	56
1,451	278	7	-	180	40
1,809	200	-	-	132	32
1,961	129	-	-	604	24
960	83	-	-	108	18
489	47	-	-	81	14
309	27	-	-	81	10
309	12	-	-	46	7
42	3	-	-	41	5
42	1	-	-	37	3
4	-	-	-	37	1
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,100</u>	<u>3,662</u>	<u>181</u>	<u>17</u>	<u>3,359</u>	<u>633</u>
<u>\$22,762</u>		<u>\$198</u>		<u>\$3,992</u>	

CITY OF MILWAUKEE
**DEBT SERVICE REQUIREMENTS TO MATURITY -
GENERAL OBLIGATION BONDS AND NOTES**
DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit I-3 (Continued)

Year	Industrial Land Bank		Library		Local Improvement Projects/ Special Assessments	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 2	\$ -	\$ 1,050	\$ 418	\$ 1,160	\$ 517
2012	1	-	1,007	371	958	467
2013	1	-	1,032	323	1,137	410
2014	1	-	984	273	1,045	353
2015	1	-	757	228	676	308
2016	-	-	748	193	2,421	273
2017	-	-	689	156	2,130	173
2018	-	-	2,575	118	2,073	87
2019	-	-	462	95	23	-
2020	-	-	407	73	-	-
2021	-	-	350	55	-	-
2022	-	-	300	39	-	-
2023	-	-	242	26	-	-
2024	-	-	242	14	-	-
2025	-	-	155	4	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
Totals	6	-	11,000	2,386	11,623	2,588
Total Requirements	<u>\$6</u>		<u>\$13,386</u>		<u>\$14,211</u>	

See accompanying independent auditors' report.

CITY OF MILWAUKEE
**DEBT SERVICE REQUIREMENTS TO MATURITY -
 GENERAL OBLIGATION BONDS AND NOTES**
 DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit I-3 (Continued)

Year	Police		Public Buildings		Resource Recovery	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 4,952	\$ 1,406	\$ 19,039	\$ 7,463	\$ 1	\$ -
2012	5,039	1,170	18,029	6,657	1	-
2013	4,393	944	17,981	5,860	-	-
2014	3,402	729	17,274	5,028	-	-
2015	3,509	572	16,461	4,224	-	-
2016	2,118	410	15,820	3,469	-	-
2017	1,948	307	13,448	2,775	-	-
2018	3,947	210	16,562	2,163	-	-
2019	962	150	12,088	1,596	-	-
2020	532	114	9,582	1,081	-	-
2021	676	84	8,039	661	-	-
2022	488	59	3,846	402	-	-
2023	427	39	3,758	240	-	-
2024	427	21	2,936	92	-	-
2025	319	5	1,187	7	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
Totals	33,139	6,220	176,050	41,718	2	-
Total Requirements	<u>\$39,359</u>		<u>\$217,768</u>		<u>\$2</u>	

See accompanying independent auditors' report.

Schools		Sewer Maintenance		Sewers	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 13,327	\$ 5,711	\$ 675	\$ 669	\$ 5,689	\$ 1,721
12,315	5,181	677	644	5,478	1,453
11,782	4,659	698	616	4,916	1,184
7,834	4,200	700	585	4,667	942
6,512	3,844	703	552	4,096	717
8,542	3,525	706	517	3,166	510
6,228	3,128	681	484	2,102	353
5,375	2,823	42,681	328	1,620	250
4,706	2,570	681	279	1,079	183
3,837	2,359	681	244	1,022	133
497	2,169	1,077	201	851	86
497	2,148	1,077	147	704	54
497	2,125	800	100	488	31
270	2,107	800	60	368	15
12,000	2,100	800	20	368	2
-	1,958	-	-	-	-
37,300	979	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>131,519</u>	<u>51,586</u>	<u>53,437</u>	<u>5,446</u>	<u>36,614</u>	<u>7,634</u>
<u>\$183,105</u>		<u>\$58,883</u>		<u>\$44,248</u>	

CITY OF MILWAUKEE
**DEBT SERVICE REQUIREMENTS TO MATURITY -
GENERAL OBLIGATION BONDS AND NOTES**
DECEMBER 31, 2010
(Thousands of Dollars)

Exhibit I-3 (Continued)

Year	Streets		Tax Incremental Districts		Urban Renewal	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 10,241	\$ 4,478	\$ 10,291	\$ 7,841	\$ 2,687	\$ 1,034
2012	9,936	4,031	9,637	7,344	2,493	918
2013	9,346	3,588	12,459	6,812	2,174	808
2014	8,510	3,145	11,523	6,214	2,227	708
2015	7,834	2,746	12,561	5,636	2,053	604
2016	7,059	2,370	12,304	5,007	1,585	507
2017	6,434	2,030	14,254	4,393	1,135	432
2018	20,399	1,688	14,707	3,669	8,568	360
2019	4,694	1,443	12,613	2,934	1,067	308
2020	4,436	1,221	11,789	2,321	916	260
2021	6,136	955	11,159	1,756	1,269	205
2022	5,378	709	9,365	1,251	1,195	151
2023	5,248	483	7,705	832	1,065	102
2024	5,148	257	4,865	521	1,036	56
2025	4,096	60	4,490	286	906	14
2026	-	-	1,625	131	-	-
2027	-	-	1,690	45	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
Totals	114,895	29,204	163,037	56,993	30,376	6,467
Total Requirements	<u>\$144,099</u>		<u>\$220,030</u>		<u>\$36,843</u>	

See accompanying independent auditors' report.

Water		Total Requirements	
Principal	Interest	Principal	Interest
\$ 3,026	\$ 674	\$ 105,660	\$ 36,191
2,551	531	87,255	32,088
2,161	395	80,430	28,259
2,346	284	71,250	24,596
1,736	171	65,400	21,279
1,042	81	61,935	18,171
81	27	54,240	15,281
82	23	127,305	12,509
83	19	42,155	10,183
60	16	35,915	8,275
60	13	32,515	6,515
60	10	24,820	5,198
60	7	21,715	4,134
60	4	17,490	3,230
45	1	25,485	2,524
-	-	1,625	2,089
-	-	38,990	1,024
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>13,453</u>	<u>2,256</u>	<u>894,185</u>	<u>231,546</u>
<u>\$15,709</u>		<u>\$1,125,731</u>	

CITY OF MILWAUKEE
**DEBT SERVICE REQUIREMENTS TO MATURITY - WATER REVENUE
 AND DISCLOSURE OF BOND COVERAGE**
 (Thousands of Dollars)

Exhibit I-4

Year	Principal	Interest	Total Requirements
2011	964	211	1,175
2012	989	185	1,174
2013	1,015	158	1,173
2014	1,042	131	1,173
2015	1,069	104	1,173
2016	1,098	75	1,173
2017	1,127	45	1,172
2018	<u>1,158</u>	<u>15</u>	<u>1,173</u>
	<u>\$ 8,462</u>	<u>\$ 924</u>	<u>\$ 9,386</u>

Note: Water Revenue bond coverage on Series SDWL - 1, 2, 3, 4 and 5 for 2010 consisted of gross revenues plus interest income in the amount of \$73,488, less operating expenses (excluding depreciation but including the payment in lieu of taxes) of \$66,765. As a result, the net revenue available for debt service was \$6,723. Debt service requirements consisted of \$1,175 for 2010. At the end of the year, bond coverage computes to 5.72.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
**DEBT SERVICE REQUIREMENTS TO MATURITY - SEWERAGE SYSTEM REVENUE
AND DISCLOSURE OF BOND COVERAGE**
(Thousands of Dollars)

Exhibit I-5

Year	Revenue Bonds		State Loans (Revenue Bonds)		Total Requirements	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	2,940	2,151	3,514	1,887	6,454	4,038
2012	3,050	2,015	3,599	1,826	6,649	3,841
2013	3,175	1,865	3,687	1,738	6,862	3,603
2014	3,310	1,703	3,776	1,648	7,086	3,351
2015	3,465	1,539	3,867	1,555	7,332	3,094
2016	3,625	1,361	3,961	1,460	7,586	2,821
2017	3,800	1,170	4,057	1,363	7,857	2,533
2018	3,975	975	4,155	1,264	8,130	2,239
2019	4,160	776	4,256	1,162	8,416	1,938
2020	4,360	564	4,359	1,057	8,719	1,621
2021	4,565	341	4,465	950	9,030	1,291
2022	2,375	168	4,573	841	6,948	1,009
2023	2,475	54	4,684	728	7,159	782
2024	-	-	4,797	613	4,797	613
2025	-	-	4,914	496	4,914	496
2026	-	-	5,033	375	5,033	375
2027	-	-	5,155	251	5,155	251
2028	-	-	4,356	136	4,356	136
2029	-	-	2,176	56	2,176	56
2030	-	-	1,340	15	1,340	15
	<u>\$ 45,275</u>	<u>\$ 14,682</u>	<u>\$ 80,724</u>	<u>\$ 19,421</u>	<u>\$ 125,999</u>	<u>\$ 34,103</u>

Note: Sewerage System Revenue Bonds coverage consisted of gross revenues plus interest income in the amount of \$52,063 less operating expenses (excluding depreciation) of \$16,696. As a result, the net revenue available for debt service was \$35,367. Debt service requirements consisted of \$5,114 for 2010. At the end of the year, bond coverage computes to 6.92.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
SCHEDULE OF ACCOUNT BALANCES
CAPITAL PROJECTS BY PURPOSE
 DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit I-6

	Bridges	Special Projects	Fire Department	Library	Playgrounds & Recreation
ASSETS					
Assets:					
Cash and cash equivalents	\$3,315	\$ 804	\$ 151	\$ 20	\$ 826
Receivables (net):					
Taxes	-	77	-	-	-
Accounts	-	-	-	-	-
Special Assessments	-	-	-	-	-
Due from component units	-	-	-	-	-
Due from other governmental agencies	143	-	-	-	15
Inventory of materials and supplies	-	-	-	-	-
Total Assets	<u>\$3,458</u>	<u>\$ 881</u>	<u>\$ 151</u>	<u>\$ 20</u>	<u>\$ 841</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$1,368	\$ 3	\$ 14	\$ 195	\$ 58
Accrued expenses	35	1	-	1	4
Due to other funds	-	-	-	-	-
Due to component units	-	-	-	-	-
Deferred revenue	-	135	-	-	-
Advances from other funds	-	-	-	-	-
Total Liabilities	<u>1,403</u>	<u>139</u>	<u>14</u>	<u>196</u>	<u>62</u>
Fund Balance:					
Reserved for encumbrances, prepaids, and carryovers	2,055	742	137	-	779
Reserved for inventory	-	-	-	-	-
Unreserved:					
Undesignated	-	-	-	(176)	-
Special assessment (deficit)	-	-	-	-	-
Total Fund Balance	<u>2,055</u>	<u>742</u>	<u>137</u>	<u>(176)</u>	<u>779</u>
Total Liabilities and Fund Balance	<u>\$3,458</u>	<u>\$ 881</u>	<u>\$ 151</u>	<u>\$ 20</u>	<u>\$ 841</u>

See accompanying independent auditors' report.

Police Department	Public Buildings	Sewers	Urban Renewal	Streets	Tax Incremental Districts	Special Assessments	Total
\$ 688	\$ 4,011	\$ 770	\$ 1,142	\$ -	\$ -	\$ -	\$ 11,727
24	159	-	256	-	2,147	-	2,663
-	-	154	47	897	-	-	1,098
-	-	-	-	-	-	10,556	10,556
-	-	-	-	-	138	-	138
-	250	-	-	3,511	-	-	3,919
-	-	427	-	-	-	-	427
<u>\$ 712</u>	<u>\$ 4,420</u>	<u>\$ 1,351</u>	<u>\$ 1,445</u>	<u>\$ 4,408</u>	<u>\$ 2,285</u>	<u>\$ 10,556</u>	<u>\$ 30,528</u>
\$ 501	\$ 1,177	\$ 37	\$ 876	\$ 2,018	\$ 4,331	\$ 175	\$ 10,753
1	44	-	4	181	(45)	-	226
-	-	-	-	6,753	5,491	-	12,244
-	-	-	131	-	156	-	287
42	280	22	450	3,305	3,772	9,069	17,075
-	-	-	-	-	-	9,798	9,798
<u>544</u>	<u>1,501</u>	<u>59</u>	<u>1,461</u>	<u>12,257</u>	<u>13,705</u>	<u>19,042</u>	<u>50,383</u>
168	2,919	865	(16)	-	-	-	7,649
-	-	427	-	-	-	-	427
-	-	-	-	(7,849)	(11,420)	-	(19,445)
-	-	-	-	-	-	(8,486)	(8,486)
<u>168</u>	<u>2,919</u>	<u>1,292</u>	<u>(16)</u>	<u>(7,849)</u>	<u>(11,420)</u>	<u>(8,486)</u>	<u>(19,855)</u>
<u>\$ 712</u>	<u>\$ 4,420</u>	<u>\$ 1,351</u>	<u>\$ 1,445</u>	<u>\$ 4,408</u>	<u>\$ 2,285</u>	<u>\$ 10,556</u>	<u>\$ 30,528</u>

CITY OF MILWAUKEE
**SCHEDULE OF REVENUES , EXPENDITURES, AND CHANGES IN FUND BALANCE -
 CAPITAL PROJECTS BY PURPOSE**
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit I-7

	Bridges	Special Projects	Fire Department	Library	Playgrounds & Recreation
Revenues:					
Property taxes	\$ -	\$ 85	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Intergovernmental	329	-	-	250	15
Other	<u>586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,678</u>
Total Revenues	<u>915</u>	<u>85</u>	<u>-</u>	<u>250</u>	<u>2,693</u>
Expenditures:					
Capital outlay	<u>5,968</u>	<u>36</u>	<u>1,162</u>	<u>2,580</u>	<u>4,119</u>
Excess (deficiency) of Revenues over Expenditures	<u>(5,053)</u>	<u>49</u>	<u>(1,162)</u>	<u>(2,330)</u>	<u>(1,426)</u>
Other Financing Sources (Uses):					
General obligation bonds and notes issued	6,230	-	1,545	3,426	2,641
Transfers in	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>6,230</u>	<u>-</u>	<u>1,545</u>	<u>3,426</u>	<u>2,641</u>
Net Change in Fund Balance	1,177	49	383	1,096	1,215
Fund Balance (Deficit) - Beginning	<u>878</u>	<u>693</u>	<u>(246)</u>	<u>(1,272)</u>	<u>(436)</u>
Fund Balance (Deficit) - Ending	<u>\$ 2,055</u>	<u>\$ 742</u>	<u>\$ 137</u>	<u>\$ (176)</u>	<u>\$ 779</u>

See accompanying independent auditors' report.

Police Department	Public Buildings	Sewers	Urban Renewal	Streets	Tax Incremental Districts	Special Assessments	Schools Financing	Total
\$ 293	\$ 240	\$ -	\$ 175	\$ -	\$ 3,975	\$ -	\$ -	\$ 4,768
-	-	-	-	-	-	3,421	-	3,421
-	250	-	1,615	1,372	-	-	-	3,831
-	-	1	-	1,376	4,453	-	-	9,094
<u>293</u>	<u>490</u>	<u>1</u>	<u>1,790</u>	<u>2,748</u>	<u>8,428</u>	<u>3,421</u>	<u>-</u>	<u>21,114</u>
<u>3,738</u>	<u>16,062</u>	<u>41</u>	<u>9,759</u>	<u>31,073</u>	<u>21,371</u>	<u>1,060</u>	<u>143,511</u>	<u>240,480</u>
<u>(3,445)</u>	<u>(15,572)</u>	<u>(40)</u>	<u>(7,969)</u>	<u>(28,325)</u>	<u>(12,943)</u>	<u>2,361</u>	<u>(143,511)</u>	<u>(219,366)</u>
3,814	18,045	2,960	13,421	22,861	19,970	-	143,511	238,424
-	-	-	-	-	-	-	-	-
-	-	-	-	-	(2,428)	-	-	(2,428)
<u>3,814</u>	<u>18,045</u>	<u>2,960</u>	<u>13,421</u>	<u>22,861</u>	<u>17,542</u>	<u>-</u>	<u>143,511</u>	<u>235,996</u>
369	2,473	2,920	5,452	(5,464)	4,599	2,361	-	16,630
(201)	446	(1,628)	(5,468)	(2,385)	(16,019)	(10,847)	-	(36,485)
<u>\$ 168</u>	<u>\$ 2,919</u>	<u>\$ 1,292</u>	<u>\$ (16)</u>	<u>\$ (7,849)</u>	<u>\$ (11,420)</u>	<u>\$ (8,486)</u>	<u>\$ -</u>	<u>\$ (19,855)</u>

CITY OF MILWAUKEE
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit I-8

	Final Budget	Actual	Variance - Favorable (Unfavorable)
Property Taxes:			
General	\$ 94,999	\$ 86,187	\$ (8,812)
Provision for Employees' Retirement	81,844	81,844	-
Total Property Taxes	<u>176,843</u>	<u>168,031</u>	<u>(8,812)</u>
Other Taxes:			
Payment in lieu of taxes	1,050	1,116	66
Interest on city tax certificates and other taxes	3,719	3,981	262
Total Other Taxes	<u>4,769</u>	<u>5,097</u>	<u>328</u>
Licenses and Permits:			
Licenses:			
Business and occupational	4,987	5,155	168
Other	109	62	(47)
Permits:			
Building	5,985	6,159	174
Zoning	308	338	30
Other	1,365	1,234	(131)
Total Licenses and Permits	<u>12,754</u>	<u>12,948</u>	<u>194</u>
Intergovernmental:			
State Shares Revenues:			
State shared taxes	236,213	236,244	31
Local street aids	27,290	27,398	108
Payment for municipal services	1,975	1,914	(61)
Other	5,394	5,383	(11)
Total Intergovernmental	<u>270,872</u>	<u>270,939</u>	<u>67</u>
Charges for Services:			
General government	9,018	9,931	913
Public safety	16,568	16,202	(366)
Public works	65,210	68,135	2,925
Health	873	1,071	198
Culture and recreation	1,507	1,504	(3)
Conservation and development	341	303	(38)
Total Charges for Services	<u>93,517</u>	<u>97,146</u>	<u>3,629</u>
Fines and Forfeits:			
Court and contract forfeitures	5,255	5,418	163
Other	-	4	4
Total Fines and Forfeits	<u>5,255</u>	<u>5,422</u>	<u>167</u>
Other:			
Interest on temporary investments	1,250	503	(747)
Miscellaneous	18,006	19,820	1,814
Total Other	<u>19,256</u>	<u>20,323</u>	<u>1,067</u>
Total	<u>\$ 583,266</u>	<u>\$ 579,906</u>	<u>\$ (3,360)</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (Thousands of Dollars)

Exhibit I-9

	Final Budget	2010 Actual			Total	Variance - Favorable (Unfavorable)
		Salaries and Wages	Other Operating Costs	Equipment		
General Government:						
Zoning Appeals	\$ 256	\$ 208	\$ 33	\$ -	\$ 241	\$ 15
Mayor	852	804	26	3	833	19
Common Council - City Clerk	6,523	5,124	1,261	33	6,418	105
Municipal Court	3,045	1,911	1,100	3	3,014	31
City Attorney	8,478	5,355	2,883	57	8,295	183
Administration	6,808	4,324	2,185	25	6,534	274
Employee Relations	131,066	2,917	125,406	2	128,325	2,741
Election Commission	1,690	660	1,030	-	1,690	-
Comptroller	20,673	3,280	16,426	79	19,785	888
City Treasurer	47,106	1,599	44,468	-	46,067	1,039
Assessor's Office	3,393	2,790	603	-	3,393	-
Employee's Retirement	19,127	151	18,576	-	18,727	400
Interest Expense	3,006	-	3,006	-	3,006	-
Pension Reserve Fund	7,000	-	7,000	-	7,000	-
Non-departmental - unallocated ..	902	-	-	-	-	902
Total General Government	259,925	29,123	224,003	202	253,328	6,597
Public Safety:						
Fire and Police Commission	826	610	159	1	770	56
Fire Department	75,736	69,813	5,082	170	75,065	671
Police Department	176,346	161,896	12,382	1,694	175,972	374
Neighborhood Services	12,299	8,402	3,805	53	12,260	39
Total Public Safety	265,207	240,721	21,428	1,918	264,067	1,140
Public Works:						
General Office	3,482	2,818	627	29	3,474	8
Infrastructure	30,177	16,662	13,354	143	30,159	18
Operations	61,521	35,750	23,675	1,424	60,849	672
Total Public Works	95,180	55,230	37,656	1,596	94,482	698
Health	9,996	7,901	2,079	16	9,996	-
Culture and Recreation:						
Public Library	15,671	11,856	2,176	1,624	15,656	15
Conservation and Development:						
Department of City Development .	3,802	2,908	839	-	3,747	55
Total	\$ 649,781	\$347,739	\$ 288,181	\$ 5,356	\$ 641,276	\$ 8,505

See accompanying independent auditors' report.

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CITY OF MILWAUKEE
NET ASSETS BY COMPONENT

Table 1

LAST NINE YEARS

(Accrual Basis of Accounting) (Thousands of Dollars)

	Fiscal Year				
	2002	2003	2004	2005	2006
Governmental activities					
Invested in capital assets, net of related debt	\$ 392,967	\$ 420,357	\$ 444,873	\$ 492,841	\$ 500,045
Restricted	135,885	104,600	110,417	109,149	115,803
Unrestricted	<u>(97,970)</u>	<u>(99,195)</u>	<u>(159,507)</u>	<u>(196,677)</u>	<u>(200,581)</u>
Total governmental activities net assets ...	<u>430,882</u>	<u>425,762</u>	<u>395,783</u>	<u>405,313</u>	<u>415,267</u>
Business-type activities					
Invested in capital assets, net of related debt	506,502	518,861	529,213	560,899	554,966
Restricted	3,715	26,329	8,123	8,383	8,748
Unrestricted	<u>67,505</u>	<u>58,061</u>	<u>89,077</u>	<u>63,657</u>	<u>82,725</u>
Total business-type activities net assets ...	<u>577,722</u>	<u>603,251</u>	<u>626,413</u>	<u>632,939</u>	<u>646,439</u>
Primary government					
Invested in capital assets, net of related debt	899,469	939,218	974,086	1,053,740	1,055,011
Restricted	139,600	130,929	118,540	117,532	124,551
Unrestricted	<u>(30,465)</u>	<u>(41,134)</u>	<u>(70,430)</u>	<u>(133,020)</u>	<u>(117,856)</u>
Total primary government net assets	<u>\$ 1,008,604</u>	<u>\$ 1,029,013</u>	<u>\$ 1,022,196</u>	<u>\$ 1,038,252</u>	<u>\$ 1,061,706</u>

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities				
Invested in capital assets, net of related debt	\$ 558,328	\$ 559,343	\$ 367,061	\$ 360,132
Restricted	116,516	143,951	164,011	210,066
Unrestricted	<u>(298,676)</u>	<u>(396,139)</u>	<u>(282,949)</u>	<u>(297,184)</u>
Total governmental activities net assets ...	<u>376,168</u>	<u>307,155</u>	<u>248,123</u>	<u>273,014</u>
Business-type activities				
Invested in capital assets, net of related debt	581,594	607,122	650,478	619,758
Restricted	9,528	10,935	11,159	11,422
Unrestricted	<u>60,566</u>	<u>47,065</u>	<u>19,392</u>	<u>45,625</u>
Total business-type activities net assets ...	<u>651,688</u>	<u>665,122</u>	<u>681,029</u>	<u>676,805</u>
Primary government				
Invested in capital assets, net of related debt	1,139,922	1,166,465	1,017,539	979,890
Restricted	126,044	154,886	175,170	221,488
Unrestricted	<u>(238,110)</u>	<u>(349,074)</u>	<u>(263,557)</u>	<u>(251,559)</u>
Total primary government net assets	<u>\$ 1,027,856</u>	<u>\$ 972,277</u>	<u>\$ 929,152</u>	<u>\$ 949,819</u>

Note: The city began to report accrual information when it implemented GASB Statement No. 34 in 2002.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
CHANGES IN NET ASSETS
 LAST NINE YEARS
(Accrual Basis of Accounting) (Thousands of Dollars)

Table 2

	Fiscal Year			
	2002	2003	2004	2005
Expenses				
Governmental Activities				
General government	\$ 159,681	\$ 166,270	\$ 177,761	\$ 180,975
Public safety	229,167	257,207	241,027	263,852
Public works	132,198	137,693	150,591	155,048
Health	22,125	24,679	27,251	27,036
Culture and recreation	22,924	19,520	29,014	19,931
Conservation and development	50,828	64,197	57,967	57,245
Capital contribution to Milwaukee Public				
Schools	18,725	8,904	15,686	18,002
Contributions	20,378	22,499	20,582	25,465
Interest on long-term debt	29,908	26,981	24,159	22,589
Total Governmental Activities Expenses.....	<u>685,934</u>	<u>727,950</u>	<u>744,038</u>	<u>770,143</u>
Business-type Activities				
Water	52,821	56,554	54,030	58,230
Sewer Maintenance	24,214	26,440	24,361	26,096
Parking	21,893	21,438	22,283	22,369
Other activities	33,924	34,936	34,214	34,789
Total Business-type Activities	<u>132,852</u>	<u>139,368</u>	<u>134,888</u>	<u>141,484</u>
Total Primary Government Expenses	<u>818,786</u>	<u>867,318</u>	<u>878,926</u>	<u>911,627</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	14,411	10,822	10,460	11,049
Public safety	8,081	8,348	13,153	13,888
Public works	31,652	32,777	33,305	35,382
Health	877	890	911	693
Culture and recreation	2,308	2,366	2,412	1,808
Conservation and development	420	511	584	590
Operating grants and contributions	89,217	94,646	82,664	87,718
Total Governmental Activities				
Program Revenues.....	<u>146,966</u>	<u>150,360</u>	<u>143,489</u>	<u>151,128</u>
Business-type Activities				
Charges for services				
Water	74,300	74,136	71,579	71,903
Sewer Maintenance	28,007	32,657	30,959	31,072
Parking	37,735	39,279	41,470	38,961
Other activities	33,416	34,363	33,631	36,395
Capital grants and contributions	1,108	2,053	2,236	1,850
Total Business-type Activities				
Program Revenues.....	<u>174,566</u>	<u>182,488</u>	<u>179,875</u>	<u>180,181</u>
Total Primary Government				
Program Revenues	<u>321,532</u>	<u>332,848</u>	<u>323,364</u>	<u>331,309</u>
Net (Expense)/Revenue				
Governmental Activities	(538,968)	(577,590)	(600,549)	(619,015)
Business-type Activities	41,714	43,120	44,987	38,697
Total primary government net expense	<u>(497,254)</u>	<u>(534,470)</u>	<u>(555,562)</u>	<u>(580,318)</u>

Note: The city began to report accrual information when it implemented GASB Statement No. 34 in 2002.

Table 2 (continued)

	Fiscal Year				
	2006	2007	2008	2009	2010
\$ 179,647	\$ 204,724	\$ 208,608	\$ 207,504	\$ 259,420	
263,608	297,711	314,935	331,409	326,366	
154,644	157,701	174,629	167,983	168,699	
27,316	23,102	20,830	22,995	23,360	
21,506	21,298	20,639	22,901	21,075	
66,092	70,025	61,693	50,683	66,758	
14,028	2,788	6,474	5,153	91,161	
25,412	21,915	22,177	21,026	23,321	
32,131	30,536	28,368	23,985	26,467	
<u>784,384</u>	<u>829,800</u>	<u>858,353</u>	<u>853,639</u>	<u>1,006,627</u>	
58,074	62,064	64,562	67,946	67,966	
26,605	29,928	29,167	34,847	41,188	
22,609	24,025	25,078	24,659	25,450	
35,603	37,927	44,401	48,356	49,877	
<u>142,891</u>	<u>153,944</u>	<u>163,208</u>	<u>175,808</u>	<u>184,481</u>	
<u>927,275</u>	<u>983,744</u>	<u>1,021,561</u>	<u>1,029,447</u>	<u>1,191,108</u>	
12,174	12,408	12,589	9,011	9,931	
13,522	15,121	17,998	16,649	16,202	
44,722	45,855	53,348	62,553	68,135	
667	798	644	1,078	1,071	
1,892	1,888	1,443	1,482	1,504	
551	426	388	284	303	
<u>91,271</u>	<u>75,074</u>	<u>77,032</u>	<u>73,694</u>	<u>95,018</u>	
<u>164,799</u>	<u>151,570</u>	<u>163,442</u>	<u>164,751</u>	<u>192,164</u>	
69,636	72,808	73,731	73,132	73,473	
34,261	37,756	40,724	48,199	52,046	
40,736	39,730	43,961	42,245	47,477	
35,489	37,199	45,096	49,456	53,143	
7,780	6,062	10,203	18,674	58,949	
<u>187,902</u>	<u>193,555</u>	<u>213,715</u>	<u>231,706</u>	<u>285,088</u>	
<u>352,701</u>	<u>345,125</u>	<u>377,157</u>	<u>396,457</u>	<u>477,252</u>	
(619,585)	(678,230)	(694,911)	(688,888)	(756,724)	
45,011	39,611	50,507	55,898	42,868	
<u>(574,574)</u>	<u>(638,619)</u>	<u>(644,404)</u>	<u>(632,990)</u>	<u>(713,856)</u>	

See accompanying independent auditors' report.

CITY OF MILWAUKEE
CHANGES IN NET ASSETS
 LAST NINE YEARS
(Accrual Basis of Accounting) (Thousands of Dollars)

Table 2 (continued)

	Fiscal Year			
	2002	2003	2004	2005
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes	\$ 207,944	\$ 213,014	\$ 217,762	\$ 224,918
State aids for General Fund	283,068	284,565	273,865	272,875
Miscellaneous	57,999	56,815	56,321	82,796
Special item - receipt of loans receivable	-	-	-	14,325
Transfers	11,151	18,073	22,622	33,631
Total Governmental Activities	<u>560,162</u>	<u>572,467</u>	<u>570,570</u>	<u>628,545</u>
Business-type Activities				
Miscellaneous	686	482	797	1,460
Transfers	(11,151)	(18,073)	(22,622)	(33,631)
Total Business-type Activities	<u>(10,465)</u>	<u>(17,591)</u>	<u>(21,825)</u>	<u>(32,171)</u>
Total Primary Government	<u>549,697</u>	<u>554,876</u>	<u>548,745</u>	<u>596,374</u>
Change in Net Assets				
Governmental Activities	21,194	(5,123)	(29,979)	9,530
Business-type Activities	31,249	25,529	23,162	6,526
Total Primary Government	<u>\$ 52,443</u>	<u>\$ 20,406</u>	<u>\$ (6,817)</u>	<u>\$ 16,056</u>

Note: The city began to report accrual information when it implemented GASB Statement No. 34 in 2002.

Table 2 (continued)

Fiscal Year				
2006	2007	2008	2009	2010
\$ 236,043	\$ 243,654	\$ 257,210	\$ 270,191	\$ 283,442
272,417	272,539	271,100	272,337	270,939
87,510	84,042	61,949	47,217	179,057
-	-	-	-	-
<u>33,569</u>	<u>36,483</u>	<u>38,052</u>	<u>40,111</u>	<u>48,177</u>
<u>629,539</u>	<u>636,718</u>	<u>628,311</u>	<u>629,856</u>	<u>781,615</u>
2,058	2,121	979	120	1,085
<u>(33,569)</u>	<u>(36,483)</u>	<u>(38,052)</u>	<u>(40,111)</u>	<u>(48,177)</u>
<u>(31,511)</u>	<u>(34,362)</u>	<u>(37,073)</u>	<u>(39,991)</u>	<u>(47,092)</u>
<u>598,028</u>	<u>602,356</u>	<u>591,238</u>	<u>589,865</u>	<u>734,523</u>
9,954	(41,512)	(66,600)	(59,032)	24,891
<u>13,500</u>	<u>5,249</u>	<u>13,434</u>	<u>15,907</u>	<u>(4,224)</u>
<u>\$ 23,454</u>	<u>\$ (36,263)</u>	<u>\$ (53,166)</u>	<u>\$ (43,125)</u>	<u>\$ 20,667</u>

See accompanying independent auditors' report.

CITY OF MILWAUKEE
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST NINE YEARS
(Modified Accrual Basis of Accounting) (Thousands of Dollars)

Table 3

	Fiscal Year			
	2002	2003	2004	2005
Revenues:				
Property taxes	\$ 183,697	\$ 197,499	\$ 198,938	\$ 205,205
Other taxes	16,579	16,336	19,284	20,461
Special assessments	4,053	4,482	4,665	4,651
Licenses and permits	10,814	10,883	11,530	13,374
Intergovernmental	356,730	362,778	337,058	355,406
Charges for services	63,726	61,478	66,409	68,762
Fines and forfeits	5,210	6,115	5,647	5,893
Contributions received	21,107	22,499	22,236	25,187
Other	26,806	24,040	24,811	32,333
Total Revenues	<u>688,722</u>	<u>706,110</u>	<u>690,578</u>	<u>731,272</u>
Expenditures:				
Current:				
General government	183,046	189,789	203,331	209,446
Public safety	227,416	259,379	241,100	262,934
Public works	92,028	91,406	93,047	92,701
Health	22,219	24,696	27,365	26,970
Culture and recreation	20,893	19,031	19,736	19,162
Conservation and development	40,113	38,519	34,629	32,079
Capital outlay	93,515	107,829	104,842	138,839
Debt Service:				
Principal retirement	76,046	73,696	68,618	81,206
Interest	28,980	28,250	28,620	29,593
Bond issuance costs	1,104	542	411	887
Total Expenditures	<u>785,360</u>	<u>833,137</u>	<u>821,699</u>	<u>893,817</u>
Excess (deficiency) of Revenues over Expenditures	(96,638)	(127,027)	(131,121)	(162,545)
Other Financing Sources (Uses):				
General obligation bonds and notes issued	101,838	81,901	89,331	126,828
Refunding bonds issued	138,044	16,563	-	28,112
Payment to refunded bond escrow agent	(150,999)	(17,648)	-	(30,492)
Payment - current refunding	-	-	-	-
Loans receivable activities	-	-	-	-
Issuance premium	19,313	6,589	10,467	13,692
Capital lease	-	563	-	-
Transfers in	47,776	50,318	57,312	71,699
Transfers out	(36,625)	(32,245)	(34,690)	(38,068)
Total Other Financing Sources and Uses.....	<u>119,347</u>	<u>106,041</u>	<u>122,420</u>	<u>171,771</u>
Special Item:				
Receipt of loans receivable	-	-	-	14,325
Net Change in Fund Balances	<u>\$ 22,709</u>	<u>\$ (20,986)</u>	<u>\$ (8,701)</u>	<u>\$ 23,551</u>
Debt service as a percentage of noncapital expenditures	<u>14.7%</u>	<u>13.2%</u>	<u>12.6%</u>	<u>13.6%</u>

Note: The city began to report accrual information when it implemented GASB Statement No. 34 in 2002.

See accompanying independent auditors' report.

Table 3 (Continued)

	Fiscal Year				
	2006	2007	2008	2009	2010
\$ 214,833	\$ 221,082	\$ 227,637	\$ 238,832	\$ 247,956	
20,910	20,867	27,746	30,291	34,109	
3,823	3,542	3,631	2,418	3,421	
13,729	13,704	12,918	12,186	12,948	
345,078	336,870	333,345	332,138	344,929	
84,191	79,754	88,224	93,498	200,461	
5,541	5,800	5,277	4,802	5,422	
25,807	22,270	21,532	21,300	23,005	
44,169	43,990	33,563	40,682	49,541	
<u>758,081</u>	<u>747,879</u>	<u>753,873</u>	<u>776,147</u>	<u>921,792</u>	
206,581	225,893	224,444	227,325	281,978	
267,669	268,456	279,934	290,535	287,815	
90,539	97,778	109,196	101,118	101,681	
27,782	22,288	20,748	21,867	22,343	
20,409	19,714	18,858	19,654	18,046	
34,801	30,954	31,796	28,298	35,468	
145,095	127,336	114,825	98,003	240,480	
146,721	152,077	181,102	205,228	333,780	
34,798	35,360	33,637	31,941	33,305	
484	78	147	463	1,314	
<u>974,879</u>	<u>979,934</u>	<u>1,014,687</u>	<u>1,024,432</u>	<u>1,356,210</u>	
(216,798)	(232,055)	(260,814)	(248,285)	(434,418)	
215,763	102,928	237,368	227,525	415,291	
1,785	-	-	66,585	94,420	
-	-	-	(71,800)	(106,500)	
(1,819)	-	-	-	-	
1,007	4,975	(518)	(250)	(293)	
8,033	2,129	3,694	9,437	21,632	
-	-	-	-	-	
139,533	145,447	201,073	196,930	253,412	
<u>(105,964)</u>	<u>(108,964)</u>	<u>(163,021)</u>	<u>(156,819)</u>	<u>(205,235)</u>	
<u>258,338</u>	<u>146,515</u>	<u>278,596</u>	<u>271,608</u>	<u>472,727</u>	
-	-	-	-	-	
<u>\$ 41,540</u>	<u>\$ (85,540)</u>	<u>\$ 17,782</u>	<u>\$ 23,323</u>	<u>\$ 38,309</u>	
<u>20.5%</u>	<u>20.7%</u>	<u>22.5%</u>	<u>24.0%</u>	<u>29.5%</u>	

CITY OF MILWAUKEE
FUND BALANCES, GOVERNMENTAL FUNDS
 LAST NINE YEARS
 (Modified Accrual Basis of Accounting) (Thousands of Dollars)

Table 4

	Fiscal Year				
	2002	2003	2004	2005	2006
General Fund					
Reserved	\$ 86,010	\$ 89,981	\$ 87,036	\$ 85,227	\$ 105,175
All Other Governmental Funds					
Reserved	\$ 161,094	\$ 135,708	\$ 135,777	\$ 148,440	\$ 171,682
Unreserved, reported in:					
Capital projects funds	(11,897)	(11,468)	(13,116)	(15,093)	(14,400)
Nonmajor governmental funds	-	-	(4,177)	10,497	8,154
Total all other governmental funds	<u>\$ 149,197</u>	<u>\$ 124,240</u>	<u>\$ 118,484</u>	<u>\$ 143,844</u>	<u>\$ 165,436</u>

	Fiscal Year			
	2007	2008	2009	2010
General Fund				
Reserved	\$ 90,853	\$ 73,007	\$ 71,356	\$ 59,626
All Other Governmental Funds				
Reserved	\$ 90,812	\$ 154,448	\$ 177,820	\$ 232,790
Unreserved, reported in:				
Capital projects funds	(12,951)	(39,071)	(38,776)	(27,931)
Nonmajor governmental funds	16,357	14,469	15,776	-
Total all other governmental funds	<u>\$ 94,218</u>	<u>\$ 129,846</u>	<u>\$ 154,820</u>	<u>\$ 204,859</u>

Note: The City began to report accrual information when it implemented GASB Statement No. 34 in 2002.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
(Thousands of Dollars)

Table 5

Budget Year	Real Estate			Personal Property		
	Residential Property	Commercial Property	Manufacturing Property	Machinery Tools Patterns	Furniture Fixtures & Equipment	All Other
2001	10,292,623	5,612,522	741,472	218,677	621,414	96,287
2002	10,358,671	5,716,180	717,831	215,683	597,457	93,962
2003	12,027,395	6,176,332	765,130	205,531	593,878	97,989
2004	12,938,633	6,493,805	729,858	187,208	560,426	99,587
2005	14,301,662	6,903,490	733,600	178,275	558,290	97,103
2006	16,116,818	7,547,715	721,966	185,601	541,831	108,218
2007	18,211,504	8,498,283	740,265	212,808	577,964	114,128
2008	18,753,915	8,950,205	726,692	220,073	578,674	144,790
2009	19,173,233	9,483,547	772,960	219,741	631,263	150,908
2010	17,743,825	9,485,580	732,008	211,075	632,652	139,433

Budget Year	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Assessed to Total Estimated Actual Value
2001	17,582,995	10.49	17,344,251	101.4
2002	17,699,784	10.87	19,453,830	90.9
2003	19,866,255	10.15	20,298,387	97.9
2004	21,009,517	9.73	21,730,754	96.7
2005	22,772,420	9.19	23,491,774	96.9
2006	25,222,149	8.75	26,256,714	96.1
2007	28,354,952	7.99	30,226,985	93.8
2008	29,374,373	8.00	31,887,192	92.1
2009	30,431,675	8.09	32,257,525	94.4
2010	28,944,573	8.89	31,266,329	92.6

Source: The Assessed Values are established by the City of Milwaukee Assessor's Office and are used to calculate property taxes. The Estimated Actual (Equalized) Values are provided by the State Supervisor of Assessments. State law requires all assessments to be within 10% of the equalized value ratio at lease once every four year period.

Note: Beginning with the year 2002, property is reassessed each year. Prior to 2002 property was reassessed every two years.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN YEARS
(Rate per \$1,000 of assessed value)

Table 6

	Budget Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
City Direct Rates (A)										
City of Milwaukee	\$ 9.86	\$ 10.22	\$ 9.51	\$ 9.22	\$ 8.52	\$ 8.08	\$ 7.28	\$ 7.46	\$ 7.59	\$ 8.42
Allocation of Debt Service incurred for Schools	<u>0.63</u>	<u>0.65</u>	<u>0.64</u>	<u>0.51</u>	<u>0.64</u>	<u>0.67</u>	<u>0.71</u>	<u>0.55</u>	<u>0.50</u>	<u>0.47</u>
Total Direct Rate	10.49	10.87	10.15	9.73	9.16	8.75	7.99	8.01	8.09	8.89
Overlapping Rates (B)										
Milwaukee School Board	8.81	9.11	8.55	8.12	8.84	8.35	7.48	7.96	8.75	9.41
Less: allocation of Debt Service in City rate	<u>(0.63)</u>	<u>(0.65)</u>	<u>(0.64)</u>	<u>(0.51)</u>	<u>(0.64)</u>	<u>(0.67)</u>	<u>(0.71)</u>	<u>(0.55)</u>	<u>(0.50)</u>	<u>(0.47)</u>
Total School Rate	8.18	8.46	7.91	7.61	8.20	7.68	6.77	7.41	8.25	8.94
Milwaukee Area District Board of Vocational, Technical and Adult Education	2.00	2.23	2.05	2.04	2.00	1.96	1.89	1.92	1.94	2.06
County of Milwaukee	5.46	5.91	5.20	4.94	4.70	4.43	4.18	4.22	4.20	4.48
State of Wisconsin	0.20	0.22	0.20	0.21	0.21	0.20	0.19	0.19	0.18	0.18
Milwaukee Metropolitan Sewerage District	<u>1.68</u>	<u>1.87</u>	<u>1.74</u>	<u>1.64</u>	<u>1.59</u>	<u>1.48</u>	<u>1.39</u>	<u>1.39</u>	<u>1.37</u>	<u>1.43</u>
Total Tax Rate (C)	<u>\$28.01</u>	<u>\$29.56</u>	<u>\$27.25</u>	<u>\$26.17</u>	<u>\$25.86</u>	<u>\$24.50</u>	<u>\$22.41</u>	<u>\$23.14</u>	<u>\$24.03</u>	<u>\$25.98</u>

(A) State law prohibits the City from raising property taxes more than 2% plus 60% growth of new development.

(B) Overlapping rates are those of local and county governments that apply to property owners within the City of Milwaukee.

(C) Tax rates were constructed considering the provision of the tax incremental district law. The application of these rates to the applicable assessed values will provide a tax yield higher than the levy.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago
 (Thousands of Dollars)

Table 7

Taxpayer	Type of Business	2010		2001	
		Assessed Valuation	Percentage of Total Assessed Valuation	Assessed Valuation	Percentage of Total Assessed Valuation
U. S. Bank	Banking	\$ 241,691	.86	\$ 197,383	1.12
Northwestern Mutual Life Insurance Company	Insurance	192,568	.69	166,879	.94
Metropolitan Associates	Real Estate	96,398	.34	63,592	.36
Marcus Corp./Mil. City Center/Pfister	Hotels/Motels/Restaurants	95,478	.34	75,214	.43
NNN 411 East Wisconsin LLC	Real Estate	90,149	.32	-	-
Towne Realty	Real Estate	84,913	.30	82,697	.47
100 E. Wisconsin Ave Joint Venture	Real Estate Investment	65,612	.23	55,166	.31
Riverbend Place	Real Estate	58,924	.21	-	-
Flanders Westborough	Real Estate Investment	56,969	.20	-	-
Geneva Exchange Fund	Real Estate	56,024	.20	-	-
Teachers Insurance & Annuity Association of America	Real Estate	-	-	103,316	.58
Great Lakes, REIT LP	Real Estate	-	-	68,095	.38
Miller Brewing	Brewery	-	-	65,832	.37
Allen Bradley Company	Electric Motors, Electronic Components, Control Div	-	-	56,649	.32
		<u>\$ 1,038,726</u>	<u>3.69</u>	<u>\$ 934,823</u>	<u>5.28</u>

Source: City of Milwaukee Assessor's Office

See accompanying independent auditors' report.

CITY OF MILWAUKEE
PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN YEARS
(Thousands of Dollars)

Table 8

Budget Year	Taxes Levied for the Fiscal Year (Original Levy)	Purchased and Adjustments (A)	Total Adjusted Levy	Collected for the Levy		Collections		Total Collections to Date	
				Levy Year (B) Current Tax Collections	Percent Original Levy Collected	Purchased Delinquents Original Levy Year (C)	Total Adjusted Levy in Subsequent Years	Amount	Percentage of Adjusted Levy
2001	\$ 211,311	\$ 21,254	\$ 232,565	\$ 206,173	97.57%	\$ 13,621	\$ 12,684	\$ 232,478	99.96%
2002	222,708	19,585	242,293	217,242	97.55	13,599	11,339	242,180	99.95
2003	234,485	20,342	254,827	228,345	97.38	12,918	13,445	254,708	99.95
2004	240,643	21,993	262,636	235,013	97.66	15,497	11,961	262,471	99.94
2005	248,267	22,666	270,933	242,587	97.71	14,992	12,710	270,289	99.76
2006	261,685	24,192	285,877	255,823	97.76	15,664	13,663	285,151	99.75
2007	265,319	30,130	295,449	257,350	97.00	18,581	18,205	294,136	99.56
2008	286,180	38,100	324,280	277,119	96.83	23,952	20,056	321,126	99.03
2009	276,186	27,702	303,888	265,691	96.20	18,018	10,191	294,200	96.81
2010	291,943	36,108	328,051	281,099	96.29	16,715	-	297,814	90.78

(A) This column includes adjustments. The City purchases delinquent taxes from the other units (Milwaukee County, Metropolitan Sewerage District, State, Milwaukee Area Technical College and Milwaukee Public Schools).

(B) Tax collections begin in December for the succeeding Budget Year

(C) Collections of (A) in the year purchased.

(D) State law limits levy increases to 2% of economic development for general city purposes.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN YEARS
(Dollars in Thousands, except per capita)

Table 9

Year	Governmental Activities			Estimated Actual Taxable Value of Property	Percentage of Total Taxable Value of Property	Per Capita
	General Obligation Bonds and Notes	Less: Amounts Available in Debt Service Fund	Total			
2001	\$ 566,429	\$ 42,137	\$ 524,292	\$ 17,344,251	3.02%	\$ 880.41
2002	591,155	40,466	550,689	19,453,830	2.83%	924.04
2003	598,275	35,365	562,910	20,298,387	2.77%	945.68
2004	618,988	43,807	575,181	21,730,754	2.65%	968.45
2005	664,285	44,207	620,078	23,491,774	2.64%	1,046.08
2006	733,327	52,284	681,043	26,256,714	2.59%	1,153.59
2007	669,404	56,778	612,626	30,226,985	2.03%	1,038.01
2008	725,670	59,849	665,821	31,887,192	2.09%	1,126.85
2009	742,752	68,241	674,511	32,257,525	2.09%	1,154.98
2010	812,183	63,116	749,067	31,266,329	2.40%	1,259.29

Year	Business-Type Activities			Total Primary Government	Percentage of Personal Income (A)	Per Capita (A)
	General Obligation Bonds and Notes	Revenue Bonds	State Loans (Revenue Bonds)			
2001	\$ 76,954	\$ 45,124	\$ -	\$ 646,370	2.30%	\$ 1,085.41
2002	68,394	44,426	-	663,509	2.31%	1,113.35
2003	61,807	76,528	-	701,245	2.41%	1,178.08
2004	53,943	74,690	-	703,814	2.36%	1,185.03
2005	46,125	71,476	-	737,679	2.39%	1,244.47
2006	74,135	68,150	-	823,328	2.53%	1,394.60
2007	58,936	64,711	14,369	750,642	2.20%	1,271.86
2008	34,970	61,170	49,653	811,614	2.31%	1,373.59
2009	36,803	57,515	48,002	816,831	2.30%	1,398.68
2010	82,002	53,737	80,724	965,530	not available	1,622.74

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements and in the Miscellaneous Financial Data Section.

(A) See Table 13 for personal income and population data

See accompanying independent auditors' report.

CITY OF MILWAUKEE
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
(Thousand of Dollars)

Table 10

	Fiscal Year				
	2001	2002	2003	2004	2005
Debt limit	\$ 1,361,768	\$ 1,420,887	\$ 1,521,153	\$ 1,644,424	\$ 1,837,970
Total net debt applicable to limit	<u>601,246</u>	<u>619,083</u>	<u>624,717</u>	<u>629,124</u>	<u>666,203</u>
Legal debt margin	<u>\$ 760,522</u>	<u>\$ 801,804</u>	<u>\$ 896,436</u>	<u>\$ 1,015,300</u>	<u>\$ 1,171,767</u>
Total net debt applicable to the limit as a percentage of debt limit ...	44.15%	43.57%	41.07%	38.26%	36.25%

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt limit	\$ 1,837,970	\$ 2,115,889	\$ 2,232,103	\$ 2,258,027	\$ 2,188,643
Total net debt applicable to limit	<u>755,178</u>	<u>671,562</u>	<u>689,401</u>	<u>698,775</u>	<u>805,660</u>
Legal debt margin	<u>\$ 1,082,792</u>	<u>\$ 1,444,327</u>	<u>\$ 1,542,702</u>	<u>\$ 1,559,252</u>	<u>\$ 1,382,983</u>
Total net debt applicable to the limit as a percentage of debt limit ...	41.09%	31.74%	30.89%	30.95%	36.81%

CITY OF MILWAUKEE
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 (Thousand of Dollars)

Table 10 (continued)

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed Value		<u>\$ 39,944,573</u>
Equalized Value		<u>31,266,329</u>
Debt Limit 7% of Equalized Value		2,188,643
Amount of Debt Applicable to Debt Limit:		
General Obligation bonds	\$ 449,174	
General Obligation notes	392,208	
Parking bonds and notes	11,754	
Harbor bonds and notes	3,359	
Water Works bonds	13,453	
Sewer Maintenance bonds and notes...	53,437	
Water Works revenue bonds	8,461	
Sewer revenue bonds	<u>45,275</u>	
Total Debt	\$ 977,121	
Deduct:		
Assets in Debt Service Funds	117,725	
Water Works revenue bonds (A)	8,461	
Sewer revenue bonds	<u>45,275</u>	
Total Deductions	<u>171,461</u>	
 Total Amount of Debt Applicable to Debt Limit		 <u>805,660</u>
 Legal Debt Margin		 <u>\$ 1,382,983</u>

(A) *The Water Revenue Bonds and Sewer Revenue Bonds are payable only from the income and revenues derived from the operations of the water system and sewer system, respectively. These bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or provision.*

Note: *State Statutes (67.03 and 119.49) limit direct general obligation borrowing in the amount equivalent to 7% of the equalized valuation of taxable property. However, it may be reduced in any year by the amount of any surplus money in the debt service fund. The statutes further provide that within the 7% limitation, borrowing for school construction purposes may not exceed 2% of the equalized valuation and borrowing for general city purposes may not exceed 5% of the equalized valuation. The legal debt margin as of December 31, 2010 was \$625,327 for school purposes and \$757,656 for general purposes.*

See accompanying independent auditors' report.

CITY OF MILWAUKEE
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 December 31, 2010
 (Thousands of Dollars)

Table 11

Name of Government Unit	Net Debt Outstanding	Percentage Applicable to City of Milwaukee (C)	City of Milwaukee's Share of Debt
Debt Repaid with property taxes			
Direct Debt:			
City of Milwaukee (A)	\$ 805,660	100%	\$ 805,660
Overlapping Debt:			
Milwaukee Area Technical College District	101,275	38.30	38,788
County of Milwaukee	747,590	46.85	350,246
Milwaukee Metropolitan Sewerage Area (B)	983,785	47.95	<u>471,725</u>
Total Direct and Overlapping Debt			<u>\$ 1,666,419</u>

Sources: Estimated Actual (Equalized) Values used to estimate applicable percentages provided by the State Supervisor of Assessments. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Milwaukee. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(A) Excludes \$46,509 of Industrial Revenue Bonds. Includes debt incurred to finance Milwaukee School Board construction.

(B) Includes \$662,150 low interest loan from the State of Wisconsin Clean Water Fund, supported by the full faith and credit of the District.

(C) The percentage of overlapping debt applicable is estimated using estimated actual (equalized) property values. Applicable percentages were estimated by determining the portion of the City's equalized value.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
PLEGGED-REVENUE COVERAGE
 LAST TEN YEARS
 (Thousands of Dollars)

Table 12

Water Revenue Bonds							
Year	Gross Revenues	Debt Coverage Expenses	Net Available Revenue	Debt Service		Total Debt Service	Coverage
				Principal	Interest		
2001	\$62,328	\$ 41,824	\$ 20,504	\$ 744	\$ 433	\$ 1,177	17.42
2002	74,245	37,948	36,297	763	414	1,177	30.84
2003	74,161	42,072	32,089	782	394	1,176	27.29
2004	71,546	47,884	23,662	803	373	1,176	20.12
2005	72,661	51,953	20,708	824	352	1,176	17.61
2006	71,149	51,365	19,784	846	330	1,176	16.82
2007	74,211	55,514	18,697	868	307	1,175	15.91
2008	74,207	58,960	15,247	891	284	1,175	12.98
2009	73,157	63,019	10,138	915	260	1,175	8.63
2010	73,488	66,765	6,723	915	260	1,175	5.72

Sewer Revenue Bonds							
Year	Gross Revenues	Debt Coverage Expenses	Net Available Revenue	Debt Service		Total Debt Service	Coverage
				Principal	Interest		
2002	\$28,307	\$ 15,283	\$ 13,024	\$ -	\$ 1,357	\$ 1,357	9.60
2003	32,792	14,722	18,070	1,000	1,340	2,340	7.72
2004	31,279	13,557	17,722	1,035	2,827	3,862	4.59
2005	31,390	15,022	16,368	2,390	2,762	5,152	3.18
2006	34,630	14,834	19,796	2,480	2,667	5,147	3.85
2007	38,170	17,747	20,423	2,570	2,575	5,145	3.97
2008	41,033	16,334	24,699	2,650	2,487	5,137	4.81
2009	48,231	16,438	31,793	2,740	2,386	5,126	6.20
2010	52,063	16,696	35,367	2,840	2,274	5,114	6.92

Note: Water Revenue Bonds issued in 1998. Sewer Revenue bonds issued in 2001 and 2003. Details regarding the City's outstanding debt can be found in the notes to the financial statements. Gross revenues include nonoperating interest income. Operating expenses do not include interest, depreciation, or amortization expenses, but does include the transfer for Payment in Lieu of Taxes.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
DEMOGRAPHIC AND ECONOMIC STATISTICS,
 LAST TEN CALENDAR YEARS

Table 13

Year	<u>County of Milwaukee</u>					
	Population (A)	Personal Income (Thousands of Dollars (B)	Per Capita Income (C)	Median Age (D)	School Enrollment (E)	Unemployment Rate (F)
2001	595,508	28,575,875	30,266	30.6	103,397	7.4
2002	595,958	29,331,494	30,929	30.6	103,464	8.9
2003	595,245	29,889,120	31,427	30.6	103,769	7.9
2004	593,920	30,600,767	32,134	30.6	102,309	6.8
2005	592,765	31,393,023	33,001	30.6	100,262	6.5
2006	590,370	33,341,608	35,009	30.6	97,509	6.5
2007	590,190	34,198,399	35,916	30.6	87,360	6.5
2008	590,870	35,409,518	37,118	30.6	85,369	7.9
2009	584,000	35,586,784	37,088	30.6	82,444	11.0
2010	594,833	Not available	Not available	30.3	81,372	11.5

(A) The December 31, 2001 through 2007 populations are estimated from the Wisconsin Department of Revenue used in the distribution of State Shared Taxes. 2008 and 2009 is from the Wisconsin Department of Administration estimates. (The population data differs from the Census Bureau.) 2010 is from the Census Bureau.

(B) Personal income is from the Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce. Personal income includes all of Milwaukee County because a substantial portion of the County is made up of the City of Milwaukee.

(C) Per capita personal income is from the Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce and includes all of Milwaukee County because a substantial portion of the County is made up of the City of Milwaukee.

(D) Median age of the population is determined only during a census. These figures represent the data collected by the 2000 and 2010 Regular Census.

(E) Annual School Census by Board of School Directors. Represents Milwaukee Public Schools only.

(F) Unemployment Rate is the annual average from the State of Wisconsin, Department of Workforce Development.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago

Table 14

Employer	2010 Estimates (1)			2001		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Aurora Health Care	21,570	1	5.15%	10,924	2	2.42%
U.S. Government (Excludes Zablocki V.A. Medical Center)	10,800	2	2.58%	7,542	4	1.67%
Milwaukee Public Schools	9,958	3	2.38%	11,704	1	2.60%
Wheaton Franciscan Healthcare	8,377	4	2.00%			
Wal-Mart Stores	7,360	5	1.76%			
City of Milwaukee	7,297	6	1.74%	7,650	3	1.70%
Roundy's Supermarkets	6,800	7	1.62%			
Kohl's Corp.	6,384	8	1.52%			
Froedtert Memorial Lutheran Hospital and Community Health	6,090	9	1.45%			
Quad Graphics	5,600	10	1.34%			
Milwaukee County				6,897	5	1.53%
Covenant Health Care				5,689	6	1.26%
M&I Marshall & Ilsley				5,101	7	1.13%
Northwestern Mutual Life				4,144	8	0.92%
University of Wisconsin-Milwaukee				4,104	9	0.91%
Allen-Bradley (now Rockwell)				3,740	10	0.83%
	<u>90,236</u>		<u>21.54%</u>	<u>67,495</u>		<u>14.98%</u>

(1) Reflects full-time equivalent employees.

Note: Data includes all of Milwaukee County.

Source: *The 2011 Business Journal Book of Lists*. City from internal records.

The 2001 data was from the Department of Administration January 2002 survey. Wisconsin Department of Workforce Development quarterly report of "Employment and Wages". Total employment data (2001 = 450,598) (2010 = 418,977) from the State of Wisconsin Workforce Development.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAMS - ADOPTED BUDGET POSITIONS
 LAST TEN YEARS

Table 15

Functions/Programs	Adopted budgeted positions for the year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government	748	747	727	685	678	673	692	696	694	694
Temporary - Election Commission	1,338	103	65	103	63	103	29	104	11	11
Public Safety										
Fire										
Fire Fighting Force	1,077	1,075	1,079	1,039	1,033	1,007	1,077	1,001	985	985
Civilians	66	66	67	64	74	75	75	75	79	79
Police										
Law Enforcement	2,135	2,130	2,134	2,149	2,155	2,159	2,156	2,156	2,144	2,144
Civilian	546	582	576	563	564	567	613	606	616	616
School Crossing Guards	241	241	241	241	241	241	241	241	241	241
Neighborhood Services	280	288	216	223	227	224	228	229	229	229
Public Works										
Administrative Services	73	71	69	64	65	65	64	63	63	63
Infrastructure Services	786	783	783	728	711	703	698	696	707	707
Operations	1,824	1,814	1,755	1,619	1,606	1,588	1,577	1,530	1,557	1,557
Sanitation emergency	500	500	500	250	-	-	-	-	-	-
Winter relief	262	262	237	159	74	66	66	66	66	66
Health	368	377	367	359	345	326	337	312	306	306
Culture and recreation	447	449	445	409	409	402	398	396	377	377
Conservation and development	287	271	325	252	238	236	232	220	193	193
Youth initiative positions	-	-	-	-	-	25	25	25	25	25
Water	400	388	382	363	363	355	346	346	348	348
Sewer Maintenance	191	193	209	198	198	199	189	179	172	172
Parking	125	128	128	128	128	129	128	129	129	129
Port of Milwaukee	<u>35</u>	<u>35</u>	<u>34</u>	<u>33</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>35</u>	<u>35</u>	<u>35</u>
Subtotal	11,729	10,503	10,339	9,629	9,201	9,173	9,202	9,105	8,977	8,977
Less: General Government										
Temporary - Election Commission	<u>(1,338)</u>	<u>(103)</u>	<u>(65)</u>	<u>(103)</u>	<u>(63)</u>	<u>(103)</u>	<u>(29)</u>	<u>(104)</u>	<u>(11)</u>	<u>(11)</u>
Total Budgeted Positions	<u>10,391</u>	<u>10,400</u>	<u>10,274</u>	<u>9,526</u>	<u>9,138</u>	<u>9,070</u>	<u>9,173</u>	<u>9,001</u>	<u>8,966</u>	<u>8,966</u>

Source: Budget Office. Firefighters and Law Enforcement from Departmental reports.

Note: Beginning in 2004 Fire auxiliary positions were unfunded and therefore excluded. After 2001 temporary poll workers are no longer considered City employees.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
OPERATING INDICATORS BY FUNCTIONS/PROGRAMS
 LAST TEN YEARS

Table 16

Functions/Programs	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
Investment portfolio return	4.12%	1.70%	1.20%	1.50%	3.00%	4.78%	5.09%	2.74%	0.75%	0.32%
Courtroom cases		114,978	131,117	137,432	116,388	114,949	110,130	102,721	112,765	119,779
Public safety										
Police										
Dispatched assignments					292,927	297,286	286,535	266,577	254,044	246,365
Traffic citations	132,732	141,464	146,210	108,346	98,044	93,369	95,327	120,618	114,447	104,001
Homicide clearance rates	83.46%	78.70%	79.44%	80.68%	71.31%	71.84%	83.80%	92.96%	83.00%	75.00%
Fire										
Number of medical emergency assists					51,091	51,862	52,735	53,898	53,047	53,629
Number of fires extinguished					2,662	2,527	2,438	2,073	1,930	2,201
Civilian fire deaths					12	16	14	6	7	3
Building Inspection										
Complaints reported	33,985	30,096	31,479	31,284	34,078	34,431	33,576	34,161	35,940	37,146
Orders issued	42,144	41,762	44,042	44,564	55,443	54,976	52,729	51,760	66,559	67,043
Public Works										
Major streets paving (miles)	11.31	4.63	6.72	3.32	5.94	7.81	4.01	13.01	5.40	11.28
Asphalt patching/pot holes (tons)	10,360	10,500	10,459	10,236	10,014	10,344	10,560	14,900	10,700	10,500
Refuse tonnage	323,577	314,795	322,613	335,033	317,122	312,451	292,775	310,517	298,780	274,651
Recycling tonnage	28,544	27,270	26,101	25,802	25,483	25,300	23,716	22,937	21,862	21,389
Health										
Food inspections	4,920	4,622	4,420	4,113	4,889	5,153	4,972	4,721	5,005	5,208
Immunizations	26,912	23,490	18,941	15,302	22,794	27,444	26,700	30,449	46,838	27,994
Culture and Recreation										
Library hours of operation	36,229	36,229	35,842	36,552	33,339	33,218	34,302	34,372	32,608	25,996
Collections size	3,017,395	3,022,382	3,062,142	3,104,911	3,030,281	3,018,232	2,828,429	2,848,244	2,756,141	2,577,805
Public computers	454	454	474	488	481	495	490	505	505	480
Conservation and Development										
Jobs created	545	514	1,193	2,037	2,466	3,494	2,354	1,073	366	498
Jobs retained	2,203	1,925	1,321	14,108	2,775	9,182	2,092	2,103	888	1,644
New housing units					1,538	982	1,037	196	527	810
Water										
Millions gallons sold	40,813	39,970	36,473	37,237	38,439	35,486	35,049	34,085	33,341	32,500
Population served	831,850	831,979	830,719	833,112	852,857	849,981	858,920	857,816	867,599	861,000
Sewer Maintenance										
Sewer service backups	46	58	59	32	43	40	42	47	28	33
Street flooding complaints	4,428	2,728	2,500	1,724	4,143	4,810	3,366	7,238	3,690	2,770
Parking										
Citations issued	1,217,168	1,075,501	1,002,923	1,113,620	929,714	932,346	906,423	880,859	885,802	874,690
Vehicle tows	31,646	31,541	29,728	29,333	26,799	31,659	36,273	34,898	31,516	28,295
Port										
Metric tonnage total	2,927,447	2,724,231	2,654,876	2,923,364	3,424,827	3,481,541	3,568,929	2,931,125	2,910,515	2,324,566

Sources: Various city departments

Ten years of data was not available for all operating indicators, but will be accumulated as it becomes available.

See accompanying independent auditors' report.

CITY OF MILWAUKEE
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAMS
 LAST TEN YEARS

Table 17

Functions/Programs	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public safety										
Police										
Stations	7	7	7	7	7	7	7	8	8	8
Lock-up facilities	7	7	7	7	7	7	7	7	7	7
Patrol vehicles	514	495	498	503	482	485	478	521	533	536
Patrol motorcycles	57	57	57	59	59	57	57	57	57	57
Fire Stations	36	36	36	36	36	36	36	36	36	36
Public Works										
Streets - paved	1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,272
Streets - unpaved	14	14	14	14	15	15	15	15	15	15
Alleys	416	416	416	416	415	415	415	415	415	415
Street lights	66,419	66,861	67,065	67,294	67,427	67,742	67,447	67,709	67,798	67,949
Alley lights	8,790	8,787	8,792	8,803	8,803	8,917	8,790	8,925	8,931	8,616
Garbage/snow trucks	205	198	195	199	188	173	172	187	188	182
Health										
Health centers	5	5	5	5	5	5	3	3	3	3
Culture and Recreation										
Playgrounds, playfields, tot lots, recreation centers	277	277	277	277	277	277	277	277	276	276
Libraries	13	13	13	13	13	13	13	13	13	13
Water										
Miles of mains	1,953	1,954	1,956	1,960	1,961	1,964	1,966	1,967	1,955	1,956
Hydrants	19,623	19,730	19,734	19,758	19,754	19,780	19,632	19,824	19,811	19,847
Million gallons pumped	44,997	46,253	46,102	44,309	44,560	41,862	41,873	40,848	39,617	37,443
Million gallons consumed	40,813	39,915	39,435	37,289	38,401	35,486	35,050	34,085	33,341	32,452
Miles of Sewers										
Storm	953	955	956	955	956	956	958	959	960	961
Sanitary	934	935	934	935	935	935	938	939	940	941
Combined	546	547	548	547	548	547	547	547	547	547
Parking										
Parking lots	51	52	51	51	48	46	45	45	45	45
Parking structures	6	4	4	4	4	4	5	5	5	5
Port										
Cargo terminals	6	6	6	6	6	6	6	6	6	6
Rental warehouses and buildings	4	4	4	5	5	5	5	5	5	5
Ferry terminal				1	1	1	1	1	1	1
Cranes and forklifts	13	13	11	11	11	10	10	10	10	10
Vessel berths	13	13	13	13	13	13	13	13	13	14

Sources: Various city departments

Note: No capital asset indicators are available for the general government function.

See accompanying independent auditors' report.



Office of the Comptroller

August 26, 2011

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

The Honorable Common Council
City of Milwaukee

Re: 2010 Annual Financial Report

Dear Council Members:

The Comprehensive Annual Financial Report of the City of Milwaukee for the year ended December 31, 2010 is enclosed.

This annual report will be made available on the City of Milwaukee's web page, Comptroller's Department.

Any comments or suggestions you may have to improve this report are appreciated.

Very truly yours,

W. MARTIN MORICS
Comptroller

WMM:CLW
Enclosure



Legislation Details (With Text)

File #: 110599 **Version:** 1
Type: Ordinance **Status:** In Committee
File created: 9/1/2011 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**
Effective date:

Title: An ordinance relating to the acceptance of electronic signatures for official business of the city.
Sponsors: ALD. COGGS
Indexes: DOCUMENTS AND RECORDS
Attachments: Wisconsin Statutes Ch 137, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
9/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
9/13/2011	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110599
Version
OPRIGINAL
Reference
Sponsor
ALD. COGGS

Title
An ordinance relating to the acceptance of electronic signatures for official business of the city.

Sections
50-42 cr

Analysis
This ordinance establishes a policy that electronic signatures are acceptable for official business of the city.

...Body
The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 50-42 is created to read:

50-42. Electronic Signature Acceptance by City Departments and Agencies.

ELECTRONIC SIGNATURE ACCEPTANCE AUTHORIZED. It is the policy of the city that electronic signatures are acceptable for official business of the city. The use of electronic signatures by a city department or agency shall comply with ch. 137, Wis. Stats.

LRB
APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

Drafter

LRB124917-2

Rich Watt

8/30/11

Clerical correction made -- jro -- 09/08/11

CHAPTER 137

AUTHENTICATIONS AND ELECTRONIC TRANSACTIONS AND RECORDS

	SUBCHAPTER I		
	NOTARIES AND COMMISSIONERS OF DEEDS; NONELECTRONIC NOTARIZATION AND ACKNOWLEDGEMENT	137.14	Construction.
137.01	Notaries.	137.15	Legal recognition of electronic records, electronic signatures, and electronic contracts.
137.02	Commissioners of deeds.	137.16	Provision of information in writing; presentation of records.
	SUBCHAPTER II	137.17	Attribution and effect of electronic records and electronic signatures.
	ELECTRONIC TRANSACTIONS AND RECORDS; ELECTRONIC NOTARIZATION AND ACKNOWLEDGEMENT	137.18	Effect of change or error.
137.11	Definitions.	137.19	Notarization and acknowledgement.
137.12	Application.	137.20	Retention of electronic records; originals.
137.13	Use of electronic records and electronic signatures; variation by agreement.	137.21	Admissibility in evidence.
		137.22	Automated transactions.
		137.23	Time and place of sending and receipt.
		137.24	Transferable records.
		137.25	Submission of written documents.
		137.26	Interoperability.

SUBCHAPTER I

NOTARIES AND COMMISSIONERS OF DEEDS;
NONELECTRONIC NOTARIZATION AND
ACKNOWLEDGEMENT

137.01 Notaries. (1) NOTARIES PUBLIC WHO ARE NOT ATTORNEYS. (a) The governor shall appoint notaries public who shall be United States residents and at least 18 years of age. Applicants who are not attorneys shall file an application with the department of financial institutions and pay a \$20 fee.

(b) The secretary of financial institutions shall satisfy himself or herself that the applicant has the equivalent of an 8th grade education, is familiar with the duties and responsibilities of a notary public and, subject to ss. 111.321, 111.322 and 111.335, does not have an arrest or conviction record.

(c) If an application is rejected the fee shall be returned.

(d) Qualified applicants shall be notified by the department of financial institutions to take and file the official oath and execute and file an official bond in the sum of \$500, with a surety executed by a surety company and approved by the secretary of financial institutions.

(e) The qualified applicant shall file his or her signature, post-office address and an impression of his or her official seal, or imprint of his or her official rubber stamp with the department of financial institutions.

(f) A certificate of appointment as a notary public for a term of 4 years stating the expiration date of the commission shall be issued to applicants who have fulfilled the requirements of this subsection.

(g) At least 30 days before the expiration of a commission the department of financial institutions shall mail notice of the expiration date to the holder of a commission.

(h) A notary shall be entitled to reappointment.

(i) A notary public appointed under this subsection may not do any of the following:

1. State or imply that he or she is an attorney licensed to practice law in this state.

2. Solicit or accept compensation to prepare documents for or otherwise represent the interests of another person in a judicial or administrative proceeding, including a proceeding relating to immigration to the United States or U.S. citizenship.

3. Solicit or accept compensation to obtain relief of any kind on behalf of another person from any officer, agent, or employee of this state, a political subdivision of this state, or the United States.

4. Use the phrase “notario,” “notarizaciones,” “notarizamos,” or “notario publico,” or otherwise advertise in a language other than English on signs, pamphlets, stationery, or other written communication, by radio or television, or on the Internet his or her services as a notary public if the advertisement fails to include, in English and the language of the advertisement, all of the following:

a. The statement, if in a written advertisement, in all capital letters and the same type size: “I AM NOT AN ATTORNEY LICENSED TO PRACTICE LAW IN WISCONSIN AND MAY NOT GIVE LEGAL ADVICE OR ACCEPT FEES FOR LEGAL ADVICE.” If the advertisement is given orally, the statement may be modified but must include substantially the same message and be understandable.

b. The fees that a notary public may charge under sub. (9).

(j) The prohibitions under par. (i) 2. and 3. do not apply to a notary public who is an accredited representative, as defined in 8 CFR 292.1 (a) (4).

(k) A person who violates par. (i) may be fined not more than \$10,000 or imprisoned for not more than 9 months or both. A person who commits a 2nd or subsequent violation of par. (i) may be fined not more than \$10,000 or imprisoned for not more than 6 years or both.

(2) NOTARIES PUBLIC WHO ARE ATTORNEYS. (a) Except as provided in par. (am), any United States resident who is licensed to practice law in this state is entitled to a permanent commission as a notary public upon application to the department of financial institutions and payment of a \$50 fee. The application shall include a certificate of good standing from the supreme court, the signature and post-office address of the applicant and an impression of the applicant’s official seal, or imprint of the applicant’s official rubber stamp.

(am) If a United States resident has his or her license to practice law in this state suspended or revoked, upon reinstatement of his or her license to practice law in this state, the person may be entitled to receive a certificate of appointment as a notary public for a term of 4 years. An eligible notary appointed under this paragraph is entitled to reappointment for 4-year increments. At least 30 days before the expiration of a commission under this paragraph the department of financial institutions shall mail notice of the expiration date to the holder of the commission.

(b) The secretary of financial institutions shall issue a certificate of appointment as a notary public to persons who qualify under the requirements of this subsection. The certificate shall state that the notary commission is permanent or is for 4 years.

(c) The supreme court shall file with the department of financial institutions notice of the surrender, suspension or revocation

of the license to practice law of any attorney who holds a permanent commission as a notary public. Such notice shall be deemed a revocation of said commission.

(3) NOTARIAL SEAL OR STAMP. (a) Except as authorized in s. 137.19, every notary public shall provide an engraved official seal which makes a distinct and legible impression or official rubber stamp which makes a distinct and legible imprint on paper. The impression of the seal or the imprint of the rubber stamp shall state only the following: “Notary Public,” “State of Wisconsin” and the name of the notary. But any notarial seal in use on August 1, 1959, shall be considered in compliance.

(b) The impression of the notarial seal upon any instrument or writing or upon wafer, wax or other adhesive substance and affixed to any instrument or writing shall be deemed an affixation of the seal, and the imprint of the notarial rubber stamp upon any instrument or writing shall be deemed an affixation of the rubber stamp.

(4) ATTESTATION. (a) Every official act of a notary public shall be attested by the notary public’s written signature or electronic signature, as defined in s. 137.11 (8).

(b) Except as authorized in s. 137.19, all certificates of acknowledgments of deeds and other conveyances, or any written instrument required or authorized by law to be acknowledged or sworn to before any notary public, within this state, shall be attested by a clear impression of the official seal or imprint of the rubber stamp of said officer, and in addition thereto shall be written or stamped either the day, month and year when the commission of said notary public will expire, or that such commission is permanent.

(c) The official certificate of any notary public, when attested and completed in the manner provided by this subsection, shall be presumptive evidence in all cases, and in all courts of the state, of the facts therein stated, in cases where by law a notary public is authorized to certify such facts.

(5) POWERS. Notaries public have power to act throughout the state. Notaries public have power to demand acceptance of foreign and inland bills of exchange and payment thereof, and payment of promissory notes, and may protest the same for nonacceptance or nonpayment, may administer oaths, take depositions and acknowledgments of deeds, and perform such other duties as by the law of nations, or according to commercial usage, may be exercised and performed by notaries public.

(5m) CONFIDENTIALITY. (a) Except as provided in par. (b), a notary public shall keep confidential all documents and information contained in any documents reviewed by the notary public while performing his or her duties as a notary public and may release the documents or the information to a 3rd person only with the written consent of the person who requested the services of the notary public.

(b) Deposition transcripts may be released to all parties of record in an action. A notary public may not release deposition transcripts that have not been made part of the public record to a 3rd party without the written consent of all parties to the action and the deponent. When a deposition transcript has been made part of the public record, a notary public who is also a court reporter may, subject to a protective order or agreement to the contrary, release the deposition transcript or sell the transcript to 3rd parties without the consent of the person who requested the services of the notary public.

(c) Any notary public violating this subsection shall be subject to the provisions of sub. (8) and may be required to forfeit not more than \$500.

(6) AUTHENTICATION. (a) The secretary of financial institutions may certify to the official qualifications of any notary public and to the genuineness of the notary public’s signature and seal or rubber stamp.

(c) Any certificate specified under this subsection shall be presumptive evidence of the facts therein stated.

(6m) CHANGE OF RESIDENCE. A notary public does not vacate his or her office by reason of his or her change of residence within the United States. Written notice of any change of address shall be given to the department of financial institutions within 10 days of the change.

(7) OFFICIAL RECORDS TO BE FILED. When any notary public ceases to hold office, the notary public, or in case of the notary public’s death the notary public’s personal representative, shall deposit the notary public’s official records and papers with the department of financial institutions. If the notary or personal representative, after the records and papers come to his or her hands, neglects for 3 months to deposit them, he or she shall forfeit not less than \$50 nor more than \$500. If any person knowingly destroys, defaces, or conceals any records or papers of any notary public, the person shall forfeit not less than \$50 nor more than \$500, and shall be liable for all damages resulting to the party injured. The department of financial institutions shall receive and safely keep all such papers and records.

(8) MISCONDUCT. If any notary public shall be guilty of any misconduct or neglect of duty in office the notary public shall be liable to the party injured for all the damages thereby sustained.

(9) FEES. A notary public shall be allowed the following fees:

(a) For drawing and copy of protest of the nonpayment of a promissory note or bill of exchange, or of the nonacceptance of such bill, \$1 in the cases where by law such protest is necessary, but in no other case.

(b) For drawing and copy of every other protest, 50 cents.

(c) For drawing, copying and serving every notice of nonpayment of a note or bill, or nonacceptance of a bill, 50 cents.

(d) For drawing any affidavit, or other paper or proceeding for which provision is not herein made, 50 cents for each folio, and for copying the same 12 cents per folio.

(e) For taking the acknowledgment of deeds, and for other services authorized by law, the same fees as are allowed to other officers for similar services, but the fee per document shall not exceed 50 cents.

History: 1971 c. 213 s. 5; 1977 c. 29, 449; 1979 c. 221; 1981 c. 380; 1981 c. 391 s. 211; 1993 a. 482; 1997 a. 27, 306; 1999 a. 77, 166; 2001 a. 16, 102; 2003 a. 294; 2007 a. 110; 2011 a. 32.

The residency requirement under subs. (1) and (2) is constitutional. 74 Atty. Gen. 221.

Protecting the Privacy of Notary Public Records. Closen & Orsinger. Wis. Law. March 2002.

Notary Public Title Incurs Responsibility. Nelson. Wis. Law. June 2002.

137.02 Commissioners of deeds. **(1)** The governor shall have power to appoint one or more commissioners in any of the United States, or of the territories belonging to the United States and in foreign countries, who shall hold office for a term of 4 years unless sooner removed. Every commissioner appointed under this subsection shall take the official oath before a judge or clerk of one of the courts of record of the state or territory or country in which the commissioner shall reside. The commissioner shall file the oath, with an impression of the commissioner’s seal of office and a statement of the commissioner’s post-office address, in the office of the secretary of state. The commissioner shall at the same time pay into the treasury the sum of \$5, at which time the commissioner’s commission shall issue.

(2) A commissioner appointed under sub. (1) shall have authority to take the acknowledgment and proof of the execution of deeds, conveyances and leases of any lands lying in this state, or written instruments relating thereto, or of any contract or any other writing, sealed or unsealed, to be used or recorded in this state; to administer oaths required to be used in this state; to take and certify depositions to be used in the courts of this state, either under a commission, by consent of parties or on notice to the opposite party; and all such acts done pursuant to the laws of this state and certified under the commissioner’s hand and seal of office shall be as valid as if done by a proper officer of this state.

History: 1993 a. 482; 1997 a. 254.

“All the damages” in sub. (8) incorporates the American rule of damages that attorney fees are not recoverable by a prevailing party unless certain exceptions apply. *Bank One, Wisconsin v. Koch*, 2002 WI App 176, 256 Wis. 2d 618, 649 N.W.2d 339, 01–2174.

SUBCHAPTER II

ELECTRONIC TRANSACTIONS AND RECORDS; ELECTRONIC NOTARIZATION AND ACKNOWLEDGEMENT

137.11 Definitions. In this subchapter:

(1) “Agreement” means the bargain of the parties in fact, as found in their language or inferred from other circumstances and from rules, regulations, and procedures given the effect of agreements under laws otherwise applicable to a particular transaction.

(2) “Automated transaction” means a transaction conducted or performed, in whole or in part, by electronic means or by the use of electronic records, in which the acts or records of one or both parties are not reviewed by an individual in the ordinary course in forming a contract, performing under an existing contract, or fulfilling an obligation required by the transaction.

(3) “Computer program” means a set of statements or instructions to be used directly or indirectly in an information processing system in order to bring about a certain result.

(4) “Contract” means the total legal obligation resulting from the parties’ agreement as affected by this subchapter and other applicable law.

(5) “Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(6) “Electronic agent” means a computer program or an electronic or other automated means used independently to initiate an action or respond to electronic records or performances in whole or in part, without review or action by an individual.

(7) “Electronic record” means a record that is created, generated, sent, communicated, received, or stored by electronic means.

(8) “Electronic signature” means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

(9) “Governmental unit” means:

(a) An agency, department, board, commission, office, authority, institution, or instrumentality of the federal government or of a state or of a political subdivision of a state or special purpose district within a state, regardless of the branch or branches of government in which it is located.

(b) A political subdivision of a state or special purpose district within a state.

(c) An association or society to which appropriations are made by law.

(d) Any body within one or more of the entities specified in pars. (a) to (c) that is created or authorized to be created by the constitution, by law, or by action of one or more of the entities specified in pars. (a) to (c).

(e) Any combination of any of the entities specified in pars. (a) to (d).

(10) “Information” means data, text, images, sounds, codes, computer programs, software, databases, or the like.

(11) “Information processing system” means an electronic system for creating, generating, sending, receiving, storing, displaying, or processing information.

(12) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(13) “Security procedure” means a procedure employed for the purpose of verifying that an electronic signature, record, or performance is that of a specific person or for detecting changes or errors in the information in an electronic record. The term includes a procedure that requires the use of algorithms or other codes, identifying words or numbers, encryption, callback, or other acknowledgment procedures.

(14) “State” means a state of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States. The term includes an Indian tribe or band, or Alaskan native village, which is recognized by federal law or formally acknowledged by a state.

(15) “Transaction” means an action or set of actions occurring between 2 or more persons relating to the conduct of business, commercial, or governmental affairs.

History: 2003 a. 294.

137.12 Application. (1) Except as otherwise provided in sub. (2) and except in ss. 137.25 and 137.26, this subchapter applies to electronic records and electronic signatures relating to a transaction.

(2) Except as otherwise provided in sub. (3), this subchapter does not apply to a transaction to the extent it is governed by:

(a) Any law governing the execution of wills or the creation of testamentary trusts;

(b) Chapters 401 and 403 to 410, other than s. 401.306.

(2m) This subchapter does not apply to any of the following records or any transaction evidenced by any of the following records:

(a) Records governed by any law relating to adoption, divorce, or other matters of family law.

(b) Notices provided by a court.

(c) Court orders.

(d) Official court documents, including briefs, pleadings, and other writings, required to be executed in connection with court proceedings.

(2p) This subchapter applies to a transaction governed by the federal Electronic Signatures in Global and National Commerce Act, 15 USC 7001, et seq., but this subchapter is not intended to limit, modify, or supersede 15 USC 7001 (c).

(2r) To the extent that it is excluded from the scope of 15 USC 7003, this subchapter does not apply to a notice to the extent that it is governed by a law requiring the furnishing of any notice of:

(a) The cancellation or termination of utility services, including water, heat, and power service.

(b) Default, acceleration, repossession, foreclosure, or eviction, or the right to cure, under a credit agreement secured by a rental agreement for a primary residence of an individual;

(c) The cancellation or termination of health insurance or benefits or life insurance benefits, excluding annuities;

(d) Recall of a product, or material failure of a product, that risks endangering health or safety; or

(e) A law requiring a document to accompany any transportation or handling of hazardous materials, pesticides, or other toxic or dangerous materials.

(3) This subchapter applies to an electronic record or electronic signature otherwise excluded from the application of this subchapter under subs. (2), (2m), and (2r) to the extent it is governed by a law other than those specified in subs. (2), (2m), and (2r).

(4) A transaction subject to this subchapter is also subject to other applicable substantive law.

(5) This subchapter applies to the state of Wisconsin, unless otherwise expressly provided.

(6) To the extent there is a conflict between this subchapter and ch. 407, ch. 407 governs.

History: 2003 a. 294; 2009 a. 320, 322.

Legal Effects of Electronic Transactions. Serum. Wis. Law. Feb. 2005.

137.13 Use of electronic records and electronic signatures; variation by agreement. (1) This subchapter does not require a record or signature to be created, generated, sent, communicated, received, stored, or otherwise processed or used by electronic means or in electronic form.

(2) This subchapter applies only to transactions between parties each of which has agreed to conduct transactions by electronic means. Whether the parties agree to conduct a transaction by electronic means is determined from the context and surrounding circumstances, including the parties' conduct.

(3) A party that agrees to conduct a transaction by electronic means may refuse to conduct other transactions by electronic means. The right granted by this subsection may not be waived by agreement.

(4) Except as otherwise provided in this subchapter, the effect of any provision of this subchapter may be varied by agreement. Use of the words "unless otherwise agreed," or words of similar import, in this subchapter shall not be interpreted to preclude other provisions of this subchapter from being varied by agreement.

(5) Whether an electronic record or electronic signature has legal consequences is determined by this subchapter and other applicable law.

History: 2003 a. 294.

137.14 Construction. This subchapter shall be construed and applied:

(1) To facilitate electronic transactions consistent with other applicable law;

(2) To be consistent with reasonable practices concerning electronic transactions and with the continued expansion of those practices; and

(3) To effectuate its general purpose to make uniform the law with respect to the subject of this subchapter among states enacting laws substantially similar to the Uniform Electronic Transactions Act as approved and recommended by the National Conference of Commissioners on Uniform State Laws in 1999.

History: 2003 a. 294.

137.15 Legal recognition of electronic records, electronic signatures, and electronic contracts. (1) A record or signature may not be denied legal effect or enforceability solely because it is in electronic form.

(2) A contract may not be denied legal effect or enforceability solely because an electronic record was used in its formation.

(3) If a law requires a record to be in writing, an electronic record satisfies that requirement in that law.

(4) If a law requires a signature, an electronic signature satisfies that requirement in that law.

History: 2003 a. 294.

137.16 Provision of information in writing; presentation of records. (1) If parties have agreed to conduct a transaction by electronic means and a law requires a person to provide, send, or deliver information in writing to another person, a party may satisfy the requirement with respect to that transaction if the information is provided, sent, or delivered, as the case may be, in an electronic record capable of retention by the recipient at the time of receipt. An electronic record is not capable of retention by the recipient if the sender or its information processing system inhibits the ability of the recipient to print or store the electronic record.

(2) If a law other than this subchapter requires a record to be posted or displayed in a certain manner, to be sent, communicated, or transmitted by a specified method, or to contain information that is formatted in a certain manner, then:

(a) The record shall be posted or displayed in the manner specified in the other law.

(b) Except as otherwise provided in sub. (4) (b), the record shall be sent, communicated, or transmitted by the method specified in the other law.

(c) The record shall contain the information formatted in the manner specified in the other law.

(3) If a sender inhibits the ability of a recipient to store or print an electronic record, the electronic record is not enforceable against the recipient.

(4) The requirements of this section may not be varied by agreement, but:

(a) To the extent a law other than this subchapter requires information to be provided, sent, or delivered in writing but permits that requirement to be varied by agreement, the requirement under sub. (1) that the information be in the form of an electronic record capable of retention may also be varied by agreement; and

(b) A requirement under a law other than this subchapter to send, communicate, or transmit a record by 1st-class or regular mail or with postage prepaid may be varied by agreement to the extent permitted by the other law.

History: 2003 a. 294.

137.17 Attribution and effect of electronic records and electronic signatures. (1) An electronic record or electronic signature is attributable to a person if the electronic record or electronic signature was created by the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic record or electronic signature was attributable.

(2) The effect of an electronic record or electronic signature that is attributed to a person under sub. (1) is determined from the context and surrounding circumstances at the time of its creation, execution, or adoption, including the parties' agreement, if any, and otherwise as provided by law.

History: 2003 a. 294.

137.18 Effect of change or error. (1) If a change or error in an electronic record occurs in a transmission between parties to a transaction, then:

(a) If the parties have agreed to use a security procedure to detect changes or errors and one party has conformed to the procedure, but the other party has not, and the nonconforming party would have detected the change or error had that party also conformed, the conforming party may avoid the effect of the changed or erroneous electronic record.

(b) In an automated transaction involving an individual, the individual may avoid the effect of an electronic record that resulted from an error made by the individual in dealing with the electronic agent of another person if the electronic agent did not provide an opportunity for the prevention or correction of the error and, at the time the individual learns of the error, the individual:

1. Promptly notifies the other person of the error and that the individual did not intend to be bound by the electronic record received by the other person;

2. Takes reasonable steps, including steps that conform to the other person's reasonable instructions, to return to the other person or, if instructed by the other person, to destroy the consideration received, if any, as a result of the erroneous electronic record; and

3. Has not used or received any benefit or value from the consideration, if any, received from the other person.

(2) If neither sub. (1) (a) nor (b) applies, the change or error has the effect provided by other law, including the law of mistake, and the parties' contract, if any.

(3) Subsections (1) (b) and (2) may not be varied by agreement.

History: 2003 a. 294.

137.19 Notarization and acknowledgement. If a law requires a signature or record to be notarized, acknowledged, veri-

fied, or made under oath, the requirement is satisfied if the electronic signature of the person authorized to administer the oath or to make the notarization, acknowledgment, or verification, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature or record.

History: 2003 a. 294.

137.20 Retention of electronic records; originals.

(1) Except as provided in sub. (6), if a law requires that a record be retained, the requirement is satisfied by retaining the information set forth in the record as an electronic record which:

(a) Accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and

(b) Remains accessible for later reference.

(2) A requirement to retain a record in accordance with sub. (1) does not apply to any information the sole purpose of which is to enable the record to be sent, communicated, or received.

(3) A person may comply with sub. (1) by using the services of another person if the requirements of that subsection are satisfied.

(4) Except as provided in sub. (6), if a law requires a record to be presented or retained in its original form, or provides consequences if the record is not presented or retained in its original form, a person may comply with that law by using an electronic record that is retained in accordance with sub. (1).

(5) Except as provided in sub. (6), if a law requires retention of a check, that requirement is satisfied by retention of an electronic record containing the information on the front and back of the check in accordance with sub. (1).

(6) (a) Except as provided in sub. (6), a record retained as an electronic record in accordance with sub. (1) satisfies a law requiring a person to retain a record for evidentiary, audit, or like purposes, unless a law enacted after May 5, 2004 specifically prohibits the use of an electronic record for the specified purpose.

(b) A governmental unit that has custody of a record is also further subject to the retention requirements for public records of state agencies, and the records of the University of Wisconsin Hospitals and Clinics Authority established under ss. 16.61, and 16.611 and the retention requirements for documents of local governmental units established under s. 16.612.

(7) The public records board may promulgate rules prescribing standards consistent with this subchapter for retention of records by state agencies, the University of Wisconsin Hospitals and Clinics Authority and local governmental units.

(8) This section does not preclude a governmental unit of this state from specifying additional requirements for the retention of any record subject to the jurisdiction of that governmental unit.

History: 2003 a. 294.

137.21 Admissibility in evidence. In a proceeding, a record or signature may not be excluded as evidence solely because it is in electronic form.

History: 2003 a. 294.

137.22 Automated transactions. In an automated transaction:

(1) A contract may be formed by the interaction of electronic agents of the parties, even if no individual was aware of or reviewed the electronic agent's actions or the resulting terms and agreements.

(2) A contract may be formed by the interaction of an electronic agent and an individual, acting on the individual's own behalf or for another person, including by an interaction in which the individual performs actions that the individual is free to refuse to perform and which the individual knows or has reason to know will cause the electronic agent to complete the transaction or performance.

(3) The terms of a contract under sub. (1) or (2) are governed by the substantive law applicable to the contract.

History: 2003 a. 294.

137.23 Time and place of sending and receipt.

(1) Unless otherwise agreed between the sender and the recipient, an electronic record is sent when it:

(a) Is addressed properly or otherwise directed properly to an information processing system that the recipient has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record;

(b) Is in a form capable of being processed by that system; and

(c) Enters an information processing system outside the control of the sender or of a person that sent the electronic record on behalf of the sender or enters a region of the information processing system designated or used by the recipient which is under the control of the recipient.

(2) Unless otherwise agreed between a sender and the recipient, an electronic record is received when:

(a) It enters an information processing system that the recipient has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record; and

(b) It is in a form capable of being processed by that system.

(3) Subsection (2) applies even if the place where the information processing system is located is different from the place where the electronic record is deemed to be received under sub. (4).

(4) Unless otherwise expressly provided in the electronic record or agreed between the sender and the recipient, an electronic record is deemed to be sent from the sender's place of business and to be received at the recipient's place of business. For purposes of this subsection:

(a) If the sender or recipient has more than one place of business, the place of business of that person is the place having the closest relationship to the underlying transaction.

(b) If the sender or the recipient does not have a place of business, the place of business is the sender's or recipient's residence, as the case may be.

(5) An electronic record is received under sub. (2) even if no individual is aware of its receipt.

(6) Receipt of an electronic acknowledgment from an information processing system described in sub. (2) establishes that a record was received but, by itself, does not establish that the content sent corresponds to the content received.

(7) If a person is aware that an electronic record purportedly sent under sub. (1), or purportedly received under sub. (2), was not actually sent or received, the legal effect of the sending or receipt is determined by other applicable law. Except to the extent permitted by the other law, the requirements of this subsection may not be varied by agreement.

History: 2003 a. 294.

137.24 Transferable records. (1) In this section, "transferable record" means an electronic record that is a note under ch. 403 or a record under ch. 407.

(1m) An electronic record qualifies as a transferable record under this section only if the issuer of the electronic record expressly has agreed that the electronic record is a transferable record.

(2) A person has control of a transferable record if a system employed for evidencing the transfer of interests in the transferable record reliably establishes that person as the person to which the transferable record was issued or transferred.

(3) A system satisfies the requirements of sub. (2), and a person is deemed to have control of a transferable record, if the transferable record is created, stored, and assigned in such a manner that:

137.24 AUTHENTICATIONS AND ELECTRONIC TRANSACTIONS Updated 09–10 Wis. Stats. Database 6

(a) A single authoritative copy of the transferable record exists which is unique, identifiable, and, except as otherwise provided in pars. (d) to (f), unalterable;

(b) The authoritative copy identifies the person asserting control as the person to which the transferable record was issued or, if the authoritative copy indicates that the transferable record has been transferred, the person to which the transferable record was most recently transferred;

(c) The authoritative copy is communicated to and maintained by the person asserting control or its designated custodian;

(d) Copies or revisions that add or change an identified assignee of the authoritative copy can be made only with the consent of the person asserting control;

(e) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(f) Any revision of the authoritative copy is readily identifiable as authorized or unauthorized.

(4) Except as otherwise agreed, a person having control of a transferable record is the holder, as defined in s. 401.201 (2) (km), of the transferable record and has the same rights and defenses as a holder of an equivalent record or writing under chs. 401 to 411, including, if the applicable statutory requirements under s. 403.302 (1), 407.501, or 409.330 are satisfied, the rights and defenses of a holder in due course, a holder to which a negotiable record of title has been duly negotiated, or a purchaser, respectively. Delivery, possession, and endorsement are not required to obtain or exercise any of the rights under this subsection.

(5) Except as otherwise agreed, an obligor under a transferable record has the same rights and defenses as an equivalent obligor under equivalent records or writings under chs. 401 to 411.

(6) If requested by a person against which enforcement is sought, the person seeking to enforce the transferable record shall provide reasonable proof that the person is in control of the trans-

ferable record. Proof may include access to the authoritative copy of the transferable record and related business records sufficient to review the terms of the transferable record and to establish the identity of the person having control of the transferable record.

History: 2003 a. 294; 2009 a. 320, 322.

137.25 Submission of written documents. (1) Unless otherwise prohibited by law, with the consent of a governmental unit of this state that is to receive a record, any record that is required by law to be submitted in writing to that governmental unit and that requires a written signature may be submitted as an electronic record, and if submitted as an electronic record may incorporate an electronic signature.

(2) The department of administration shall promulgate rules concerning the use of electronic records and electronic signatures by governmental units, which shall govern the use of electronic records or signatures by governmental units, unless otherwise provided by law. The rules shall include standards regarding the receipt of electronic records or electronic signatures that promote consistency and interoperability with other standards adopted by other governmental units of this state and other states and the federal government and nongovernmental persons interacting with governmental units of this state. The standards may include alternative provisions if warranted to meet particular applications.

History: 1997 a. 306; 2003 a. 294 ss. 10t, 11, 13m.

137.26 Interoperability. If a governmental unit of this state adopts standards regarding its receipt of electronic records or electronic signatures under s. 137.25, the governmental unit shall promote consistency and interoperability with similar standards adopted by other governmental units of this state and other states and the federal government and nongovernmental persons interacting with governmental units of this state. Any standards so adopted may include alternative provisions if warranted to meet particular applications.

History: 2003 a. 294.



Legislation Details (With Text)

File #: 110452 **Version:** 0

Type: Ordinance **Status:** In Committee

File created: 7/26/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: An ordinance to further amend the 2011 rates of pay of offices and positions in the City Service.

Sponsors: THE CHAIR

Indexes: SALARY ORDINANCE

Attachments:

Date	Ver.	Action By	Action	Result	Tally
7/26/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number

110452

Version

ORIGINAL

Reference

100414

Sponsor

THE CHAIR

Title

An ordinance to further amend the 2011 rates of pay of offices and positions in the City Service.

Drafter

City Clerk

TB:dkf

7/26/11

..Number

110452

..Version

Substitute 1

..Reference

100413

..Sponsor

THE CHAIR

..Title

A substitute ordinance to further amend the 2011 rates of pay of offices and positions in the City Service.

..Analysis

This substitute ordinance changes the rates of pay in the following department:

Police Department

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Part 1, Section 19 of ordinance File Number 100413 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Ranges 831 through 842 delete the current biweekly rates of pay and substitute therefor the following biweekly rates of pay:

Pay Range 831

Official Rate - Biweekly

2,348.19 2,436.67 2,528.74 2,624.46 2,723.98 2,827.56

Pay Range 835

Official Rate - Biweekly

2,577.92 2,677.44 2,781.02 2,888.66 3,000.65 3,116.95

Pay Range 836

Official Rate - Biweekly

2,677.44 2,781.02 2,888.66 3,000.65 3,116.95 3,238.07

Pay Range 839

Official Rate - Biweekly

3,000.65 3,116.95 3,238.07 3,363.98 3,495.00 3,631.18

Pay Range 842

Official Rate - Biweekly

3,363.98 3,495.00 3,631.18 3,772.86 3,920.19 4,073.40

Part 2. Part 1, Section 19 of ordinance File Number 100413 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Pay Range 831

Official Rate - Biweekly

2,430.38 2,521.95 2,617.25 2,716.32 2,819.32 2,926.52

Add footnote designation “3/” which should read as follows: “3/ Effective Pay Period 1, 2012, and employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 2,446.25, 2,537.83, 2,633.12, 2,732.19, 2,835.20, 2,942.40.”

Add footnote designation “4/” which should read as follows: “4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 2,466.10, 2,557.68, 2,652.97, 2,752.04, 2,855.05, 2,962.25.”

Add footnote designation “5/” which should read as follows: “5/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 2,474.04, 2,565.62, 2,660.91, 2,759.98, 2,862.99, 2,970.19.”

Pay Range 835

Official Rate - Biweekly

2,629.48 2,730.99 2,836.64 2,946.43 3,060.66 3,179.29

Add footnote designation “1/” which should read as follows: “1/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 2,645.13, 2,746.64, 2,852.29, 2,962.08, 3,076.31, 3,194.94.”

Add footnote designation “2/” which should read as follows: “2/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 2,664.69, 2,766.20, 2,871.85, 2,981.64, 3,095.87, 3,214.50.”

Add footnote designation “3/” which should read as follows: “3/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 2,672.51, 2,774.02, 2,879.67, 2,989.47, 3,103.70, 3,222.32.”

Pay Range 836

Official Rate - Biweekly

2,730.99 2,836.64 2,946.43 3,060.66 3,179.29 3,302.83

Add footnote designation “3/” which should read as follows: “3/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 2,746.64, 2,852.29, 2,962.08, 3,076.31, 3,194.94, 3,318.48.”

Add footnote designation “4/” which should read as follows: “4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 2,766.20, 2,871.85, 2,981.64, 3,095.87, 3,214.50, 3,338.04.”

Add footnote designation “5/” which should read as follows: “5/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 2,774.02, 2,879.67, 2,989.47, 3,103.70, 3,222.32, 3,345.87.”

Pay Range 839

Official Rate - Biweekly

3,060.66 3,179.29 3,302.83 3,431.26 3,564.90 3,703.80

Add footnote designation “2/” which should read as follows: “2/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 3,076.31, 3,194.94, 3,318.48, 3,446.91, 3,580.55, 3,719.45.”

Add footnote designation “3/” which should read as follows: “3/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 3,095.87, 3,214.50, 3,338.04, 3,466.47, 3,600.11, 3,739.01.”

Add footnote designation “4/” which should read as follows: “4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 3,103.70, 3,222.32, 3,345.87, 3,474.29, 3,607.93, 3,746.84.”

Pay Range 842

Official Rate - Biweekly

3,431.26 3,564.90 3,703.80 3,848.32 3,998.59 4,154.87

Add footnote designation “2/” which should read as follows: “2/ Effective Pay Period 1, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 3,446.91, 3,580.55, 3,719.45, 3,863.96, 4,014.24, 4,170.51.”

Add footnote designation “3/” which should read as follows: “3/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 3,466.47, 3,600.11, 3,739.01, 3,883.53, 4,033.80, 4,190.08.”

Add footnote designation “4/” which should read as follows: “4/ Effective Pay Period 1, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 3,474.29, 3,607.93, 3,746.84, 3,891.35, 4,041.63, 4,197.90.”

Part 3. Part 1, Section 19 of ordinance File Number 100413 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Pay Range 831

Official Rate - Biweekly

2,460.76 2,553.47 2,649.97 2,750.27 2,854.56 2,963.10

Amend footnote designation “3/” to read as follows: “3/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 2,476.83, 2,569.55, 2,666.03, 2,766.34, 2,870.64, 2,979.18.”

Amend footnote designation “4/” to read as follows: “4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 2,496.93, 2,589.65, 2,686.13, 2,786.44, 2,890.74, 2,999.28.”

Amend footnote designation “5/” to read as follows: “5/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 2,504.97, 2,597.69, 2,694.17, 2,794.48, 2,898.78, 3,007.32.”

Pay Range 835

Official Rate - Biweekly

2,655.77 2,758.30 2,865.01 2,975.89 3,091.27 3,211.08

Amend footnote designation “1/” to read as follows: “1/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 2,671.58, 2,774.11, 2,880.81, 2,991.70, 3,107.07, 3,226.89.”

Replace footnote designation “2/” with the following: “2/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 2,691.34, 2,793.86, 2,900.57, 3,011.46, 3,126.83, 3,246.65.”

Amend footnote designation “3/” to read as follows: “3/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 2,699.24, 2,801.76, 2,908.47, 3,019.36, 3,134.74, 3,254.54.”

Pay Range 836

Official Rate - Biweekly

2,758.30 2,865.01 2,975.89 3,091.27 3,211.08 3,335.86

Amend footnote designation “3/” to read as follows: “3/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 2,774.11, 2,880.81, 2,991.70, 3,107.07, 3,226.89, 3,351.66.”

Amend footnote designation “4/” to read as follows: “4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 2,793.86, 2,900.57, 3,011.46, 3,126.83, 3,246.65, 3,371.42.”

Amend footnote designation “5/” to read as follows: “5/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 2,801.76, 2,908.47, 3,019.36, 3,134.74, 3,254.54, 3,379.33.”

Pay Range 839

Official Rate - Biweekly

3,091.27 3,211.08 3,335.86 3,465.57 3,600.55 3,740.84

Amend footnote designation “2/” to read as follows: “2/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 3,107.07, 3,226.89, 3,351.66, 3,481.38, 3,616.36, 3,756.64.”

Amend footnote designation “3/” to read as follows: “3/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 3,126.83, 3,246.65, 3,371.42, 3,501.13, 3,636.11, 3,776.40.”

Amend footnote designation “4/” to read as follows: “4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 3,134.74, 3,254.54, 3,379.33, 3,509.03, 3,644.01, 3,784.31.”

Pay Range 842

Official Rate - Biweekly

3,465.57 3,600.55 3,740.84 3,886.80 4,038.58 4,196.42

Amend footnote designation “2/” to read as follows: “2/ Effective Pay Period 14, 2012, an employee who has attained or maintained an Associate’s Degree or 64 Credits shall be paid the following biweekly rates: 3,481.38, 3,616.36, 3,756.64, 3,902.60, 4,054.38, 4,212.22.”

Amend footnote designation “3/” to read as follows: “3/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Bachelor’s Degree shall be paid the following biweekly rates: 3,501.13, 3,636.11, 3,776.40, 3,922.37, 4,074.14, 4,231.98.”

Amend footnote designation “4/” to read as follows: “4/ Effective Pay Period 14, 2012, an employee who has attained or maintained a Master’s Degree or Higher shall be paid the following biweekly rates: 3,509.03, 3,644.01, 3,784.31, 3,930.26, 4,082.05, 4,239.88.”

Part 4. All ordinances or parts of ordinances contravening the provisions of this ordinance are hereby repealed.

Part 5. The provisions of Part 1 of this ordinance are deemed to be in force and effect from and after Pay Period 1, 2010 (December 27, 2009).

Part 6. The provisions of Part 2 of this ordinance are deemed to be in force and effect from and after Pay Period 1, 2011 (December 26, 2010).

Part 7. The provisions of Part 3 of this ordinance are deemed to be in force and effect from and after Pay Period 1, 2012 (December 25, 2011).

The provisions of all other parts of this ordinance are deemed to be in force and effect from and after its passage and publication.

Part 8. This ordinance will take effect and be in force from and after its passage and publication.

..Drafter
City Clerk's Office
tb
9-14-11



Legislation Details (With Text)

File #: 110453 **Version:** 0

Type: Ordinance **Status:** In Committee

File created: 7/26/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: An ordinance to further amend the 2011 offices and positions in the City Service.

Sponsors: THE CHAIR

Indexes: POSITIONS ORDINANCE

Attachments:

Date	Ver.	Action By	Action	Result	Tally
7/26/2011	0	COMMON COUNCIL	ASSIGNED TO		
9/13/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number

110453

Version

ORIGINAL

Reference

100415

Sponsor

THE CHAIR

Title

An ordinance to further amend the 2011 offices and positions in the City Service.

Drafter

City Clerk

TB:dkf

7/26/11

..Number

110453

..Version

Substitute 1

..Reference

100414

..Sponsor

THE CHAIR

..Title

A substitute ordinance to further amend the 2011 offices and positions in the City Service.

..Analysis

This substitute ordinance changes positions in the following departments:

Health Department and Library

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 1 of ordinance File Number 100414 relative to offices and positions in the City Service is hereby amended as follows:

Under "Health Department, delete footnotes (H), (M), (CC), (QQQ) and (TTT), amend footnote (J) to read as follows: "To expire 12/31/11 unless the Maternal and Child Health Grant is extended", amend footnote (TT) to read as follows: "To expire 12/31/11 unless the CDBG Lead Grant is extended" and amend footnote (AAA) to read as follows: "To expire 07/31/12 unless the HIV Risk Reduction Grant from the Medical College of Wisconsin is extended. A portion of the Nurse Practitioner position may be funded by the Dual Protection Grant."

Under "Disease Control and Environmental Health Services Division", delete entire section of "Childhood Lead Poisoning Prevention Program (W)". Under "Lead Poisoning Control Program - (CDBG)", delete three positions of "Public Health Nurse (X)(G)(TT)" and add two positions of "Public Health Nurse (X)(G)(TT)". Under "CDBG Lead Grant (TT)", delete five positions of "Lead Risk Assessor II (TT)(X)", one position of "Health Services Assistant II (X) (TT)", and one position of "Office Assistant II (TT)" and add four positions of "Lead Risk Assessor II (TT)(X)", one position of "Program Assistant II (TT)" and two positions of "Health Services Assistant II (X) (TT)". Under "Lead Hazard Reduction Demonstration Grants (HUD) (QQ)(RR)", delete three positions of "Lead Risk Assessor II (X)(QQ)(RR)" and add six positions of "Lead Risk Assessor II (X)(QQ)(RR)".

Under "Disease Control and Environmental Health Services Division", delete "Survnet Grant (V) and one position of "Office Assistant III (V)" and replace them with "Survnet Grant" and one position of "Office Assistant III (V)(T)" and add footnote (T) to read as follows: "To expire 08/31/12 unless the SURVNET ACA Grant available from the Wisconsin Department of Health Services, is extended." Under "Sexually Transmitted Disease Clinic", delete eight positions of "Communicable Disease Specialist (X)(F)(BBB)", add eight positions of "Communicable Disease Specialist

(X)(F)(BBB)(DDD)” and add footnote (DDD) to read as follows: “To expire 06-30-12 unless the Seek, Test, Treat (STT): Addressing HIV in the Criminal Justice System Grant, available from Tulane University is extended.” Under “Home Environmental Health”, delete the position of “Home Environmental Health Manager (X)(W)(Y)(PP)(QQ)(RR)(SS)(TT)”, add the position of “Home Environmental Health Manager (X)(W)(Y)(PP)(QQ)(RR)(SS)(TT)(UU)”, delete the entire sections of “Lead-Based Paint Hazard Control Grant (HUD) (PP)” and “Healthy Homes Demonstration Grant – Economic Stimulus Funding (HUD) (SS)” and add a section called “Lead-Based Paint Hazard Control Grant (HUD) and Healthy Homes Grants (HUD)” with two positions of “Lead Risk Assessor II (X)(PP)”, one position of “Environmental Hygienist (X)(PP)”, one position of “Lead Grant Monitor (X) (Y) (PP) (SS)(UU)”, one position of “Office Assistant II (UU)”, one position of “Chemist II (PP)(SS)(UU)”, one position of “Healthy Homes Inspector (X)(SS)(UU)” and one position of “Public Health Nurse (X)(G)(UU)” and add footnote (UU) to read as follows: “To expire 09/30/14 unless the Healthy Homes Grant from the U.S. Department of Housing and Urban Development (HUD) is extended.”

Under “Family and Community Health Services Division, Comprehensive Home Visiting Grant (E)” add one position of “Public Health Nurse (X)(G)(EEE)” and add footnote (EEE) to read as follows: “To expire 09/30/2013 unless the Infant Mortality Reduction Initiative Grant from the United Way of Greater Milwaukee is extended.”

Under “Family and Community Health Services Division, Plain Talk Initiative”, delete the position of “Health Project Coordinator-Plain Talk (X)(Y)(BBB)”, add the position of “Health Project Coordinator-Plain Talk (X)(Y)(BBB)(PPP)” and add footnote (PPP) to read as follows: “To expire 07/31/2012 unless the Plain Talk-Prep for Youth Grant from the State of Wisconsin Department of Health Services is extended.”

Under “Library Board, Central Library Decision Unit, Interlibrary Services Grant (H)”, add one position of “Library Circulation Aide (0.56 FTE)(H)”, delete one position of Library Circulation Assistant I (0.50 FTE) (H) and amend footnote (H) to read as follows: “To expire 06/30/12 unless the Interlibrary Services Grant, available from the Wisconsin Department of Public Instruction, is extended. Positions are authorized only as reflected in the grant agreements as approved by the Grantor Agencies.”

Part 2. All ordinances or parts of ordinances contravening the provisions of this ordinance are hereby repealed.

The provisions of this ordinance are deemed to be in force and effect from and after the first day of the first pay period following passage and publication.

Part 3. This ordinance will take effect and be in force from and after its passage and publication.

..Drafter
City Clerk's Office
Tb

9-14-11

The FINANCE & PERSONNEL COMMITTEE may convene into closed session, pursuant to sec. 19.85(1)(e), Wis. Stats., for the purpose of formulating collective bargaining strategies.