2009 PROPOSED PLAN AND EXECUTIVE BUDGET SUMMARY

CITY OF MILWAUKEE

STATE OF WISCONSIN

Tom Barrett
Mayor

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Budget and Management Division

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GUIDE TO BUDGET DOCUMENTS

PLAN AND BUDGET SUMMARY

A document containing a fiscal summary of the 2009 budget; a budget forecast for Milwaukee; detailed narrative descriptions of each department's mission, services, outcome measures and related activities; and a summary of appropriations by expenditure category. This document is printed annually in proposed and final form as follows: the *Proposed Plan and Executive Budget Summary* contains the Mayor's Executive Budget as presented to the Common Council for review. The *Plan and Budget Summary* contains the budget as adopted by the Common Council.

BUDGET

The official City of Milwaukee line-item budget provides a listing of all appropriation accounts by department and is published after the final budget adoption.

SIX-YEAR CAPITAL PLAN

A presentation of the city's six year capital program. Includes details on planning, financing, infrastructure, and urban development undertakings involved in the capital plan and is published the spring following budget adoption.

2004 FISCAL OUTLOOK AND STRATEGIC PLAN

A strategic framework that guides policy decisions based on long term strategic goals and objectives.

To obtain copies of the: *Proposed Plan and Executive Budget Summary, Plan and Budget Summary, Budget, Six Year Capital Plan* and the *2004 Fiscal Outlook and Strategic Plan* contact the:

Budget and Management Division
City Hall - Room 307
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3741
(414) 286-5475 (Fax)

or

Visit the Budget and Management website at:
www.milwaukee.gov/budget

BUDGET AND PLANNING PROCESS

City Strategic Plan

Citywide Objectives
Citywide Strategies

↓

Unified Strategic Plans and Budget

Department Objectives
Department Strategies
Department Performance Measures
Department Annual Budget

↓

Annual Budget

Executive Budget

↓

Adopted City Budget

Calendar Date	Activity
January - March	Departments Prepare Plans, Objectives, and Performance Measures
Mid-March	Departments Receive Budget Materials
May 9*	Plans and Budget Requests Due
July	Mayor's Public Hearings on Plans and Budgets
July - September	Mayor's Executive Plan and Budget Review
September 24**	Plan and Budget Submitted to Common Council
Mid-October	Legislative Hearings
October 30 and 31	Finance and Personnel Committee Budget Amendment Days
November 7***	Common Council Action on Budget

* Second Tuesday in May
** Legal Deadline September 28
*** Legal Deadline November 14

ELECTED OFFICIALS

Mayor ..... Tom Barrett
City Attorney ..... Grant F. Langley
City Comptroller ..... W. Martin Morics
City Treasurer ..... Wayne F. Whittow

COMMON COUNCIL

President ..... Willie L. Hines, Jr.

DISTRICT	ALDERMEN
First	Ashanti Hamilton
Second	Joe Davis Sr.
Third	Nik Kovac
Fourth	Robert J. Bauman
Fifth	James A. Bohl, Jr.
Sixth	Milele A. Coggs
Seventh	Willie C. Wade
Eighth	Robert G. Donovan
Ninth	Robert W. Puente
Tenth	Michael J. Murphy
Eleventh	Joseph A. Dudzik
Twelfth	James N. Witkowiak
Thirteenth	Terry L. Witkowski
Fourteenth	Tony Zielinski
Fifteenth	Willie L. Hines, Jr.

MUNICIPAL JUDGES

Branch 1 ..... Valarie A. Hill
Branch 2 ..... Derek C. Mosley
Branch 3 ..... Philip M. Chavez

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THE VALUE OF MILWAUKEE

Milwaukee is a cohesive, talent rich, diverse, safe and economically vibrant community. It is nationally recognized for its manufacturing, arts, recreation, museums, academic institutions, revitalized lakefront and rivers, beautiful neighborhoods and well-maintained housing.

Milwaukee is the economic hub of the southeast region and entire state of Wisconsin, the "Fresh Coast City" that is rising fast in national stature and prominence. It is a premiere center for advanced manufacturing, fresh water research and development, clean and green technology, health care, biomedical technology and financial services. These core industries spur productivity, innovation, heightened rates of business formation and growth, a strong and growing entrepreneurial climate, and a boost in Milwaukee's national and global competitiveness. Milwaukee's dynamic and accessible markets attract people, business and investment in large and increasing numbers, and its transportation system is a gateway for tourism, conventions, commerce, business growth and economic development.

OUR VISION FOR MILWAUKEE

We want Milwaukee to become an even more desirable place to live and work. Our vision is a Milwaukee where opportunity is abundant and accessible to all citizens - a Milwaukee where:

- Neighborhoods are safe, healthy, thriving and culturally rich;
- Children are empowered with the tools they need to reach their full potential, including a superior education;
- Citizens have equal access to good family supporting jobs and benefits; and
- Our environment and economy support and sustain the quality of life for this generation and the next.

MISSION

The mission of city government is to enhance the safety, prosperity, and quality of life of all of our citizens by working directly and through partnerships with our community stakeholders.

City government is dedicated to delivering services at a competitive cost and achieving customer satisfaction and responsiveness to citizens. This enables the city to deliver the highest quality services possible to residents and businesses. These services enhance the value of Milwaukee by:

- Building safe and healthy neighborhoods;
- Increasing investment and economic vitality throughout Milwaukee;
- Improving workforce development and connecting more citizens to family supporting jobs;
- Helping children succeed, prepare for post-secondary education, and meet their full potential;
- Promoting racial, social and economic equity for all citizens; and
- Sustaining, enhancing and promoting Milwaukee's natural environmental assets.

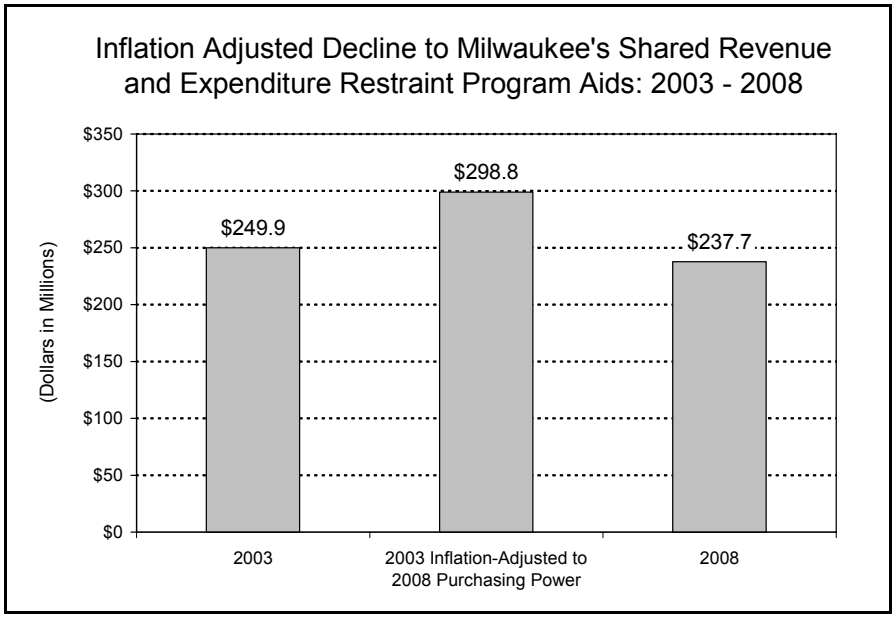
THE 2009 PROPOSED BUDGET: STRATEGIC RESPONSES TO FISCAL CONSTRAINTS

Background

Mayor Tom Barrett and the Budget and Management Division developed the 2009 proposed budget within an extremely challenging policy environment. These factors included significant fiscal constraints as well as community circumstances. Some of the most important challenges include:

- Ongoing State Shared Revenue policy has severely diminished the purchasing power of the city's single most significant revenue source. Between 2003 and 2008, the inflation adjusted value of state general aids to the City of Milwaukee has declined $61.1 million - a decrease of more than 20%.

INFLATION ADJUSTED DECLINE TO MILWAUKEE'S SHARED REVENUE AND EXPENDITURE RESTRAINT PROGRAM AIDS: 2003 - 2008
(Dollars in millions)



- Despite several initiatives that have improved the city's employee health care benefits trend, total compensation costs continue to be unsustainable. Projections indicate that current wage and fringe benefit trends are approximately two times greater than baseline growth in general fund revenues. This structural imbalance is even more pronounced for the 2009 budget.

- Crime poses a serious threat to neighborhoods and a significant economic competitive disadvantage. During the first half of 2007, Milwaukee had the fifth highest crime rate among 22 comparably sized cities. The city's crime rate is more than three times the rate found in major competitor counties in Wisconsin.

- Milwaukee's high rate of poverty translates into a number of demands on city government services. At-risk pregnancies, relatively low rates of educational attainment, and neighborhood blight represent just a few of the social conditions that city services respond to on a daily basis.

The proposed 2009 budget includes proposals to respond to these strategies. Prior to a discussion of these strategies, it is useful to place the city's fiscal condition in a multi-year context.

Multi-Year Fiscal Condition

Budget sustainability describes a condition under which ongoing revenues are adequate to fund the current level of services. The absence of budget sustainability is termed a "structural imbalance".

It is useful to begin an annual budget process with a projection of multi-year structural conditions. The Budget and Management Division (BMD) applies a three year perspective to its analysis. This timeframe is sufficient to identify the sources of structural problems while maintaining a practical relationship to operational planning and the State's Budget cycle.

BMD's analysis of the 2009-2011 structural condition estimated the impact of the city continuing its expenditures according to existing service levels and operational practices within the established revenue structure and trends. This analysis resulted in an estimated imbalance of approximately $160 million over the three year period. Although the city will not engage in deficit spending, this analytic approach assists in understanding the compounding nature of negative structural factors.

The following table summarizes some of the essential factors that contribute to the city's structural condition.

ESSENTIAL FACTORS PERTAINING TO CITY OF MILWAUKEE STRUCTURAL BUDGET CONDITIONS: 2009 - 2011

Factor	Trend Direction	Strategic Response
5-year decline of 20.4% in the CPI-adjusted value of State Aids	Negative. Since this is the city's largest revenue source, even stable nominal levels are equivalent to an $8.3 million annual decline at a 3.5% inflation rate. The city's own source revenue options are extremely limited and lack potential for growth.	• Move to full cost-recovery from the Solid Waste Charge. User charge increases in the 2006 budget played a major role in resolving a $166 million 2006-2008 imbalance. • Formation of a broad coalition of communities in support of a new approach to Shared Revenue growth for the 2009-11 State Budget. • In collaboration with Judiciary and Legislation Committee, initiate additional own source revenue options and targeted state aid proposals.
End to significant annual growth in unanticipated revenues.	Negative. Major factors include a slowdown in housing-related permits; a short lived period of "neutral" FED interest rate policy followed by a return to very low rates; and application of a portion of future unanticipated revenues to repayment of borrowing for 2007 MPS budget levy correction.	• Budget expense reductions based on strategic priorities. • Modest improvement to interest earnings and Potawatomi Casino payments are expected for 2010.
Total compensation cost (wages and health care benefits) growth is more than twice projected revenue growth.	Improvement. Employee health care benefit trend growth has declined from more than 10% annually between 1996 and 2006 to approximately 4%.	• Implement wellness initiative once it has been fully agreed to in collective bargaining. • In 2008 DER extended the Basic Plan drug benefit "carve out" concept to the HMO.
Above trend increase in workers compensation (WC) costs.	Negative.	• Implement a risk management model for WC in conjunction with implementation of new WC information system.

Factor	Trend Direction	Strategic Response
Employes Retirement System (ERS) funded ratio.	Positive. Funded ratio of ERS (actuarial value of assets) grew from 127.4% on 1/1/06 to 131.2% on 1/1/07.	• Continue to provide ERS with the resources needed to manage assets. • Implementation of ongoing position reductions will help control growth in normal cost.
The debt levy as a proportion of Shared Revenue/ERP and property taxes grew from 10.7% in 1996 to 16% for 2008.	Positive.	• In the 2009 proposed budget the debt levy is 14.8% of Shared Revenue/ERP and property taxes. • Manage debt increases by limiting annual new levy-supported borrowing to $65 million. • Apply wheel tax to help finance an increase in street related capital improvements. • Manage Tax Increment Finance debt in a manner that limits impact of these projects on debt levy.

The fiscal outlook is particularly challenging for 2009. Anticipated reductions to interest earnings as a result of economic conditions, and the expiration of an intergovernmental agreement with MPS that provided reimbursements for certain city services, have a combined negative impact on non-property tax revenues of approximately $8.3 million. If the 2009 budget were to continue current service levels in the context of anticipated revenues and a trend increase in the tax levy, a budget "gap" of approximately $39 million results.

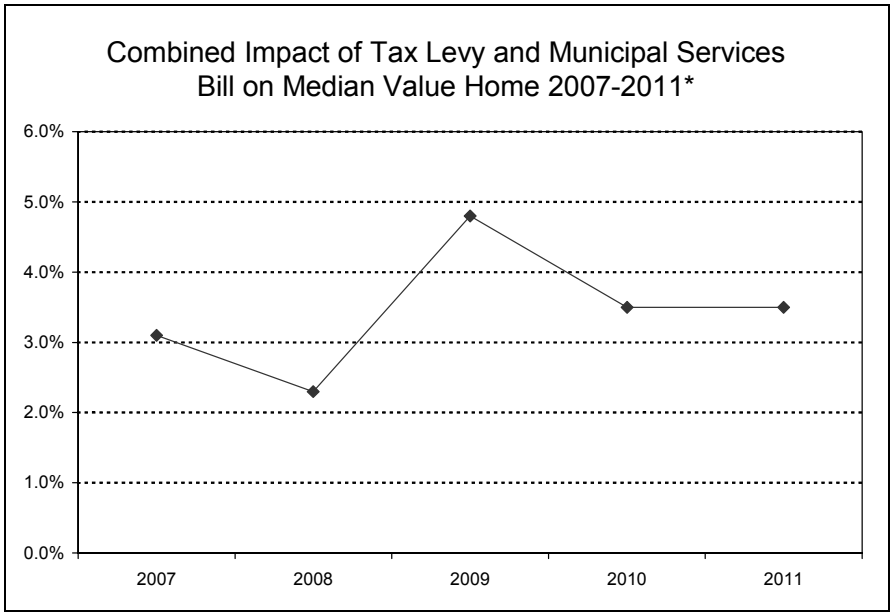
2009 Proposed Budget Approach

Revenue Proposals

The 2009 budget proposal includes a combination of $13 million in department expense reductions, a $7 million increase to the Solid Waste Charge, and a 4.8% increase in the tax levy to enable continuation of strategic service priorities. The Mayor had proposed an increase to the Local Snow and Ice Charge of $1.6 million in order to allow for a budget increase of $1.1 million for snow and ice operations, and to remove the cost of these activities from the tax levy. However, the Common Council rejected this fee increase on September 12. The Mayor has not included an increase to the Snow and Ice Charge in his proposed 2009 budget.

Based on current residential property values, the Mayor's revenue proposals (combined with proposed increases to Sewer Maintenance Fund service charges) will increase the combined impact of the tax levy and municipal services bill on the owner of a median valued residential property by $71.63, or 4.8%. This compares to the most recent 12 month change in inflation (as measured by the CPI-U) of 5.4%.

The proposed 2009 revenue impact on the typical homeowner is an essential consideration. The Mayor believes that it is justified based on the value of city services, recent context, and projected impacts over the next three years. For example, the Mayor's 2009 proposal results in an average "typical homeowner" impact of 3.5% for the three year period covering 2007-2009. In addition, the Mayor expects that his levy and municipal service proposals for 2010 through 2012 should approximate a similar three year impact of 3.5%.



#: 2007 and 2008 reflect adopted budget; 2009 reflects proposed budget, 2010 and 2011 are projections.

The Mayor's 2009 budget proposal also reduces the projected three year structural imbalance. By combining expense reductions with revenue increases, the Mayor's proposal is expected to reduce the three year imbalance from $160 million to approximately $55 million.

Expenditure Proposals

Budget Process Issues

Chapter 18 of the City Charter provides for the development and adoption of the annual city budget. The Charter assigns responsibility for recognition of anticipated budget revenues to the Comptroller. In order for the budget to be balanced anticipated non-property tax revenues plus the proposed tax levy must equal the proposed expenditures.

Two general fund components of the city's Municipal Services Bill -- the Local Solid Waste Charge and the Local Snow and Ice Removal Charge -- have become increasingly important to the city's efforts to achieve budget balance and provide services that meet community needs. The Comptroller's standard practice regarding the anticipated revenues for these two charges has been to recognize levels that have been adopted in the prior budget year. If the Mayor chooses to propose an increase to either of these two charges, the practice has been to recognize the increases only upon action to do so by the Common Council. Practically speaking, the Mayor cannot include such revenue increases to balance the budget unless the Council has already adopted such action.

This practice diminishes the accountability and transparency of the Executive Budget process. If the Mayor chooses to submit an increase for either of these revenues, and the increase has not been adopted and recognized, the proposed budget bears the political responsibility for recommending fee increases and for submitting expenditure and service level proposals (generally reductions from the baseline levels given the city's fiscal conditions) below those which the revenues would support. In effect, the Mayor endures a "double whammy" of having to propose revenue increases without the authority to demonstrate how those revenues would be used to support proposed expenditures. Understandably, this can prove confusing and unsatisfactory to the general public and to elected officials.

In order to address this dilemma, the Mayor attempted to gain Council support for increases to the Local Solid Waste Charge and the Local Snow and Ice Removal Charge for 2009 prior to Executive Budget submission. This, in turn, posed a dilemma for Common Council members. Although many members recognized the fiscal circumstances that drove these revenue proposals, there was a widespread reluctance to approve such increases in the absence of a proposed expenditure context. This issue is especially pertinent to the proposed increase for the Local Solid Waste Charge.

The 2009 Proposed Executive Budget submittal will balance expenditures with anticipated revenues. However, the Budget and Management Division will provide supplementary information and materials that make an explicit link between the Mayor's proposed revenue changes and the service levels that he believes those revenues should support. These materials will also clarify in transparent terms the implications on services of not adopting the revenue proposals. This approach should assist both the Common Council and the public in understanding what the Mayor believes is essential for 2009 city services.

Strategic Basis for Expenditures

The Mayor's budget proposal for 2009 reflects important service priorities that are based on a strategic approach to budgeting. This effort outlines six clear goals for city departments:

- Build safe and healthy neighborhoods.
- Increase investment and economic vitality throughout the city.
- Improve workforce development and connect more citizens to family supporting jobs.
- Help children succeed, prepare for post-secondary education, and meet their full potential.
- Promote racial, social and economic equity for all citizens.
- Sustain, enhance and promote Milwaukee's natural environmental assets.

The strategic plan outlined specific objectives for improving the community and specific strategies and milestones for measuring progress. These strategies and milestones are included in the departmental summaries in this document. In addition, the Budget and Management Division will provide briefing materials on the 2009 budget that will outline in detail the strategic value of the Mayor's proposals.

Through the Accountability in Management (AIM) Program, the Barrett Administration will ensure that departments are effectively implementing the strategies and meeting the milestones approved in the 2009 budget and delivering value to taxpayers. The Administration will update the Council and the public at regular intervals regarding progress on milestones and objectives.

If the Council adopts the revenue changes that the Mayor has proposed, departments will have the operational resources needed to make progress toward these six broad goals. Some of the most important budgetary resources that would result from adoption of the Mayor's revenue proposals include:

- Continuation of the highest funded sworn level of Police Department staff since 2000. The increased strength level, combined with the department's implementation of data-driven deployment and new response strategies, have contributed to substantial decreases to crime during 2008.
- Operating and materials expenses to maintain operation of all Neighborhood Libraries during 2009, including Sunday hours.
- Staff resources in the Department of Public Works to implement a six-year tree pruning cycle.
- Provision of adequate staff to enable the Fire Department to implement a plan to convert all apparatus to four person crews in 2009.

The BMD will provide additional detailed information to the Council as part of the budget process.

Summary

The Mayor's 2009 budget proposals include difficult choices regarding expenditure priorities and revenues. The budget's strategic approach to service priorities will enable city government to respond to pressing community needs within difficult fiscal constraints. Although the 2009 budget proposals do not eliminate the structural challenges to ongoing budget balance, the proposals reduce the challenge through a combination of expense reductions and revenue increases.

Impact on the 2009 Proposed Budget from Mayoral Proposed Revenue Changes

Service	Amount	Service Impact
Police	$3,415,000	Needed to fund 56 sworn Police Officers that are otherwise not funded.
Fire	$535,000	Needed to fund Firefighters and special duty pay that would allow staffing flexibility, otherwise not funded.
Library	$520,000	Needed to operate all 12 neighborhood libraries and include $300,000 of materials for the Central Library, otherwise not funded.
Fringe Benefits	$600,000	Needed to fund fringe benefits for positions reflected in this summary.
Special Purpose Accounts	$148,500	Needed to fund Graffiti Abatement and BID funding of $53,500.
Administrative Departments	$297,500	Needed to fund administrative departments at appropriate staffing levels.
DPW Brush Collection	$300,000	Needed to provide curbside brush collection and adequate level of driver staffing that is otherwise not funded.
Fire Engine Company	$920,000	Needed to fund an engine company that is otherwise not funded.
DPW Street Light Burn Time	$64,000	Needed to allow street lights to come on at dusk, otherwise not funded.
DPW Pruning	$200,000	Needed to provide a six-year tree pruning cycle.

2009 PROPOSED BUDGET AND TAX RATE COMPARED TO PRIOR YEAR

PURPOSE OF EXPENDITURE AND FUNDING SOURCE	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 MINUS 2008 ADOPTED	2008 ADOPTED	2009 PROPOSED	CHANGE 2009 MINUS 2008 ADOPTED
A. GENERAL CITY PURPOSES						
1. Budget (Expend. Auth.)	$574,617,339	$590,058,363	$15,441,024			
2. Non Tax Levy Funding	470,542,609	464,628,631	-5,913,978			
3. Tax Levy Funding	104,074,730	125,429,732	21,355,002	$3.66	$4.27	$0.61
B. EMPLOYEE RETIREMENT						
1. Budget (Expend. Auth.)	$66,858,895	$67,918,434	$1,059,539			
2. Non Tax Levy Funding	26,670,802	32,330,341	5,659,539			
3. Tax Levy Funding	40,188,093	35,588,093	-4,600,000	$1.41	$1.21	$-0.20
C. CAPITAL IMPROVEMENTS						
1. Budget (Expend. Auth.)	$139,462,814	$126,549,979	$-12,912,835			
2. Non Tax Levy Funding	135,448,534	124,785,659	-10,662,875			
3. Tax Levy Funding	4,014,280	1,764,320	-2,249,960	$0.14	$0.06	$-0.08
D. CITY DEBT						
1. Budget (Expend. Auth.)	$156,632,558	$258,680,815	$102,048,257			
2. Non Tax Levy Funding	82,431,563	188,057,005	105,625,442			
3. Tax Levy Funding	74,200,995	70,623,810	-3,577,185	$2.61	$2.40	$-0.21
E. DELINQUENT TAX						
1. Budget (Expend. Auth.)	$0	$0	$0			
2. Non Tax Levy Funding	0	0	0			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
F. CONTINGENT FUND						
1. Budget (Expend. Auth.)	$5,000,000	$5,000,000	$0			
2. Non Tax Levy Funding	0	0	0			
3. Tax Levy Funding	5,000,000	5,000,000	0	$0.18	$0.17	$-0.01
SUBTOTAL (A+B+C+D+E+F)						
1. Budget (Expend. Auth.)	**$942,571,606**	**$1,048,207,591**	**$105,635,985**			
2. Non Tax Levy Funding	**$715,093,508**	**$809,801,636**	**$94,708,128**			
3. Tax Levy Funding	**$227,478,098**	**$238,405,955**	**$10,927,857**	**$8.01**	**$8.11**	**$0.11**
G. PARKING FUND						
1. Budget (Expend. Auth.)	$50,740,922	$51,488,163	$747,241			
2. Non Tax Levy Funding	50,740,922	51,488,163	747,241			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
H. GRANT AND AID						
1. Budget (Expend. Auth.)	$77,028,771	$78,370,351	$1,341,580			
2. Non Tax Levy Funding	77,028,771	78,370,351	1,341,580			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
I. DEVELOPMENT FUND						
1. Budget (Expend. Auth.)	$6,680,101	$7,142,523	$462,422			
2. Non Tax Levy Funding	6,680,101	7,142,523	462,422			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
J. WATER DEPARTMENT						
1. Budget (Expend. Auth.)	$128,047,700	$124,800,475	$-3,247,225			
2. Non Tax Levy Funding	128,047,700	124,800,475	-3,247,225			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
K. SEWER MAINTENANCE FUND						
1. Budget (Expend. Auth.)	$70,112,619	$71,250,413	$1,137,794			
2. Non Tax Levy Funding	70,112,619	71,250,413	1,137,794			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
M. COUNTY DELINQUENT TAXES FUND						
1. Budget (Expend. Auth.)	$10,329,620	$15,000,000	$4,670,380			
2. Non Tax Levy Funding	10,329,620	15,000,000	4,670,380			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
SUBTOTAL (G+H+I+J+K+M)						
1. Budget (Expend. Auth.)	**$342,939,733**	**$348,051,925**	**$5,112,192**			
2. Non Tax Levy Funding	**$342,939,733**	**$348,051,925**	**$5,112,192**			
3. Tax Levy Funding	**$0**	**$0**	**$0**	**$0.00**	**$0.00**	**$0.00**
TOTAL (A thru M)						
1. Budget (Expend. Auth.)	**$1,285,511,339**	**$1,396,259,516**	**$110,748,177**			
2. Non Tax Levy Funding	**$1,058,033,241**	**$1,157,853,561**	**$99,820,320**			
3. Tax Levy Funding	**$227,478,098**	**$238,405,955**	**$10,927,857**	**$8.01**	**$8.11**	**$0.11**

Tax Rates and Assessed Value - 2009 proposed rate column is based on an estimated assessed value of: $29,385,592,382 as of September 15, 2008.

COMPARISONS BY BUDGET SECTIONS BETWEEN 2009 PROPOSED BUDGET VERSUS 2008 ADOPTED AND 2009 REQUESTED BUDGET, REVENUES, TAX LEVIES, AND RESULTING CHANGES

	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
A. General City Purposes					
Appropriations					
Salaries and Wages	$336,799,737	$351,036,489	$344,689,352	$7,889,615	$-6,347,137
Fringe Benefits	119,579,729	124,132,535	121,996,378	2,416,649	-2,136,157
Operating Expenditures	62,683,464	67,739,596	66,529,588	3,846,124	-1,210,008
Equipment Purchases	7,234,775	8,284,111	7,052,708	-182,067	-1,231,403
Special Funds	167,899,363	180,767,034	171,786,715	3,887,352	-8,980,319
Fringe Benefit Offset	-119,579,729	-124,132,535	-121,996,378	-2,416,649	2,136,157
Total Appropriations	$574,617,339	$607,827,230	$590,058,363	$15,441,024	$-17,768,867
Funding Sources					
General City Revenues	$441,085,109	$431,562,759	$442,250,131	$1,165,022	$10,687,372
Tax Stabilization Fund Withdrawal	29,457,500	22,378,500	22,378,500	-7,079,000	0
Property Tax Levy	104,074,730	153,885,971	125,429,732	21,355,002	-28,456,239
Total Revenues	$574,617,339	$607,827,230	$590,058,363	$15,441,024	$-17,768,867
B. Employee's Retirement					
Total Appropriations	$66,858,895	$69,737,011	$67,918,434	$1,059,539	$-1,818,577
Funding Sources					
Non-Property Tax Revenue	$26,670,802	$26,749,341	$32,330,341	$5,659,539	$5,581,000
Property Tax Levy	40,188,093	42,987,670	35,588,093	-4,600,000	-7,399,577
Total Revenues	$66,858,895	$69,737,011	$67,918,434	$1,059,539	$-1,818,577
C. Capital Improvements					
Total Capital Improvements Program Appropriations	$139,462,814	$184,986,742	$126,549,979	$-12,912,835	$-58,436,763
Funding Sources					
1. Borrowing (General Obligation)					
a. New	$60,037,385	$101,608,128	$68,976,745	$8,939,360	$-32,631,383
b. Carryover	(113,239,725)	(129,313,585)	(129,313,585)	(242,553,310)	(0)
2. Borrowing (Tax Incremental Districts)					
a. New	$60,451,000	$62,668,614	$36,268,614	$-24,182,386	$-26,400,000
b. Carryover	(109,648,810)	(140,310,308)	(140,310,308)	(30,661,498)	(0)
3. Special Assessments (Internal Borrowing)					
a. New	$2,760,149	$3,920,000	$150,300	$-2,609,849	$-3,769,700
b. Carryover	(14,476,383)	(14,147,349)	(14,147,349)	(-329,034)	(0)
4. Cash Financed					
a. From Revenues	$12,200,000	$12,790,000	$19,390,000	$7,190,000	$6,600,000
b. From Tax Levy	4,014,280	4,000,000	1,764,320	-2,249,960	-2,235,680
c. Total Cash Financed	16,214,280	16,790,000	21,154,320	4,940,040	4,364,320
Total Revenues (Capital Improvements)	$139,462,814	$184,986,742	$126,549,979	$-12,912,835	$-58,436,763
D. City Debt					
Total Appropriations (Includes Borrowing for Milwaukee Public Schools)	$156,632,558	$261,405,815	$258,680,815	$102,048,257	$-2,725,000
Funding Sources					
Revenues	$51,141,200	$140,508,917	$147,918,917	$96,777,717	$7,410,000
TID Increments	15,805,700	22,869,085	22,869,085	7,063,385	0
Delinquent Tax Revenue	15,484,663	17,269,003	17,269,003	1,784,340	0
Property Tax Levy	74,200,995	80,758,810	70,623,810	-3,577,185	-10,135,000
Total Revenues	$156,632,558	$261,405,815	$258,680,815	$102,048,257	$-2,725,000
E. Delinquent Tax					
Total Appropriations	$0	$0	$0	$0	$0
Funding Sources					
Total Revenue (Property Tax Levy)	$0	$0	$0	$0	$0
F. Common Council Contingent Fund					
Total Appropriations	$5,000,000	$6,000,000	$5,000,000	$0	$-1,000,000
Funding Sources					
Total Revenue (Property Tax Levy)	$5,000,000	$6,000,000	$5,000,000	$0	$-1,000,000
Subtotals (Items A through F)					

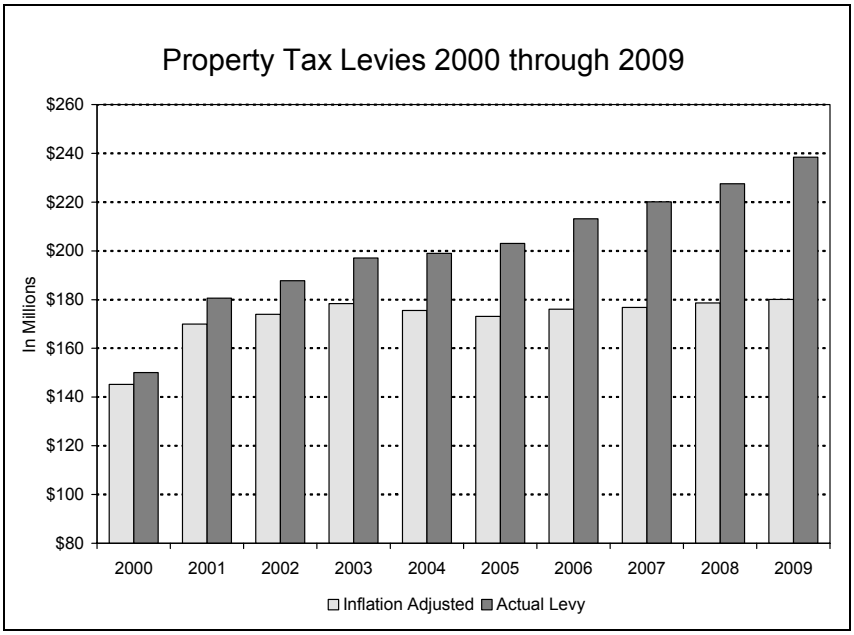
	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Subtotals (Items A through F)					
City Budget Appropriations (Excluding Special Revenue Accounts)	$942,571,606	$1,129,956,798	$1,048,207,591	$105,635,985	$-81,749,207
Less: Non-Property Tax Revenues	$715,093,508	$842,324,347	$809,801,636	$94,708,128	$-32,522,711
Property Tax Levies	$227,478,098	$287,632,451	$238,405,955	$10,927,857	$-49,226,496
Special Revenue Accounts (Items G through M)					
G. Parking					
Total Appropriations	$50,740,922	$51,488,163	$51,488,163	$747,241	$0
Funding Sources					
Current Revenues	$19,421,799	$20,356,384	$20,356,384	$934,585	$0
Capital Improvements from Reserves	5,000,000	5,000,000	5,000,000	0	0
Withdrawal from Reserves	4,019,123	4,195,779	4,195,779	176,656	0
Citation Revenue and Processing	19,600,000	19,000,000	19,000,000	-600,000	0
New Borrowing	2,700,000	2,936,000	2,936,000	236,000	0
Carryover Borrowing	(2,636,369)	(4,098,064)	(4,098,064)	(1,461,695)	(0)
Total Revenues	$50,740,922	$51,488,163	$51,488,163	$747,241	$0
H. Grant and Aid					
Total Appropriations	$77,028,771	$78,597,201	$78,370,351	$1,341,580	$-226,850
Funding Sources					
Grantor Share	$77,028,771	$78,597,201	$78,370,351	$1,341,580	$-226,850
Total Revenues	$77,028,771	$78,597,201	$78,370,351	$1,341,580	$-226,850
I. Economic Development					
Total Appropriations	$6,680,101	$8,247,523	$7,142,523	$462,422	$-1,105,000
Funding Sources					
Business Improvement District Assessment	$6,680,101	$7,142,523	$7,142,523	$462,422	$0
Excess TID Revenues	0	1,105,000	0	0	-1,105,000
Total Revenues	$6,680,101	$8,247,523	$7,142,523	$462,422	$-1,105,000
J. Water Works					
Appropriations					
Operating Budget	$67,709,700	$70,963,627	$71,008,475	$3,298,775	$44,848
Capital Improvements Program	36,769,000	29,696,000	27,096,000	-9,673,000	-2,600,000
Capital Funding from Retained Earnings	23,569,000	29,296,000	26,696,000	3,127,000	-2,600,000
Total Appropriations	$128,047,700	$129,955,627	$124,800,475	$-3,247,225	$-5,155,152
Funding Sources					
Current Operating Revenues	$69,825,297	$68,212,700	$68,212,700	$-1,612,597	$0
Non-Operating Revenues	10,619,000	10,237,000	10,237,000	-382,000	0
New Borrowing	12,500,000	0	0	-12,500,000	0
Carryover Borrowing	(0)	(12,500,000)	(12,500,000)	(0)	(0)
Use of Retained Earnings	35,103,403	51,505,927	46,350,775	11,247,372	-5,155,152
Total Revenues	$128,047,700	$129,955,627	$124,800,475	$-3,247,225	$-5,155,152
K. Sewer Maintenance					
Appropriations					
Operating Budget	$40,162,619	$36,504,098	$39,800,413	$-362,206	$3,296,315
Capital Improvements Program	29,950,000	34,100,000	31,450,000	1,500,000	-2,650,000
Total Appropriations	$70,112,619	$70,604,098	$71,250,413	$1,137,794	$646,315
Funding Sources					
Sewer User Fee	$25,382,000	$24,903,574	$26,617,000	$1,235,000	$1,713,426
Storm Water Management Fee	12,600,000	12,770,000	13,622,400	1,022,400	852,400
Charges for Services	768,800	1,250,000	1,200,000	431,200	-50,000
Miscellaneous	295,000	370,300	370,300	75,300	0
Retained Earnings	3,366,819	210,224	890,713	-2,476,106	680,489
Proceeds from Borrowing	27,700,000	31,100,000	28,550,000	850,000	-2,550,000
Carryover Borrowing	(46,261,582)	(57,518,648)	(57,518,648)	(11,257,066)	(0)
Total Revenues	$70,112,619	$70,604,098	$71,250,413	$1,137,794	$646,315
M. County Delinquent Taxes					
Appropriations					
Operating Budget	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0
Total Appropriations	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0

	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Funding Sources					
Operating Revenue	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0
Total Revenues	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0
Subtotals Special Revenue Account Budgets (Items G through M)					
Total Budgets	$342,939,733	$353,892,612	$348,051,925	$5,112,192	$-5,840,687
Total Revenues (Non-Property Tax)	$342,939,733	$353,892,612	$348,051,925	$5,112,192	$-5,840,687
Grand Totals (Items A through M)					
Budget Appropriations	$1,285,511,339	$1,483,849,410	$1,396,259,516	$110,748,177	$-87,589,894
Less: Non-Property Tax Revenues	$1,058,033,241	$1,196,216,959	$1,157,853,561	$99,820,320	$-38,363,398
Property Tax Levies	$227,478,098	$287,632,451	$238,405,955	$10,927,857	$-49,226,496

Note: All adopted budgets for governmental funds are prepared in accordance with the modified accrual basis of accounting, except for the treatment of the fund balance reserved for tax stabilization. For budget purposes, the fund balance reserved for tax stabilization is reflected as other financing sources. However, for accounting purposes it is reflected as part of the overall fund balance.

PROPERTY TAX RATE AND LEVY COMPARISON

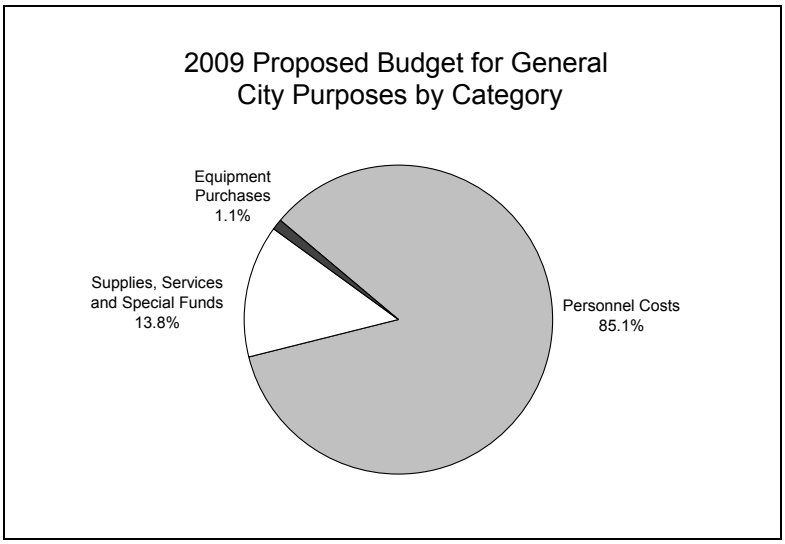
The graphs below show property tax rates and levies for the City of Milwaukee from 2000 through the 2009 proposed budget. The 2009 proposed tax rate of $8.11 is $0.10 higher than the 2008 rate of $8.01. The 2009 proposed tax levy of $238.4 million totals an increase of $10.9 million from the 2008 levy of $227.5 million. Since 2000, the property tax rate has decreased by $1.58 from $9.69 in 2000 to the 2009 proposed rate of $8.11. During this same period, the "real" or inflation adjusted property tax levy has increased $34.9 million.



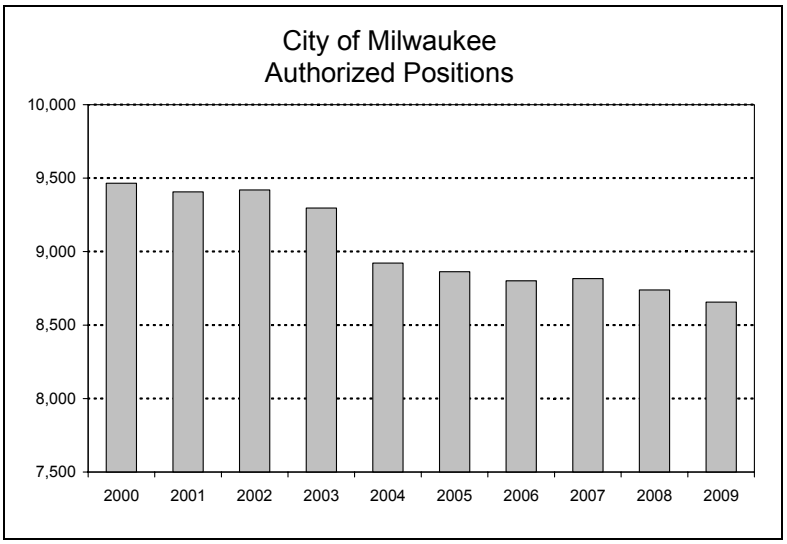
GENERAL CITY PURPOSES SPENDING

The pie chart below depicts the proportions of general city purposes spending allocated to Personnel Costs (85.1%), Supplies, Services, and Special Funds (13.8%), and Equipment Purchases (1.1%) in the 2009 proposed budget.

It should be noted that the 2009 proposed budget funds approximately $8.1 million of major equipment purchases in the capital budget.



The following bar graph indicates changes in authorized positions from 2000 to 2009. Funding for personnel costs (which include salary and wages) relates directly to the number of positions authorized citywide. Excluding temporary and seasonal staff, the 2009 proposed budget reflects a net decrease of 83 positions from 2008 levels (8,739 in 2008 to 8,656 in 2009).



CHANGE IN POSITIONS

	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
General City Purposes					
Administration, Department of	106	107	106	0	-1
Assessor's Office	59	59	59	0	0
City Attorney	64	64	65	1	1
City Development, Department of	245	223	218	-27	-5
Common Council City Clerk	112	111	111	-1	0
Comptroller's Office	66	66	66	0	0
Election Commission *	113	21	20	-93	-1
Employee Relations, Department of	82	76	80	-2	4
Fire and Police Commission	16	17	17	1	0
Fire Department	1,146	1,107	1,109	-37	2
Health Department	312	297	305	-7	8
Library	396	358	375	-21	17
Mayor's Office	14	14	14	0	0
Municipal Court	45	45	45	0	0
Neighborhood Services, Department of	229	229	229	0	0
Police Department	3,003	2,997	3,001	-2	4
Port of Milwaukee	35	35	35	0	0
Public Works, Department of **(Total)**	(2,355)	(2,365)	(2,373)	(18)	(8)
Administrative Services Division	63	63	63	0	0
Infrastructure Services Division	696	703	707	11	4
Operations Division	1,596	1,599	1,603	7	4
Special Purpose Account	11	11	11	0	0
Treasurer's Office	58	58	58	0	0
General City Purposes Total	**8,467**	**8,260**	**8,297**	**-170**	**37**
General City Purposes Total *	**8,363**	**8,248**	**8,286**	**-77**	**38**
Pensions					
Deferred Compensation	2	2	2	0	0
Employees' Retirement System	52	51	51	-1	0
Pensions Total	**54**	**53**	**53**	**-1**	**0**
Parking Fund	129	129	129	0	0
Sewer Maintenance Fund	179	172	172	-7	0
Water Works	346	348	348	2	0
Subtotal Budgeted Positions	**9,175**	**8,962**	**8,999**	**-176**	**37**
Less Temporary Positions	436	344	343	-93	-1
Total Budgeted Positions	**8,739**	**8,618**	**8,656**	**- 83**	**38**

* Does not include Election Commissioners and Election Commission Temporary Office Assistants (104 in 2008 and 11 in 2009) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS
O&M Funded

	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
General City Purposes					
Administration, Department of	73.04	70.03	71.67	-1.37	1.64
Assessor's Office	46.55	46.55	46.55	0.00	0.00
City Attorney	56.15	56.15	57.55	1.40	1.40
Common Council City Clerk	93.00	92.00	90.50	-2.50	-1.50
Comptroller's Office	50.04	49.94	51.95	1.91	2.01
Department of City Development	44.50	45.75	42.55	-1.95	-3.20
Election Commission *	12.00	9.00	8.00	-4.00	-1.00
Employee Relations, Department of	53.38	48.90	48.90	-4.48	0.00
Fire and Police Commission	8.50	9.50	9.50	1.00	0.00
Fire Department	1,126.51	1,064.33	1,054.05	-72.46	-10.28
Health Department	164.18	146.12	166.06	1.88	19.94
Library	323.82	291.47	301.50	-22.32	10.03
Mayor's Office	12.50	12.50	12.50	0.00	0.00
Municipal Court	39.50	39.50	39.50	0.00	0.00
Neighborhood Services, Department of	172.08	172.58	169.58	-2.50	-3.00
Police Department	2,864.77	2,866.77	2,808.03	-56.74	-58.74
Port of Milwaukee	22.00	22.00	22.00	0.00	0.00
Public Works, Department of **(Total)**	(1,035.89)	(1,022.00)	(1,017.17)	(-18.72)	(-4.83)
Administrative Services Division	50.78	50.54	50.54	-0.24	0.00
Infrastructure Services Division	234.28	246.23	248.40	14.12	2.17
Operations Division	750.83	725.23	718.23	-32.60	-7.00
Special Purpose Accounts	3.00	3.00	3.00	0.00	0.00
Treasurer's Office	30.11	30.25	30.25	0.14	0.00
General City Purposes Total	**6,231.52**	**6,098.34**	**6,050.81**	**-180.71**	**-47.53**
Pensions					
Deferred Compensation	2.00	2.00	2.00	0.00	0.00
Employees' Retirement System	42.00	41.50	41.50	-0.50	0.00
Pensions Total	**44.00**	**43.50**	**43.50**	**-0.50**	**0.00**
Parking Fund	126.75	126.75	126.75	0.00	0.00
Sewer Maintenance Fund	113.80	106.54	106.54	-7.26	0.00
Water Works	330.59	371.04	329.93	-0.66	-41.11
Grand Total	**6,846.66**	**6,746.17**	**6,657.53**	**-189.13**	**-88.64**

* Election Commission does not include Temporary Office Assistants (11.11 FTEs in 2008 and 3.8 in 2009) due to staffing fluctuations between election and non-election years.

COMPARISON OF 2009 PROPOSED EXPENDITURES AND FUNDING SOURCES WITH PRIOR YEARS BY MAJOR BUDGET SECTIONS AND SUBSECTIONS

SECTION 1. CITY BUDGETS UNDER THE CONTROL OF THE COMMON COUNCIL

	2006 ACTUAL** EXPENDITURES	2007 ACTUAL** EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
A. General City Purposes					
1. Budgets for General City Purposes					
Administration, Department of	$8,227,774	$8,531,386	$8,603,254	$8,767,841	$164,587
Assessor's Office	4,983,836	4,684,217	4,674,328	4,542,429	-131,899
City Attorney	7,354,787	6,948,088	7,023,288	7,104,963	81,675
City Development, Department of	3,434,378	3,428,309	3,401,531	4,160,796	759,265
City Treasurer	2,881,743	2,713,043	2,881,523	2,959,256	77,733
Common Council City Clerk	8,053,596	8,056,164	8,119,600	8,258,091	138,491
Comptroller	5,374,799	5,135,131	5,395,594	5,483,015	87,421
Election Commission	1,874,080	1,225,688	2,636,184	1,321,587	-1,314,597
Employee Relations, Department of	5,679,148	5,170,131	4,970,504	4,987,106	16,602
Fire and Police Commission	0	621,300	969,917	1,072,363	102,446
Fire Department	101,643,132	98,661,899	97,968,286	101,270,396	3,302,110
Health Department	14,194,928	13,729,738	13,963,214	13,600,906	-362,308
Library	23,662,271	23,322,388	22,455,648	21,059,666	-1,395,982
Mayor's Office	1,207,505	1,195,306	1,224,428	1,283,025	58,597
Municipal Court	3,355,056	3,344,499	3,372,712	3,332,529	-40,183
Neighborhood Services, Department of	14,013,670	13,878,879	14,056,705	14,104,211	47,506
Police Department	213,226,781	218,318,780	215,487,472	226,206,695	10,719,223
Port of Milwaukee	3,460,828	4,152,263	4,328,059	4,795,011	466,952
Public Works Department (Total)	(109,407,021)	(116,392,365)	(110,823,448)	(112,247,524)	(1,424,076)
Administrative Services Division	4,905,041	4,704,929	4,774,419	4,898,235	123,816
Infrastructure Services Division	24,273,837	25,001,995	24,938,934	26,162,183	1,223,249
Operations Division	80,228,143	86,685,441	81,110,095	81,187,106	77,011
Special Purpose Accounts	118,223,651 *	141,133,421 *	161,841,373	165,497,331 *	3,655,958
Fringe Benefit Offset	-125,713,097	-119,653,507	-119,579,729	-121,996,378	-2,416,649
Total Budgets for General City Purposes	$524,545,887 **	$560,989,488 **	$574,617,339	$590,058,363	$15,441,024

* Special Purpose Account expenditures do not include wage supplement funding; these funds are reflected in departmental expenditures.

2. Source of Funds for General City Purposes					
Revenues					
Taxes and Payment in Lieu of Taxes	$14,412,353	$14,105,629	$12,935,000	$14,141,000	$1,206,000
Licenses and Permits	13,725,933	13,697,999	12,911,175	13,080,400	169,225
Intergovernmental Revenue	272,416,824	272,539,040	271,265,014	272,252,400	987,386
Charges for Services	77,471,690	79,192,455	80,581,384	78,091,206	-2,490,178
Fines and Forfeitures	5,530,127	5,783,973	5,502,000	5,593,000	91,000
Miscellaneous Revenue	35,078,784	35,479,323	35,430,133	36,432,125	1,001,992
Fringe Benefits	23,739,528	22,386,775	22,450,403	22,650,000	199,597
Cost Recovery	0	0	10,000	10,000	0
Total Revenues	$442,375,239	$443,185,194	$441,085,109	$442,250,131	$1,165,022
Tax Stabilization Fund Withdrawals	$16,328,000	$23,175,000	$29,457,500	$22,378,500	$-7,079,000
Property Tax Levy	98,808,600	95,982,881	104,074,730	125,429,732	21,355,002
Total Financing for General City Purposes	$557,511,839	$562,343,075	$574,617,339	$590,058,363	$15,441,024
B. Employees' Retirement					
1. Budgets for Employees' Retirement					
Firemen's Pension Fund					
Pension Contribution	$137,710	$121,651	$122,000	$125,000	$3,000
Lump Sum Supplement Contribution	338,972	297,508	250,000	200,000	-50,000
Policemen's Pension Fund					
Pension Contribution	$295,975	$307,582	$0	$41,423	$41,423
Administration	0	0	0	0	0
Lump Sum Supplement Contribution	0	0	0	0	0
Employees' Retirement Fund					
Pension Contribution	$21,550	$0	$0	$0	$0
Administration	23,462,283	19,362,651	24,461,700	24,364,000	-97,700
Employers' Share of Employees' Annuity Contribution	22,831,449	23,422,742	23,001,449	17,949,000	-5,052,449
Annuity Contribution Employer's Reserve Fund	0	0	0	5,581,000	5,581,000

	2006 ACTUAL** EXPENDITURES	2007 ACTUAL** EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
Social Security					
Social Security Tax	$17,256,439	$17,503,709	$17,560,704	$18,090,000	$529,296
Former Town of Lake Employees' Retirement Fund					
Pension Contribution	$8,673	$7,506	$8,700	$7,300	$-1,400
Former Town of Lake Firemen's Retirement Fund					
Pension Contribution	$0	$0	$0	$0	$0
Deferred Compensation	$1,009,696	$983,335	$1,454,342	$1,560,711	$106,369
Total Budgets for Employees' Retirement	$65,362,747 **	$62,006,684 **	$66,858,895	$67,918,434	$1,059,539
2. Source of Funds for Employees' Retirement					
Fringe Benefits Pension	$945,700	$854,682	$1,042,400	$1,067,000	$24,600
Charges to Retirement Fund	23,172,066	18,948,735	24,095,460	24,037,530	-57,930
Charges to Deferred Compensation	1,009,696	983,335	1,454,342	1,560,711	106,369
Miscellaneous Revenue/Reserve Fund	152,160	101,040	78,600	5,665,100	5,586,500
Property Tax Levy	40,387,713	41,118,922	40,188,093	35,588,093	-4,600,000
Total Financing for Employees' Retirement	$65,667,335	$62,006,714	$66,858,895	$67,918,434	$1,059,539
C. Capital Improvements					
1. Budgets for Capital Improvements					
Special Capital Projects or Purposes	$961,315	$47,681	$8,825,000	$15,825,000	$7,000,000
Administration, Department of	585,078	835,421	455,720	1,656,920	1,201,200
City Attorney	29	2,904	0	0	0
City Development, Department of	11,197,738	39,028,869	71,729,500	44,224,614	-27,504,886
City Treasurer	9,469	37,815	0	0	0
Common Council City Clerk	15,610	12,490	0	350,000	350,000
Election Commission	0	0	0	40,000	40,000
Employee Relations, Department of	0	153,495	0	0	0
Fire and Police Commission	0	0	0	150,000	150,000
Fire Department	5,177,696	2,118,070	3,208,000	2,807,500	-400,500
Health Department	553,872	452,339	800,000	864,000	64,000
Library	1,069,564	757,677	1,238,000	4,144,000	2,906,000
Municipal Court	598,627	150,617	429,620	683,645	254,025
Police Department	5,085,270	5,718,578	2,745,000	6,664,000	3,919,000
Port of Milwaukee	568,033	250,024	500,000	1,400,000	900,000
Public Works, Department of (Total)	(88,471,783)	(74,556,454)	(49,531,974)	(47,740,300)	(-1,791,674)
Administration Division	940,029	615,539	1,925,000	350,000	-1,575,000
Infrastructure Services Division	34,275,236	27,871,523	27,810,739	31,707,300	3,896,561
Operations Division	53,256,518	46,069,392	19,796,235	15,683,000	-4,113,235
Total Budgets for Capital Improvements (Other than Parking, Water Works, and Sewer Maintenance)	$114,294,084 **	$124,122,434 **	$139,462,814	$126,549,979	$-12,912,835
2. Source of Funds for Capital Improvements					
General Obligation Borrowings					
New Borrowing	$93,735,674	$76,477,794	$60,037,385	$68,976,745	$8,939,360
Carryover Borrowing	0 (a)	0 (a)	113,239,725 (a)	129,313,585 (a)	16,073,860 (a)
Tax Increment District Public Improvements					
New Borrowing	$9,142,899	$36,807,399	$60,451,000	$36,268,614	$-24,182,386
Carryover Borrowing	0 (a)	0 (a)	109,648,810 (a)	140,310,308 (a)	30,661,498 (a)
Anticipated Special Assessments					
New Authorizations	$3,223,155	$2,010,419	$2,760,149	$150,300	$-2,609,849
Carryover Special Assessments	0 (a)	0 (a)	14,476,383 (a)	14,147,349 (a)	-329,034 (a)
Capital Improvement Revenues					
Cash Revenues	$52,108	$137,923	$12,200,000	$19,390,000	$7,190,000
Carryover Capital Revenues	0 (a)	0 (a)	0 (a)	0 (a)	0 (a)
Property Tax Levy	8,140,248	8,688,899	4,014,280	1,764,320	-2,249,960
Total Financing for Capital Improvements (Other than Parking, Water Works and Sewer Maintenance)	$114,294,084 *	$124,122,434 *	$139,462,814	$126,549,979	$-12,912,835

(a) Reiteration of prior year's authority does not affect budget totals.

* Does not include school board expenditures.

	2006 ACTUAL** EXPENDITURES	2007 ACTUAL** EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
D. City Debt (Including School Purposes)					
1. Budget for City Debt					
Bonded Debt (Principal)	$82,506,794	$147,892,532	$113,146,295	$215,436,667	$102,290,372
Bonded Debt (Interest)	34,831,872	35,360,182	53,418,112	52,194,449	-1,223,663
Bonded Debt (Fees)	0	45,820	40,000	400,000	360,000
Bonded Debt (Issuance Expenses)	484,373	77,652	1,000,000	1,000,000	0
Subtotal	$117,823,039	$183,376,186	$167,604,407	$269,031,116	$101,426,709
Less: Prepayment					
Prepayment Deduction (PDAF)	$-5,000,000	$-7,300,000	$-7,400,000	$-6,500,000	$900,000
Special Assessment	-3,551,000	-3,258,000	-3,571,849	-3,850,301	-278,452
Total Budget for City Debt (a)	$109,272,039 **	$172,818,186 **	$156,632,558	$258,680,815	$102,048,257

(a) Included in city debt amounts above are the following amounts for school purposes not controlled by the Common Council.

Milwaukee School Board		
2006	$18,722,113	
2007	$20,338,735	
2008	$20,763,771	(est.)
2009	$20,556,484	(est.)

2. Source of Funds for City Debt					
Revenues	$28,363,000	$83,878,000	$51,141,200	$147,918,917	$96,777,717
TID Increments from Prior Year	18,804,333	17,423,000	15,805,700	22,869,085	7,063,385
Delinquent Tax Revenues	14,076,527	15,837,000	15,484,663	17,269,003	1,784,340
Property Tax Levy	58,725,236	67,421,689	74,200,995	70,623,810	-3,577,185
Total Financing for City Debt	$119,969,096	$184,559,689	$156,632,558	$258,680,815	$102,048,257
E. Delinquent Tax					
1. Budget for Delinquent Tax Fund					
Delinquent Tax Fund	$1,000,000	$1,000,000	$0	$0	$0
2. Source of Funds for Delinquent Tax Fund					
Property Tax Levy	$1,000,000	$1,000,000	$0	$0	$0
F. Common Council Contingent Fund					
1. Budget for Common Council Contingent Fund					
Common Council Contingent Fund	$5,436,801 *	$5,500,000 *	$5,000,000	$5,000,000	$0
2. Source of Funds for Common Council Contingent Fund					
Property Tax Levy	$5,500,000	$5,500,000	$5,000,000	$5,000,000	$0

* 2006 and 2007 experience shown for informational purposes only.

Expenditure experience represents transfers and expenditures authorized by resolution.

Subtotal Budget Authorizations Common Council Controlled Purposes (Except Water and Special Revenue Accounts)	$814,474,757	$920,936,792	$942,571,606	$1,048,207,591	$105,635,985
Non-Tax Levy	$651,380,557	$719,819,521	$715,093,508	$809,801,636	$94,708,128
Tax Levy	$212,561,797	$219,712,391	$227,478,098	$238,405,955	$10,927,857
Subtotal Financing for (Estimated Revenues) Common Council Controlled Budgets (Except Water and Special Revenue Accounts)	$863,942,354	$939,531,912	$942,571,606	$1,048,207,591	$105,635,985
Special Revenue Accounts Sections G through M					
G. Parking					
1. Budget for Parking Program					
Operating and Maintenance Expense	$24,257,234	$25,155,812	$26,040,922	$26,552,163	$511,241
Transfer to General Fund	15,210,000	15,800,000	17,000,000	17,000,000	0
Capital Improvement Program	1,067,947	2,141,626	2,700,000	2,936,000	236,000
Capital Improvements to be Financed from Available Cash Reserves	0	0	5,000,000	5,000,000	0
Total Budget for Parking Program	$40,535,181 **	$43,097,438 **	$50,740,922	$51,488,163	$747,241

	2006 ACTUAL** EXPENDITURES	2007 ACTUAL** EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
2. Source of Funds for Parking Operations					
Parking Permits	$2,760,514	$2,913,815	$2,713,000	$2,914,000	$201,000
Meters	4,159,082	4,088,508	4,122,000	4,055,000	-67,000
Rental and Lease of Facilities	6,863,094	7,123,748	6,760,813	7,112,384	351,571
Towing of Vehicles	3,252,855	3,991,550	3,050,986	3,800,000	749,014
Vehicle Disposal	2,572,173	2,258,743	2,500,000	2,200,000	-300,000
Miscellaneous	280,741	271,352	275,000	275,000	0
Subtotal Financing of Parking Operations	$19,888,459	$20,647,716	$19,421,799	$20,356,384	$934,585
Other Funding Sources					
Withdrawal from Reserves	$0	$1,088,965	$4,019,123	$4,195,779	$176,656
Citation Revenue	20,444,892	18,949,885	19,600,000	19,000,000	-600,000
Miscellaneous	601,473	269,246	0	0	0
Capital Improvements to be Financed from Available:					
Cash Reserves	$0	$0	$5,000,000	$5,000,000	$0
New Borrowing	1,008,146	0	2,700,000	2,936,000	236,000
Carryover Borrowing	0	0	2,636,369 (a)	4,098,064 (a)	1,461,695 (a)
Subtotal Other Funding Sources	$22,054,511	$20,308,096	$31,319,123	$31,131,779	$-187,344
Total Financing for Parking	$41,942,970	$40,955,812	$50,740,922	$51,488,163	$747,241

(a) Reiteration of prior year's authority does not affect budget totals.

H. Grants and Aids Projects (Except Capital Projects)					
1. Budget for Grants and Aids Projects					
Grantor Share (Non-City)	$65,463,666	$52,803,606	$77,028,771	$78,370,351	$1,341,580
Total for Grants and Aids Projects	$65,463,666 **	$52,803,606 **	$77,028,771	$78,370,351	$1,341,580
2. Source of Funds for Grants and Aids Projects					
Grantor Share (Non-City)	$65,463,666	$52,803,606	$77,028,771	$78,370,351	$1,341,580
Total Financing for Grants and Aids Projects (Except Capital Projects)	$62,112,981	$52,803,606	$77,028,771	$78,370,351	$1,341,580
I. Economic Development Fund					
1. Budget for Economic Development Fund					
Business Improvement Districts	$9,295,599	$6,179,845	$6,680,101	$7,142,523	$462,422
Total Budget for Economic Development Fund	$9,295,599	$6,179,845	$6,680,101	$7,142,523	$462,422
2. Source of Funds for Economic Development Fund					
Business Improvement District Assessments	$9,296,519	$7,580,219	$6,680,101	$7,142,523	$462,422
Total Source of Funds for Economic Development Fund	$9,296,519	$7,580,219	$6,680,101	$7,142,523	$462,422
J. Water Works					
1. Budget for Water Works, Department of Public Works					
Operating Budget	$60,482,646	$63,655,263	$67,709,700	$71,008,475	$3,298,775
Capital Improvements Program	13,171,894	15,485,215	36,769,000	27,096,000	-9,673,000
Deposits to Special Accounts (Retained Earnings)	14,486,417	15,411,049	23,569,000	26,696,000	3,127,000
Total Expenditures and Deposits	$88,140,957 **	$94,551,527 **	$128,047,700	$124,800,475	$-3,247,225
2. Source of Funds for Water Works					
Operating Revenue	$64,423,714	$67,670,886	$69,825,297	$68,212,700	$-1,612,597
Non-Operating Revenue	10,608,382	9,619,098	10,619,000	10,237,000	-382,000
Proceeds from Borrowing	0	0	12,500,000	0	-12,500,000
Retained Earnings	13,108,861	17,261,543	35,103,403	46,350,775	11,247,372
Total Source of Funds for Water Works	$88,140,957	$94,551,527	$128,047,700	$124,800,475	$-3,247,225
K. Sewer Maintenance					
1. Budget for Sewer Maintenance					
Operating Budget	$31,134,316	$36,583,470	$40,162,619	$39,800,413	$-362,206
Capital Budget	15,054,609	19,502,394	29,950,000	31,450,000	1,500,000
Total Budget for Sewer Maintenance	$46,188,925 **	$56,085,864 **	$70,112,619	$71,250,413	$1,137,794

	2006 ACTUAL** EXPENDITURES	2007 ACTUAL** EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
2. Source of Funds for Sewer Maintenance					
Sewer User Fee	$26,758,568	$23,769,847	$25,382,000	$26,617,000	$1,235,000
Storm Water Fee	6,393,295	12,771,655	12,600,000	13,622,400	1,022,400
Charges for Services	1,109,171	1,215,558	768,800	1,200,000	431,200
Miscellaneous Revenue	369,152	413,959	295,000	370,300	75,300
Retained Earnings	-3,495,870	-1,587,549	3,366,819	890,713	-2,476,106
Proceeds from Borrowing	15,054,609	19,502,394	27,700,000	28,550,000	850,000
Total Source of Funds for Sewer Maintenance	$46,188,925	$56,085,864	$70,112,619	$71,250,413	$1,137,794
M. Delinquent County Taxes					
1. Budget for Delinquent County Taxes					
Delinquent County Taxes and Tax Certificate Purchases	$10,069,377	$12,002,314	$10,329,620	$15,000,000	$4,670,380
Total Budget for Delinquent County Taxes	$10,069,377	$12,002,314	$10,329,620	$15,000,000	$4,670,380
2. Source of Funds for Delinquent County Taxes					
Purchase of Milwaukee County Delinquent Taxes	$10,069,377	$12,002,314	$10,329,620	$15,000,000	$4,670,380
Total Source of Funds for Delinquent County Taxes	$10,069,377	$12,002,314	$10,329,620	$15,000,000	$4,670,380
Subtotal Budget Authorization for Special Revenue Accounts	$259,693,705	$264,720,594	$342,939,733	$348,051,925	$5,112,192
Subtotal Estimated Revenues for Special Revenue Accounts	$257,751,729	$263,979,342	$342,939,733	$348,051,925	$5,112,192
Total All Budgets Under the Control of the Common Council (Includes Water and Special Revenue Accounts)	$1,074,168,462	$1,185,657,386	$1,285,511,339	$1,396,259,516	$110,748,177
Total Financing Revenues of Budgets Under the Control of the Common Council (Includes Water and Special Revenue Accounts)	$1,121,694,083	$1,203,511,254	$1,285,511,339	$1,396,259,516	$110,748,177

** Expenditures include funding carried over from prior year.

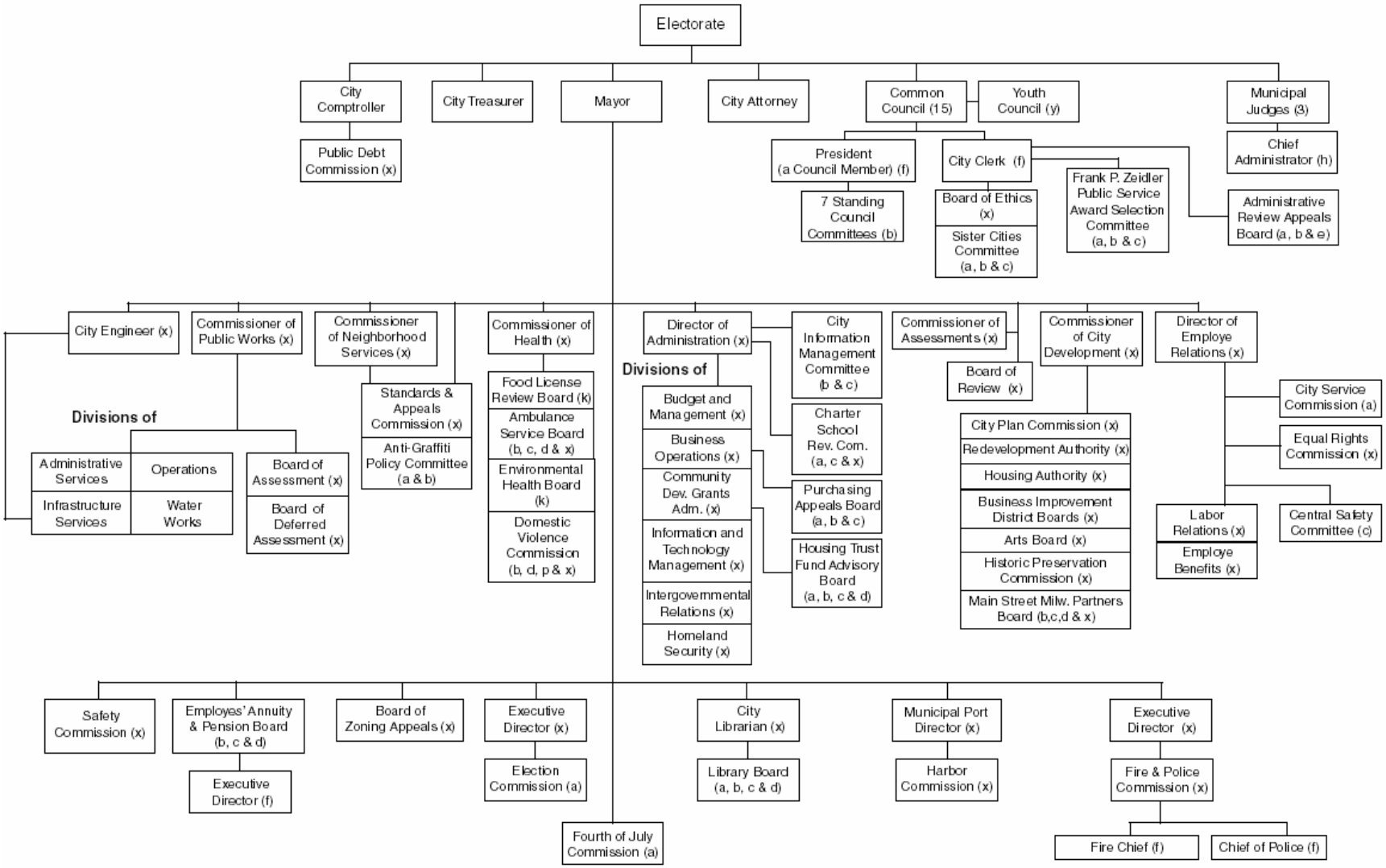
SECTION II. SUMMARY OF BORROWING AUTHORIZATIONS
(Including School Purposes)

	2007	2008	2009
General Obligation Bonds or Short Term Notes			
New Borrowing			
General City Purposes	$61,700,490	$62,737,385	$71,912,745
Schools	6,000,000	2,000,000	2,000,000
Subtotal New Borrowing	**$67,700,490**	**$64,737,385**	**$73,912,745**
Carryover Borrowing*	(97,780,837)	(127,276,094)	(135,411,649)
Subtotal	**$67,700,490**	**$64,737,385**	**$73,912,745**
Special Assessment Borrowing			
New Borrowing	$2,867,244	$2,760,149	$150,300
Carryover Borrowing*	(19,151,639)	(14,746,383)	(14,147,349)
Subtotal	**$2,867,244**	**$2,760,149**	**$150,300**
Contingency Borrowing			
New Borrowing	$110,000,000	$110,000,000	$110,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$110,000,000**	**$110,000,000**	**$110,000,000**
Tax Incremental District Borrowing			
New Borrowing	$70,280,000	$60,451,000	$36,268,614
Carryover Borrowing*	(71,151,734)	(109,648,810)	(140,310,308)
Subtotal	**$70,280,000**	**$60,451,000**	**$36,268,614**
Delinquent Taxes Borrowing			
New Borrowing	$17,000,000	$17,000,000	$21,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$17,000,000**	**$17,000,000**	**$21,000,000**
Revenue Anticipation Borrowing			
New Borrowing	$300,000,000	$300,000,000	$350,000,000
Carryover Borrowing*	(0)	(0)	(0)
Subtotal	**$300,000,000**	**$300,000,000**	**$350,000,000**
Water Works Borrowing			
New Borrowing	$0	$12,500,000	$0
Carryover Borrowing*	(0)	(0)	(12,500,000)
Subtotal	**$0**	**$12,500,000**	**$0**
Sewer Maintenance Fund Borrowing			
New Borrowing	$24,500,000	$27,700,000	$28,550,000
Carryover Borrowing*	(49,909,500)	(46,261,582)	(57,518,648)
Subtotal	**$24,500,000**	**$27,700,000**	**$28,550,000**
Total All Borrowing			
New Borrowing	$592,347,734	$595,148,534	$619,881,659
Carryover Borrowing*	(237,993,710)	(43,380,681)	(359,887,954)
Total	**$592,347,734**	**$595,148,534**	**$619,881,659**

* Not included in budget totals, reiteration of prior years authority.

CITY OF MILWAUKEE ORGANIZATION CHART

Source: Legislative Reference Bureau • September 2008



KEY

(a) Appointment by Mayor, not confirmed by Common Council
(b) Members appointed by Common Council President
(c) Members serve ex-officio; by law
(d) Members selected by other external bodies
(e) Appointment by City Attorney
(f) Appointment by connected board or department
(h) Appointment by Chief Municipal Judge, confirmed by Common Council
(k) Appointment by Health Department
(p) Appointment by Police Chief
(x) Appointment by Mayor, confirmed by Common Council
(y) Appointment by connected council, confirmed by Common Council

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I. CITY BUDGETS UNDER THE CONTROL OF THE COMMON COUNCIL

PROPERTY TAX SUPPLEMENTED FUNDS
SUMMARY OF EXPENDITURES

EXPENSE CATEGORY	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
A. General City Purposes	$560,989,488	$574,617,339	$607,827,230	$590,058,363	$15,441,024	$-17,768,867
B. Employees' Retirement	62,006,684	66,858,895	69,737,011	67,918,434	1,059,539	-1,818,577
C. Capital Improvements	124,122,434	139,462,814	184,986,742	126,549,979	-12,912,835	-58,436,763
D. City Debt	184,559,689	156,632,558	261,405,815	258,680,815	102,048,257	-2,725,000
E. Delinquent Tax Fund	1,000,000	0	0	0	0	0
F. Contingent Fund	[5,500,000] *	5,000,000	6,000,000	5,000,000	0	-1,000,000
TOTAL	$932,678,295	$942,571,606	$1,129,956,798	$1,048,207,591	$105,635,985	$-81,749,207

* Contingent Fund experience shown for informational purposes only. Expenditure experience represents transfers to other expense categories.

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A. GENERAL CITY PURPOSES

1. BUDGET APPROPRIATIONS AND EXPENDITURES

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DEPARTMENT OF ADMINISTRATION

EXECUTIVE SUMMARY

MISSION: To make Milwaukee one of the Nation's most attractive cities in which to live, work, and do business.

OBJECTIVES: Increase the level of non-property tax, non-municipal service fee revenues as a proportion of the General Fund budget by 2% by 2010.

Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).

Identify, prioritize and target five racial, social, and economic disparities in the community that city government can work to reduce.

Lobby for legislative action and external funding to support the city's strategic objectives.

Increase efficiency in citywide operation of information technology.

STRATEGIES: Lobby for inclusion of the Alliance for Cities shared revenue proposal in the 2009-2011 State Budget.

Lobby for state legislative authority for more local revenue options, including a red light running traffic enforcement.

Implement changes to increase the number of new EBE firms located in Milwaukee.

Select best practices from other cities on reducing racial disparities.

Improve energy efficiency in city buildings and facilities and purchase more energy efficient vehicles.

Collaborate with other city departments to consolidate redundant information systems and reduce costs of technology operations.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	63.29	73.04	70.03	71.67	-1.37	1.64
FTEs - Other	29.19	27.00	31.97	29.33	2.33	-2.64
Total Positions Authorized	105	106	107	106	0	-1
EXPENDITURES						
Salaries and Wages	$4,780,361	$4,756,617	$4,731,027	$4,773,788	$17,171	$42,761
Fringe Benefits	1,949,129	1,918,051	1,939,720	1,957,253	39,202	17,533
Operating Expenditures	466,823	725,951	852,973	759,800	33,849	-93,173
Equipment	19,931	22,500	23,000	23,000	500	0
Special Funds	1,315,142	1,180,135	1,264,000	1,254,000	73,865	-10,000
TOTAL	$8,531,386	$8,603,254	$8,810,720	$8,767,841	$164,587	$-42,879
REVENUES						
Charges for Services	$3,944,902	$4,086,000	$155,414	$155,350	$-3,930,650	$-64
Miscellaneous	835,020	336,200	677,000	677,000	340,800	0
TOTAL	$4,779,922	$4,422,200	$832,414	$832,350	$-3,589,850	$-64

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Administration (DOA) provides various planning, policy, and management functions that assist the Mayor, Common Council, and city departments. Through these efforts, DOA supports numerous strategic goals and objectives. Key functions include providing analysis and recommendations on fiscal issues that affect the city, developing the annual city budget, lobbying local, state and federal governments, cultivating increased grant funding, distributing grant funding to city agencies and neighborhood organizations, management of the citywide procurement processes and supporting the growth of emerging and local businesses, and developing strategic policy, such as in the areas of homeland security and environmental sustainability. Key initiatives include decreasing budget instability and improving the city's fiscal condition, establishing more intergovernmental and multi-jurisdictional cooperation, and implementing environmental sustainability initiatives.

Strategies and Milestones for 2009

Objective: Abate lead in houses containing young children.	
Strategies	**2009 Milestones**
Lobby for state lead abatement tax credit.	Introduction of bill.
Objective: Enhance transit options and existing infrastructure.	
Strategies	**2009 Milestones**
Reduce local street replacement cycle to 65 years by 2014.	Adopt 2009 budget with $2.8 million increase for local streets.
Establish a regional transportation strategy, including a Locally Preferred Alternative.	Council adoption of Locally Preferred Alternative and Downtown Plan revision; identify financial strategy for local match.
Objective: Increase the level of non-property tax, non-municipal service fee revenues as a proportion of the General Fund budget by 2% by 2010.	
Strategies	**2009 Milestones**
Adoption of Alliance shared revenue proposal.	Inclusion in 2009-2011 State Budget.
Establish state authority for red light running traffic enforcement.	State legislative approval.
Objective: Foster development of green jobs.	
Strategies	**2009 Milestones**
Implement Me2 Energy Retrofit Project.	Implement Phase I of the project.

Strategies and Milestones for 2009

Objective: Expose more inner city youth to career environments.	
Strategies	**2009 Milestones**
Maintain and expand Milwaukee GOT-IT digital inclusion initiative.	Secure 10% increase in funding. Wire five HACM centers. Launch "Bee-hive" web portal. Implement Life Venture Center.
Objective: Increase graduation rates.	
Strategies	**2009 Milestones**
Secure private and state funding for SEED Urban Boarding School Project.	Secure funding for 2012 launch.
Maintain and expand I Have a Dream Milwaukee Program to empower youth to go to college.	Secure 10% increase in funding.
Objective: Identify, prioritize and target five racial, social, and economic disparities in the community that city government can work to reduce.	
Strategies	**2009 Milestones**
Prioritize reductions to racial disparities where the city can have an impact.	Establish support of policymakers by the beginning of 2009.
Compile information on best practices of other cities.	Select top best practices that can be modeled by the beginning of 2009.
Strategy to improve RPP and/or EBE Programs.	Increase the number of contracts to new EBE firms located in the city.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2009 Milestones**
Improve energy efficiencies in city facilities and buildings.	Retrofit city buildings.

STRATEGY IMPLEMENTATION

Fiscal Sustainability: A key goal for DOA is improving the city's fiscal sustainability. DOA's long term objective is to increase the level of non-property tax, non-municipal service fee revenues as a proportion of the General Fund budget by 2% by 2010. As a result of frozen shared revenue, state imposed municipal levy limits, and the Expenditure Restraint Program, increasing local own source revenue is necessary to improve the city's long term fiscal sustainability. DOA's efforts in 2009 will focus on lobbying for inclusion of the Alliance of Cities shared revenue proposal in the State of Wisconsin 2009-2011 Biennial Budget and lobbying for changes in state law that give municipalities more own source revenue options. The Alliance shared revenue proposal, called the Regional Economic Development Incentive (REDI), would increase the shared revenue appropriation in line with the increase in the State of Wisconsin's general purpose state spending and distribute this increase among eight economic regions. The distribution would be made on a per capita basis with adjustments based on per capita property value and per capita adjusted gross income. The goal is to provide an incentive for regions to work together to grow their economies while ensuring equity in the distribution of shared revenue. If adopted, REDI would increase Milwaukee's shared revenue payment by about 2.9% a year, or $6.8 million. Achieving statutory authority for new revenue options, such as red light running traffic enforcement, give the city more flexibility in increasing revenue without relying on the property taxes or municipal service fees.

Enhancing Transit and Infrastructure: Milwaukee serves as a regional and statewide transportation hub. Milwaukee's function as a transportation cornerstone to the broader regional and statewide economy provides economic benefits to the city. However, this creates a need to maintain and improve the transit and infrastructure in the metropolitan area. The city needs to ensure sufficient replacement cycles for its core infrastructure systems, including major and local streets. The goal is to achieve a local street replacement cycle of at least 65 years by 2014. As fiscal sustainability improves, the amount of replacement miles budgeted on an annual basis will increase.

The City of Milwaukee is one partner in a regional transportation system that encompasses surrounding municipalities, counties, and state government. DOA will work with the Mayor and the Common Council to establish a regional transportation strategy including adoption of a Locally Preferred Alternative, revision of the Downtown Plan, and a financial strategy for a local match, so that the city and its regional and state partners can work collaboratively on improving the metropolitan transit system. This improvement is critical to sustaining the economic growth supported by an effective transit system.

Environmental Sustainability: DOA's long term objective in the area of environmental sustainability is reducing the energy use in city operations by 15% by 2012, with the reduction measured from the 2005 baseline amount. In 2009, DOA will work with city departments to improve energy efficiencies in city facilities and buildings by retrofitting city buildings. A key component of this strategy is using the Energy Challenge Fund to implement improvements on a strategic basis. Funding of $500,000 is included for this Fund, to implement capital projects that increase energy efficiency or use renewable energy or alternative fuel sources. Funds are distributed based on projected reduction in energy use and demand charges and demonstration of project payback within a reasonable time period.

Another objective of environmental sustainability is to foster development of "green" jobs. The 2009 proposed budget includes a new innovative pilot program, the Milwaukee Energy Efficiency Program (Me2), to improve energy efficiency in residential and commercial properties. The program is a collaborative effort between the City of Milwaukee, Focus on Energy, and WE Energies. Focus on Energy will conduct energy audits of homes and small businesses and then coordinate building improvements, with the costs being charged to the property owner over time as they realize energy savings on their WE Energies bill. The program will help eligible Milwaukee residents and businesses install cost effective energy efficiency projects that otherwise may not be completed, and provide increased demand for the work required to complete these projects. The program will help Milwaukee residents and businesses manage rising energy costs, protect our environment, improve Milwaukee's housing stock, and control the region's growing demand for electricity and natural gas. A city appropriation of $1 million provided in a newly created Special Purpose Account for the project will be offset by revenues. The project is

categorized as a "municipal service" under Wisconsin State Statutes. The status as a "municipal service" is critical because this allows charges to be recovered through the tax roll if the customer defaults on their payment.

In addition, if a market for carbon trading develops, the city will have a claim to carbon credits. There is no net cost to the city taxpayer or net increase to the tax levy to support the project. This is the first phase of the project, which could be expanded if the first phase is successful.

Homeland Security Division: The 2009 proposed budget formally creates a Homeland Security Division within the Department of Administration. State law requires each municipality to adopt an effective program of emergency management and to appoint a head of emergency management services. Chapter 6 of the City Charter, which governs and defines the city's organization and procedures for the management of emergencies, creates an office of city emergency management services and homeland security under the direction of a director appointed by the Mayor. The Homeland Security Director manages the city's homeland security and emergency management functions. This includes coordinating the planning, training, and exercising of all city departments relating to emergency management and homeland security, and maintaining liaison with emergency management, homeland security organizations, and agencies at other governmental levels. The three main functions of the Director are grant cultivation and management, planning and preparedness, and emergency response support. These functions strengthen critical infrastructure and enhance the city's ability to prevent, detect, respond, and recover from emergency events.

The Director has secured and is managing four primary grants, including the Buffer Zone Protection, Critical Infrastructure Protection, Port Security, and Urban Area Security Initiative (UASI) Grants. All UASI funded planning positions are united in the division under the direction of the Homeland Security Director in order to meet grant requirements and work objectives. This includes one position each from the Police Department, Fire Department, and Health Department. These positions are detailed to the Director and remain employees of their respective departments. Given declining grant funding, the Director will be partially funded through the DOA operating budget while the other three positions will be funded through grants.

Promoting Social and Economic Equity: One of the Mayor's strategic goals is to promote social and economic equity for all citizens. In 2009, the Administration will work with the Common Council to prioritize several racial, social and economic disparities where the city can have an impact and identify best practices from other cities that can be implemented to address these disparities. This will involve establishing community partners and formalizing relationships with these partners. One area the city will focus on for improvement is increasing the number of city contracts awarded to new EBE firms located in Milwaukee. DOA is working on an action plan to improve the EBE Program, based on a study completed in 2007. In addition, the department is planning to implement a disparity study that will provide further recommendations for improving the EBE Program.

OTHER SERVICE AND BUDGET CHANGES

E-Notify: E-Notify is an online web service developed by DOA that uses Internet technologies to deliver news and information to citizens in a timely manner. E-Notify is available to anyone with access to the Internet and an e-mail account. Subscribers can use E-Notify to establish a free subscription to desired city information feeds. As of June 2008, 22,302 users had E-Notify subscriptions. In 2008, notifications are increasing significantly, with a 57% increase compared to 2007. In 2007, subscribers increased by 50%. The number of active notification categories is currently at 149, an increase from 29 in 2003.

2009 IT Capital Projects: The 2009 proposed budget contains $1.6 million in capital funding for four information technology projects managed by DOA. Projects include $1.2 million to upgrade the financials module of the Oracle/Peoplesoft enterprise product to the latest version of the FMIS software, which will ensure continued product support and updates from the vendor. In addition, $191,820 is provided to upgrade and expand Map Milwaukee, improving the usability of the application, making it faster and easier to access information, providing customized tools to users in city government, and integrating mapping functionality into other applications. The proposed budget also includes $75,000 for an upgrade of the Storage Area Network (SAN), to expand significantly

the storage capacity of the current SAN. Finally, $67,500 is provided for a server virtualization project, which will allow for creation of multiple virtual servers on a single physical server, replacing the need for new physical hardware and allowing multiple systems to run independently on a single server.

Records Center and Mail Services Changes: The 2009 proposed budget includes a change in funding mail services. These services, provided by the Document Services Section of the DOA Business Operations Division, are partially reimbursable and partially non-reimbursable in 2008. In 2009, they will be charged to users on a fully reimbursable basis. The records service will continue to be non-reimbursable, with the cost for this service budgeted in the DOA operating budget.

Legislative Coordinator Position Change: The 2009 proposed budget assumes that one position of Legislative Fiscal Manager will be underfilled at a lower salary grade, generating savings of $33,900. The department will use this position to continue the necessary research and legislative and fiscal analysis of various legislative bills, proposals and intergovernmental issues while the Director and the Legislative Fiscal Manager Senior will be primarily responsible for the higher level task of lobbying for the city's legislative agenda. The proposed change will generate needed budget savings while enabling the department to effectively perform its intergovernmental responsibilities.

Record Storage Space: The 2009 proposed budget includes capital funding of $105,000 to remodel some underutilized space in the basement of City Hall to provide additional storage space for city records. Record inventory has been increasing and has created a congested physical environment that presents safety hazards. Inadequate space also decreases efficiencies in daily work routines and risks loss or inaccessibility of documents. DOA is working to decrease the amount of records that are created and maintained in a digital format so that there is less need for physical storage space.

Enterprise Information Manager: As a result of the continued freeze in the State Shared Revenue Program and the continued imposition of a municipal levy limit by the State of Wisconsin, various budget reductions are required in order to reduce tax levy supported expenditures. In the Information and Technology Management Division, the 2009 proposed budget will hold the position of Enterprise Information Manager vacant.

2009 Budget by Services (Funding in Millions)

Service	**Office of the Director and Budgeting and Financial Management**	
Activities:	Operating and capital budget administration and planning, forecasting, revenue analysis, strategic and fiscal planning, performance measurement, environmental sustainability, homeland security, and workforce development.	
		2009 Projection
Performance Measures:	Increase in general city non-tax levy own source revenues.	5.0%
	Meet Expenditure Restraint Program expenditure limit.	Yes
	Implement six service improvements through the AIM process.	6
	Percentage reduction in energy use in city facilities.	3.0%
	Percentage reduction in stormwater runoff from city properties.	1.0%
Funding by Source:	Operating Funds	$1.6
	Grants and Reimbursables	0.2
	Totals	**$1.8**
Service	**Grants Management**	
Activities:	Grants administration, coordination, and planning.	
		2009 Projection
Performance Measures:	Dollar amount of new grant funding.	$1,000,000
	Number of successful grant applications.	8
Funding by Source:	Operating Funds	$0.1
	Grants and Reimbursables	1.4
	Special Purpose Accounts	0.1
	Totals	**$1.6**
Service	**Information Technology and Management**	
Activities:	Enterprise systems, Geographic Information Systems, information policy, systems development and support, E-Government, and city website.	
		2009 Projection
Performance Measures:	Number of "visits" on the city's website.	5,000,000
	Number of service requests processed through the city's website.	10,000
	Number of registered E-Government users.	36,000
	Number of E-Notify subscribers.	15,000
Funding by Source:	Operating Funds	$5.3
	Grants and Reimbursables	0.3
	Capital Budget	1.6
	Special Purpose Accounts	0.1
	Totals	**$7.1**

2009 Budget by Services (Funding in Millions)

Service	**Procurement and Materials Management**	
Activities:	Purchasing administration, competitive bidding, contract administration, Procard administration, inventory monitoring, Emerging Business Enterprise, and material disposal and sale.	
		2009 Projection
Performance Measures:	Number of purchasing appeals.	2
	Number of EBE certifications and recertifications.	90
	EBE participation rate.	18.0%
	Percent of requisitions for items under $5,000.	25.0%
	Number of Procard transactions.	16,000
Funding by Source:	Operating Funds	$1.4
	Grants and Reimbursables	0.5
	Capital Budget	0.1
	Totals	**$1.9**

Service	**Intergovernmental Relations**	
Activities:	Intergovernmental relations, lobbying, fiscal and budget analysis, and planning.	
		2009 Projection
Funding by Source:	Operating Funds	$0.5
	Totals	**$0.5**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-0.20		Budget and Management Special Assistant	Position reduced to .80 FTE.
	0.06	-0.06	Environmental Sustainability Director	Reduction in reimbursable funding.
	0.50	-0.50	Homeland Security Director	Decrease in grant funding.
	-1.08	1.39	Various Positions	Adjustments for Document Services Section reimbursable funding.
	-1.65	1.50	Various Positions	Increase in capital funding for IT projects.
	1.00		Various Positions	Correction from 2008 budget.
0	**-1.37**	**2.33**	**Totals**	

ASSESSOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Assure public confidence in the accuracy, efficiency, and fairness of the assessment process and ensure the equal distribution of the city's property tax levy.

OBJECTIVES: Improve customer service and transparency in assessment operations.

Increased accuracy of assessments, reducing the need for appeals and changes to final property tax revenues.

STRATEGIES: Utilize technology to increase ease of accessing, acquiring and understanding information.

Utilize technology to control operating costs and increase transparency and accuracy of information.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	50.76	46.55	46.55	46.55	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	59	59	59	59	0	0
EXPENDITURES						
Salaries and Wages	$3,083,651	$3,004,204	$2,972,760	$2,900,446	$-103,758	$-72,314
Fringe Benefits	1,227,158	1,231,724	1,218,832	1,189,183	-42,541	-29,649
Operating Expenditures	278,038	288,400	291,800	282,800	-5,600	-9,000
Equipment	0	0	0	0	0	0
Special Funds	95,370	150,000	170,000	170,000	20,000	0
TOTAL	$4,684,217	$4,674,328	$4,653,392	$4,542,429	$-131,899	$-110,963
REVENUES						
Charges for Services	$478,210	$616,500	$476,500	$476,500	$-140,000	$0
TOTAL	$478,210	$616,500	$476,500	$476,500	$-140,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The city wants to deliver services in a manner that achieves customer satisfaction. This involves recovering costs in an equitable manor. The Assessor's Office is responsible for uniformly and accurately assessing taxable property in the City of Milwaukee. Accurate assessments ensure that all areas of the city and classes of property pay an equitable share of taxes.

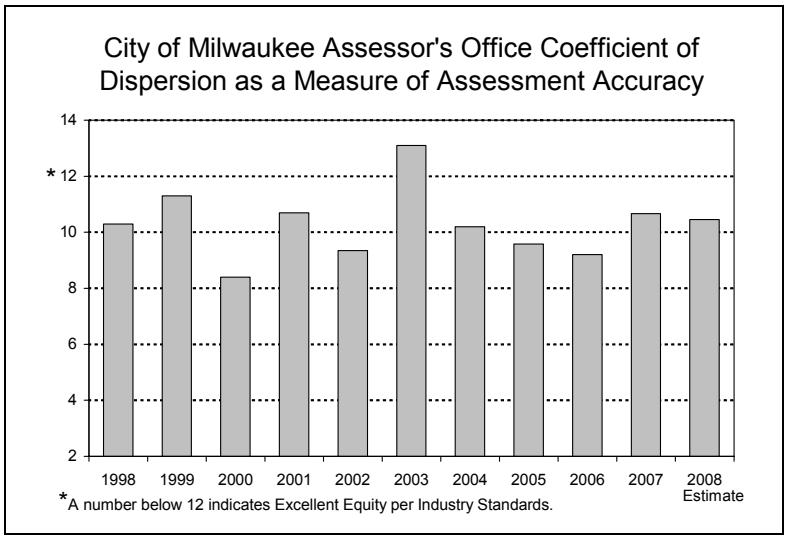
The department has focused on improving its valuation systems by maximizing technology. This allows the department to improve quality while reducing costs. Recent technology improvements have focused on providing public information and assistance. Using technology to make assessment information readily available, has significantly reduced the number of assessment objections and telephone inquiries while dramatically increasing the availability of property information and the number of customers serviced via the Internet.

Strategies and Milestones for 2009

Objective: Improve customer service and transparency in assessment operations.	
Strategies	**2009 Milestones**
Increase ease of taxpayers and property owners in accessing, acquiring, and understanding information.	Reduce requests of office staff on general information by 5% via increased availability of information on web site. Increase the availability of assessment related information on the Internet.
Objective: Increased accuracy of assessments, reducing the need for appeals and changes to final property tax revenues.	
Strategies	**2009 Milestones**
Increased transparency and accuracy of information.	Decrease number of unresolved appeals prior to setting of tax rate by 5%.

STRATEGY IMPLEMENTATION

Figure 1



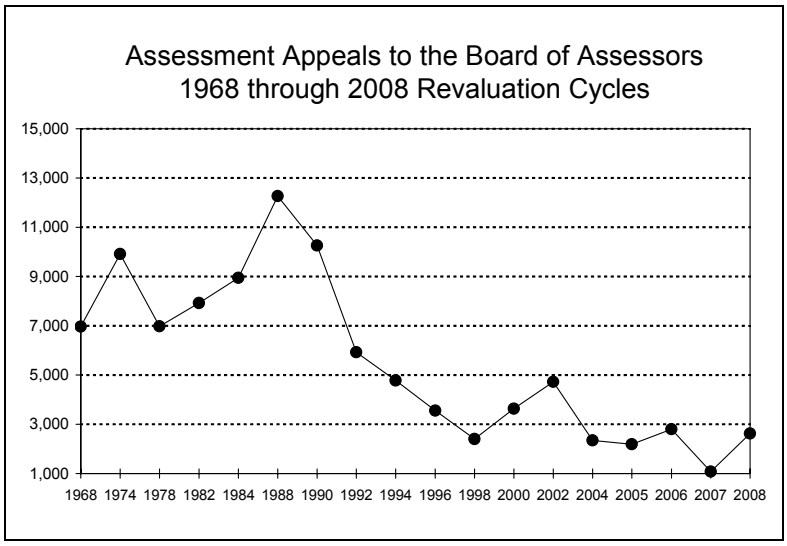
The performance of the Assessor's Office in producing fair, accurate, and equitable assessments is measured statistically using assessment ratios. The assessment level is calculated by dividing the assessment by the sale price. The Assessor's Office had an assessment level of 92.3% in 2007 and has a goal of a 95% assessment level for 2009. The coefficient of dispersion and the price related differential further test the uniformity of assessments. The coefficient of dispersion measures the average distance that sales are from the median sales ratio (see Figure 1). For example, if the target is an assessment level of 100%, and the coefficient of dispersion is 10, this means that the average assessment is within 10% of that 100% target. The price related differential (PRD) is a statistical measure used to determine the degree to which assessments are either regressive or progressive. If the differential is greater than 1, the assessment is regressive (advantageous to those with higher property values); if it is less than 1, the assessment is progressive (advantageous to those with lower property values). The Assessor's Office reached its goal of a PRD of 1.00 in 2007. The Assessor's Office has consistently met or exceeded statutory and industry standards for these measures, indicating a high degree of accuracy and fairness in valuing property.

The Board of Assessors and the Board of Review hear assessment appeals, affording property owners the opportunity to voice concerns or contest an assessment. In recent years, efforts have focused on improving assessment accuracy, providing public information and education, and increasing access to assessment and sales data. These efforts resulted in a significant reduction in appeals between the 1988 and 2008 revaluations (see

Figure 2). There has been a slight increase in 2008, which may reflect the wide changes in property values resulting from volatility in the overall housing market and current economic conditions.

In the City of Milwaukee, there are approximately 1,812 non-governmental tax exempt properties with an estimated value of $5.5 billion, an increase in value of 203% since 2000. To protect the city's tax base, the Assessor's Office critically reviews all tax exemptions on an ongoing basis to ensure that all exempt properties continue to serve the public good and provide the services that rendered them tax exempt.

Figure 2



OTHER SERVICE AND BUDGET CHANGES

There should be no significant changes in service for 2009. The department will continue to make improvements to increase assessment efficiency and accuracy.

2009 Budget by Services (Funding in Millions)

Service	**Property Assessment**	
Activities:	An assessment of real and personal property, supporting the Board of Assessors and Board of Review, reviewing exemption requests.	
		2009 Budget
Performance Measures:	Assessment level.	95.0%
	Coefficient of dispersion.	<10.0
	Price related differential.	1.00
Funding by Source:	Operating Funds	$3.8
	Special Purpose Accounts	1.0
	Totals	**$4.8**
Service	**Process Objections**	
Activities:	Timely resolution of objections and appeals to property assessments.	
		2009 Budget
Performance Measures:	Assessment objections as a percentage of real and personal property accounts.	0.71%
	Formal assessment appeals as a percentage of real and personal property assessments.	0.16%
Funding by Source:	Operating Funds	$0.7
	Totals	**$0.7**

2009 Budget by Services (Funding in Millions)

Service	**Public Information**	
Activities:	Providing prompt and accurate information to taxpayers and property owners of assessment related information.	
		2009 Budget
Performance Measures:	Residential property inquiries.	1,879
	Commercial property inquiries.	1,183
	Web site hits.	1,437,373
Funding by Source:	Operating Funds	$0.1
	Totals	**$0.1**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-2	-2.00		Senior Property Appraiser	Reallocation of positions to reflect department needs.
2	2.00		Property Appraiser	
-1	-1.00		Office Supervisor	Position reclassified in CCCF 080129.
1	1.00		Administrative Services Supervisor	
0	**0.00**	**0.00**	**Totals**	

CITY ATTORNEY

EXECUTIVE SUMMARY

MISSION: Provide legal services and meet the city's needs in accordance with the City Charter and statutory requirements.

OBJECTIVES: Protect the city's interests in litigation.

Improve the quality of life for Milwaukee residents.

Manage risk so that liabilities do not disrupt finances.

STRATEGIES: Assess and defend claims, lawsuits, and administrative cases.

Provide legal advice and policy options to city officials and departments.

Community prosecution initiatives to abate nuisances.

Vigorously prosecute ordinance violations.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	58.40	56.15	56.15	57.55	1.40	1.40
FTEs - Other	3.70	4.25	4.25	4.25	0.00	0.00
Total Positions Authorized	64	64	64	65	1	1
EXPENDITURES						
Salaries and Wages	$4,591,948	$4,657,970	$4,665,694	$4,662,024	$4,054	$-3,670
Fringe Benefits	1,900,324	1,909,768	1,912,935	1,911,430	1,662	-1,505
Operating Expenditures	389,980	399,050	396,000	388,509	-10,541	-7,491
Equipment	65,836	56,500	143,000	143,000	86,500	0
Special Funds	0	0	0	0	0	0
TOTAL	$6,948,088	$7,023,288	$7,117,629	$7,104,963	$81,675	$-12,666
REVENUES						
Charges for Services	$663,846	$1,025,500	$801,000	$876,000	$-149,500	$75,000
Miscellaneous	9,827	45,000	23,200	23,200	-21,800	0
TOTAL	$673,673	$1,070,500	$824,200	$899,200	$-171,300	$75,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City Attorney's Office supports the city's goals of building safe and healthy neighborhoods and improving fiscal capacity. It supports these goals to the extent that it effectively prosecutes ordinance violations, abates nuisances through community prosecution and related efforts, and minimizes financial liabilities resulting from claims and lawsuits.

The City Attorney is a publicly elected official and conducts all of the legal business for the city and its "clients" including departments, boards, commissions, and other agencies of city government. The City Attorney's Office handles litigation and maintains a docket of cases to which the city may be a party, provides legal advice and opinions, and prepares and examines legislation for the Common Council. In addition, the City Attorney is responsible for drafting all legal documents that are required in conducting the business of the city, in collecting claims and delinquencies, and in prosecuting violations of city ordinances.

Strategies and Milestones for 2009

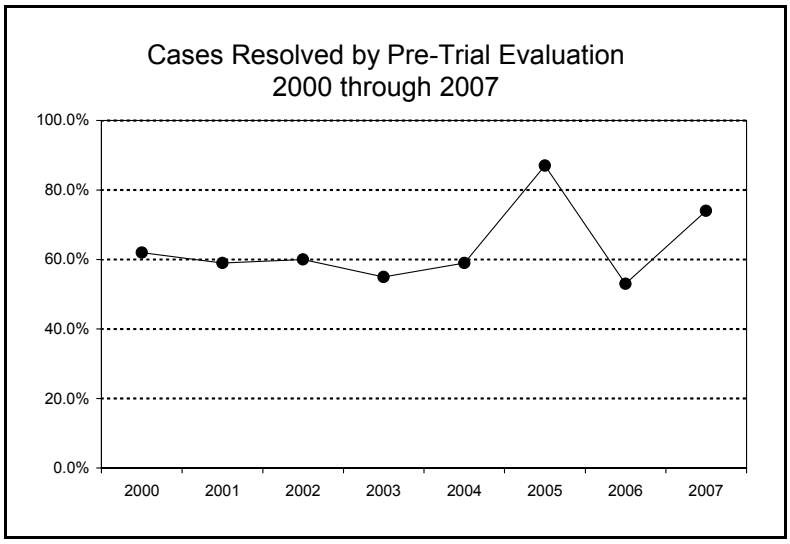
Objective: Protect the city's interest in litigation.	
Strategies	**2009 Milestones**
Assess merits of claims, lawsuits, and administrative cases. Vigorously defend the city's interest.	Number of claims resolved through denial or settlement. Number of lawsuits filed and resolved.
Provide legal advice and support to city officials and departments.	Legal opinions drafted. Resolutions and ordinances prepared and reviewed. Contracts and other legal documents drafted.
Objective: Improve quality of life for Milwaukee residents.	
Strategies	**2009 Milestones**
Continue Community Prosecution Unit initiatives to abate nuisance properties, investigate problem licensed premises, and prosecute prostitution activity in conjunction with other departments and residents.	Number of referrals received and closed. Number of lawsuits initiated and closed.
Prosecute violations of city ordinances in Municipal Court.	Number of ordinance violations resolved through dismissal, settlement, or trial.

STRATEGY IMPLEMENTATION

The primary objective of the City Attorney's Office is to protect the legal interests of the City of Milwaukee. The department has two indicators that measure achievement of this objective. The first is the percent of cases resolved by pre-trial evaluation. After a defendant has passed through intake, the City Attorney's Office tries to resolve the case without further court appearances. If cases can be resolved in this manner, court time can be used for more serious offenses. As shown in Figure 1, in 2007 there was an increase in the cases resolved by pre-trial evaluation.

The second measure is the percent of claims filed three years prior that result in lawsuits. When claims between the city and claimant cannot be resolved they expose the city to increased liability and additional time spent in court. Therefore, it is in the best interests of the city to minimize the number of claims that proceed to litigation. However, claimants have three years after filing a claim to file a lawsuit. In 2007, the percentage of claims filed against the city resulting in a lawsuit was approximately 7%; a small decrease from 7.5% in 2006.

Figure 1



OTHER SERVICE AND BUDGET CHANGES

Community Prosecution: Since 2005, the Community Prosecution Unit of the City Attorney's Office has collaborated with community agencies and other City of Milwaukee departments to abate nuisance properties, eliminate known drug and gang houses, investigate problem licensed premises, and prosecute prostitution activity. Nuisance abatement activity in 2007 included 124 general and drug house referrals of which 107 were closed. Nine lawsuits were initiated and five closed. In 2008, the unit has begun to focus more resources on problem licensed premises, often the venue for criminal activity. Community prosecutors are actively assisting the Police Department by focusing on problem properties in specific neighborhoods. The unit now includes assigned Police Officers and an inspection team from the Department of Neighborhood Services in addition to City Attorney staff.

Special Purpose Accounts: The City Attorney's Office utilizes various Special Purpose Accounts to manage the legal issues encountered by the City of Milwaukee. These funds support ordinance enforcement, payment of legal claims and settlements, insuring the city against loss, expert witnesses, and receivership obligations. The 2009 proposed budget provides $1.4 million for the Damages and Claims Fund for anticipated liability exposure. The Collection Contract Fund decreases by $250,000, in line with actual expenditures. Funding also decreases in the Insurance Fund due to anticipated lower policy premiums based on recent favorable experience. The Outside Counsel/Expert Witness Fund increases by $205,000 to prepare for upcoming lawsuits. The Receivership Fund decreases substantially with the windup of the North Meadows-Woodlands receivership process.

Capital Projects: The eighth floor of City Hall is in need of an updated HVAC system and general remodeling. The restoration of City Hall and subsequent relocation of City Attorney staff to the Zeidler Municipal Building creates an opportunity to remodel the space without disrupting the legal activities of the office. In 2007, funding of $250,000 was provided for design and renovation planning activities. Funding for the eighth floor renovation will be postponed to 2010 or later, pending completion of this process and solid cost estimates in mid-2009.

2009 Budget by Services (Funding in Millions)

Service	**City Attorney Legal Services**	
Activities:	Prepare and review corporate and general documents, special legal services, represent the city in litigation cases, collection enforcement, and ordinance violation prosecution.	
		2009 Projection
Performance Measures:	Cases resolved by pre-trial evaluation.	55.0%
	Claims that result in lawsuits (reflects claims filed three years prior).	5.0%
Funding by Source:	Operating Funds	$7.1
	Grants and Reimbursables	0.2
	Special Purpose Accounts	3.3
	Totals	**$10.6**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	1.00		Assistant City Attorney	Additional legal services for RACM real estate development offset by revenue.
	0.40		Assistant City Attorney	Additional legal services for MPS.
1	**1.40**	**0.00**	**Totals**	

DEPARTMENT OF CITY DEVELOPMENT

EXECUTIVE SUMMARY

MISSION: Improve the quality of life in Milwaukee by guiding and promoting development that creates jobs, builds wealth, and strengthens the urban environment.

OBJECTIVES: Increase the amount of net new construction in the community by 1% or more annually.

Become ranked in top 30 of 50 largest cities for job growth by 2012.

Improve Neighborhood Appearance as Measured by Neighborhood Quality Index.

Foster development of green jobs.

STRATEGIES: Increase ease and efficiency of permit process by promoting use of the e-permit system.

Improve marketing of city owned property for redevelopment.

Improve regional marketing of commercial real estate opportunities.

Identify 20 acres for spot acquisition or brownfield redevelopment.

Provide customized business and job training assistance to attract and retain manufacturing jobs.

Improve neighborhood appearance and vitality by continuing the Healthy Neighborhoods and Targeted Neighborhood Investment Program.

Continue Façade grants, Retail Investment Funds, and the Main Street program to catalyze small businesses and improve neighborhoods commercial corridors.

Complete area plans, including for Downtown, Near North, Southwest, and West.

Work with the Wisconsin Office of Energy Independence to identify waste-to-energy and waste-to-product economic opportunities in Milwaukee.

Continue the Earn and Learn summer youth employment program.

Develop the Life Ventures Partnership Program to connect youth with information about jobs and careers.

Incorporate bioswales and other passive storm water retention in to the urban landscape.

Support available affordable housing and redevelopment by providing administrative support to the Housing Authority of the City of Milwaukee, the Neighborhood Improvement Development Corporation, and the Redevelopment Authority of the City of Milwaukee.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	44.74	44.50	45.75	42.55	-1.95	-3.20
FTEs - Other	195.26	185.50	137.30	133.50	-52.00	-3.80
Total Positions Authorized	257	245	223	218	-27	-5
EXPENDITURES						
Salaries and Wages	$2,182,005	$2,106,341	$2,906,156	$2,672,292	$565,951	$-233,864
Fringe Benefits	843,804	863,599	1,191,524	1,095,640	232,041	-95,884
Operating Expenditures	324,298	271,634	274,000	267,864	-3,770	-6,136
Equipment	0	0	0	0	0	0
Special Funds	78,202	159,957	135,000	125,000	-34,957	-10,000
TOTAL	$3,428,309	$3,401,531	$4,506,680	$4,160,796	$759,265	$-345,884
REVENUES						
Charges for Services	$424,937	$517,000	$462,000	$462,000	$-55,000	$0
Licenses and Permits	778,152	650,000	632,800	632,800	-17,200	0
Miscellaneous	370,434	160,000	250,000	250,000	90,000	0
TOTAL	$1,573,523	$1,327,000	$1,344,800	$1,344,800	$17,800	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of City Development (DCD) supports the city's goals to increase investment and economic vitality throughout the city and to build safe and healthy neighborhoods. DCD has a wide range of responsibilities in housing, planning, development, business assistance, real estate, and marketing. These responsibilities and the department's corresponding goals are designed to meet the specific needs of various segments of the population, including entrepreneurs, job seekers, and city residents.

Strategies and Milestones for 2009

Objective:	**Increase the amount of net new construction in the community by 1% or more annually (as measured by the Wisconsin Department of Revenue).**
Strategies	**2009 Milestones**
Increase ease and efficiency of permit process by promoting use of the e-permit system.	Reduce positions in the Development Center while maintaining the current average customer service times. Achieve 40% e-permit utilization rate.
Stimulate development by effectively marketing city and Redevelopment Authority owned property for development and redevelopment.	Put new real estate database into service, to improve quality and currency of data regarding city and RACM property, speed reporting, and streamline creation of documents required for transactions.
Stimulate development of commercial and industrial property by showcasing the competitive advantages of Milwaukee sites via the M7's choosemilwaukee.com website.	Integrate information about applicable tax credit programs with Milwaukee property information available through the choosemilwaukee.com web site.

Strategies and Milestones for 2009

Undertake site assembly and/or brownfield redevelopment to create sites for appropriate tax-generating or neighborhood serving redevelopment.	Improve development potential of 20 acres of property.
Selectively use Tax Incremental Financing to stimulate new tax generating development.	Present fiscally sound TID proposals that conform to TID guidelines to policymakers.
Objective: Become ranked in top 30 of 50 largest cities for job growth by 2012 (as measured by the Bureau of Labor Statistics). Show an upward trend in employment.	
Strategies	**2009 Milestones**
Use tools in the Department's "toolbox" to provide customized assistance to employers resulting in job attraction and retention.	Use tools such as the Development Fund, low-interest loans, Renewal Community tax credits, and Tax Incremental Financing to create or retain at least 1,200 jobs.
Identify local regulatory barriers that suppress business investment and job creation in Milwaukee.	Deliver findings on this issue by mid-year 2009 for discussion as part of the 2010 strategic planning effort.
Objective: Foster development of green jobs.	
Strategies	**2009 Milestones**
Use grant from the Wisconsin Office of Energy Independence to identify waste-to-energy and waste-to-product economic opportunities in Milwaukee.	Complete report.
Objective: Improve neighborhood appearance as measured by neighborhood quality index.	
Strategies	**2009 Milestones**
Develop Neighborhood Appearance Index as part of Interdepartmental team to better coordinate services across departments and target resources.	Develop key DCD measures for index and cooperate on interdepartmental data sharing.
Improve neighborhood appearance and vitality by continuing the Healthy Neighborhoods and Targeted Neighborhood Investment (TIN) program.	Assist property owners and neighborhood improvement efforts in 7 "Healthy Neighborhoods" and 12 "Targeted Investment Neighborhoods".
Develop effective strategies to mitigate negative impacts of high rates of home mortgage foreclosures in impacted Milwaukee neighborhoods.	Provide staff support to Mayor's Foreclosure Partnership Initiative Task Force, and lead implementation of recommendations.
Continue façade grants, Retail Investment Funds, and the Main Street program to catalyze small businesses and improve neighborhoods commercial corridors.	Provide direct assistance to six Main Street districts and at least 80 small businesses.

Strategies and Milestones for 2009

Use streetscaping to improve the appearance of major streets.	Undertake streetscaping projects in four commercial/industrial areas.
Use community based land use planning to guide orderly development.	Complete area plans for the near north, southwest and west side neighborhoods, and complete update of downtown plan.
Prepare "Smart Growth" policy plan in accordance with State requirement.	Complete Milwaukee's "Smart Growth" policy plan by 2010.
Objective: Expose 1000 inner city youth to career environments.	
Strategies	**2009 Milestones**
Provide employment opportunities for teens through the Earn & Learn program.	Seek resources and development partnership to support jobs for 175 youth in City of Milwaukee internships and 825 youth in community internships.
Develop the Life Ventures Partnership to connect youth with information about jobs and careers. Encourage Partnership participation among local youth-serving agencies that receive Community Development Block Grant funding.	Sponsor conference to foster collaboration among agencies and programs that provide career education to Milwaukee youth.
Objective: Improve surface water quality and polluted stormwater runoff by 2018.	
Strategies	**2009 Milestones**
Incorporate bioswales and other passive storm water retention in to the urban landscape.	Complete 30th St. Corridor stormwater study. Incorporate green infrastructure into Neighborhood Commercial District Street Improvement Fund projects.

STRATEGY IMPLEMENTATION

DCD provides incentives for the growth of employment opportunities and supports private investment that grows the city's tax base. The department utilizes four key approaches to accomplish its mission:

- Direct financial assistance to small businesses,
- Use of Tax Incremental Financing,
- Partnerships with organizations that represent businesses and employers, and
- Management of redevelopment projects.

Three Tax Incremental Districts (TIDs) were created in 2007, including New Avenue Commerce Center (TID 69), 735 North Water Street (TID 70), and Mitchell Street (TID 71). TID 69 catalyzed 75,000 square feet of retail space including a Lena's grocery store. TID 70 is intended to catalyze the renovation of the former First Wisconsin

National Bank Building, including Riverwalk improvements, façade, and other improvements. TID 71 is a neighborhood based TID in the Mitchell Street area from South 5th to South 17th Streets. It supports improvements to the commercial district and provides nearby homeowners $10,000 forgivable loans to fund code related exterior work.

The main employers in any community are existing small businesses. In 2007, DCD continued its commitment to the growth of jobs and local industry in Milwaukee. This was accomplished through financial and technical assistance provided to small and mid-sized businesses. This assistance comes from the various funds and programs under DCD's control, including the Main Street Milwaukee Program, facade grants, various grant and loan programs, and a Retail Investment Fund.

Through TIDs and these small business programs, DCD reported the following accomplishments in 2007:

- Jobs created: 2,354
- Jobs retained: 2,092
- New housing constructed: 1,037 units
- Commercial/industrial space created: 390,830 square feet
- Commercial/industrial space renovated: 581,572 square feet
- Investment leveraged: $398,079,044
- Development Center walk-in customers: 15,929
- Vacant lots sold: 258 (211 from city, 47 from RACM); sales generated $2,488,072 in revenue and $73,984,685 in anticipated investment on lots.

In 2009, DCD will use its economic development "toolbox" to encourage private investment throughout Milwaukee, with an emphasis on the Park East Corridor, the 30th Street Industrial Corridor, central city residential neighborhoods and commercial corridors, riverfront property, underused industrial properties, and the Memonomee Valley.

The City of Milwaukee Development Center is responsible for the processing of all permits for the construction or remodeling of city buildings. In 2007, the number of permits issued through the Development Center increased from 43,744 in 2006 to 47,677. More than 25% of permits were issued online through E-Permits. In 2009, DCD projects it will issue 40% of permits online as contractors become more familiar with the system. This investment in technology will allow staffing reductions in 2009 without reducing customer service.

DCD also administers the "Earn & Learn" Program. Earn & Learn assists young people in making a successful transition to adulthood by providing opportunities to develop work readiness skills while they earn wages working in government, community and faith based organizations and private sector businesses. In 2007, DCD placed 243 city youth in internships with city government and 457 in non-profit and faith based organizations. In 2008, DCD partnered with the Milwaukee Area Workforce Investment Board to operation portions of Earn & Learn. In 2009, DCD will seek resources and development partnerships to support jobs for 175 youth in City of Milwaukee internships and 825 youth in community internships. This program's success depends on continued grants from the State of Wisconsin.

OTHER SERVICE AND BUDGET CHANGES

Salary Restructuring: Over the past several years, DCD relied heavily on TIDs to fund many positions. As the number of new TIDs has declined, this funding strategy has become unsustainable. The 2009 requested budget shifted about $756,000 in salaries from capital and grant sources to the General Fund. The Administration has then made difficult choices to eliminate positions it could no longer afford. These reductions will not limit DCD's ability to act on its stated strategies and achieve its milestones.

Business Improvement District Special Purpose Account: In prior years, the city has contributed $187,000 to 7 out of the 29 Business Improvement Districts. In prior budget deliberations, the Common Council has raised concerns about the fairness of city contributions to these BIDs. The Mayor has proposed revenues to fund $93,500 in BID contributions in 2009. The budget presented to the Common Council includes a $40,000 contribution to compensate BIDs adjacent to the Riverwalk for their work in maintaining that public space.

CAPITAL PROJECTS

Advanced Planning Fund ($125,000): Funding will support development of the Southwest Side Plan, the West Side Plan, and other engineering and economic studies**.**

Neighborhood Commercial District Street Improvement Fund ($337,000): This funding provides a 20% match to federal grants to improve the streetscapes for the North 27th Street SOHI Project and Vliet Street projects.

Tax Increment Districts (TIDs): The 2009 proposed budget provides the following TID borrowing authority:

- **New Borrowing for Potential New TIDs ($30 million):** This portion will provide funding authority for potential new TIDs that will be created in 2009. These TIDs will still undergo the existing approval process through the Joint Review Board, Mayor, and Common Council.
- **Developer Revenues ($4.4 million):** Provides budget authority to pay the increment on current developer financed TIDs. There are offsetting revenues for these payments.
- **Capitalized Interest ($3 million):** Provides budget authority to pay for interest costs associated with TID borrowing.
- **Potential New Developer Financed TIDs ($3.3 million):** This additional budget authority provides greater flexibility for dealing with developer financed TIDs. This authority allows the city to consider general obligation borrowing when analyzing potential and existing developer financed TIDs. These TIDs undergo the same approval process all TIDs experience.

Healthy Neighborhoods Initiative: This initiative provides funding for the city to cooperate with local neighborhood organizations and foundations to promote investment in some of Milwaukee's stronger neighborhoods. Funds are available for various projects including general home improvement and small scale neighborhood projects.

809 Building Remodeling: The 2009 budget includes capital funds to renovate the second floor of the 809 Building, which houses staff who performs administrative functions. This space has not been upgraded since DCD moved into the building in 1984.

Development Fund ($1.8 million): This funding supports the Retail Investment Fund, Façade Grants, Brownfield cleanup and other business assistance programs. The $375,000 in cash financing will support customized job training programs for businesses, particularly in the 30th St. Industrial Corridor.

ADA Riverwalk ($724,000): This funding allows DCD to improve the Riverwalk and make it easily accessible to all residents. The total cost of the project is $4.55 million over the next three years, including $1.5 million that had been budgeted in the Development Fund in prior years. The 2009 allocation along with prior year funding will fund access improvements at five of nine locations.

2009 Budget by Services (Funding in Millions)

Service	**Economic Development**	
Activities:	Administer Tax Incremental Financing Program, support private development investment, small business loans through MEDC, façade grants, retail investment grants, support to BIDs, develop and market industrial corridors, home improvement and infill housing, development permitting and plan review, upgrade streets in neighborhood commercial districts, prepare and market sites for new development, support development of market rate housing, sell city owned real estate for development and brownfield redevelopment.	
		2009 Projection
Performance Measures:	Total number of permits issued.	42,900
	E-permit utilization rate.	40%
	Jobs **created** or **retained** by employers receiving city assistance and support.	1,200
	New housing units constructed with city assistance.	400
Funding by Source:	Operating Funds	$3.4
	Grants and Reimbursables	4.5
	Capital Budget	43.9
	Special Purpose Accounts	0.5
	Totals	**$52.3**

Service	**Federally Assisted Housing**	
Activities:	Operate 5,200 units of public housing for low income residents, administer 5,800 section 8 vouchers for low income residents, implement HOPE VI Grants to re-engineer public housing developments, and increase self-sufficiency of public housing residents through partnerships with service providers.	
		2009 Projection
Performance Measures:	U.S. Department of Housing and Urban Development Public Housing Assessment System rating.	Standard Performer
	U.S. Department of Housing and Urban Development Section 8 Voucher Program rating.	High Performer
Funding by Source:	Grants and Reimbursables	$66.0
	Totals	**$66.0**

Service	**Land Use and Policy Planning**	
Activities:	Prepare citywide Comprehensive Plan elements, prepare neighborhood land use and redevelopment plans to guide investment, administer Milwaukee's zoning ordinance, data analysis and policy development, design guidance for city assisted development and redevelopment, and staff support for the City Plan Commission and Historic Preservation Commission.	
		2009 Projection
Performance Measures:	Percent completion of Comprehensive Neighborhood Plans as required by state law.	75%
	Prepare neighborhood land use and redevelopment plans.	5
Funding by Source:	Operating Funds	$0.8
	Grants and Reimbursables	0.2
	Capital Budget	0.3
	Totals	**$1.3**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
			General Management and Policy	
-1		-1.00	Administrative Services Manager	Positions reclassified.
1	1.00		Administrative Services Supervisor	
	-1.00		Administrative Assistant IV	
1	1.00		Administrative Services Coordinator	
	-0.20	0.20	Youth Development Coordinator	Moved funding to different source.
		-1.00	Program Assistant III	Remove funding from vacant position.
-1			Credit Services Specialist	Eliminate vacant position.
-1		-1.00	Administrative Specialist	
-1			Economic Development Marketing Manager	
-1		-1.00	Neighborhood Development Specialist	Eliminate position.
-1		-1.00	Management Accounting Specialist Sr	Reclassified position.
1		1.00	Accountant II	
	-0.50	-1.00	Graduate Intern	Eliminate funding for positions.
		-1.50	College Intern	
	0.50	-0.50	Marketing Development Services Manager	Moved from Capital to O&M funding.
-1			Real Estate Specialist I	Eliminate vacant position.
		-1.00	Economic Development Specialist	
-1	-0.50	-0.50	Assistant Manager Development Center	Reclassified position.
1	1.00		Operations Manager Development Center	
-2		-2.00	Plan Examiner Specialist	Eliminated positions due to E-Permit efficiencies.
1			Office Assistant III	Added vacant position.
-2	-2.00		Office Assistant II	Eliminate vacant positions.
-1		-1.00	Residential Rehab Supervisor	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
		-1.00	Associate Planner	Hold position vacant.
-1		-1.00	Geographic Information Technician II	Transfer of GIS duties to ITMD.
-1		-1.00	Accounting Assistant I	Eliminate vacant position.
	0.40	-0.40	Finance and Admin Mgr	Moved from Capital to O&M funding.
	0.60	-0.60	Budget and Management Rpt Manager	
	1.00	-1.00	Accounting Manager City Development	Moved from Reimbursable to O&M funding.
-1		-1.00	Accounting Assistant II	Moved from Capital to O&M funding.
	0.60	-0.60	Program Assistant II	
	0.60	-0.60	Graphics Designer II	
	0.60	-0.60	Principal Planner	
	0.50	-0.50	Office Assistant III	
	1.00	-1.00	Office Assistant IV	
	0.60	-1.00	Audiovisual Specialist	Moved from Capital to O&M funding and reduce to part time.
	-0.50	0.50	Office Assistant II	Move part of position to grants.
	0.60	-0.60	Senior Planner	Move from Capital to O&M.
	-0.65	0.65	Long Range Planning Manager	Moved from O&M to grant funded.
1	-6.60	-13.25	Various	**Note:** A technical amendment may be submitted to correct FTE calculation.
			Public Housing Section	
-1		-1.00	Housing Manager II	Transfer of positions to Housing Authority.
-6		-6.00	Building Maintenance Mechanic II	
-2		-2.00	Office Assistant IV	
-1		-1.00	Building Maintenance Mechanic I	
-1		-1.00	Accountant I	
-1		-1.00	Accounting Assistant II	
-1		-1.00	Delivery Driver	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1		-1.00	Office Assistant III	Transfer of positions to Housing Authority.
-1		-1.00	Rent Assistance Coordinator	
-1		-1.00	Rent Assistance Specialist III	
-1		-1.00	Office Assistant II	
		-0.70	Various	Miscellaneous FTE adjustment.
-27	**-1.95**	**-52.00**	**Totals**	

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

The Housing Authority of the City of Milwaukee is a body politic and corporate of the State of Wisconsin and is responsible for construction, management, provision of safe, affordable, and quality housing with services that enhance residents' self-sufficiency. HACM is administered by a seven member Board of Commissioners. Members are appointed for staggered terms by the Mayor and confirmed by the Common Council.

HACM's principal funding source is the federal government through various programs administered by the U.S. Department of Housing and Urban Development (HUD). HUD provides an operating subsidy to help offset the difference between the expenses associated with managing public housing and the revenues received from 30% of resident's income (rental revenue). The Housing Authority anticipates additional reductions in future federal funding associated with the transition to asset based management. The Housing Authority continues to look for additional opportunities to maximize its resources.

HACM activities include:

- Low rent public housing management;
- Rent Assistance Program (Section 8);
- Development and rehabilitation;
- Affordable housing; and
- Homeownership and self-sufficiency services.

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE (RACM)

The Redevelopment Authority is an independent corporation created by state statute in 1958 and derives its powers solely from state law. The Redevelopment Authority's relationship with the City of Milwaukee is more particularly described in the audited financial statements of the Redevelopment Authority.

A board whose members are appointed by the Mayor and confirmed by the Common Council oversees the Redevelopment Authority. The Redevelopment Authority relies upon the Department of City Development for the professional, technical, and administrative support necessary to carry out its mission. This is accomplished through an annual cooperation agreement with the City of Milwaukee, with operating funds provided through the city's CDBG program for:

- Management of financial affairs;
- Land use planning and urban design guidance;
- Real estate acquisition and disposition;
- Relocation assistance for displaced families and businesses;
- Property management and environmental investigation; and
- Housing and economic development project management.

The mission of the Redevelopment Authority is to eliminate blighting conditions that inhibit neighborhood reinvestment; foster and promote business expansion and job creation; and facilitate new business and housing development. Toward that end, the Redevelopment Authority:

- Prepares and implements comprehensive redevelopment plans;
- Assembles real estate for redevelopment;
- Is empowered to borrow money, issue bonds, and make loans; and
- Can condemn property (eminent domain) in furtherance of redevelopment objectives.

MILWAUKEE ECONOMIC DEVELOPMENT CORPORATION (MEDC)

The Milwaukee Economic Development Corporation is a non-stock, non-profit organization formed in 1971 to promote economic development for the benefit of the citizens of the City of Milwaukee. The principal objective of the corporation is to benefit the community by fostering the increase of employment opportunities and expansion of business and industry within the metropolitan Milwaukee area. The corporation uses its own funds to finance projects to achieve that objective. The corporation is exempt from federal and state income taxes under a provision of Section 501(c) (3) of the Internal Revenue Code.

A 27 member Board of Directors including the Mayor, the Comptroller, the President of the Common Council, 2 council members, and 13 representatives of the business community oversee MEDC's activities. MEDC's board has delegated authority for policy actions to its Executive Committee that consists of the Mayor, the Comptroller, the President of the Common Council, one Council member, and six representatives of the business community.

Some services are provided to MEDC by the city through an agreement that is reviewed periodically. The city is reimbursed for any personnel and resources provided to the corporation under this agreement. MEDC uses its resources, as well as those of the Small Business Administration, to make financing available to businesses promising to create job opportunities and new investment in Milwaukee. The programs available through MEDC include:

- SBA 504 Debenture Program
- Second Mortgage Program
- Land Development Program
- Target Loan Program
- Partnership Loan Program
- Capital Access Program

NEIGHBORHOOD IMPROVEMENT DEVELOPMENT CORPORATION (NIDC)

The Neighborhood Improvement Development Corporation is a non-profit corporation established by the city in 1973 for the purpose of performing activities that assist and encourage reinvestment in residential property as part of an overall neighborhood economic stabilization strategy. NIDC programs encourage investments by private lending institutions and property owners by providing financial assistance in the form of grants, rehabilitation loans, and other financial incentives. NIDC also acts as a developer to stabilize and encourage neighborhood housing markets, it provides technical assistance, and it serves as a liaison between community based organizations, city departments, and residents.

NIDC is headed by a nine member Board of Directors, which includes at least four city residents. Federal funding supports many NIDC programs (received through the Community Development Block Grant Program) and NIDC has also obtained financial support for its programs through local foundations and corporations.

NIDC's key neighborhood redevelopment strategy is its Targeted Investment Neighborhood (TIN) program. The TIN program is a neighborhood revitalization strategy in which NIDC, working with neighborhood partners, focuses resources in a defined geographic area in an effort to stabilize and increase owner occupancy, strengthen property values, and assist property owners in improving the physical appearance and quality of life in their neighborhood.

COMMON COUNCIL CITY CLERK

EXECUTIVE SUMMARY

MISSION: To establish city policy and law, oversee the administration of city government, adopt the annual budget, ensure the delivery of services to constituents, and provide the public with information about the duties and actions of city government.

OBJECTIVES: Produce efficient operations that deliver city government information in a user friendly, understandable manner.

Produce a fair licensing system that provides efficient services and supports business operations while providing adequate protections for the public.

STRATEGIES: Streamline licensing operations as part of a new license information system that improves customer service with the use of Internet transactions.

Use technology to reduce costs while increasing the productivity and efficiency of legislative constituent services and improving public access to government actions and meetings.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	90.77	93.00	92.00	90.50	-2.50	-1.50
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	111	112	111	111	-1	0
EXPENDITURES						
Salaries and Wages	$5,047,526	$5,003,529	$5,235,402	$5,123,578	$120,049	$-111,824
Fringe Benefits	2,051,402	2,083,610	2,146,515	2,100,667	17,057	-45,848
Operating Expenditures	753,814	795,476	855,636	856,136	60,660	500
Equipment	104,089	54,550	32,675	32,675	-21,875	0
Special Funds	99,333	182,435	145,035	145,035	-37,400	0
TOTAL	$8,056,164	$8,119,600	$8,415,263	$8,258,091	$138,491	$-157,172
REVENUES						
Charges for Services	$4,164,852	$3,717,300	$4,066,395	$4,066,395	$349,095	$0
Licenses and Permits	2,143,897	2,051,800	2,119,075	2,149,075	97,275	30,000
Miscellaneous	0	5,000	5,000	5,000	0	0
TOTAL	$6,308,749	$5,774,100	$6,190,470	$6,220,470	$446,370	$30,000

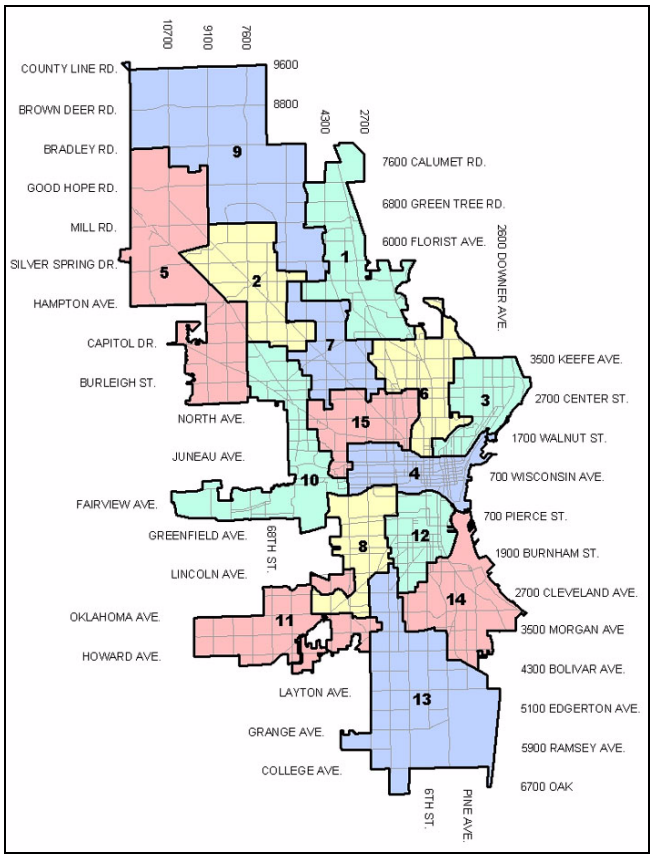
DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The mission of city government is to enhance the safety, prosperity, and quality of life of Milwaukee's citizens. Departments support this mission through the legislation and regulations enacted by the Common Council and using the resources the Council adopts through the annual budget.

The City Clerk's Office performs the functions of city government and licensing in an efficient, fair manner. In addition, the department maintains accurate and up-to-date records of city government actions and ordinances, and keeps constituents informed of the actions of their Council representatives.

The Common Council constitutes the legislative branch of city government. The 15 members represent geographically distinct districts and are elected to serve four year terms, the most recent of which began April 15, 2008 (see Map 1). The City Clerk's Office supports the activities of the Council and general operations of city government. It is comprised of the Central Administration Division, the Public Information Division, the Legislative Reference Bureau, and the License Division.

Map 1



Central Administration staff provides general administrative support functions for the department, staffs Council and committee meetings, and assists Council members in their work with constituents. The Public Information Division produces public relations material and operates the city's cable television channel. The staff at the Legislative Reference Bureau author and analyze legislative initiatives; review and make recommendations on fiscal matters; and maintain a library of books, reports, periodicals, newspapers, and online databases. The License Division administers liquor, cigarette, bartender, home improvement, and public passenger vehicle licenses, and also registers lobbyists. The Common Council City Clerk's 2009 proposed operating budget totals $8.3 million.

Legislative Information: The 2008 budget transferred one Legislative Coordinator Senior position from the Department of Administration's Intergovernmental Relations Division to the City Clerk's Office. The city's Legislative Research Center website was updated in the summer of 2008, making for a more user friendly system that increases the ease in which constituents and city officials can find city ordinances, legislative acts, and Council actions.

STRATEGY IMPLEMENTATION

License Information System: Progress toward replacement of the current mainframe based License Information System continues. A comprehensive study of city license business requirements and workflow processes was completed in early 2007. The study included a review of city departments' utilization and roles in the License Division application process and other aspects of license administration. The study also recommended changes to streamline the city's licensing structure as well as the process used to apply for, process, and administer licenses. The new web based Licensing Information System is expected to be completed and functional in early 2009.

The new Licensing Information System uses the State of Wisconsin Department of Licensing and Regulation's system to integrate information for the public, allowing for better tracking of license requests for city departments and the Common Council. This also allows the licensing operations to maintain an efficient database, meaning operations can be run in a cost effective manner that conserves taxpayer dollars while making it easier for constituents and city government officials to acquire information. The City Clerk's Office has already entered into a memorandum of understanding to receive the State Department of Licensing and Regulation Code at no charge, and will use an ITMD server as part of this new Licensing Information System. The Clerk's Office plans to have this online by the early part of 2009.

The updated online Legislative Research Center improves service to constituents, allowing for easier lookup of city resolutions, meetings and minutes, and voting records. The City Clerk's Office teamed with its Legistar provider to install an upgrade to its Insite software. This allows for increased access of video feeds of Common Council and committee meetings for constituents and city employees. The Insite 2.0 upgrade also changed the operation of the Legislative Research Center to a more user friendly system that improves the ability of constituents to find specific information about meeting agendas and Council actions.

OTHER SERVICE AND BUDGET CHANGES

Position Change: The 2009 proposed budget reflects 2.50 FTE in position reductions through attrition and changes in department needs. See the *Detailed Listing of Position and Full Time Equivalents Changes* table for additional information.

2009 Budget by Services (Funding in Millions)

Service	**City Government Administration**	
Activities:	Supports the operations of the Common Council and City Clerk's Office, and performs governmental administration functions assigned to the City Clerk. Provides information to the general public regarding the operations of city government.	
		2009 Projection
Funding by Source:	Operating Funds	$1.7
	Special Purpose Accounts	0.5
	Totals	**$2.2**
Service	**License Administration**	
Activities:	Issuance and administration of licenses.	
		2009 Projection
Funding by Source:	Operating Funds	$0.8
	Capital Budget	0.4
	Totals	**$1.2**
Service	**Public Information**	
Activities:	Provides information to the general public regarding the operations and services of city government.	
		2009 Projection
Funding by Source:	Operating Funds	$0.7
`	**Totals**	**$0.7**
Service	**Legislative Operations**	
Activities:	Establish city ordinances, policies, and budgets for the operation of city government. Provide record keeping, research, and drafting services in support of Council operations.	
		2009 Projection
Funding by Source:	Operating Funds	$5.1
`	**Totals**	**$5.1**

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1	-1.00		Council File Specialist	Council File Specialist position redesignated as Council Information Specialist.
1	1.00		Council Information Specialist	
-1	-1.00		Administrative Assistant II	Position vacated and not replaced.
0	-0.50		Production Technician	Position reduced from 1.0 FTE to 0.5 FTE.
0	-1.00		Miscellaneous Adjustment	
-1	**-2.50**	**0.00**	**Totals**	

COMPTROLLER

EXECUTIVE SUMMARY

MISSION: To fulfill the responsibilities of the independently elected Comptroller of the City of Milwaukee.

OBJECTIVES: Provide independent fiscal, financial and program analysis, revenue estimation and auditing.

Process, maintain, and report on financial position, operating results, and cash flow projections to ensure accurate, efficient, and reliable financial operations.

STRATEGIES: Create efficiencies to improve the city's financial system and processes.

Maintain the city's high quality credit and manage debt in a manner that supports improvements to the overall fiscal environment.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	43.86	50.04	49.94	51.95	1.91	2.01
FTEs - Other	9.39	9.46	9.56	7.55	-1.91	-2.01
Total Positions Authorized	66	66	66	66	0	0
EXPENDITURES						
Salaries and Wages	$3,117,873	$3,228,032	$3,334,976	$3,333,585	$105,553	$-1,391
Fringe Benefits	1,283,206	1,323,494	1,367,341	1,366,770	43,276	-571
Operating Expenditures	721,957	807,868	782,500	745,660	-62,208	-36,840
Equipment	6,095	30,000	30,000	30,000	0	0
Special Funds	6,000	6,200	7,000	7,000	800	0
TOTAL	$5,135,131	$5,395,594	$5,521,817	$5,483,015	$87,421	$-38,802
REVENUES						
Charges for Services	$249,070	$460,000	$254,100	$254,100	$-205,900	$0
TOTAL	$249,070	$460,000	$254,100	$254,100	$-205,900	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to deliver services at a competitive cost and improve it's fiscal capacity. This requires that the city's financial operations are accurate, efficient, and reliable.

The City of Milwaukee Comptroller is an elected official, responsible for managing the city's financial operations. The Comptroller's duties include general and grant accounting, payroll, debt issuance and management, and auditing. The Comptroller also provides general oversight of city activities to ensure compliance with Generally Accepted Accounting Principles (GAAP) and various other regulations imposed by city ordinance, state law, or grant contract.

The Comptroller advises city policymakers on financial matters and provides leadership and representation on city sponsored committees including the Common Council's Finance and Personnel Committee. The Comptroller also

holds positions on the Wisconsin Center District Board, Charter School Review Committee, Pension Board, Pabst Theater Board, City Information Management Committee, Milwaukee Economic Development Corporation, Neighborhood Improvement Development Corporation, Summerfest, Purchasing Appeals Board, and the Deferred Compensation Board.

The Public Debt Commission is the superintendent of the issuance of city debt. Responsibility includes determining the timing, structuring, call provisions, and similar aspects of both city general obligation and revenue anticipation borrowings. The Commission also oversees the Public Debt Amortization Fund, which includes investment and the annual withdrawal. The Commission is comprised of three city residents appointed by the Mayor and confirmed by the Common Council. The Comptroller serves as the ex-officio secretary and staff to the Commission.

Strategies and Milestones for 2009

Objective:	**Provide independent fiscal, financial and program analysis, revenue estimation and auditing.**
Strategies	**2009 Milestones**
Create efficiencies to improve the city's financial system.	Accuracy of revenue estimation within 2%. Ten completed audits
Objective:	**Process, maintain and report on financial position, operating results and cash flow projections to ensure accurate, efficient and reliable financial operations.**
Strategies	**2009 Milestones**
Maintain the city's high quality credit and manage debt in a manner that supports improvements to the overall fiscal environment.	AA+ bond rating. Unqualified audit opinion by the city's outside auditor.

STRATEGY IMPLEMENTATION

A key function of the Comptroller's Office is to provide accurate budgeted revenue estimates. With the exception of 1998, 2003, and 2004, the Comptroller has estimated revenues within 2% of actual revenues received in each of the last ten years.

However, if the Comptroller's revenue estimates are too conservative, the Mayor and Common Council must make other fiscal changes to ensure a balanced budget. This may include reducing budget appropriations further than necessary, increasing the property tax levy higher than necessary, or making a larger withdrawal from the Tax Stabilization Fund (TSF). If actual revenues are higher than the Comptroller's revenue estimates, the surplus revenue is deposited in the TSF. The TSF withdrawal, in effect, recoups the unrecognized revenue from the prior budget. Use of the TSF is a prudent and responsible fiscal measure that minimizes property tax levy increases.

Variances in TSF withdrawals are strongly affected by revenues that exceed estimates. The higher that actual revenue amounts exceed the Comptroller's estimates, the larger the TSF balance that is available to minimize the increase in the property tax levy. In 2007, General Fund revenues exceeded the Comptroller's estimate by $10.4 million or 52.1%. This additional revenue will contribute to the TSF balance for 2009 budget purposes.

Another key function of the Comptroller is to conduct audits. Copies of major audit reports are provided on the Comptroller's web page.

The Comptroller's Office performs four major types of audits. The audits include:

- Financial audits to determine if financial records are accurate and proper controls are in place.
- Compliance audits to determine if departments comply with funding or regulatory guidelines.
- Program audits to determine if a program is operated in the most efficient and effective manner.
- Information technology audits to ensure that controls and security measures are in place to protect the city's networks and IT systems.

The official accounting records of the city play an important role in its operations. Without reliable information on accounts payable, accounts receivable, and payroll the city could not meet its obligations, bills would go unpaid, city employees would not receive paychecks, and important services could not be provided.

Reliable accounting records help the city determine its present financial position. They also serve to guide its future direction. Timely, reliable, and accurate accounting records are essential to the delivery of important public services such as garbage collection and public health services. Systematic audits of the accounting system warrants against failures in important information by ensuring that accurate accounting records are being kept.

The Comptroller is also responsible for managing the city's debt. The Comptroller's goal is to retain the city's high "investment grade" bond ratings and maintain low borrowing costs. Low borrowing costs produce direct benefits to the taxpayer. The city continues to maintain high investment grade ratings of AA+ from Fitch, Aa2 from Moody's, and AA from Standard & Poor's.

These ratings have been maintained during the recent slow economic growth and continued frozen state aids. 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, strong growth in assessed value, and a diverse tax base. The city also assists in keeping the overall debt burden affordable by controlling the level of annual debt issued.

OTHER SERVICE AND BUDGET CHANGES

The department has no service changes for 2009 but will continue to improve its revenue estimates to improve the city's financials systems, and to respond to outside auditor's recommendations for improving accounting processes and procedures. Outside auditing firms that review the year end city accounting books have increased their scrutiny to assure greater accuracy of the numbers and processes that are followed. The department will respond to changes as they occur.

2009 Budget by Services (Funding in Millions)

Service	**Financial Services**	
Activities:	Financial analysis, revenue estimation, auditing, and accounting.	
		2009 Projection
Performance Measures:	Accuracy of revenue estimates within 2.0% of actual revenues.	100.0%
	Completed audit reports.	10
Funding by Source:	Operating Funds	$1.4
	Totals	**$1.4**
Service	**General Accounting**	
Activities:	General accounting, payroll administration, oversight of financial assistance, coordination of financial operations systems, and reporting.	
		2009 Projection
Performance Measures:	Unqualified audit opinion by the city's outside auditor.	Yes
Funding by Source:	Operating Funds	$3.5
	Grants and Reimbursables	0.6
	Totals	**$4.1**
Service	**Debt Management**	
Activities:	Public debt management, preparation and sale of city debt, and financial services.	
		2009 Projection
Performance Services:	Bond Rating (Fitch).	AA+
Funding by Source:	Operating Funds	$0.6
	Totals	**$0.6**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&MFTEs	Position Title	Reason
	1.91	-1.91	Miscellaneous Adjustments	
0	**1.91**	**-1.91**	**Totals**	

ELECTION COMMISSION

EXECUTIVE SUMMARY

MISSION: Conduct elections that build public trust in the democratic process and encourage registration and voting.

OBJECTIVES: Conduct fair and efficient elections.

STRATEGIES: Conduct two spring elections for Municipal Judges and School Board races.

Process and accurately record voter registration cards from the 2008 fall election.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	17.72	23.11	17.41	11.80	-11.31	-5.61
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	37	113	21	20	-93	-1
EXPENDITURES						
Salaries and Wages	$536,748	$1,103,282	$656,001	$524,288	$-578,994	$-131,713
Fringe Benefits	241,565	453,346	268,960	214,958	-238,388	-54,002
Operating Expenditures	447,375	1,079,556	544,341	582,341	-497,215	38,000
Equipment	0	0	0	0	0	0
TOTAL	$1,225,688	$2,636,184	$1,469,302	$1,321,587	$-1,314,597	$-147,715

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Election Commission manages all aspects of public elections in the City of Milwaukee. In addition to registering potential voters in Milwaukee, the department also establishes more than 200 polling locations with appropriate workers, supplies, and ballots on election days. The Commission administers the statutory obligations for elected officials and potential candidates for citywide offices including the nomination process and campaign finance reporting. The Election Commission website includes voter eligibility requirements, registration instructions, and an interactive polling location feature.

Two elections are usually held during odd numbered years and four generally occur in even numbered years. In 2009, the Election Commission will conduct two elections: the spring 2009 primary and general elections for local offices, including the Municipal Judge and School Board races.

Strategies and Milestones for 2009

Objective: Conduct fair and efficient elections.	
Strategies	**2009 Milestones**
Conduct two spring elections for Municipal Judges and School Board races.	Elections conducted with fewer than 2% of polling locations reporting voting machine problems.
Process and accurately record voter registration cards from the 2008 fall election.	Voter registration rolls updated from the November 2008 election prior to the spring primary.

STRATEGY IMPLEMENTATION

In 2008, the Election Commission began operations with the Statewide Voter Registration System (SVRS) which interfaces with the Department of Transportation, the Department of Corrections and the Social Security Administration. The Election Commission reports no significant problems with the database but will continue to monitor it closely in 2009 for accuracy.

In 2008, the Election Commission began an "Adopt-A-Site" strategy to encourage community groups to recruit poll workers. To date, 15 voting sites have been adopted. In 2009, the Election Commission will focus on ensuring the effective management of program participants at these sites. The Commission will then determine if additional sites can be included in the program.

In 2008, the Election Commission recruited a pool of new poll workers to assist with elections going forward. Recruitment efforts will infuse an estimated 1,500 new election workers into the election worker pool and ensure full staffing for the November 4, 2008 election. Additionally, poll workers will receive a daily pay increase from $85 to $100 in 2009 to make Milwaukee poll worker wages comparable to other cities.

OTHER SERVICE AND BUDGET CHANGES

The funding for the Election Commission varies annually depending on the number of elections. Since the Election Commission will have only two low turnout elections in 2009, funding for temporary staff, poll workers (funded in "Other Operating Services"), and ballots is reduced.

The 2009 proposed budget includes $50,000 to lease a new document warehouse and small field office. The Election Commission will share this space with the Department of Administration's Document and Services Section.

The Management Services Specialist position is currently vacant and funding is eliminated for 2009. The Election Commission can manage 2009 elections without this position. Position authority has been maintained in case the position is needed to support elections in 2010.

2009 Budget by Services (Funding in Millions)

Service	**Elections**	
Activities:	Conduct elections and encourage registration and voting by eligible residents through media advertising, canvassing, and other special events.	
		2009 Projection
Performance Measures:	Expected voter turnout.	<10%
	Percentage of polling places with Election Day voting machine problems.	2.0%
Funding by Source:	Operating Funds	$1.3
	Totals	**$1.3**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-89	-8.31		Temporary Office Assistant II	Reduce position funding due to low turnout elections in 2009.
-4	-2.00		Temporary Election Laborer	
	-1.00		Management Services Specialist	Hold position vacant due to low turnout elections in 2009.
-93	**-11.31**	**0.00**	**Totals**	

DEPARTMENT OF EMPLOYEE RELATIONS

EXECUTIVE SUMMARY

MISSION: To maintain a productive, diverse workforce that is well trained, motivated, adequately compensated, prepared to protect the lives and property of the citizens of Milwaukee, and committed to efficient and effective customer service delivery.

OBJECTIVES: Create an organizational culture that supports positive labor relations, managerial responsibility and accountability, a productive work environment and professional growth of employees.

Administer a valid and efficient recruitment process that results in a highly qualified and diverse workforce for the city.

Administer compensation and employee benefit programs that are cost effective and contribute to career advancement and growth.

Provide guidance and support to city agencies in establishing and promoting a safe and healthy work environment.

STRATEGIES: Increase communication with HR personnel from city departments to address opportunities for improved labor and management relations.

Increase managerial accountability through continued refinement of the management pay plan.

Identify and decrease barriers to attract and retain a qualified workforce.

Increase the city's marketability as an employer of choice.

Establish and maintain streamlined processes that provide city departments with a highly qualified and diverse workforce in an efficient manner.

Identify and implement benefit programs that are financially viable and continue to provide an edge in recruitment and retaining strategies.

Identify and implement a Risk Management model to reduce workplace injuries and control worker's compensation costs.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	55.39	53.38	48.90	48.90	-4.48	0.00
FTEs - Other	2.85	7.60	7.60	7.60	0.00	0.00
Total Positions Authorized	83	82	76	80	-2	4
EXPENDITURES						
Salaries and Wages	$3,267,813	$3,142,785	$3,155,663	$3,116,928	$-25,857	$-38,735
Fringe Benefits	1,294,936	1,288,542	1,293,822	1,277,941	-10,601	-15,881
Operating Expenditures	496,398	423,558	468,880	470,780	47,222	1,900
Equipment	2,954	3,000	8,838	8,838	5,838	0
Special Funds	108,030	112,619	112,619	112,619	0	0
TOTAL	$5,170,131	$4,970,504	$5,039,822	$4,987,106	$16,602	$-52,716
REVENUES						
Charges for Services	$258,012	$184,400	$195,000	$195,000	$10,600	$0
Miscellaneous	111,623	229,150	181,525	181,525	-47,625	0
TOTAL	$369,635	$413,550	$376,525	$376,525	$-37,025	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Employee Relations (DER) provides human resources support to city agencies and the Milwaukee Public Schools with the goal of attracting, retaining, and motivating a competent and diverse workforce. DER meets this goal while complying with state and federal employment laws, civil service rules, and applicable collective bargaining agreements. It does this through four primary service areas:

- Employee Relations;
- Compensation and Employee Benefits;
- Staffing; and
- Worker's Compensation and Safety.

DER also staffs the City Service Commission, a civilian body that ensures that all human resource activities are done in compliance with civil service rules and applicable state statutes.

Strategies and Milestones for 2009

Objective:	**Create an organizational culture that supports positive labor relations, managerial responsibility and accountability, a productive work environment and professional growth of employees.**
Strategies	**2009 Milestones**
Increase communication with HR personnel from city departments to address opportunities for improved labor and management relations.	Establish a schedule of meetings and topics to address based on feedback from departments and document issues and decisions made. Provide training that is relevant to performance management including implementing executive leadership development training program to increase supervisory skills and competencies for new managers.
Increase managerial accountability through continued refinement of the management pay plan.	Provide status report on the progress and challenges from the first year of implementation of the management pay plan. Implement Phase II of pay progression practices for management pay plan employees increasing linkage between pay for performance and reinforce the need for a paradigm shift to a performance management culture across the city.
Create and refine human resource polices to support city department needs and address challenges.	Update city policies and applicable procedures for Family Medical Leave Act, Sick Leave, Disabled Employee Placement Program, Workplace Violence Prevention, and Retaliation.
Identify and decrease barriers to attract and retain a qualified workforce.	Collect and analyze exit interview data to identify issues that contribute to employee departures. Explore options for automating data collection of employee surveys. Develop a data sharing mechanism to distribute survey information regularly to departments. Provide guidance to departments on how best to utilize and incorporate the data with performance management techniques.

Strategies and Milestones for 2009

Objective: **Administer a valid and efficient recruitment process that results in a highly qualified and diverse workforce for the city.**	
Strategies	**2009 Milestones**
Establish and maintain streamlined processes that provide city departments with a highly qualified and diverse workforce in an efficient manner.	Finalize implementation of applicant tracking module to facilitate certification and referral processes when filling vacancies. Finalize implementation of web based application procedures for all recruitment and staffing activities. Shorten the average hiring timeframe by 1-2 weeks. Develop guidelines for completion of background and reference checks for all candidates for employment. Work with the MPD to finalize and implement a recruitment plan for civilian and sworn staff.
Increase the city's marketability as an employer of choice.	Re-brand the city's approach to recruitment to improve job market reach and attract and retain new talent. Develop and implement new formatting guidelines for job announcements that incorporate the new brand strategy.
Objective: **Administer compensation and employee benefit programs that are cost effective and contribute to career advancement and growth.**	
Strategies	**2009 Milestones**
Identify and implement benefit programs that are financially viable and continue to provide an edge in recruitment and retaining strategies.	Negotiate Wellness and Prevention Program provision with all bargaining units. Establish a Joint Labor/Management Wellness and Prevention Committee. Design and implement a Wellness and Prevention Program.
Refine Management Pay Plan practices that support departmental needs to attract and retain qualified talent.	Identify and implement salary adjustment practices needed to resolve pay equity, pay compression and labor market challenges.

Strategies and Milestones for 2009

Objective: **Provide guidance and support to city agencies in establishing and promoting a safe and healthy work environment.**	
Strategies	**2009 Milestones**
Identify and implement a Risk Management model to reduce workplace injuries and control worker's compensation costs.	Produce and analyze safety data to identify opportunities for injury reduction and cost containment. Finalize data reporting distribution that includes activity analysis and safety plan implementation. Execute regular reporting and follow-up through individual department AIM meetings. Analyze departmental safety practices to determine effectiveness. Develop procedures that increase departmental ownership for workplace safety and responsibility for worker's compensation expenditures.
Explore methods to control worker's compensation expenditures.	Provide expenditure data to departments. Determine feasibility of revising how worker's compensation expenditures are budgeted for the city. Expand bill review and re-pricing options that yield greater discounts and lower administration costs. Explore the feasibility of creating a light duty referral program. Explore employer controlled insurance programs.
Look at the spectrum of loss prevention and identify strategies aimed at reducing injury both before and after occurrence.	Establish criteria for aggressive case management based on cost and injury data with mechanisms for strict adherence. Review claims management processes and identify areas for program improvement. Implement activities that reduce injuries and contribute to loss prevention. Expedite return to work process within departments and city wide through enhanced options.

Strategies and Milestones for 2009

Objective: Promote social and economic equity for all citizens.	
Strategies	**2009 Milestones**
Re-establish the Equal Rights Commission with a focus on oversight, community collaboration and training.	Amend Chapter 109 to reflect new ERC model. Appoint ERC members. Secure support services for the work of the ERC.
Strengthen community collaboration and partnership efforts aimed at addressing the equal rights climate in Milwaukee.	Formalize working relationships with local community based agencies, private partners and educational institutions to advance equal rights agenda in support of Chapter 109.

STRATEGY IMPLEMENTATION

Management Pay Plan: As part of the mission to retain a highly qualified and motivated workforce, DER conducted a review of the city's Management Pay Plan and current compensation and pay practices for management employees. The first phase of the Management Pay Plan was approved in 2007 and implementation began in January of 2008.

The new Management Pay Plan is structured to recognize and compensate employees based on their skills and contributions, require all departments to utilize a performance management system, and increase recruitment flexibility for hiring and promotions. Higher performance review standards with an increased emphasis on accountability and productivity will ensure that compensation adjustments are determined to a certain extent by employee performance and contributions as well as time on the job. DER will work to implement the second phase of the management pay plan in 2009. The second phase will include adjustments to salary practices aimed at resolving pay equity and compression issues while giving managers greater flexibility to link pay increases with performance.

Employee Training and Development: DER oversees a number of training activities that provide the city with productive and well trained employees and support positive labor/management relations. DER continues to assess the training needs of managerial and supervisory personnel in the areas of safety, basic supervision, and workplace investigations. In 2008, DER conducted numerous training sessions on performance management and coaching skills to assist managers with new Management Pay Plan practices.

In 2009, DER will implement a new Supervisory Leadership Training Program for new managers and supervisors. It is DER's intent to make this new program mandatory for employees who are promoted or hired into managerial and supervisory positions.

Policy Review: In 2009, DER will continue to review citywide policies to address current issues or changes that are needed to support department functions. DER expects to update the Family Medical Leave Act, Workplace Violence Prevention, and the city Retaliation policy. DER will continue work with the Sick Leave Committee and departments to update the Sick Leave Control Program, refine sick leave policies, and provide direction on consistent interpretation and enforcement of sick leave guidelines.

Employee Retention: DER began utilizing a new Exit Interview Questionnaire in 2006 to collect and analyze data from separated employees. Data from the questionnaire allows DER to proactively identify departmental issues

and develop strategies to address communication, training, supervision, and morale challenges. In 2009 DER will develop procedures to share this data with departments so the information can be integrated into performance management practices.

Recruitment and Staffing: Staffing service recruits and tests candidates for employment to fill vacant positions in the city consistent with civil service regulations. This involves recruitment activities, processing employment applications, job analysis and test development, test administration including test scoring and eligible list preparation, and making referrals to city departments for interviews. Excluding protective services, DER processes an average of 9,000 applications per year, refers over 2,000 candidates for interviews, and processes and supports over 350 civil service appointments.

To address increasing recruitment workloads with reduced staff and improve efficiencies with filling vacant positions, DER upgraded its recruitment and testing Sigma software in 2008. The upgraded application will greatly decrease the amount of data entry that is needed for application processing and reduce postage expenditures. DER will also be able to profile applicants' backgrounds and experience to facilitate the screening and referral processes. The application will increase efficiencies for departments through enhanced online functionality to review eligible lists and perform candidate assessments. There will also be improvements for job candidates including online application submittal, application tracking, and expedited notifications.

Employee Benefits: In 2008, 10,660 employees and retirees participated in the city's health care plans. The city strives to provide good benefits to its employees while aggressively pursuing plans and options that contain the growth in these costs. This is a particular challenge because health care costs in Southeastern Wisconsin are well above the national average. Since 2000, the city's overall health care expenditures increased $58.3 million or 103%, from $56.7 million to $114.7 million budgeted in 2009. These increases result from growth in medical costs and the comprehensive nature of the city's current health benefit designs for the HMO and Basic Plans. For 2009, the Employee Health Care budget is increased 4.4% over the 2008 budgeted amount.

In 2009, the city will continue to carve out the prescription benefit services for both the Basic Plan and the HMO plan. The city will expand pay for performance efforts with the city's prescription benefit manager who will provide voluntary cost saving information to members through pill splitting and lower cost alternatives. The new labor contracts include a three tier drug plan and new co-pays for doctor office visits and emergency room visits. The city is also offering Medicare retirees a new plan in 2009, the SecureHorizons MedicareDirect Retiree Plan. This plan provides the same benefits and a larger network of providers as the UHC Choice plan at a lower cost.

City of Milwaukee Wellness Initiative: In 2007, the city began a wellness promotion initiative designed to enhance employee health and well being, encourage long term behavior change and control health care costs. Each city department is actively promoting a variety of wellness promotion efforts. In 2009, after labor contract agreements, a joint management and union Wellness Program will be developed to include employee risk assessments and continue smoking cessation efforts. The city anticipates submitting an application to the Wellness Council of America in 2009 as part of the three year WellCity effort with 48 other Milwaukee employers.

Workplace Safety: In an effort to stem increasing worker's compensation costs resulting from workplace injuries, DER will work with city departments to implement a Risk Management Model in 2009. Currently a large disconnect exists between workplace safety at the department level and the impact of those injuries on worker's compensation costs. This is due to several factors including a lack of available safety data, the absence of a framework for information sharing, the structure of the worker's compensation budget, and the implementation of safety efforts within departments. The new risk management model relies on prevention strategies and will create an environment where cost containment through prevention and claim management is expected at every level of the organization.

The new claims management system that was implemented in 2008 will serve as the foundation for the identification of safety performance indicators and the development of department specific safety plans. Data and

reports documenting the nature, frequency, and severity of claims as well as financial data will be distributed to department heads and safety personnel to track and analyze how injuries are occurring. Departments will be required to evaluate safety practices, determine effectiveness and establish benchmarks for improvements while working to minimize job hazards and prevent injuries from occurring.

The new accountability structure will rely on departments to manage safety concerns and reduce accidents. Departments will also be responsible for expediting the return to work process for injured personnel and collaborating with DER to develop procedures that accommodate each department's unique circumstances. Progress on safety efforts will be reported at regular departmental AIM meetings with the Mayor.

Equal Rights Commission: The city is restructuring the Equal Rights Commission (ERC) to expand its responsibilities and reach while avoiding duplication of services with state and federal agencies. The new ERC will be established by ordinance with the broad objective to improve the city's equal rights climate. The ERC will provide oversight and establish collaborative working relationships with other organizations in Milwaukee, academia, and the business community, oversee and monitor city policies and programs that impact equal right issues and facilitate discussion and public education on equal rights issues.

OTHER SERVICE AND BUDGET CHANGES

Worker's Compensation: A new worker's compensation system was implemented in January 2008 that has enhanced data and reporting capabilities and will increase the amount of data available for analysis. The data will help frame strategies for injury prevention, better case management, safety practice review, and expediting return to work. The new system will contribute to the goal of reducing injuries and ensuring a safe and productive workforce. For more information, please see the *Special Purpose Account Worker's Compensation* section in the *2009 Proposed Plan and Executive Budget Summary*.

Firefighter Hiring Practices: In anticipation of the 2008 recruitment and selection process for Firefighters, DER worked with the Milwaukee Fire Department and Fire and Police Commission to develop an aggressive recruitment process and implemented online application options, and new written, physical and oral board test components. New pre-employment selection components, including EMT training, background investigations and psychological assessments will also be implemented for the new Firefighter class, anticipated to start Spring 2009.

Staff Changes: Anticipated recruitment and testing efficiencies from the upgraded Sigma application will result in the elimination of a part time Office Assistant position. A Diversity Specialist Senior position is eliminated from the budget.

2009 Budget by Services (Funding in Millions)

Service	**Employee Relations**	
Activities:	Labor relations, grievance administration, labor contract negotiation, diversity outreach and claims investigation, and employee training and development.	
		2009 Projection
Performance Measures:	Percentage of grievances closed and settled prior to arbitration.	70.0%
	Number of general city grievances received	258
Funding by Source:	Operating Funds	$1.1
	Grants and Reimbursables	0.2
	Special Purpose Accounts	0.8
	Totals	**$2.1**
Service	**Compensation and Employee Benefits**	
Activities:	Health and dental benefits, flexible spending accounts, job classification, pay administration, unemployment compensation, long term disability insurance, and Commuter Value Pass Program.	
		2009 Projection
Performance Measures:	Increase in active employee health costs.	10.0%
	Percentage of total health care costs paid by active employees.	11.0%
	Number of empolyees and retirees participating in health care plans	10,448
Funding by Source:	Operating Funds	$1.0
	Special Purpose Accounts	116.6
	Totals	**$117.6**
Service	**Staffing**	
Activities:	Recruitment, examinations, certification of eligible applicants, and outplacement services.	
		2009 Projection
Performance Measures:	Number of applications processed.	9,030
	Number of positions filled from eligible lists.	360
	Percentage of candidates referred who were minorities.	50.0%
	Percentage of candidates referred who were women.	50.0%
	Number of terminations during probationary period.	24
Funding by Source:	Operating Funds	$1.6
	Totals	**$1.6**
Service	**Worker's Compensation**	
Activities:	Administration, data analysis, and departmental safety monitoring.	
		2009 Projection
Performance Measures:	Number of worker's compensation claims (receipts).	3,025
	Average cost per claim.	$4,700
	Number of recordable cases.	1,160
Funding by Source:	Operating Funds	$1.3
	Special Purpose Accounts	14.4
	Totals	**$15.7**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	1.00		Human Resources Analyst Senior	Position reclassified to reflect duties.
-1	-1.00		Human Resources Information Analyst Senior	
-1	-1.00		Diversity Specialist Senior	Eliminated due to operational efficiencies.
-1	-0.50		Office Assistant II	
	-2.98		Various Positions	Experience adjustment.
-2	**-4.48**	**0.00**	**Totals**	

FIRE AND POLICE COMMISSION

EXECUTIVE SUMMARY

MISSION: To ensure that the Fire and Police Departments are prepared to protect the lives and property of the citizens of the City of Milwaukee.

OBJECTIVES: Monitor the quality and effectiveness of Fire and Police Department policies, practices, and outcomes.

Ensure that complainants are heard and satisfied with the Citizen Complaint Program.

Improve community relations and enhance public confidence.

Identify and reduce racial, social, and economic disparities in the community.

STRATEGIES: Perform policy review and analysis concerning police and fire services including crime reduction strategies, fire prevention and suppression, and citizen complaints.

Fully implement the Citizen Complaint Pilot Program to address allegations of employee misconduct.

Implement a conciliation program to expedite the complaint process and increase citizen confidence.

Monitor and audit complaints and investigations conducted by the Fire and Police Departments.

Develop a community relations plan and enhance communications with the public.

Promote diverse public service departments.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	9.97	8.50	9.50	9.50	1.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	16	16	17	17	1	0
EXPENDITURES						
Salaries and Wages	$341,942	$597,359	$666,740	$666,740	$69,381	$0
Fringe Benefits	143,584	244,917	273,363	273,363	28,446	0
Operating Expenditures	129,270	65,641	129,620	129,620	63,979	0
Equipment	6,504	12,000	2,640	2,640	-9,360	0
Special Funds	0	50,000	0	0	-50,000	0
TOTAL	$621,300	$969,917	$1,072,363	$1,072,363	$102,446	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to build safe and healthy neighborhoods. The Police and Fire departments are key departments that support this goal. The Fire and Police Commission provides oversight to these departments and supports their operations. This helps ensure that these departments are effective in protecting the lives and property of Milwaukee's residents and businesses.

The Fire and Police Commission is comprised of a Board of seven part time citizen Commissioners and a full time professional staff led by an Executive Director. The Commissioners and the Executive Director are appointed by the Mayor and approved by the Common Council. The Commission's authority and responsibility including policy oversight, citizen complaints, disciplinary appeals, and recruitment and testing are specified in Wisconsin Statute 62.50 and in the Milwaukee City Charter.

The Commission conducts policy reviews of Fire and Police departments operations, appoints and promotes department personnel and prescribes general policies and standards. The Commission's judicial function includes hearing appeals from departmental disciplines, investigating citizen complaints filed against department members, and conducting citizen complaint hearings.

Strategies and Milestones for 2009

Objective:	**Monitor the quality and effectiveness of Fire and Police Department policies, practices, and outcomes through appropriate utilization of the Commission's oversight authority.**
Strategies	**2009 Milestones**
Perform policy review and analysis concerning police and fire services including crime reduction strategies, fire prevention and suppression, and citizen complaints.	Complete departmental reorganization and fully staff the Commission to perform adequate review and analysis duties. Develop seamless IT sharing capacity with Milwaukee Police Department (MPD) and Milwaukee Fire Department (MFD) data systems.
Develop a proactive approach to identify patterns and trends in delivery of police and fire services.	Utilize data and new staff to increase role in policy review for MPD and MFD.
Objective:	**Provide a viable Citizen Complaint Program to ensure that complainants are heard and satisfied with the overall process.**
Strategies	**2009 Milestones**
Fully implement the Citizen Complaint Pilot Program to address allegations of employee misconduct.	Establish a revised intake process that is fair, timely, and transparent. Develop and implement a complainant survey to monitor effectiveness.
Implement a conciliation program to expedite the complaint process and increase citizen confidence.	Secure services of trained mediators to increase the quality and quantity of mediations conducted.
Improve Commission efficiency and effectiveness while increasing transparency to the public with additional Commissioners, Hearing Examiners and revised complaint and investigation procedures.	Eliminate disciplinary hearing backlogs.

Monitor and audit complaints and investigations conducted by the Fire and Police Departments.	Utilize new staff positions to provide direct oversight of ongoing and closed investigations.
Fully integrate independent investigation and monitoring functions with the policy and oversight functions.	Identify system requirements and implement vendor IT program to fully modernize internal complaint functions. Utilize new staff and IT capabilities to produce frequent and accurate reporting of FPC activities. Develop capacity to analyze complaint patterns and trends filed with the FPC, MPD, MFD and utilize the findings to implement policy revisions.
Objective: Improve community relations and enhance public confidence through transparent operations and improved accessibility to information.	
Strategies	**2009 Milestones**
Develop community relations plan.	Implement Phase I of the plan.
Increase citizen opportunities for interaction with the FPC through regular community meetings to share information and gather citizen feedback.	Hold bi-monthly Commission meetings at a variety of locations throughout the community.
Improve communications with the public.	Furnish online public meeting and disciplinary hearing agendas with links to supporting documents. Implement online citizen feedback survey. Enhance annual report and include semi-annual or quarterly reports. Publish policy and issue papers. Expand utilization of the Commission website and provide information such as trial outcomes, policy reviews, and recommendations for improvements.
Develop a network of community advocates to assist individuals with the complaint process.	Improve outreach to Milwaukee Commission on Police and Community Relations. Identify and partner with other community agencies.
Objective: Identify and reduce racial, social, and economic disparities in the community.	
Strategies	**2009 Milestones**
Promote diverse public service departments.	Continue to refine recruiting and hiring procedures to attract a diverse applicant pool. Oversee the development of comprehensive Fire and Police departments recruitment plans.

STRATEGY IMPLEMENTATION

Policy Oversight: The Fire and Police Commission's primary responsibility is policy oversight. The Commission has a statutory responsibility to oversee and prescribe the policies and standards of both the Fire and Police Departments. This oversight authority is ultimately exercised by Board action but is also exercised by Commission staff through regular monitoring and research of Fire and Police department operational initiatives and disciplinary actions. In 2009, with enhanced data system capabilities and additional staff, the Commission will be able to fully exercise its policy review efforts to proactively address systemic problems and influence positive organizational change to ensure a fair, competent and transparent system.

Citizen Complaints: The Commission is also required to provide a viable citizen complaint process. The Commission has authority to independently investigate and discipline department employees up to and including termination from employment for acts of misconduct. A person may file a complaint directly with the Commission against a department employee for specific acts of inappropriate conduct. Complaints can be initiated in writing, in person, by telephone, by fax, by e-mail, through recognized community referral organizations, or through the Fire and Police Commission website. The Commission independently investigates the complaint and refers them to the citizen board for disciplinary action when rule violations are identified.

The Commission is implementing a revised Citizen Complaint Program in order to:

- Increase transparency and community confidence in the complaint process.
- Establish an independent system to receive, investigate, and discipline members for misconduct.
- Analyze complaints to identify trends and patterns within the Police and Fire Departments.
- Monitor and audit complaints and discipline investigations conducted by the Fire and Police Departments to ensure a fair and thorough process.
- Expedite the overall process by utilizing new procedures for complaint resolution that minimize delays.

Under the new program, complaints will undergo a more thorough screening process and action will be taken based on how the complaints are classified. Complaints may be dismissed based upon published guidelines, referred for further action, referred to the Board for trial, or referred to conciliation.

Conciliation is a mediation program offered as an alternative to the traditional complaint process. The conciliation process facilitates a non-adversarial approach for complaint resolution and offers complainants the chance to better understand and be directly involved with the resolution. Conciliation gives complainants the opportunity to address and resolve their concerns and allows both parties to learn from the open discussion of sensitive issues and contribute to better community relations. In 2009, the Commission will utilize trained mediators to assist with the process and more efficiently handle the anticipated conciliation caseload.

In 2009, the Commission will also periodically monitor and audit complaint investigations regardless of whether the complaint was filed with the Commission or with the Fire and Police Departments. The ability to capture trends and patterns and identify critical elements of a particular investigation is an important function of the Commission in providing proper oversight. The monitoring function uses data collected from the intake investigation screening process to evaluate the quality of investigations and recommend improvements to existing procedures. The Commission will use its monitoring authority in addition to its authority to discipline employees as tools to accomplish the mission of providing a transparent and effective citizen complaint investigation process.

Disciplinary Appeals: Members of the Fire and Police Departments may appeal to the Commission if they believe they have been unfairly dismissed, demoted, or suspended for more than five days by their department chief. Disciplinary appeals are decided by the Board who may elect to sustain, modify, or deny the Chiefs' action. The Commission tracks and monitors disciplinary actions that have been filed and resolved, and has been working to reduce the backlog of pending appeals (see Figure 1).

In 2008, several steps were taken to make the appeals process more efficient. Legislation was approved allowing the Commission to expand the Board from five members to seven while allowing the Commission to render appeal decisions with a quorum of three Board members. This grants the Board greater flexibility in meeting and holding appeal trials and expedites the process. The Commission also utilized outside Hearing Examiners to hear additional appeals with a goal of clearing the current backlog by the end of 2008. New disciplinary hearing procedures combined with other legislation that changed the right to an automatic adjournment and the deadline for completing disciplinary appeal trials will continue to make the appeals process more efficient. These changes are anticipated to reduce the time needed to resolve an appeal to 90 - 120 days.

Figure 1

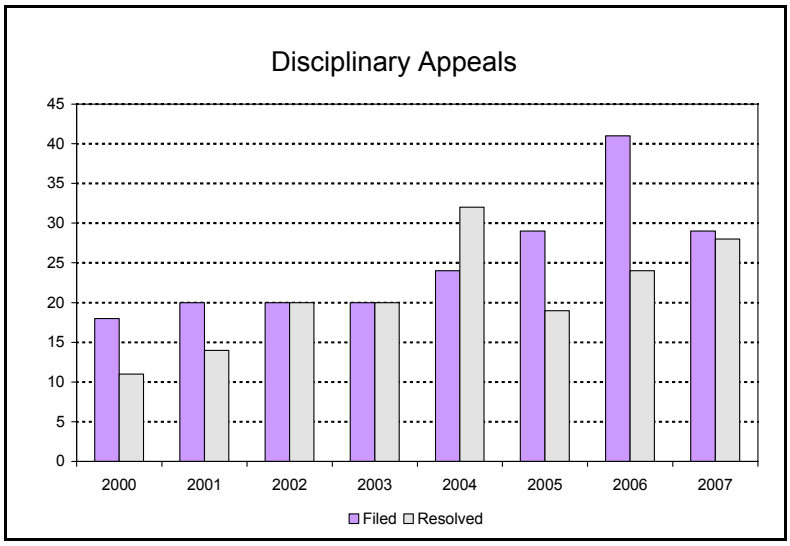
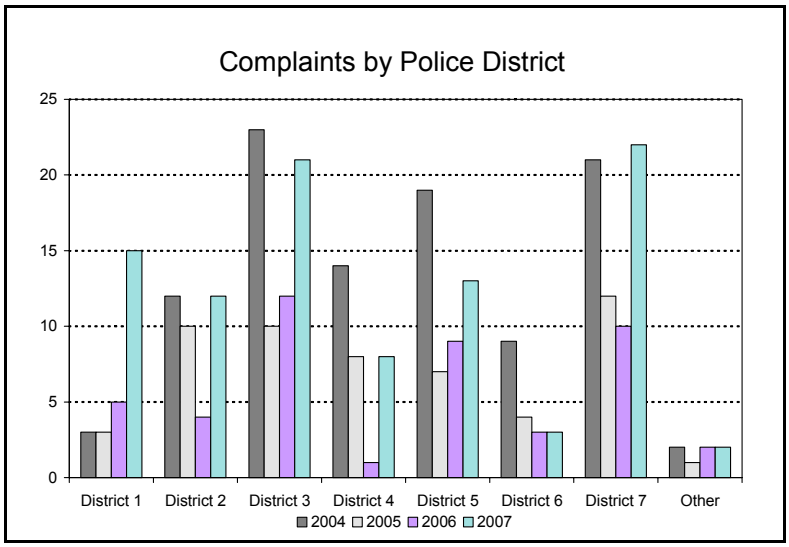


Figure 2



Community Relations: A critical strategy of the Commission is to expand community outreach and education efforts. The Commission is finalizing a community outreach plan that will focus on regular interaction with the public through enhanced communication methods such as periodic meetings that will be held in various community locations. The Commission will also improve the amount of information that is available to the public by providing additional reports and issue papers.

An enhanced Commission website will offer Board meeting materials, trial outcomes, policy reviews and other information in a user friendly format. Another key component of the plan is establishing a network of advocates and community partners to augment the citizen complaint process by offering additional help and advice to individuals who file complaints. The Commission will also periodically survey the community and participants in the complaint process to gather citizen feedback and gauge Commission performance.

Recruitment and Testing: The Commission has a long standing commitment to ensure the public safety workforce is representative of the Milwaukee community. Aside from Chief selection, the recruiting, testing and hiring functions were delegated to the Department of Employee Relations after the Commission was restructured in 2007.

Following Commission standards, the Department of Employee Relations develops and administers a variety of examinations, including written, physical ability and oral tests, background investigations, medical and psychological examinations, and drug screening. Applicants who pass all components are placed on an eligible list and hired according to their total score. Fire Fighters and Police Officers are hired at intervals for training classes while other entry level positions are filled as vacancies occur. When the position of Chief becomes vacant in either department, the Commission determines qualifications, solicits applications, and appoints a new Chief.

Department Chiefs are hired for four year terms, renewable at the Commission's discretion.

OTHER SERVICE AND BUDGET CHANGES

Staff Changes: The Commission continues to reorganize personnel to optimally staff, implement and execute the new programs and procedures that are underway. Three staff positions were reclassified to provide two Investigator/Auditor positions to independently investigate complaints and an additional Research and Policy Analyst position to regularly examine and analyze Fire and Police department policies and procedures. In 2009, an Office Assistant II is added to help staff the front desk, field telephone inquiries, and contribute to overall office organization including support functions for the Commissioners.

IT Enhancements: Enhanced data capabilities will allow the Commission to monitor and recognize a number of trends such as priority response times by Police District, complaints filed across districts (see Figure 2), use of force by district (see Figure 3), and the types of complaints filed (see Figure 4). These trends provide a snapshot of the types of data the Commission will be able to access and analyze on a regular basis. Conducting extensive and in depth research and analysis of various public safety issues such as crime data, fire suppression, and personnel deployment together with analyzing rules, regulations, policies, and procedures will provide an invaluable tool to report results and guide policy decisions. The Commission's website is also being redesigned to allow for greater information sharing with the public and improved access to a variety of documents and reports pertaining to Commission and Board functions.

Figure 3

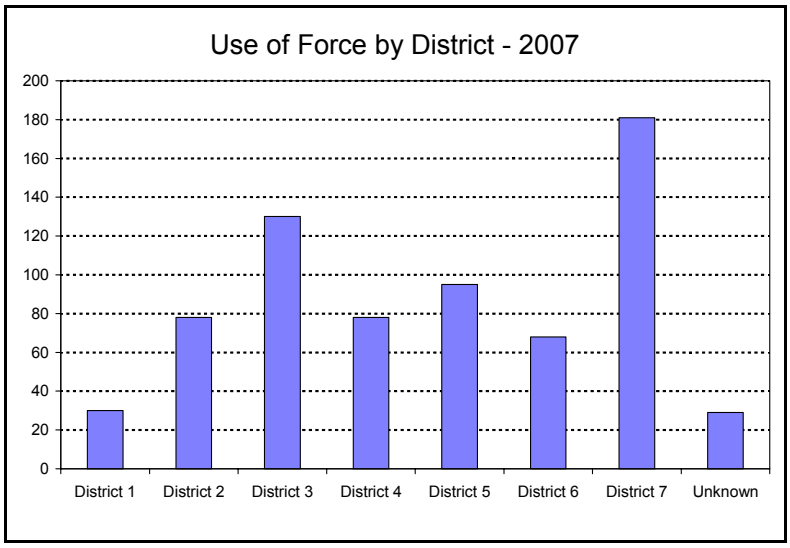
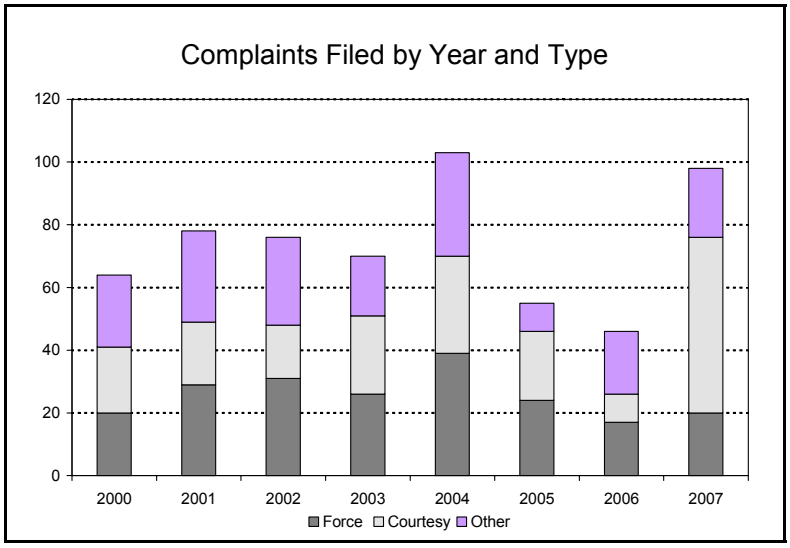


Figure 4



Capital Funding: The 2009 proposed budget includes $150,000 in capital funding to help the Commission expand into a larger office space area. Increased space is needed for additional full time staff members and to accommodate Commissioners and other Fire and Police department staff who assist the Commission and require work space. Meeting space is also needed for Commission staff, complainant interviewing, and regular interaction with the public. An expanded reception area is needed to accommodate regular and frequent walk-in traffic and offer a safe environment for employees and visitors.

2009 Budget by Services (Funding in Millions)

Service	**Judicial Function**	
Activities:	Conduct investigations of complaints filed with the FPC and review complaints filed with the MPD and MFD. Conduct conciliations and complaint hearings, review appeals from Fire and Police Departments personnel, conduct trials, and audit investigations performed by the MPD and MFD.	
		2009 Projection
Performance Measures:	Number of complaints filed.	95
	Number of conciliations held.	25
	Number of successful conciliations completed.	20
	Timeliness of complaint resolution.	90 Day Avg
	Timeliness of appeal resolution.	120 Day Avg
	Number of investigations performed by the FPC.	70
	Number of MPD and MFD department investigations audited.	50
Funding by Source:	Operating Funds	$0.5
	Totals	**$0.5**

Service	**Rule and Policy Review**	
Activities:	Review departmental policies, practices, procedures and rules and make recommendations for change.	
		2009 Projection
Performance Measures:	Number of policy or procedures reviewed.	15
	Number of recommendations for revisions made.	12
	Number of department operating rules reviewed or revised.	15
Funding by Source:	Operating Funds	$0.3
	Totals	**$0.3**

Service	**Community Relations**	
Activities:	Perform regular outreach and education with the community to build citizen confidence and satisfaction with the Fire and Police Departments.	
		2009 Projection
Performance Measures:	Number of FPC meetings held in the community.	6
	Number of community meetings attended by FPC staff.	75
	Number of public surveys conducted.	120
	Number of regular Commission reports issued.	12
	Number of partnerships formed with community organizations.	10
Funding by Source:	Operating Funds	$0.2
	Capital Budget	0.2
	Totals	**$0.4**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&MFTEs	Position Title	Reason
2	2.00		Investigator/Auditor	Reclassifed to reflect duties.
-1	-1.00		Auditing Specialist	
-2	-2.00		Research and Policy Specialist	
1	1.00		Research and Policy Analyst	
1	1.00		Program Assistant III	
-1	-1.00		Administrative Assistant III	
1	1.00		Office Assistant II	Provide clerical support.
1	**1.00**	**0.00**	**Totals**	

FIRE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Build safe and healthy neighborhoods.

OBJECTIVES: Limit fire related deaths to less than ten per year.

Maintain a 95% recovery rate from penetrating trauma.

Decrease vacant structure fires by 10% in 2009.

STRATEGIES: Implement a pilot program to install hard wire smoke detector systems.

Maintain initiatives to increase the percentage of residential properties with working smoke detectors.

Maintain the average response time to critical calls.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	1,096.94	1,126.51	1,064.33	1,054.05	-72.46	-10.28
FTEs - Other	6.80	6.96	8.83	7.11	0.15	-1.72
Total Positions Authorized	1,152	1,146	1,107	1,109	-37	2
EXPENDITURES						
Salaries and Wages	$70,471,771	$69,460,314	$71,994,303	$71,126,450	$1,666,136	$-867,853
Fringe Benefits	23,665,689	23,616,507	24,478,063	24,182,995	566,488	-295,068
Operating Expenditures	4,253,969	4,598,600	4,935,637	4,902,485	303,885	-33,152
Equipment	148,066	203,865	911,048	862,751	658,886	-48,297
Special Funds	122,404	89,000	225,715	195,715	106,715	-30,000
TOTAL	$98,661,899	$97,968,286	$102,544,766	$101,270,396	$3,302,110	$-1,274,370
REVENUES						
Charges for Services	$5,585,343	$5,984,400	$6,182,900	$7,182,900	$1,198,500	$1,000,000
TOTAL	$5,585,343	$5,984,400	$6,182,900	$7,182,900	$1,198,500	$1,000,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Fire Department works to build safe and healthy neighborhoods through fire prevention programs, fire safety programs and quick response to calls. These three factors contribute to reducing the number of fires, removing people from fires and providing timely medical care.

The Fire Department serves the residents of Milwaukee and West Milwaukee through 36 firehouses that are structured into five organizational bureaus. In addition to fire suppression and emergency medical services, some bureaus contain the Dive Rescue, Hazardous Materials (HazMat), and the Heavy Urban Rescue Team (HURT) special teams.

Strategies and Milestones for 2009

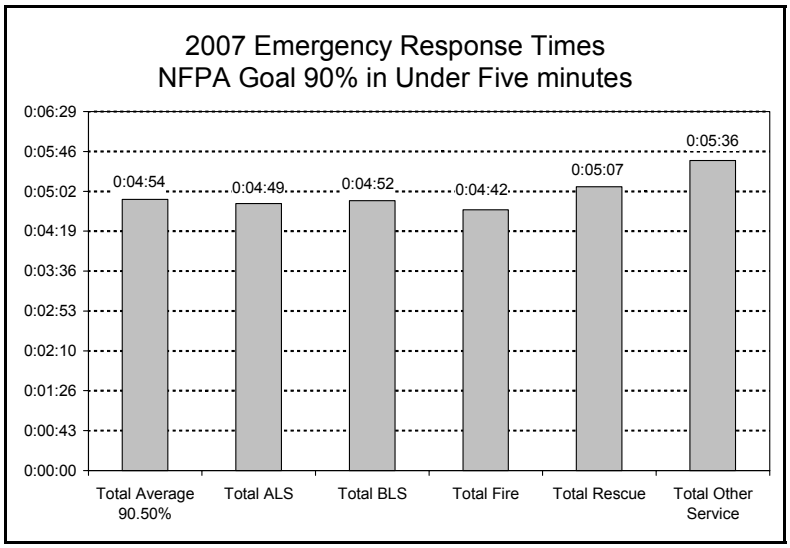
Objective:	**Limit fire fatalities to < 10 per year, maintain a 95% recovery rate from penetrating trauma and decrease vacant structure fires by 10%.**
Strategies	**2009 Milestones**
Implement a pilot program to install hard wire smoke detector systems.	Install hard wire smoke detector systems in 300 vacant residential properties by 2010.
Maintain initiatives to increase the percentage of residential properties with working smoke detectors.	Decrease the percentage of civilian fire fatalities occurring in residential properties with non-functioning smoke detectors to <30%.
Maintain the average response time.	Respond to 95% of critical types of calls within 5 minutes.

STRATEGY IMPLEMENTATION

The Fire Department promotes the Mayor's goal of providing safe and healthy neighborhoods through the provision of high capacity fire suppression, emergency medical, and specialized rescue services.

Response Time: Timely response to events has a direct impact on the outcome of any emergency. The success of this strategy is measured by an average response time of five minutes or less for 95% of calls received. As Figure 1 indicates, the department is meeting its goal for the most critical types of fire and EMS calls. These are the calls where quick response is most critical to saving lives. Of the total 67,541 calls for service responded to by the MFD in 2007, 90.5% were responded to within five minutes or less.

Figure 1



Indicators tracked through the AIM program show that the Advanced Life Support responses provided by the Milwaukee Fire Department have a positive impact on survival rates for penetrating trauma incidents. In 2007, of the 151 stabbings incidents responders treated, 149 patients or 98.7% survived. Of the 309 gun shot wound EMS responses, 280 or 90.6% of the victims survived.

Quick response to fires is important to prevent fire fatalities and to minimize injuries and property loss. Ideally, individuals are warned by fire safety devices like smoke detectors and vacate the property before the fire becomes hazardous. However, a quick response allows the department to get personnel to the fire as soon as possible and rescue anyone trapped in the fire. Thermal imaging cameras allow Fire Fighters to locate trapped individuals through smoky conditions.

Fire Prevention and Safety: The department's community programs emphasize fire prevention because fewer fires create fewer situations where a fire death could occur. Fire Fighters Out Creating Urban Safety (FOCUS) involves Fire Fighters going door-to-door to install smoke detectors, replace batteries, and distribute fire prevention and medical services information in the areas of the city with the greatest incidence of fire.

In 2006, the department made 11,039 fire prevention contacts in the community and 11,350 in 2007. Education programs include Sesame Street, Elder Safe, the Survive Alive House, and the Mobile Survive Alive Houses. These programs teach children and adults how to react when there is a fire in the home, including proper escape procedures and calling 9-1-1. The department will prepare a plan for a pilot program that will install 300 hardwired smoke detectors by 2010.

OTHER SERVICE AND BUDGET CHANGES

National Staffing Standards on Ladder Companies: The 2009 proposed budget reduces staffing on 9 of the city's 16 Ladder Companies from five to four personnel. This is will bring staffing on all ladder companies to four. This reduction is consistent with a staffing study finalized in 2005 that confirmed that Fire Station density conditions within the City of Milwaukee show significant overlap and that moving Milwaukee Fire Department staffing levels toward the nationally accepted standard of four Fire Fighters on ladders does not change the effective coverage areas or emergency response times. Structure fires totaled 638 in 2007, 34 of which went above a single alarm. GIS analysis also demonstrates more than 88% of calls could receive 24 or more Fire Fighters on scene for a full structure fire response within the nationally recommended eight minutes or less, meeting the national standard for cities of our size. This study also determined the level of response overlap and number of stations provides sufficient coverage for call concurrency.

Rapid Intervention Team: Two rapid intervention teams will replace two ladder companies to improve Fire Fighter safety. The teams will consist of four positions each and respond to one alarm and greater fires with the purpose of performing duties that make the fire scene safer and rescue injured Fire Fighters.

Elimination of Engine Company 20: There are currently two engine companies at the administration headquarters at 7th and James Lovell. One of these companies, Engine 20, will be eliminated. Based on call volume and proximity to other engine and ladder companies, this engine company can be eliminated with little impact to service level. The department will maintain its current response times.

Fire Fighter Recruit Class: The department will fill 50 vacant Fire Fighter positions by holding a training class in March of 2009. The class and the existing vacancy rate are expected to leave the department with nearly 85 vacant Fire Fighter positions by the end of 2009. There may be a need to hold a training class of at least 50 in 2010 to further reduce the vacancy level.

In addition to the expenses contained in the proposed budget, the Mayor has proposed 2009 revenues which would retain the remaining Fire Engine and Ladder Companies and provide five positions that would work 12 hour shifts to provide some staffing flexibility.

CAPITAL PROJECTS

The 2009 capital budget supports the critical needs of the Fire Department in terms of major equipment and facilities maintenance.

2009 Budget by Services (Funding in Millions)

Service	**Emergency Operations**	
Activities:	Fire suppression, Emergency Medical Services, other emergency services (HURT, HAZMAT, Dive Rescue) and disaster preparedness.	
		2009 Projection
Performance Measures:	Percentage of responses within five minutes of call.	95.0%
	Percentage of fires held to room of origin.	50.0%
Funding by Source:	Operating Funds	$94.2
	Grants and Reimbursables	0.2
	Capital Budget	2.8
	Totals	**$97.2**

Service	**Fire Education, Training, and Support Services**	
Activities:	Fire education, inspections, pre-incident planning, infrastructure support (shop, IT services, dispatch) training and administrative support.	
		2009 Projection
Performance Measures:	Number of residential fire prevention contacts.	25,000
	Smoke detectors found operational in one and two family residential units.	15,000
Funding by Source:	Operating Funds	$8.9
	Grants and Reimbursables	0.3
	Totals	**$9.2**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-3	-3.00		Fire Captain	Elimination of Engine Company #20.
-2	-2.00		Fire Lieutenant	
-3	-3.00		Heavy Equipment Operator	
-6	-6.00		Fire Fighter	
-27	-27.00		Fire Fighter	Reduced Ladder Company staffing.
2	1.00		Fire Equipment Dispatcher (0.5 FTE)	To eliminate scheduling conflicts.
1	1.00		Fire Public Relations Manager	To enhance communication.
1		1.00	Fire Lieutenant, Stay Alive Coordinator	Stay Alive Program coordination.
1	0.50	0.50	Painter	To reduce reliance on outside services.
1	1.00		Network Coordinator Senior	Civilianization of Information Technology Services.
-2	-2.00		Fire Captains	To reflect operational changes.
-1	-1.00		Para Fld Lieut/Fire Para. Fld Lieut	Continuation of program to covert position to Fire Captain.
1			Battalion Chief Fire	Technical correction.
	-14.50		Various	The Mayor has proposed revenues to fund these positions.
	-17.46		Special Duty	Related to above position changes.
		-1.35	FOCUS	Funding source change.
-37	**-72.46**	**0.15**	**Totals**	

HEALTH DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Ensure that services are available to enhance the health of individuals and families, promote healthy neighborhoods, and safeguard the health of the Milwaukee community.

OBJECTIVES: Decrease crime by at least 10% annually to improve standing among 22 comparably sized cities.

Abate lead based paint hazards in 10% (4,200) of contaminated houses in the target area by 2012.

Improve child health by promoting healthy birth outcomes for infants and ensuring that all Milwaukee children have adequate health coverage by 2012.

Improve child health and school readiness by increasing immunization compliance to 95% by 2012.

Improve child health by reducing the teen birth rate to 46% by 2015 and decreasing STD infections by 5% by 2012.

Improve child health by reducing childhood obesity 4% by 2012.

Increase food safety for consumers by increasing the number of annual inspections and reducing the number of critical risk violations.

STRATEGIES: Promote a public health model of violence prevention.

Tap corporate and philanthropic resources to expand lead abatement funding and continue existing programs.

Update the Health Department's Lead Elimination Strategic Plan.

Increase BadgerCare Plus enrollment.

Maintain and expand evidence based home visiting programs.

Continue to improve the School Readiness Initiative with MPS in order to increase immunization rates.

Promote access to information and services to teens to encourage responsible sexual health.

Improve nutritional status of Milwaukee children.

Implement a revised system for food inspections based on the complexity of food establishments and the severity and prevalence of critical risk violations.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	151.66	164.18	146.12	166.06	1.88	19.94
FTEs - Other	103.03	110.80	109.43	105.55	-5.25	-3.88
Total Positions Authorized	337	312	297	305	-7	8
EXPENDITURES						
Salaries and Wages	$8,260,595	$8,416,160	$7,555,745	$8,221,584	$-194,576	$665,839
Fringe Benefits	3,370,894	3,450,625	3,097,855	3,370,849	-79,776	272,994
Operating Expenditures	1,683,372	1,900,429	1,850,255	1,882,473	-17,956	32,218
Equipment	30,790	15,000	15,000	15,000	0	0
Special Funds	384,087	181,000	146,000	111,000	-70,000	-35,000
TOTAL	$13,729,738	$13,963,214	$12,664,855	$13,600,906	$-362,308	$936,051
REVENUES						
Charges for Services	$797,917	$755,575	$745,400	$1,421,165	$665,590	$675,765
Licenses and Permits	1,995,252	1,939,375	2,055,200	2,258,825	319,450	203,625
TOTAL	$2,793,169	$2,694,950	$2,800,600	$3,679,990	$985,040	$879,390

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Health Department supports the city's goals of building safe and healthy neighborhoods and helping children succeed, prepare for post-secondary education and meet their full potential.

The department focuses on public health assessment, policy development, service availability and accessibility to health related services. The department operates from three health centers located throughout the city. The 2009 proposed budget maintains services to mothers, infants, young children, and women and provides funding to ensure that city residents have access to health care coverage. The budget also maintains monitoring and response capabilities for a wide range of communicable diseases including tuberculosis, sexually transmitted diseases, emergent threats such as West Nile Virus, and bioterrorism. Lead abatement efforts continue to remain a priority as well as food inspections of restaurants and other necessary inspection practices. Laboratory functions and state mandated programs and projects are maintained at required levels.

Strategies and Milestones for 2009

Objective:	**Decrease crime by at least 10% annually to improve standing among 22 comparably sized cities.**
Strategies	**2009 Milestones**
Promote a public health model of violence prevention.	Release citywide violence prevention plan. Establishment of a Family Justice Center. Identify and promote firearm safety and reduction in the use of illegal guns. Advise and participate in the Medical College of Wisconsin violence prevention initiative.
Objective:	**Abate lead based paint hazards in 10% (4,200) of contaminated houses in the target area by 2012.**
Strategies	**2009 Milestones**
Tap corporate and philanthropic resources to expand lead abatement funding and continue existing programs.	Develop a master list of corporate and private foundations. Leverage existing city resources such as the Grant Compliance Manager. Engage private sector through meetings with foundations, corporations and related private enterprise coalitions. Secure funding of $3.78 million to abate 1,050 contaminated houses.
Explore incentives and regulatory compensation changes to promote screening among physicians.	Review best practices and identify stakeholder groups to define incentives. Engage health systems to implement self-reporting. Coordinate community wide inventory and strategic planning of parent groups to advocate doctors to increase screening rates. Support the addition of a lead module to the Wisconsin Immunization Registry.
Update the Health Department's Lead Elimination Strategic Plan.	Complete by December 2009.

Strategies and Milestones for 2009

Objective	**Improve child health by promoting healthy birth outcomes for infants and ensuring that all Milwaukee children have adequate health coverage by 2012.**
Strategies	**2009 Milestones**
Increase BadgerCare Plus enrollment .	Secure funding to expand the Medical Assistance Outreach program by July 2009. Establish 5 new partnerships with Community Based Organizations by October 2009, to increase access for eligible children.
Maintain and expand evidence based home visiting programs.	Complete evaluation of first year Nurse Family Partnership program participants by July 2009. Develop collaborative referral system for MHD home visiting programs servicing children under the age of three. Collaborate with Milwaukee County Birth to Three, Milwaukee Public Schools (MPS) and Social Development Commission, Head Start Programs, and other early childhood intervention programs. Develop long term funding plan including additional funding sources and community partners. Explore legislative options for expansion of evidence-based home visiting programs.
Objective:	**Improve child health and school readiness by increasing immunization compliance to 95% by 2012.**
Strategies	**2009 Milestones**
Continue to improve the School Readiness Initiative with MPS in order to increase immunization rates.	By August 2009 complete manual data reconciliation. Identify personnel, Community Based Organizations, and financial resources to enhance programming for MPS Immunization Task Force. Develop a Memorandum of Understanding with Milwaukee Public Schools (MPS) and the Department of Public Instruction for exchange of immunization data. Expand the MPS Immunization Task Force to target a wider childhood and student population and incorporate additional funding sources and community partners.

Strategies and Milestones for 2009

Objective: **Improve child health by reducing the teen birth rate to 46% by 2015 and decreasing STD infections by 5% by 2012.**	
Strategies	**2009 Milestones**
Partner with MPS on a comprehensive sexual reproductive health curriculum for 4th - 8th grade.	Advocate for implementation of revised curriculum with School Board (MPS should take lead) by October 2009. Meet with MPS board members and attend public board meetings. Mobilize community leaders to assist in advocacy work. Collaborate with MPS to develop resources to assist with teaching sexual reproductive health curriculum by July 2009.
Promote access to information and services to teens to encourage responsible sexual health.	Increase the number of women enrolled by MHD in the Family Planning Waiver by 15%. Deliver group reproductive health information and skills education to at least 400 teenagers (15-19 years of age). Form or reconvene the STD Prevention Task Force using the Immunization Task Force model.
Objective: **Improve child health by reducing childhood obesity 4% by 2012.**	
Strategies	**2009 Milestones**
Improve nutritional status of Milwaukee children.	Establish baseline for childhood obesity in Milwaukee using Women Infant Children (WIC) data. Increase the number of 3-4 year olds who remain in WIC by 5%. Expand access to fruits and vegetables through WIC by promoting Farmer's Market vouchers and other programs. Launch education campaign on skim and 1% milk for children older than two years.

Strategies and Milestones for 2009

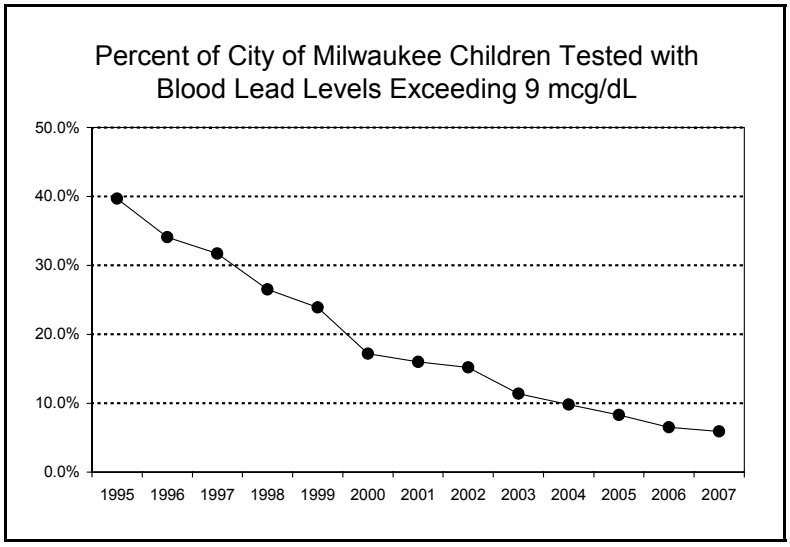
Objective:	**Increase food safety for consumers by increasing the number of annual inspections and reducing the number of critical risk violations.**
Strategies	**2009 Milestones**
Implement a revised system for food inspections based on the complexity of food establishments and the severity and prevalence of critical risk violations.	Establish performance measures for a new inspection model.
Decrease the number of critical violations in restaurant and related food service facilities.	Implement revised Code of Ordinances recertification requirements for Food Managers in the City of Milwaukee.
Develop incentives for restaurants to ensure safe and sanitary establishment conditions.	Determine the feasibility of implementing a Food Inspection Rating Scale and Public Awareness Campaign.

STRATEGY IMPLEMENTATION

Violence Prevention: The reduction of violence is a top priority for the city. The Office of Violence Prevention will provide strategic direction and oversight for the city's effort to reduce the risk of violence through a variety of strategies. Strategies include community policing, the development of a citywide comprehensive violence prevention strategic plan, and the development of community crime prevention collaborations. The office will also link city departments, academic partners, and community based initiatives to coordinate existing violence reduction efforts.

Lead Poisoning Prevention: The department continues to focus on health issues related to the home environment including lead poisoning prevention. Recognized as one of the most successful lead poisoning control programs in the country, the Health Department's Lead Program has significantly reduced the rate of lead poisoning among Milwaukee's children. The program's success is due to aggressive treatment practices, which target city areas containing homes with the highest concentration of lead. The program also strives to abate hazardous conditions in homes before children are poisoned.

Figure 1

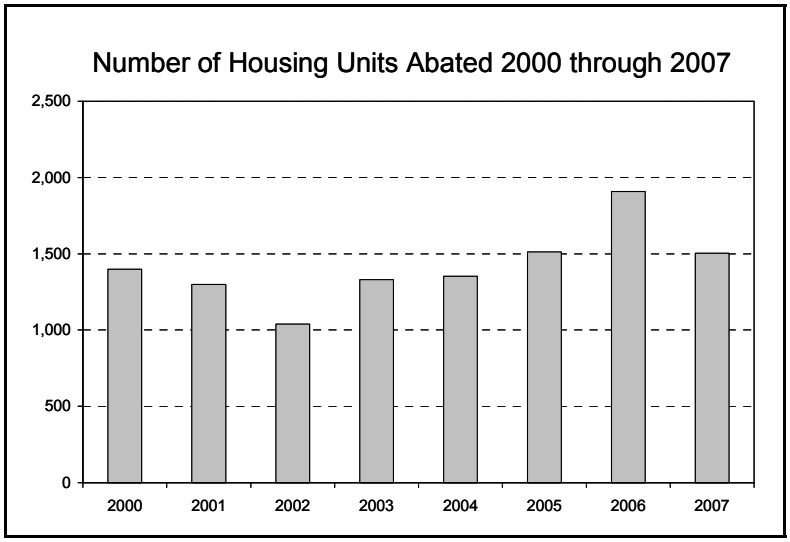


As Figure 1 indicates, the percentage of children aged 0 to 5 with high blood lead levels has declined from about 40% in 1995 to 5.9% in 2007. Approximately 1,503 units were made lead safe in 2007 and approximately 1,000 units are expected to be made lead safe in 2008 (see Figure 2).

Research shows a direct link between lead poisoning and IQ levels, performance in school, and an individual's propensity for crime. The city continues to identify ways to maximize the success of the lead abatement program, which is largely dependent on

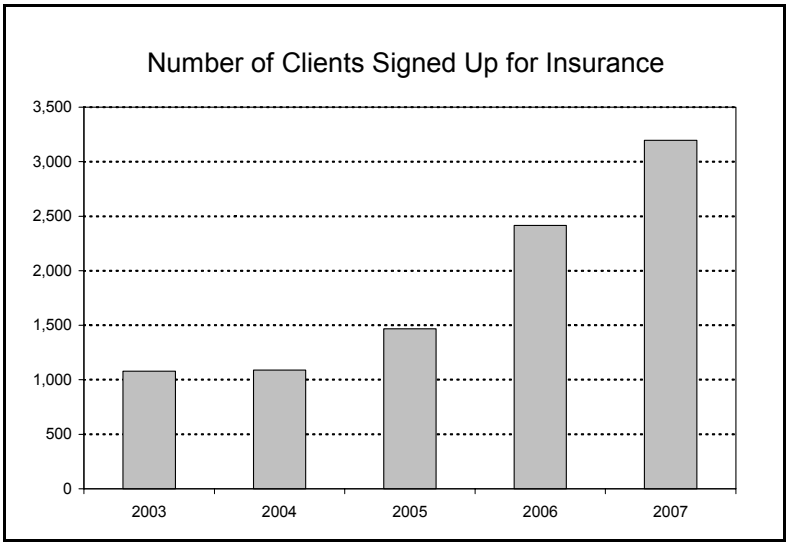
fluctuating levels of grant funding. In 2009, the city plans to fund additional lead abatement efforts and increase the amount of homes which are made lead safe.

Figure 2



Health Coverage: The city continues to identify and fund critical services to address health disparity issues that exist in the community. Ensuring access to health care coverage for Milwaukee residents to obtain needed medical care and treatment will help improve overall health outcomes. Milwaukee ranks low in the state for health insurance coverage and has the state's largest population of uninsured individuals. In 2006, approximately 91,000 or roughly 16% of residents did not have health care coverage for all or part of the year. The Health Department's Medical Assistance Outreach Program, which identifies and assists eligible city residents enroll in health insurance, helps to fill this gap.

Figure 3



Since 2003, the Medical Assistance Outreach program has helped 10,525 clients sign up for insurance and has referred over 9,000 individuals to other support programs. In 2007, the program saw over 4,700 individuals and helped 3,197 clients gain access to insurance (see Figure 3).

Intensive Home Visits: The infant mortality rate (the number of children who die before their first birthday out of every 1,000 live births) is an important indicator of a community's overall social and economic well being. Between 2004 and 2006, non-Hispanic African Americans in Milwaukee experienced a 17.84 per 1,000 infant mortality rate compared to a 6.01 rate for Hispanic residents and a 7.0 rate for non-Hispanic White residents. The rate for African Americans is 2.5 times higher than for whites. This disparity has remained over time as shown in Figure 4.

To help address this disparity, the department manages two intensive home visiting programs that emphasize healthy birth outcomes. The first program, the Empowering Families of Milwaukee project targets high risk pregnant women in zip codes 53204, 53205, 53206, 53208, 53212, and 53233. The program follows a multi-disciplinary approach with a team of practitioners including nurses, social workers, and community health workers that provide evidenced based outreach and home visitation services. Visits begin in early pregnancy and continue through the child's fifth birthday. The program's goals are to improve healthy birth outcomes, increase child health, safety and development, decrease child abuse and neglect, and improve school readiness. Since inception the program has enrolled 406 new clients and serviced 259 infants. In 2008, 52 infants were born full term and 6 infants were born prematurely through the program. In addition, 97% of women were enrolled prenatally and 100% of children have received preventive health services.

Another program, the Nurse Family Partnership, is funded through a partnership with Columbia St. Mary's and the University of Wisconsin Partnership Program. The program, based on research by Dr. David Olds to improve birth outcomes, is the first of its kind to be implemented in Wisconsin. The program provides nurse home visitation services to low income, first time pregnant women in zip codes 53204, 53210, 53212, and 53218. This evidence based program is being implemented with strict adherence to the national model where case management is carried out through a team of nurses. Visits begin in early pregnancy and continue until the child's second birthday. The program focuses on improving pregnancy outcomes, improving child health and development as well as affecting positive maternal life change. In 2008, the Nurse Family Partnership Program has averaged 100 home visits per month and expects to complete 1,200 by year end.

Figure 4

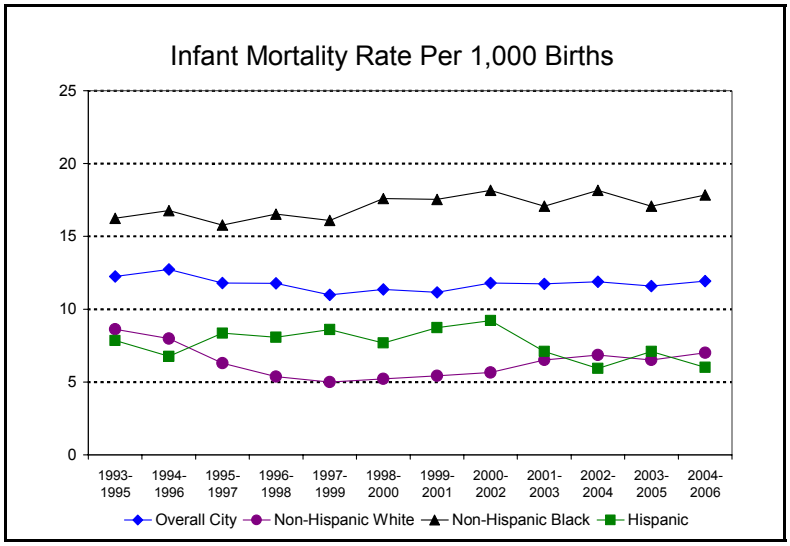
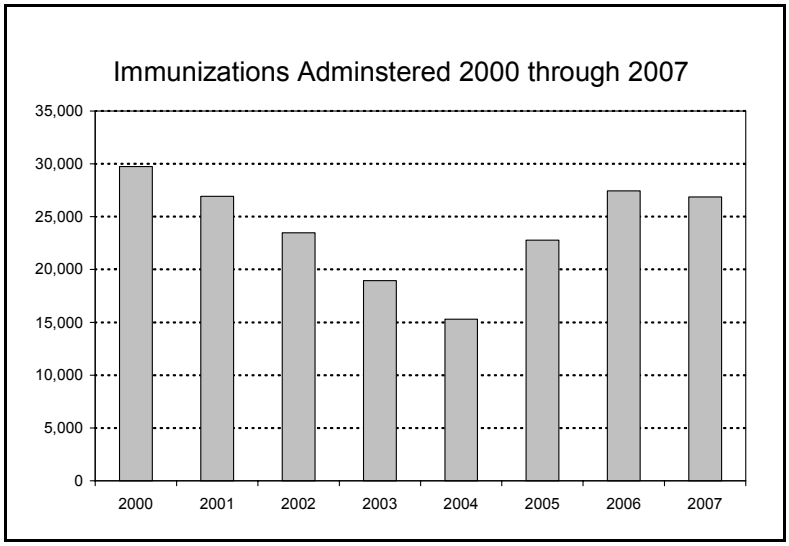


Figure 5



Immunizations: The United States Department of Health and Human Services (DHHS) has established a goal to have 90% of children complete the primary immunization series. The goal is considered an appropriate level of protection to prevent or minimize outbreaks of vaccine preventable diseases which have become more prevalent in the United States. The city has adopted the DHHS goal and improving immunization rates remains a high priority. In 2007, the department administered approximately 26,877 immunizations which represents a 2% decrease over the amount of immunizations given in 2006 (see Figure 5). Over the last two years immunization compliance rates have increased 53% to a current rate of 69%. Much of this increase is due to the efforts of the department and the Immunization Task Force.

Despite these recent improvements, the city's primary immunization rates lag behind other communities in Wisconsin, and both Milwaukee County and the State of Wisconsin have primary immunization rates that are significantly higher than Milwaukee. An Immunization Task Force was assembled to examine the city's low immunization rates, identify immunization challenges that are unique to Milwaukee, and determine goals to address those challenges. The Task Force is comprised of members from the Health Department, Milwaukee Public Schools, the Wisconsin Division of Public Health, and the Milwaukee County District Attorney's Office.

In 2008 the task force finalized and presented recommendations to city leaders to provide strategic guidance on improving immunization rates. The recommendations were adopted and the Task Force continues to expand its efforts and involve additional community members to meet established goals. The Task Force is a collaborative effort across many levels of government to positively impact immunization rates for the city. The Health Department recently received a model practice award from the National Association of County and City Health Officials for its collaborative efforts with MPS on immunizations.

Sexually Transmitted Disease: Milwaukee currently has the one of the highest rates of infection for gonorrhea and chlamydia in the country. The Health Department's sexually transmitted disease (STD) and HIV program offers services that include screening, treatment, counseling, and referral for sexually transmitted diseases and HIV counseling as well as community outreach and education. The department's STD clinic sees approximately 7,000 clients each year and continues to identify methods to maximize client outreach.

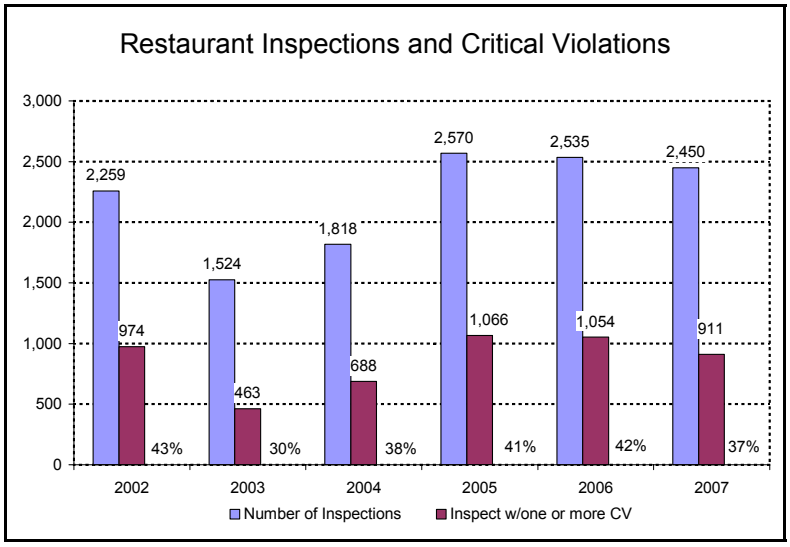
The department recently implemented several new initiatives to improve client services and increase the number of individuals seen at the clinic. The Dual Protection Partnership Initiative began in April 2008 and provides education to clients along with actively managed referrals of clients to medical providers. Field Delivered Testing and Treatment started in July 2008 and will decrease the amount of time between diagnosis and treatment to decrease the spread of disease. This should result in a larger number of cases treated in a timely manner and decrease both occurrence and re-occurrence of cases.

The Community Partner STD Testing initiative started in June 2008 and includes collaboration with six community partners to expand the department's ability to screen, diagnose and treat high risk populations. The department also launched the HIV/STD Express Clinic Service in August. Express Clinic Service is a revised service model where clients are triaged at the beginning of each appointment and then counseled and examined accordingly. This will increase the number of clients seen at the clinic through more effective utilization of STD program staff and public health nurses.

Child Obesity: Promoting healthy behaviors and access to health services in Milwaukee improves the health of residents. Poor health habits started in youth contribute to disease, disability, early death, and high health care costs. Rising rates of obesity and diabetes are becoming important public health concerns, emphasizing the importance of exercise and nutrition. In 2009, through the department's Women's, Infant's, and Children's (WIC) Nutrition Grant, the department will work to improve nutritious food choices available to children with expanded use of Farmer's Market vouchers through the program. The department will also strive to increase the number of children, age 3 and 4, covered by WIC and will promote healthy food choices through an education and outreach campaign.

Consumer Environmental Health: The department's success in protecting consumer environmental health is measured in part by the percent of inspections with critical risk violations. The department has a goal to reduce critical risk violations for all inspections, including initial site visits and follow-up inspections. In 2007, 37% of all inspections resulted in the identification of one or more critical risk violations (see Figure 6). The most prevalent risks include improper holding, cross contamination, and personal hygiene. The Health Department continues to use the Hazard Analysis and Critical Control Point (HACCP) techniques in its inspections.

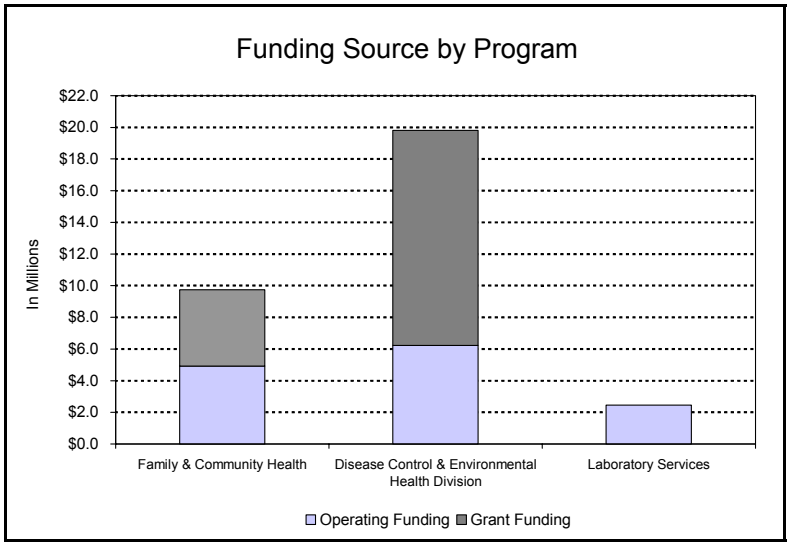
Figure 6



These techniques allow Food Inspectors to identify hazards to food safety or products in relation to food preparation or processing and determine the critical control points required to prevent or control these hazards.

In 2009, the department will revise the manner in which food inspections are carried out in order to increase the amount of routine inspections that are completed annually. Implementation of a tiered model of delivery will help inspectors better target more complex establishments and concentrate on violations that pose the greatest health risk for consumers.

Figure 7



In 2007, the department unveiled a new Food Establishment Inspection Reporting System that allows the public to view online inspection reports from restaurants, food, and retail establishments. The reports are updated daily so the information remains current and consumers can view the most recent conditions of city food establishments. The department is also exploring the feasibility of implementing a Food Inspection Rating Scale to increase inspection transparency to the public and aid consumers in making informed dining decisions.

Homeland Security and Public Health Emergency Preparedness: The department is involved in several multi-disciplinary planning initiatives directed toward improving public health response to natural disasters and bioterrorism. The department actively participates on a number of regional hospital and local public health boards, work groups and committees as well as coalitions involving private sector and non-governmental stakeholders involved in comprehensive communitywide emergency planning. The Urban Area Security Initiative (UASI) and Cities Readiness Initiative (CRI) are examples of collaborative regional approaches to emergency preparedness and response within the Milwaukee metropolitan area that focus on public health coordination of medical surge capacity and distribution of pharmaceutical stockpiles in response to a bioterrorism event.

OTHER SERVICE AND BUDGET CHANGES

Budget Funding: The 2009 proposed budget provides $13.6 million of local tax levy funding. Grant funding from state and federal governments and foundations is expected to total $18.4 million, which is a 38% increase over 2008 expected grants. Overall grant and operating funding of $32 million represents a $5.6 million increase from the $27.3 million in 2008 (see Figure 7).

Capital Funding: Capital facilities funding for the Health Department's health centers, laboratory facilities, and administrative offices totals $864,000. The funding allows for continuing maintenance of city health centers and will fund improvements to the STD clinic. Funding is also provided for the development of the Wisconsin Electronic Disease Surveillance System (WEDSS). WEDSS represents a significant technological advancement in the electronic reporting of communicable diseases by medical providers and laboratories to local public health agencies in the region. This system will strengthen and enhance rapid reporting and response by the Health Department and merge a number of separate databases for a more comprehensive reporting system.

School Readiness Immunization Initiative: The 2009 proposed budget provides funding for the School Readiness Immunization Initiative to help improve immunization rates in the city. Funding for the program is used to support the establishment of more reliable baseline immunization data for the city and provide guidance to child

care and health care providers to bridge any gaps in immunization data with those organizations. The initiative also helps to establish offsite immunization clinics and enhance immunization outreach and educational efforts.

Nurse Family Partnership: The 2009 proposed budget includes funding from Columbia St. Mary's to help support the Nurse Family Partnership Program and intensive home visits. The program continues to be supported with additional funding from the University of Wisconsin.

Medical Assistance Outreach: Funding in 2009 will help the department identify eligible populations, inform clients of the programs available, help with the application process and participate in outreach activities. This emphasizes the city's commitment to decrease existing health disparities and ensures that Milwaukee's low income, uninsured and underinsured populations have access to health insurance. Additional grant funding is also being sought to improve current efforts and potentially increase the number of individuals who sign up for insurance by 54%.

Center for Health Equity: The Center for Health Equity was established through funds received by Columbia St. Mary's in 2007. The mission of the Center is to improve the social and economic conditions that contribute to health equity through education, civic capacity building, and public policy. The Center works to address health disparities that exist within the city due to a mixture of both social and economic factors. The goal is to create a society where all people have an equal chance to be healthy. In 2009, the center will hire staff, work to secure additional grant funding, and expand outreach and communication efforts.

Staff Changes: In 2008, the Milwaukee Health Department underwent a reorganization to facilitate a more evenly distributed workload among the divisions and promote greater efficiencies within the department. The current organizational structure is based on a national model and will allow the department to effectively respond to the changing health needs of the city. The department will continue to focus on policies and provide services in the key areas of family and community health services, disease control and environmental health, and laboratory services. A number of other staff changes occur as a result of the 2009 budget and various grant changes. See the detailed listing of position changes for more information.

2009 Budget by Services (Funding in Millions)

Service	**Disease Control and Environmental Health**	
Activities:	Communicable disease surveillance and control, immunizations, STD/HIV Aids prevention, tuberculosis prevention, emergency preparedness and response, environmental assessments, lead poisoning prevention and treatment, food safety regulation and education, weights and measures inspections, and sales ordinance investigations.	
		2009 Projection
Performance Measures:	Number of immunizations administered for the city and MPS.	20,000
	Number of clients seen at the STD clinic.	8,089
	Number of units made lead safe.	1,050
	Number of food inspections.	2500
	Percent of all food inspections with one or more critical risk violations.	35.0%
Funding by Source:	Operating Funds	$6.2
	Grants and Reimbursables	13.6
	Capital Budget	0.4
	Totals	**$20.2**

Service	**Family and Community Health**	
Activities:	Prenatal and reproductive health, newborn screening, immunizations, health education, preschool health, infant mortality reduction, health care access, cancer prevention, tobacco control and prevention, women's wellness program, domestic violence and sexual assault, elementary and adolescent school health.	
		2009 Projection
Performance Measures:	Number of intensive nurse home visits.	6,300
	Number of clients signed up for insurance.	2,750
	Increase in the number of 3 and 4 year old who remain in WIC.	5.0%
Funding by Source:	Operating Funds	$4.9
	Grants and Reimbursables	4.8
	Capital Budget	0.3
	Totals	**$10.0**

Service	**Laboratory Services**	
Activities:	Disease surveillance, environmental health protection, food and water safety, specialized testing, emergency response, data interpretation and integration, and research.	
		2009 Projection
Performance Measures:	Number of tests for communicable disease.	5,500
	Number of tests for blood lead poisoning.	4,000
	Number of tests for lead in the environment.	11,000
	Number of tests for water quality, including beach monitoring.	1,200
Funding by Source:	Operating Funds	$2.5
	Capital Budget	0.2
	Totals	**$2.7**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	1.00		Public Health Research and Policy Director	Retitled and reclassified to better reflect duties of positions.
-1	-1.00		Health Operations Director	
1	1.00		Administrative Assistant IV	
-1	-1.00		Office Supervisor II	
1	1.00		Violence Reduction and Prevention Initiative Manger	
-1	-1.00		Injury and Prevention Program Manager	
1	1.00		Chief Compliance Officer	
-1	-1.00		Compliance Officer	
1	1.00		Health Operations Administrator	Position created as part of departmental reorganization.
1	1.00		Community Health Services Office	
1		1.00	Program Manager	Position created through Mayors Against Illegal Guns Regional Coordinator Grant.
1	1.00		Accounting Assistant II	Position added to help with STD Clinic billing reimbursements.
	-0.50		Network Administrator	Reduction needed to meet State Shared Revenue Freeze.
-1	-1.00		Training and Development Specialist	
-1	-1.00		Health Information Specialist	
-1	-1.00		Clinic Operations Manager	Reduction due to operational efficiencies.
-1	-0.25		Custodial Worker II/City Laborer	
1	1.00		Family and Community Health Services Director	Retitled and reclassified to better reflect duties of positions.
-1	-1.00		Maternal and Child Health Division Manager	
	0.50	-0.50	Office Assistant II	Position shifted to O&M funding.
-1	-1.00		Clinic Assistant	Reduction needed to meet State Shared Revenue Freeze.
-4	-4.00		Public Health Nurse	
-1		-0.60	Public Health Nurse	Position reduced in Childcare Provider Assistance Grant.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	0.50	-0.50	Public Health Nurse Supervisor	Positions shifted from CDBG Grant funding to O&M funding.
	2.00	-2.00	Public Health Nurse	
	0.50	-0.50	Clinic Assistant	
	0.50	-0.50	Office Assistant II	
	0.50	-0.50	Community Education Assistant	
1		1.00	Clinic Assistant	Positions retitled and reclassified in the WIC Grant.
-1		-1.00	Office Assistant	
1		1.00	Public Health Nurse	Position created through WIC Grant.
1		1.00	Ecocultural Family Interview Program Coordinator	Position created through Ecocultural Family Interview Grant.
-1		-0.50	Health Project Coordinator	Position reduced through Preventive Health Grant.
1		1.00	Public Health Educator II	Position added through Preventive Health Grant.
-1		-1.00	Public Health Educator II	Position reduced through Milwaukee Breast Cancer Awareness Grant.
	0.75	-0.75	Public Health Educator	Funding shifted to O&M in Medical Assistant Outreach Program.
	-0.25	0.25	Tobacco Control Program Coordinator	Funding shifted to Grant.
1	1.00		Disease Control and Environ Health Services Director	Retitled and reclassified to better reflect duties of positions.
-1	-1.00		Disease Control and Prevention Manager	
-2	-2.00		Environmental and Disease Control Specialist	Reduction needed to meet State Shared Revenue Freeze.
1		1.00	Lead Risk Assessor II	Position added through Housing and Economic Recovery Act of 2008.
-1		-1.00	Health Services Assistant	Position reduced in Childhood Lead Poisoning Prevention Grant.
1		1.00	Health Services Assistant	Position created in Childhood Lead Detection Grant.
-1		-1.00	Office Assistant III	Position reduced in Childhood Lead Detection Grant.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-1.00	1.00	Public Health Nurse Supervisor	Positions shifted from O&M funding to CDBG Grant funding.
	-3.00	3.00	Public Health Nurse	
	-0.37	0.37	Office Assistant III	Funding shifted to CDBG Grant.
1		1.00	Office Assistant III	Positions funded through CDBG.
1		1.00	Health Services Assistant II	
-1		-0.25	Lead Hazard Prevention Manager	Position reduced in Lead Based Paint Hazard Control Grant.
1		1.00	Health Education Assistant	Positions retitled in the Lead Hazard Reduction Grant.
-1		-1.00	Health Services Assistant	
-1	-1.00		Consumer Environmental Health Manager	Position eliminated during departmental reorganization.
1	1.00		Environmental Health Program Supervisor	Retitled and reclassified to better reflect duties of positions.
-1	-1.00		Environmental Health Supervisor	
1		1.00	Infectious Disease Epidemiologist	
-1		-1.00	Epidemiologist	
1		1.00	Telecommunications Analyst Associate	Position added through BT CDC Public Health Preparedness Grant.
-1		-1.00	Telecommunications Analyst Associate	Positions changed through BT CRI Grant.
-1		-1.00	Public Health Nurse	
1		1.00	Health Project Cord Emergency Preparedness	
-1		-1.00	Health Project Coordinator CRI	
-1		-1.00	Health Project Coordinator Immunizations	
1	1.00		Office Assistant II	Position added to STD Clinic.
	0.25		Communicable Disease Specialist	Position increased to full time.
	0.50	-0.50	Home Environmental Health Manager	Funding shifted to O&M.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	2.00	-2.00	Public Health Nurse	Positions shifted from CDBG Grant funding to O&M funding.
	0.13	-0.13	Public Health Educator	
	1.00	-1.00	Program Assistant	
	0.60	-0.60	Office Assistant	
1		1.00	Health Project Coordinator Immunizations	Position added through Immunization Action Plan Grant.
1	1.00		Program Assistant I	Retitled and reclassified to better reflect duties of positions.
-1	-1.00		Office Assistant IV	
1	1.00		Lead Microbiologist	
-1	-1.00		Microbiologist III	
-1		-1.00	Microbiologist III	Position reduced through BT Focus C Grant.
1	4.52	-2.04	Various Positions	Miscellaneous adjustment.
-7	**1.88**	**-5.25**	**Totals**	

LIBRARY

EXECUTIVE SUMMARY

MISSION: Provide a gateway to an expanding world of information and to library services, guide citizens in their pursuit of knowledge and lifelong learning, and increase the knowledge and work skills of Milwaukee residents.

OBJECTIVES: Reduce the number of families living in poverty and improve job growth.

Expose inner city youth to career environments.

Increase literacy rate.

Deliver services at a competitive cost.

STRATEGIES: Offer job and resume labs and computer training classes.

Ensure every city student has a library card.

Expand early literacy initiative and enhance literacy services to adults.

Use RFID and facilities planning to improve efficiency in library operations.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	302.68	323.82	291.47	301.50	-22.32	10.03
FTEs - Other	22.44	24.12	25.37	25.37	1.25	0.00
Total Positions Authorized	398	396	358	375	-21	17
EXPENDITURES						
Salaries and Wages	$12,808,737	$12,986,992	$12,170,750	$12,506,504	$-480,488	$335,754
Fringe Benefits	5,339,169	5,324,656	4,990,008	5,127,666	-196,990	137,658
Operating Expenditures	2,322,808	2,234,679	2,021,980	2,127,139	-107,540	105,159
Equipment	1,916,674	1,909,321	1,374,270	1,298,357	-610,964	-75,913
Special Funds	935,000	0	0	0	0	0
TOTAL	$23,322,388	$22,455,648	$20,557,008	$21,059,666	$-1,395,982	$502,658
REVENUES						
Charges for Services	$1,887,648	$1,904,200	$1,413,900	$1,413,900	$-490,300	$0
TOTAL	$1,887,648	$1,904,200	$1,413,900	$1,413,900	$-490,300	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Public Library (MPL) enhances the quality of life in Milwaukee's neighborhoods and contributes to social awareness, school readiness, academic success, literacy, economic development and job skills development. Library collections also serve informational and recreational needs of the community. MPL provides materials, services, and facilities for residents of Milwaukee and throughout Milwaukee County. Over three million physical

items and various online resources are available at the Central Library and 12 neighborhood libraries located throughout the city.

Library services include access to information and training related to developing a skilled workforce. Information needed for self-improvement in the area of job skills is available at all libraries but gets special emphasis in two neighborhood libraries that are designated as job centers, as well as Central Library. In addition, several libraries offer walk-in assistance for help in completing resumes, online job applications, and assistance with online job searches. The Library's commitment to workforce and economic development also includes its partnerships with the UW Milwaukee Small Business Development Center, MATC, SCORE, and other community organizations. These partnerships have increased the Library's capacity to offer various programs, including business planning assistance and GED studies, aimed at developing entrepreneurship and economic self-sufficiency for city and county residents.

The Library also focuses on developing adult literacy in order to address problems such as employability, job retention, and basic literacy. Four libraries are designated as literacy centers that provide tutoring programs and special materials to develop basic reading skills. One-on-one tutoring is also available at five libraries, with walk-in tutoring offered at Washington Park Library. The Library also uses technology to support its 21st Century Literacy focus. Public computer classes are offered in partnership with private donors, and there is access to public computer workstations and the Internet at each library. Computer classes are offered throughout the year, and the workstations are available during all library hours.

Children's Librarians are assigned to all libraries. In 2009, these librarians will also assume responsibility for young adult services. These librarians select and recommend appropriate materials for young children, provide guidance to parents and caregivers, and offer in-house, distance, and online reading programs. As children grow, the Library has various programs and services to support their educational needs including age appropriate summer reading programs and homework assistance during the school year. Early and continued exposure of children to books and reading leads to reading readiness skills, which translate into reading achievement, and school and life success. Services to children, childcare providers, and young adults have been merged under one coordinator. With an emphasis on early literacy and lifelong learning, the coordinator provides a system wide perspective and sets the standards for services and programs offered to youth and underserved populations.

Strategies and Milestones for 2009

Objective: Reduce families living in poverty and improve job growth.	
Strategies	**2009 Milestones**
Offer job and resume labs.	Funding secured; demonstrated increase in use.
Offer computer training classes.	Funding secured; demonstrated increase in use.
Objective: Expose more inner city youth to career environments.	
Strategies	**2009 Milestones**
Ensure every city student has a library card.	80% of students enrolled in MPS will have valid cards by December 2009.

Strategies and Milestones for 2009

Objective: Increase literacy rate.	
Strategies	**2009 Milestones**
Expand Library's Books2Go Early Literacy Initiative.	Private support secured. Outreach sites served increased from 20 to 40. 1,100 children served; 110 childcare providers trained.
Increase services through Youth and Community Outreach Services unit.	Youth Outreach and Community Services positions filled. Teen Advisory Board Programs on teen violence prevention promoted and supported.
Enhance literacy services to adults with school age children.	Program design developed and tested by December 2009.
Develop and implement reading and writing circles for students in grades 3 - 8.	Program design and recruitment of volunteers in place by December 2009.
Objective: Deliver services at a competitive cost	
Strategies	**2009 Milestones**
Use RFID and self-check technologies to improve and streamline circulation functions.	Vendor selected and contract awarded.
Enhance libraries and library services through capital planning and development.	Facilities Plan finalized and approved.

STRATEGY IMPLEMENTATION

Programming Changes: The Library is working to meet changing patron needs by offering innovative programming designed to attract more patrons and through expanded technological resources and services.

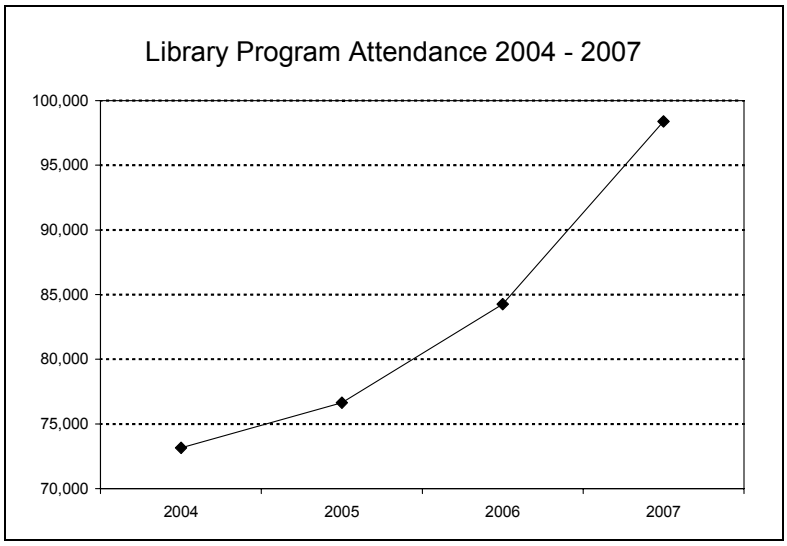
In recent years, the number of programs offered and the number of program attendees has increased (see Figure 1). The Library has offered programs for a variety of audiences, from Harry Potter and Curious George events for youth, to Teen Violence Prevention programs for teens, to poetry discussions for adults.

Ready to Read with Books2Go: The Library developed the "Ready to Read with Books2Go/Libros Para Llevar" Program to improve the reading readiness skills of Milwaukee children ages 0-5. The program focuses on childcare providers and families located in neighborhoods with the highest concentration of individuals in poverty. An estimated 25,000 children are reached each year by Books2Go.

As part of the program, outreach staff visits childcare centers and enrolls them with a Books2Go library card, discusses early literacy development, promotes programs offered at the Milwaukee Public Library, and invites teachers to attend free continuing education workshops. Ready to Read works with 20 childcare centers each year

and provides them with intensive services, including story times twice a month and book delivery. Ready to Read staff model ways that childcare providers can develop early literacy skills during story time and during their day-to-day interactions with children. Strong emphasis is placed on brain development and incorporating fun, easy and educational activities that will make a considerable difference in the lives of children. Ready to Read also includes outreach to families to teach parents about the early literacy skills. The Library plans to seek funding to double the number of outreach sites, and hopes to reach another 1,100 children through Books2Go in 2009.

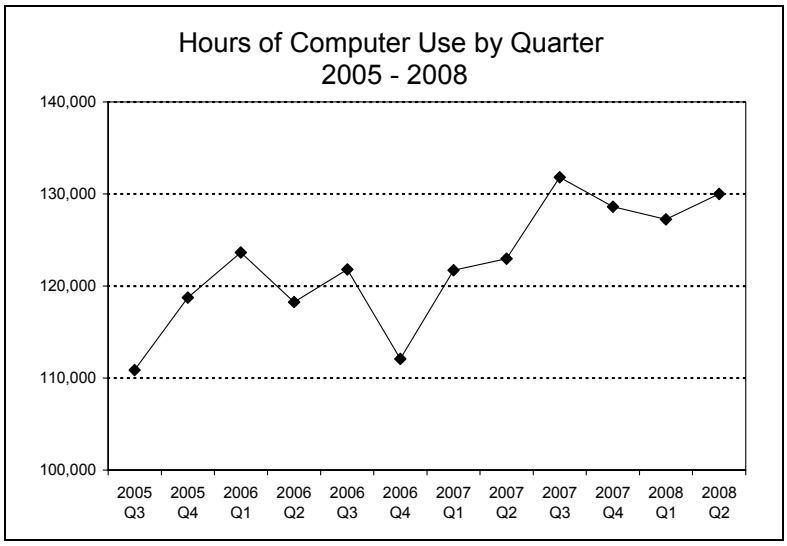
Figure 1



Technological Resources: The Library's provision of information resources has expanded beyond traditional collections and reference to include increasing numbers of computer based information and technical skills development. In 2007, MPL offered 554 privately supported computer classes focusing on providing residents with basic computer skills. Class attendance totaled over 5,100 people, with most classes at or near capacity. From the beginning of the Public Training Program in 2000 through August 2008, the Library offered nearly 4,000 computer classes with total attendance of over 36,000.

Patrons are also using Library technology outside of computer classes. The overall number of computer hours used throughout the Library continues to increase (see Figure 2). In 2007, computer hours increased 6.2% from 2006 and hours increased 5.3% in the first half of 2008 compared to 2007. In addition, more residents are accessing library information and materials through online sources, as evidenced by the 42.2% year-over-year increase in remote hits to the Library's website in the first half of 2008. The Library's focus on technology, including Internet based databases, virtual reference and other services offered via the Library's web page, has increased its ability to serve patrons.

Figure 2



Facilities Planning: The Library will continue to improve its ability to serve patrons by strategically aligning its technical resources and neighborhood facilities to the changing needs of Milwaukee's population. In 2008, the Library concluded a facilities planning process, which included opportunities for community and staff input. A draft plan which examines each Library facility, its long term viability and condition, and new models to support 21st century services will be presented to the Library Board.

OTHER SERVICE AND BUDGET CHANGES

Books and Materials: The Mayor has proposed revenue increases that will fund

materials purchases for Central and all 12 Neighborhood libraries. Materials purchased will be prioritized to support the Library's strategic plan.

Library Operations Neighborhood Libraries: The Mayor has proposed revenue increases that will allow all Neighborhood libraries to remain open and operational. The Mayor's proposal would standardize hours to ensure all residents have equal access to services. All city funded neighborhood libraries would open Monday through Wednesday from noon to 8 p.m., Thursday through Saturday from 10 a.m. to 5 p.m. Five libraries would increase their hours by 1.5 hours per week, while six libraries would decrease hours by 11 hours per week.

Consolidation of Central Library Services: Central Library will continue to reconfigure public service staffing in 2008. Hours will be reduced to meet budget constraints. Average weekly hours will be reduced from 60 to 54.

Elimination of Certain Media Holds: As a result of the realignment of services in the Central Library Media in 2008, the Library discontinued holds of certain media items throughout Central and all Neighborhood Libraries excluding most children's and all non-fiction media. Circulation of entertainment DVDs has increased by over 20% between January and August 2008

Reorganization of Youth and Community Outreach Services: To provide better service to teens, childcare providers, nursing homes, and other outside organizations; mobile, community outreach and young adult services will all be managed as one department. Two Library Circulation Assistant II positions and one Library Service Assistant position will be moved from the Central Library Services pool to the Youth and Community Outreach Services Section to reflect this new emphasis. Last year, a Librarian IV position was replaced by a Management Librarian, who reported to the Coordinator of Children's Services, and a Community Outreach Specialist has been reclassified as a Library Education Outreach Specialist.

CAPITAL PROJECTS

The 2009 proposed budget provides $4.1 million for Library capital improvements, including $2 million for installation of Radio Frequency Identification (RFID) technology at Central Library and potentially some branch libraries. This new system will allow for self-checkout for customers and self-check-in of materials, reducing these tasks for circulation staff. A conveyor belt sorting machine is planned for Central Library. This machine will direct materials to a proper bin, reducing the time needed to sort these materials, and increasing availability of these materials for customers. Funding of $1.9 million is planned for 2010 to complete installation at all library branches. This two year project should yield significant productivity increases and cost savings for the Library.

The capital budget also includes $1.1 million for Central Library improvements including the replacement of the current annex roof with a green roof that will reduce water runoff and increase energy efficiency for Central Library. Funding is also provided for continued renovations of the media room and repair to the historic mosaic tile and scagliola.

The Facilities Plan will develop a schedule for renovation or replacement of neighborhood libraries over the next several years. The 2009 proposed budget includes $1 million in borrowing authority for initial funding of one project. This could include a new library that would be built as part of a mixed used residential and retail project near the current Villard Street Branch.

2009 Budget by Services (Funding in Millions)

Service	**Central Library**	
Activities:	Circulation services, duties related to designation as the Milwaukee County Federated Library System's Resource Library, Interlibrary Loan services, Ready Reference, collection development, adult literacy, tutoring, computer training, information technology services, children's programs, community outreach, providing for a healthy environment, and providing opportunities for lifelong learning.	
		2009 Projection
Performance Measures:	MPL system library visits per capita.	3.90
	Hours of library computer use per capita.	0.85
	MPL system circulation per capita.	4.20
	Percentage of population that are MPL System cardholders.	58.0%
	Percentage of MPS students having a valid library card.	80.0%
Funding by Source:	Operating Funds	$6.1
	Grants and Reimbursables	0.3
	Capital Budget	3.1
	Totals	**$9.5**

Service	**Neighborhood Libraries**	
Activities:	Circulation services, Ready Reference, collection development, Mobile Library and Outreach Services, Wisconsin Regional Library for the Blind and Physically Handicapped, adult literacy, tutoring, computer training, information technology services, children's programs, community outreach, providing for a healthy environment, and providing opportunities for lifelong learning.	
		2009 Projection
Performance Measures:	Adult literacy rate by 2020.	85.0%
	Computer program attendance.	5,000
	Computer program classes.	500
Funding by Source:	Operating Funds	$6.2
	Grants and Reimbursables	1.5
	Capital Budget	1.0
	Totals	**$7.7**

Service	**Library Administration**	
Activities:	Circulation services, Ready Reference, collection development, related duties as part of MPL's membership in the Milwaukee County Federated Library System, and daily administrative duties for MPL.	
		2009 Projection
Performance Measures:	Total number of children reached through of Books2Go.	25,000
	Attendance at story times.	17,000
	Number of children participating in Summer reading programs.	13,500
Funding by Source:	Operating Funds	$8.8
	Totals	**$8.8**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
			Administrative Unit	
-1	-0.98		Communications Assistant I	Reduction to meet State Shared Revenue freeze.
1	0.98		Library Security Manager	Position added as Auxiliary position during 2008, fully funded in 2009.
-1	-0.98		Program Assistant II	Reduction needed to meet State Shared Revenue freeze.
1	0.98		Librarian III	Position moved from Automation Section to Technical Services Bureau.
-1	-0.98		Librarian III	
-1	-0.98		Library Technician II	Reduction due to reduced purchasing of materials due to State Shared Revenue freeze.
			Neighborhood Libraries Unit	
-3	-2.93		Bookmobile Operator	Positions reclassified.
3	2.93		Library Driver	
-1	-0.98		Automotive Services Specialist	
1	0.98		Library Delivery Services Specialist	
1			Librarian III	Unfunded Auxiliary position to cover vacancies and other needs.
-11	-10.73		Librarian II	Reduction needed to meet State Shared Revenue freeze.
-9	-8.78		Library Circulation Assistant I	
1		1.00	Librarian II	Increase in state funding for Library for Blind and Physically Handicapped.
0		0.25	Library Circulation Assistant I	Increase in funding for Interlibrary Services Grant.
1			Library Circulation Assistant I	Unfunded Auxiliary position to cover vacancies and other needs.
			Central Library Unit	
-1	-0.98		Librarian II	Reallocation of staffing in Media Room.
-2	-1.95		Library Circulation Assistant I	Reduction needed to meet State Shared Revenue freeze.
-5	-2.73		Library Circulation Aide	
-1	-0.98		Librarian III	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
4			Library Circulation Aide	Unfunded Auxiliary position to cover vacancies and other needs.
3	5.77		Various Positions	The Mayor has proposed additional revenues that will provide more materials and operating costs in order to keep all libraries open. Maintaining all Neighborhood Libraries requires a higher proportion of non-personnel costs.
-21	**-22.32**	**1.25**	**Totals**	

MAYOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Enhance the safety, prosperity, and quality of life of all of our citizens working directly and through partnerships with our community stakeholders.

GOALS: Build safe and healthy neighborhoods.

Increase investment and economic vitality throughout the city.

Improve workforce development and connect more citizens to family supporting jobs.

Help children succeed, prepare for post-secondary education, and meet their full potential.

Promote racial, social and economic equity for all citizens.

Sustain, enhance and promote Milwaukee's natural environmental assets.

STRATEGIES: Continue and improve the Accountability in Management program to ensure city services are delivered efficiently, effectively, and equitably.

Facilitate collaboration between various law enforcement agencies, ensure solid strength of police force, fight to get illegal guns off the street, and engage the community in the fight against crime through multiple partnerships with residents, community groups, businesses and others.

Strengthen Milwaukee's economy by partnering with business leaders throughout the region via the Milwaukee 7 Initiative to attract, retain, and expand business opportunities.

Promote a Comprehensive Transit Strategy.

Oversee the transformation of the Milwaukee Area Workforce Investment Board into a demand driven workforce development agency.

Strengthen families through the Fatherhood Initiative.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	12.24	12.50	12.50	12.50	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	14	14	14	14	0	0
EXPENDITURES						
Salaries and Wages	$822,011	$837,265	$886,494	$874,947	$37,682	$-11,547
Fringe Benefits	337,714	343,278	363,463	358,728	15,450	-4,735
Operating Expenditures	33,497	43,885	49,350	49,350	5,465	0
Equipment	2,084	0	0	0	0	0
TOTAL	$1,195,306	$1,224,428	$1,299,307	$1,283,025	$58,597	$-16,282

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Mayor of Milwaukee is elected to a four year term he is the Chief Executive Officer of the city and the primary representative of the people of Milwaukee. The Mayor's Office provides leadership in establishing priorities, coordinating the implementation of services and policies, and providing crisis management. The managers of all the city's major service delivery agencies (with the exception of the Fire and Police Chiefs and other elected officials) are appointed by and are directly accountable to the Mayor.

STRATEGY IMPLEMENTATION

In June of 2008, Mayor Barrett convened his cabinet and other key officials to develop a Strategic Plan to guide the actions of city departments. The results of that effort have been integrated into the 2009 budget planning process and this document.

This effort outlined six clear goals for city departments:

- Build safe and healthy neighborhoods.
- Increase investment and economic vitality throughout the city.
- Improve workforce development and connect more citizens to family-supporting jobs.
- Help children succeed, prepare for post-secondary education, and meet their full potential.
- Promote racial, social and economic equity for all citizens.
- Sustain, enhance and promote Milwaukee's natural environmental assets.

The strategic plan outlined specific objectives for improving the community, and specific strategies and milestones for measuring progress. These strategies and milestones have been included in the departmental summaries in the 2009 Proposed Plan and Executive Budget Summary.

Through the Accountability in Management (AIM) Program, the Barrett Administration will ensure that departments are effectively implementing the strategies, meeting the milestones approved in the 2009 budget and delivering value to taxpayers.

The Strategic Plan also outlined four management expectations to guide city departments:

- Deliver services at a competitive cost and improve our fiscal capacity.
- Improve communication and collaboration within city government.
- Achieve customer satisfaction and responsiveness to citizens.
- Foster effective communication and outreach about the Mayor's priorities and initiatives.

In addition to leading city government through the strategic plan and AIM, Mayor Barrett is leading important efforts in the community. An emerging success story is the dramatic reduction in crime in 2008. Mayor Barrett has catalyzed this reduction by advocating for transformational leadership in the Police Department and Fire and Police Commission. He hosted the first Common Ground summit to restore citizen trust in and cooperation with the Police Department to help residents take back their neighborhoods from criminals.

In April of 2008, Mayor Barrett received national recognition for his leadership in founding the Milwaukee Fatherhood Initiative. This comprehensive project is designed to increase the number of children who grow up with responsible, dedicated fathers who are involved in the lives of their sons and daughters. The City of Milwaukee's first Fatherhood Summit drew more than 1,200 men, and featured workshops to help participants on a wide range of issues from personal finance to restoration of their driver's licenses to counseling.

Mayor Barrett has been a vocal advocate for a Comprehensive Transit Strategy that provides seamless connectivity among all transit modes and connects workers to jobs. This strategy utilizes express busses, a downtown circulator to link the Central Business District to the newly renovated AMTRAK Station, regional trains, and the airport. The plan takes advantage of $91.5 million that has already been allocated to the Milwaukee for transit upgrades.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

MUNICIPAL COURT

EXECUTIVE SUMMARY

MISSION: Adjudicate ordinance violation cases impartially to safeguard the legal rights of individuals and protect the public interest, enhance public safety, make court services accessible to the public, and enforce court judgments.

OBJECTIVES: Build safe and health neighborhoods.

Improve workforce development and connect more citizens to family supporting jobs.

STRATEGIES: Implement technology in order to streamline operations and reduce operating costs, particularly in the area of case management.

Continue effective enforcement of court judgments through various collection methods.

Use alternative sentencing to increase respect for the law.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	39.50	39.50	39.50	39.50	0.00	0.00
FTEs - Other	0.00	1.00	1.00	1.00	0.00	0.00
Total Positions Authorized	44	45	45	45	0	0
EXPENDITURES						
Salaries and Wages	$2,023,587	$1,984,830	$2,002,024	$2,002,024	$17,194	$0
Fringe Benefits	819,241	831,444	834,953	820,830	-10,614	-14,123
Operating Expenditures	458,478	468,438	454,675	454,675	-13,763	0
Equipment	3,860	4,000	3,000	3,000	-1,000	0
Special Funds	39,333	84,000	52,000	52,000	-32,000	0
TOTAL	$3,344,499	$3,372,712	$3,346,652	$3,332,529	$-40,183	$-14,123
REVENUES						
Charges for Services	$1,700,345	$1,578,700	$1,710,100	$1,710,100	$131,400	$0
Forfeitures	5,783,973	5,502,000	5,593,000	5,593,000	91,000	0
Miscellaneous	-158	2,000	0	0	-2,000	0
TOTAL	$7,484,160	$7,082,700	$7,303,100	$7,303,100	$220,400	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Two of the city's goals are to build safe neighborhoods and to connect citizens to family supporting jobs. The Court contributes to these goals by adjudicating ordinance violations, effectively enforcing judgments and assisting residents to restore suspended or revoked drivers licenses.

The Municipal Court, part of the statewide court system, adjudicates city ordinance violations including traffic and building code cases. The Court has three elected Judges who preside over the Court's three branches. The Presiding Judge appoints the Chief Court Administrator who oversees the administrative functions of the Court.

Because of the volatility in the number of case filings, the Court uses Municipal Court Commissioners to augment its judicial resources. There are five authorized part time Municipal Court Commissioners (equivalent to one-half of a full time position) available to hear traffic pre-trials and cases of defendants in the custody of the Milwaukee County Sheriff. The Commissioners hear cases in the Municipal Intake Courtroom at Milwaukee County's Criminal Justice Facility.

The Court is staffed by 37 employees who prepare case files for hearings, provide clerk services to the Judges and Commissioners, receive and account for defendant payments, and perform other administrative functions. The staff is responsible for processing between 130,000 and 180,000 cases per year and accounting for $7.3 million in net revenues, largely from fines and forfeitures.

The Court provides its services through regular daily court sessions, evening court sessions, and a variety of community based options. Evening court meets the needs of a large number of people busy during the day. Judges also meet with defendants in a variety of locations including at community organizations, such as the Milwaukee Urban League, which have programs specifically aimed at children and young adults. These sessions have experienced a good turnout and provide more time for the Judges to communicate with and counsel defendants.

The Court refers certain first time juvenile and adult offenders who appear for arraignment in retail theft cases to classes conducted by the Institute for Criminal Justice at the University of Wisconsin Milwaukee. When appropriate, traffic offenders who appear at pre-trial are referred to the Driver Safety Program conducted by the City Safety Division. The Court also makes community service referrals to many non-profit community organizations, including Youth Services at the Social Development Commission, Career Youth Development, and the New Concept Self Development.

Strategies and Milestones for 2009

Objective: Build safe and healthy neighborhoods.	
Strategies	**2009 Milestones**
Promote justice through impartial adjudication of city ordinance violations submitted by departments.	Percentage of citations heard by intake within 45 days of offense. Court accessibility (community and evening session appearance rates).
Objective: Improve workforce development and connect more citizens to family supporting jobs.	
Strategies	**2009 Milestones**
Provide alternative sentences to increase respect for the law and compliance with sentences imposed.	Number of community service participants and hours.
Restore driver's license privileges to promote employability of offenders with suspended licenses.	Number of program clients who successfully obtain/regain driving privileges. Number of program clients who obtain employment after restoration of driving privileges.

STRATEGY IMPLEMENTATION

The Municipal Court's 2009 proposed budget is based on an estimated 140,000 to 145,000 cases. Case volume increased slightly to 135,611 in 2007 from 130,521 in 2006 and 131,732 in 2005. While anticipated 2008 case volume was 135,000 to 140,000, projected annual volume is now between 155,000 to 160,000. Substantial growth in traffic cases resulting from automated ticket writing and other MPD initiatives drive most of the increase. Traffic cases are now 68% of total caseload, a 5% increase over 2007 and 2006. The ratio of warrants and commitments to cases adjudicated in 2007 was 33%, a decrease from 39% in 2005. This reflected a change in judicial policy, with cases referred to collection rather than driver's license suspension or commitment to the House of Corrections as sanctions (see Figures 1 and 2).

Figure 1

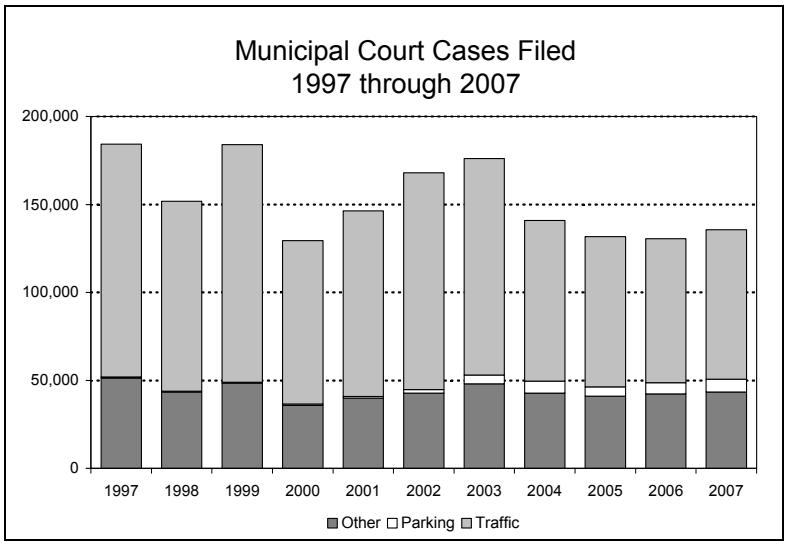
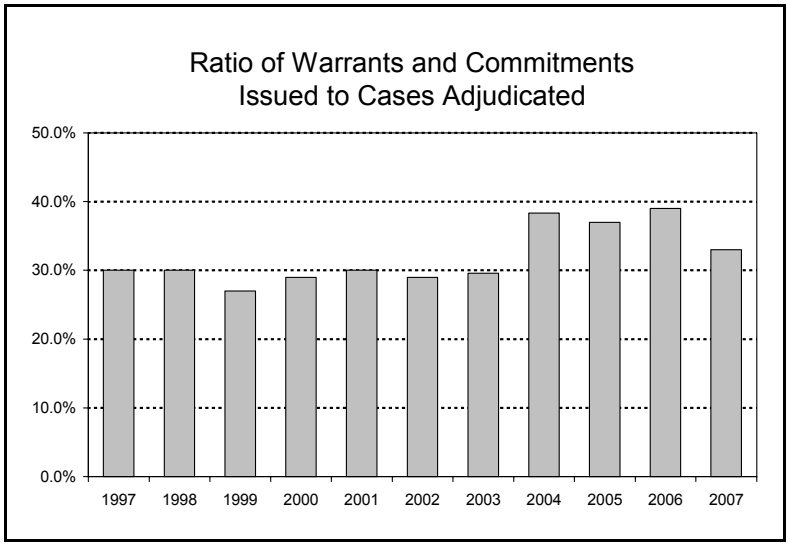


Figure 2



Evening court sessions, begun in 2003, continued their success in 2006 and 2007 with a sustained 77% appearance rate. Since evening court is more convenient, a high percentage of scheduled defendants actually appear for their hearings, improving court efficiency.

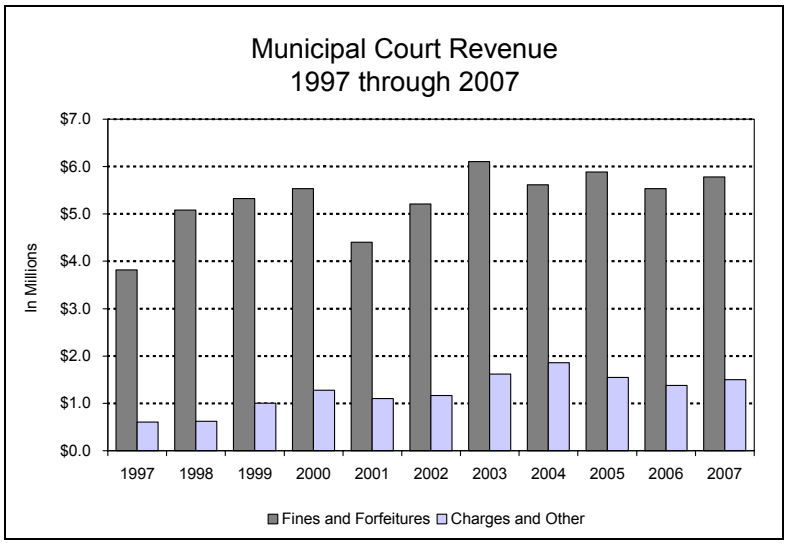
Drivers Licensure and Employment Initiative: The 2009 proposed budget includes $200,000 for the Drivers Licensure and Employment Project. Funding includes $75,000 from a Special Purpose Account and $125,000 through CDBG reprogramming. In recent years, the Court has pursued initiatives to assist residents in restoring suspended or revoked licenses; this project is an expansion of these initiatives. The goal is to reduce a significant barrier to employment for many residents. For example, manufacturing job openings currently exist in the ex-urban counties, but there is a lack of mass transit to enable city residents to obtain these jobs. In addition, a valid driver's license may be required to perform certain jobs. Consequently, lack of a valid driver's license makes it difficult to pursue jobs in surrounding counties.

Many residents under license suspension or revocation can restore their licenses by taking a few steps within the court system. However, these individuals, many of whom are young and poor, require assistance in taking these steps. This project provides assistance through orientation, guidance, and legal support for persons willing to work for license restoration.

The project also involves advocacy for changes in state laws that cause license suspension and revocation for non-driving offenses, and sustained effort to improve the availability of driver's education programs. The project is managed by the Center for Driver's License Recovery and Employability, a non-profit organization created

specifically for this purpose. The provision of city funding is intended to help attract funding from other sources, including foundations, the state and federal governments, and the business community. The project commenced in April 2007 and has received 1,547 referrals through July 2008. Of those, 918 cases have been closed. Over 57% (521) of clients obtained driving privileges since inception. These results are extraordinary, since usual client success rates are 4% to 9% for employment and training programs serving similar client bases.

Figure 3



City funding was a catalyst to start this initiative. Foundations, corporations, and other entities have responded to the program's success with funding increases over time. Since 2007, the city has annually provided $75,000 local funding and $125,000 of Community Development Block Grant Reprogramming funding. Other entities provided 61% of the program's $510,000 funding in 2007; 81% of $1,040,130 funded in 2008, and are expected to contribute 81% of the $1,045,130 budget in 2009.

OTHER SERVICE AND BUDGET CHANGES

Improving Collection Efforts: Participation in the State's Tax Refund Intercept Program (TRIP) has been very successful. Compared to other municipal organizations in Wisconsin, the Court has collected the second most revenue through this program, with total collections since inception of nearly $8.3 million through December 2007. Collection efforts have been very successful, particularly using direct electronic interface with the State of Wisconsin Department of Revenue and Department of Transportation and electronic databases of the Court's collection agency. In 2007, the Court collected nearly $2 million in payments to be applied to outstanding forfeitures and fines, a $600,000 increase from the amount collected in 2006. Total court revenues increased $455,000 from 2006 to 2007 to nearly $7.5 million. Charges for services increased $202,000 and fines and forfeitures increased $253,000 (see Figure 3).

Improving Case Management: The 2009 capital budget includes $544,325 in funding for the second year of the second phase of the Court Case Management System Project. The 2008 budget provided $429,620 and planned 2010 funding is $354,879, for a project total of $1,328,828.

The 2007 budget provided $50,000 for a feasibility study to prepare for the Electronic Case Files and Document Records Management phase of the project. The study found that electronic case management and document retention would substantially improve process workflows from acceptance of citations through court hearings and adjudication. Court staff, Judges and Commissioners, and the public will benefit from these significant improvements in court operations. The study estimated the total cost for phase two of the Case Management Project at $980,000. The 2009 revised project total of $1.3 million includes $252,000 to upgrade the city's present document imaging capabilities and $98,000 for increased project management and programming costs. Operating cost savings of $2 million are projected through 2015.

Information Technology Disaster Recovery: As Court operations become more dependent upon automated processes, a more robust disaster recovery capability is needed. In cooperation with the DOA Information Technology Management Division, the Court is developing a remote virtual recovery environment that will protect and sustain its operations in the event of a system failure. Initial estimates for this project total $139,320.

2009 Budget by Services (Funding in Millions)

Service	**Municipal Court Adjudication**	
Activities:	Impartially adjudicate ordinance violation cases and effectively enforce judgments.	
		2009 Projection
Performance Measures:	Percentage of non-priority cases that are tried within 90 days of intake date.	99.0%
	Ratio of warrants and commitments to cases adjudicated.	37.0%
Funding by Source:	Operating Funds	$3.3
	Capital Budget	0.7
	Special Purpose Accounts	0.5
	Totals	**$4.5**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

NEIGHBORHOOD SERVICES

EXECUTIVE SUMMARY

MISSION: By protecting the value of investments in neighborhoods and properties, DNS supports the community goals of building safe and healthy neighborhoods and increasing investment and economic vitality throughout the city.

OBJECTIVES: Improve neighborhood appearance.

Reduce fire deaths and property loss.

STRATEGIES: Develop a Neighborhood Index that measures neighborhood appearance.

Improve community cleanliness.

Abate nuisance properties.

Leverage private investment in neighborhoods through coordination of existing home improvement programs.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	156.46	172.08	172.58	169.58	-2.50	-3.00
FTEs - Other	28.42	35.50	32.50	33.50	-2.00	1.00
Total Positions Authorized	228	229	229	229	0	0
EXPENDITURES						
Salaries and Wages	$7,999,191	$8,099,737	$8,168,928	$8,035,914	$-63,823	$-133,014
Fringe Benefits	3,319,181	3,320,892	3,349,260	3,294,725	-26,167	-54,535
Operating Expenditures	750,971	813,320	877,072	867,572	54,252	-9,500
Equipment	92,164	40,756	60,000	60,000	19,244	0
Special Funds	1,717,372	1,782,000	1,846,000	1,846,000	64,000	0
TOTAL	$13,878,879	$14,056,705	$14,301,260	$14,104,211	$47,506	$-197,049
REVENUES						
Charges for Services	$8,805,419	$7,231,900	$7,599,600	$7,917,330	$685,430	$317,730
Licenses and Permits	6,397,416	6,373,800	5,822,000	5,969,100	-404,700	147,100
Intergovernmental Aids	999,584	1,100,000	1,000,000	1,040,000	-60,000	40,000
TOTAL	$16,202,419	$14,705,700	$14,421,600	$14,926,430	$220,730	$504,830

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Neighborhood Services seeks to improve the appearance of city neighborhoods by improving city cleanliness, abating nuisance properties, and leveraging private investment in neighborhoods. DNS supports neighborhood improvements by enforcing standards for buildings, property, and land use. The department uses its enforcement, financial, and educational resources to encourage investment in housing and other buildings in Milwaukee's neighborhoods. Various inspection and enforcement activities ensure compliance with building and

property codes, which helps maintain an attractive investment environment and foster reinvestment into buildings and neighborhoods.

The department also supports a reduction in property loss and fire deaths by conducting fire prevention inspections of residential and commercial properties and enforcing related building codes.

DNS has been participating in the Mayor's Accountability in Management (AIM) initiative. The two major service goals that are tracked through AIM are response time to complaints and closing of violations in a timely manner. The complaint response goal is to respond to all complaints within 14 days. Through July 2008, the average complaint response is 8.5 days. The violation goal is to close all violations within 45 days of the compliance date established by Inspectors. Through July 2008, an average of 78.5% of violations met this goal. The goals are to respond to complaints and resolve violations as quickly as possible.

Strategies and Milestones for 2009

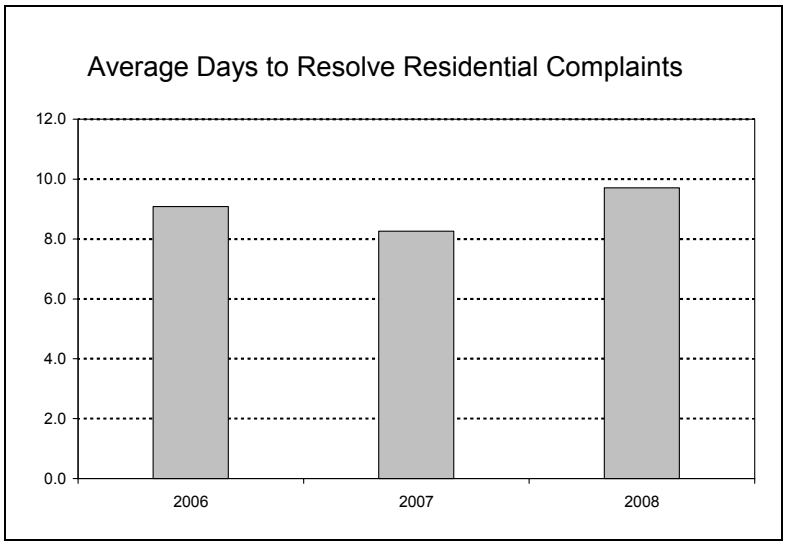
Objective: Improve neighborhood appearance.	
Strategies	**2009 Milestones**
Develop a Neighborhood Index.	Establish performance measures and tracking system for a Neighborhood Index measuring the quality of neighborhoods.
Improve community cleanliness.	Work with other departments to develop a detailed action plan for improving community cleanliness.
Nuisance property abatement.	Work with other departments to develop a detailed action plan for abating nuisance properties.
Leverage private investment in neighborhoods through coordination of existing home improvement programs.	Identify strategies to coordinate with Zilber Initiative.
Objective: Reduce fire deaths and property loss from fires.	
Strategies	**2009 Milestones**
Complete fire prevention inspections for properties.	Decrease in the fire incident rate for public structures.

STRATEGY IMPLEMENTATION

DNS has several code enforcement services that support efforts to improve the appearance of neighborhoods, by abating problems such as building code violations, graffiti, peeling paint, and structural building problems as quickly as possible. Timely abatement minimizes further deterioration while supporting reinvestment into properties, which enhance the appearance of neighborhoods. One measure of this service is the timeliness of resolving complaints, as measured by the average time to close out complaints. In 2007, complaints were closed out on average in 8.3 days. Verified complaints result in orders to correct conditions that violate city ordinances. Once orders are issued, the key measure is the timeliness of abating violations. In 2007, an average of 80.9% violations were abated within 45 days of the initial compliance date. In 2007, there were 18,490 violation orders

closed out and 4,979 graffiti complaints closed out. The trend in average time to close out residential complaints is shown in Figure 1.

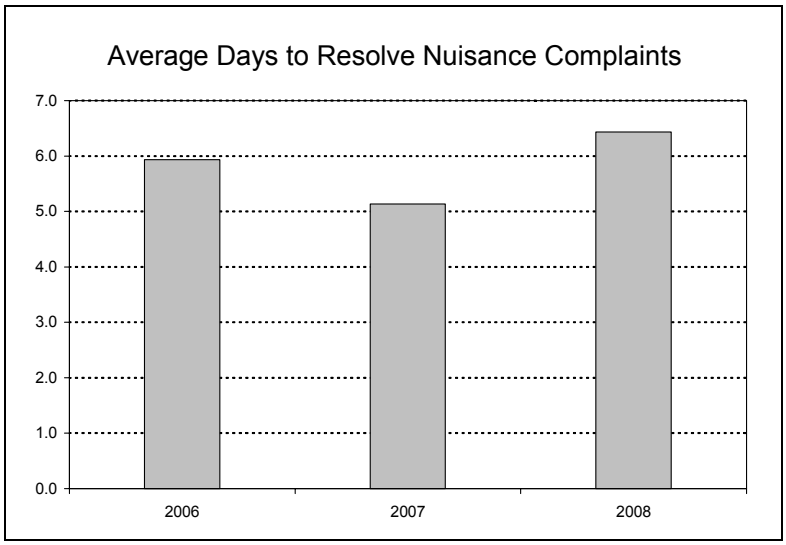
Figure 1



The department's nuisance control services support neighborhood cleanliness by enforcing codes relating to rats, litter and garbage nuisances, and various animal control regulations. By abating these nuisances in a timely manner, the department improves neighborhood cleanliness and appearance.

Responding to complaints quickly is essential to identifying code violations in a timely manner. In 2007, the department responded to complaints in approximately 5 days and through July 2008, the department is averaging a 6.4 day complaint response. The trend in average time to close out nuisance complaints is shown in Figure 2. Once violations are identified, the goal is to abate these as quickly as possible. In 2006, 90.2% of violation orders were completed on time and in 2008, the department is averaging 84.8%. In 2007, the Nuisance Control Service closed out 9,982 complaints and closed out 15,155 violation orders.

Figure 2



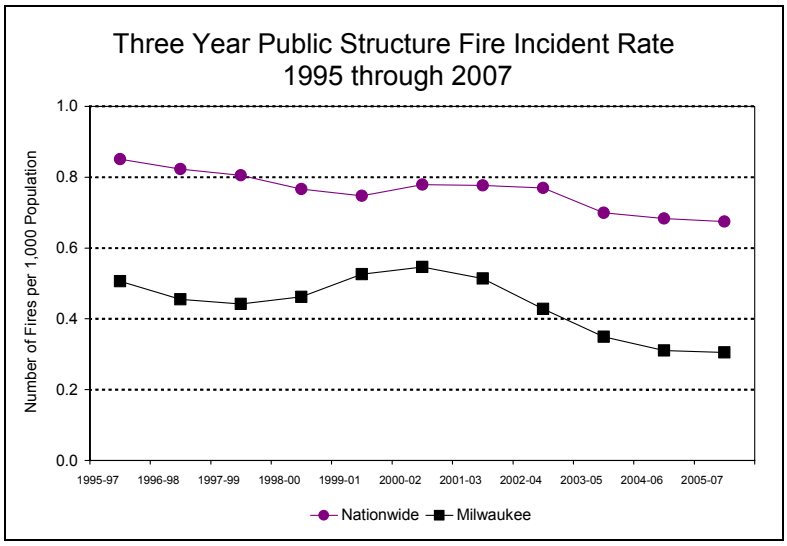
Neighborhood Index: While the city has numerous services that support improved neighborhood conditions, there is no established method for measuring neighborhood quality. DNS will work with other departments in 2009 to determine if a Neighborhood Index can be developed to measure and monitor the conditions in neighborhoods in a more systematic manner. This will involve a review of available data, determining which data are most representative of neighborhood quality, developing a method for using the data to establish a Neighborhood Index, and establishing a system to track these data on an ongoing basis.

Improving Cleanliness and Nuisance Property Abatement: Two of the key issues facing city neighborhoods is ensuring cleanliness and abating nuisance properties in a timely manner. In 2009, DNS will work with other departments to develop detailed action plans for improving community cleanliness and abating nuisance properties. DNS currently works in collaboration with other departments, including the Police Department and the City Attorney's Office, to address nuisance problems in city neighborhoods. Collaboration among departments helps to address problem properties that contribute to crime and nuisance problems in neighborhoods.

The 2008 budget added one additional Special Enforcement Inspector position to support the Community Prosecution Program, for a total of two positions dedicated to this program. These positions inspect nuisance properties, write up code violations, and if necessary, declare properties unfit for habitation.

DNS also continues to review its procedures to determine if changes can be made to improve its nuisance abatement services. In November 2006, DNS implemented a "three strikes" policy. A $100 fee is assessed for the third litter violation at the same property within any continuous one year period. Between January 2007 and August 2008, there were 21,429 cleanup orders issued, of these there were 1,630 total cases with multiple strikes. In August 2007, DNS implemented an accelerated abatement program. The program targets nuisance litter violations that involve food garbage on the ground. Property owners are given either 24 hours or 3 days to voluntarily cleanup the litter before DNS refers the litter to DPW for cleanup. The amount of time given depends upon the amount of garbage on the ground and the magnitude of any threat to public health. Between August 2007 and August 2008 there were 90 three day orders and 22 one day orders.

Figure 3



E-Notify by Location Initiative: E-Notify by location allows residents to use the Internet to easily access city records. Subscribers can receive information automatically via e-mail on complaint, violation, permit, and recorded ownership information on any address in the city and up to a half mile around the address. This information helps landlords, community groups, residents, and others monitor their properties and neighborhoods. Residents can use E-Notify to determine if the city has followed up on a complaint, to know if a contractor has taken out the appropriate permits, or to be alerted when there is a complaint on a rental property. By providing more information to city residents and customers, E-Notify improves the quality of city services and accountability to the public. As of September 2008, 1,661 users had an E-Notify by location subscription, an increase of 43% from the prior year. The number of subscribers has been increasing steadily. In addition, there are 195 subscribers for location based notifications within Business Improvement Districts.

Fire Prevention: One of the objectives that DNS supports is reducing fire deaths and property loss. DNS contributes to this objective by conducting fire inspections of commercial and residential properties, excluding one and two family properties, and ensuring compliance with building codes, including appropriate fire prevention and safety requirements. Inspections of certain other properties, including restaurants and government buildings, are conducted by the Health Department and Fire Department respectively. By completing 100% of the required inspections and ensuring timely correction of code violations, DNS can contribute to the reduced incidence of fires. Reduced incidence of fires should decrease the amount of deaths and property loss resulting from fires. The public fire incident rate, which measures the incidence of fires in buildings inspected by DNS, has declined significantly since 2000 (see Figure 3). The three year rate of 0.31 is significantly lower than the national rate of 0.68. Historically, Milwaukee's fire incident rate has been maintained well below the national average. Milwaukee has maintained a low per capita fire incidence rate in part by reducing the number of fires. Since 1995, the number of fires, on a three year rolling average basis, has decreased by 150 or 45.6%.

OTHER SERVICE AND BUDGET CHANGES

Razing and Vacant Building Protection Fund Special Purpose Account: The Razing and Vacant Building Protection Fund Special Purpose Account funds the demolition of properties that qualify for razing under criteria established by ordinance. The account is funded at $360,000 in the 2009 proposed budget, with additional funding anticipated from the Housing and Economic Recovery Act of 2008. The combination of city and federal funding

should provide for sufficient resources needed to complete necessary razings. DNS will also continue to pursue rehabilitation efforts in order to avoid unnecessary razings.

Office Assistant II Reduction: As a result of the continued freeze in the State Shared Revenue Program and the continued imposition of a municipal levy limit by the State of Wisconsin, various budget reductions are required in order to reduce tax levy supported expenditures. In DNS, funding for one position of Office Assistant II is eliminated as part of this effort, resulting in salary savings of $33,000. This is one of three Office Assistant positions that support the Court Section in DNS. The Court Section takes unresolved orders and citations to correct violations to the Municipal Court for prosecution. These staff serve summons, verify property conditions prior to court, review the paper work required by the court, and represent the department at the court proceedings. The workload will be distributed among remaining staff.

Equipment Account Increase: The equipment account is increased by $19,244 or 47% in order to increase the amount of computers that are replaced. DNS has about 224 computers. The 2009 funding amount should enable the department to replace approximately 27% of its computers.

2009 Budget by Services (Funding in Millions)

Service	**Code Enforcement Services**	
Activities:	Residential code enforcement, Code Compliance Program, court enforcement, and graffiti abatement.	
		2009 Projection
Performance Measures:	Average days to resolve complaints.	9.0
	Percent of orders completed on time.	87.0%
	Number of violation orders closed out.	19,000
	Graffiti complaints closed out.	5,000
Funding by Source:	Operating Funds	$3.9
	Grants and Reimbursables	2.5
	Special Purpose Accounts	0.4
	Totals	**$6.9**
Service	**Trades and Commercial Inspection Services**	
Activities:	Construction, electrical, boiler, elevator, plumbing and commercial code enforcement, and fire prevention inspections.	
		2009 Projection
Performance Measures:	Three year average public fire incident rate per 1,000 residents.	0.31
	Permits processed (closed).	36,000
	Value of work (in millions) for processed (closed) permits.	$900.0
	Number of complaints closed out.	3,000
	Number of violation orders closed out.	12,500
Funding by Source:	Operating Funds	$6.0
	Grants and Reimbursables	0.9
	Totals	**$6.9**

2009 Budget by Services (Funding in Millions)

Service	**Nuisance Control Services**	
Activities:	Animal control, pest control, rodent control, chronic nuisance property, community prosecution, nuisance vehicles, environmental health, and payment to the Milwaukee Area Domestic Animal Control Commission.	
		2009 Projection
Performance Measures:	Voluntary compliance with nuisance litter orders.	73.0%
	Average days to confirm nuisance litter abatement.	12.0
	Average days to resolve complaints.	5.0
	Percent of orders completed on time.	96.0%
	Number of violation orders closed out.	16,000
	Number of complaints closed out.	11,000
	Properties and sewers baited for rats.	3,000
Funding by Source:	Operating Funds	$4.2
	Grants and Reimbursables	0.1
	Totals	**$4.3**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-1.00		Office Assistant II	Reduction needed to meet State Shared Revenue freeze.
	-2.00	2.00	Various Positions	Anticipated reimbursement from the Housing and Economic Recovery Act.
	0.50	-4.00	Various Positions	Experience adjustment.
0	**-2.50**	**-2.00**	**Totals**	

POLICE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: To reduce crime and enhance the quality of life in Milwaukee.

OBJECTIVES: Decrease violent crime by 10% annually to improve standing among cities of comparable size and poverty rate.

Help children succeed in school by reducing truancy and increasing graduation rates.

STRATEGIES: Increase neighborhood police presence and deployment effectiveness.

Implement new policy for low urgency calls for service.

Increase confidence in neighborhood safety and police.

Collaborate with MPS and others to reduce school violence.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	2,808.11	2,864.77	2,866.77	2,808.03	-56.74	-58.74
FTEs - Other	20.38	33.95	25.95	25.95	-8.00	0.00
Total Positions Authorized	2,986	3,003	2,997	3,001	-2	4
EXPENDITURES						
Salaries and Wages	$155,451,381	$151,530,243	$163,727,118	$159,065,554	$7,535,311	$-4,661,564
Fringe Benefits	49,253,393	48,491,503	52,392,678	50,900,977	2,409,474	-1,491,701
Operating Expenditures	11,653,118	12,488,943	13,796,573	13,776,477	1,287,534	-20,096
Equipment	1,960,888	2,976,783	3,031,880	2,463,687	-513,096	-568,193
Special Funds	0	0	0	0	0	0
TOTAL	$218,318,780	$215,487,472	$232,948,249	$226,206,695	$10,719,223	$-6,741,554
REVENUES						
Intergovernmental	$874,820	$1,075,400	$979,900	$979,900	$-95,500	$0
Charges for Services	730,444	921,800	647,500	647,500	-274,300	0
TOTAL	$1,605,264	$1,997,200	$1,627,400	$1,627,400	$-369,800	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Milwaukee Police Department (MPD) contributes to the city's goals of building safe and healthy neighborhoods and helping children succeed and meet their full potential. MPD has ensured community safety since 1855. Law enforcement personnel, most of them recruited and trained by the department, serve the public from an Administration Building, seven District Stations, a Data Communications Center, and Training Academy. The city continues its commitment with a competitive level of resources to its law enforcement efforts.

Crime prevention policies and programs are not delivered in a vacuum. A single policy or program may not deter actions that have profound impacts on a perpetrator or victim of crime. Factors in police success include

deployment strategies based on real time crime data and intelligence; accountability at the precinct command level; follow up and assessment; and a positive relationship with the community.

Most crime prevention results from the combined impact of community institutions. These institutions include families, schools, churches, labor markets, as well as the legal institutions of policing and criminal justice. Strong parental attachments to consistently disciplined children (Hirschi, 1995) in watchful and supportive communities (Braithwaite, 1989) are the best prevention of street crime and violence. Schools, labor markets and marriage may prevent crime, even among those who have committed crime in the past, when they attract commitment to a successful life pattern that would be endangered by criminality.

Public safety is one of the many dynamics that are essential for a city to thrive. However, policing cannot control all variables. Good schools, employment opportunities, families, communities, and other supporting agencies play essential roles in preventing crime. The effectiveness of crime prevention depends heavily on these other conditions. Schools cannot succeed without supportive families, families cannot succeed without supportive labor markets, labor markets cannot succeed without well policed safe streets, and police cannot succeed without community participation in the labor market and their vested interest in their community.

Strategies and Milestones for 2009

Objective: Decrease crime by at least 10% annually to improve standing among cities of comparable size.	
Strategies	**2009 Milestones**
Increase neighborhood police presence and deployment effectiveness through the Neighborhood Task Force.	Reduction in index crimes, recognize impacts of NTF statistics.
Implement new policy for low urgency service calls to increase community police presence.	Establish citizen survey, measure the community's response to police presence.
Increase confidence in neighborhood safety and police through community meetings and high profile activities in neighborhood and public festivals.	Establish citizen survey, measure the community's confidence in the police department and personal view of safety in neighborhood and city, establish program for increased foot patrols, bicycle patrols, and park-and-walks.
Objective: Help children succeed in school by reducing truancy and increasing graduation rates.	
Strategies	**2009 Milestones**
Reduce school violence through increased School Resource Officers.	Work with MPS to increase their funding for additional School Resource Officers, measure violence rate in targeted schools to be reduced by 10%.

STRATEGY IMPLEMENTATION

Clearance rates refer to the percentage of reported crimes for which one or more arrests are made (or, the suspect is identified but due to death or other "exceptional" circumstances cannot be arrested). Figure 1 shows that Milwaukee's total clearance rate of 15.8% in 2007 includes much higher rates for crimes against persons (murder,

rape, robbery, and assault). Property crimes (burglary, larceny, and motor vehicle theft) typically have lower clearance rates due to the large volume and lack of direct contact between the criminal and the victim. This clearance rate is a significant increase from the 8.3% clearance rate of 2005.

A high clearance rate is important for two reasons; arrests deter the arrested offender (specific deterrence) and a consistently high clearance rate deters potential perpetrators. The deterrent effect of police investigations and arrests ultimately depends on criminals promptly facing real consequences for their actions, including incarceration.

Clearance rates only represent part of the Police Department's impact on public safety and criminal behavior. This service includes funding for the Vice and Intelligence Divisions and other efforts related to tracking and halting the trade of drugs in Milwaukee. Narcotics offenses do not factor into the FBI index for clearance reports. Consequently, although many crimes reported to the FBI are in fact drug related, the FBI reported clearance rate does not directly measure the effectiveness of these special units, nor their impact on other types of serious crime.

Tracking the percentage change in reported violent crimes per 100,000 residents assists in measuring the effectiveness in preventing, deterring, and suppressing crime. The FBI Violent Crime Index, a uniform national reporting instrument, is composed of reported crimes of homicide, rape, robbery, and aggravated assault.

Figure 1

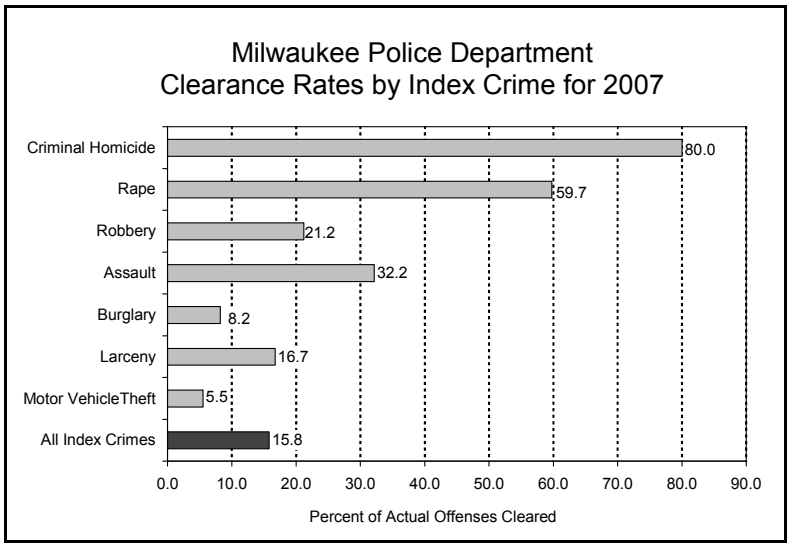
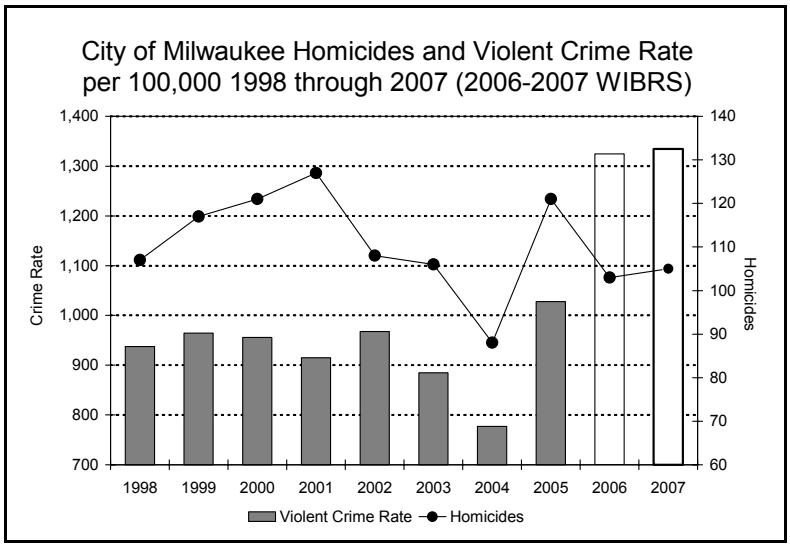


Figure 2



Measuring the change in violent crime from year-to-year clarifies the city's public safety trend. Figure 2 depicts the number of homicides and the city's violent crime rate per 100,000 residents for the years 1997 through 2007. Since the MPD now reports all crimes data in the Wisconsin Incident Based Reporting System (WIBRS) format, it is no longer comparable to previous Uniform Crime Report (UCR) data (prior to 2006 on chart). While the chart shows a sharp increase in the violent crime rate from 2005, this likely did not occur but is simply a statistical aberration resulting from the change in crime data reporting systems. The continuation of reporting in the new format will enable the city to better compare crime data in the coming years.

The number of homicides, the most serious factor of the violent crime index, has shown a decrease from 2005. In 2007, the city had 105 homicides, compared to 103 in 2006. The department continues to address any controllable factors that lead to homicides and study all homicides to identify additional factors that contribute to their occurrence.

The Milwaukee Police Department's central mission is improving Milwaukee's "quality of life". To achieve this mission, the department relies on a weekly "crime analysis" process that examines localized crime trends in detail and holds supervisors accountable for addressing specific trends or concerns. Implementation of quality of life policing has helped officers and supervisors be more proactive than reactive, and focus resources on the tasks, problems, and geographic areas with the largest potential for improving overall safety.

OTHER SERVICE AND BUDGET CHANGES

Sworn and Civilian Staffing: In addition to the expenses contained in the proposed budget, the Mayor has proposed 2009 revenues, which would be sufficient to maintain a sworn strength of 1,964 and continue MPD's strategic deployment initiatives.

Neighborhood Task Force: Initiated in 2008, the department redirected a multi-disciplinary team of approximately 200 sworn officers from the Drug and Gang Team, Tactical Enforcement Unit, Motorcycle Unit, Mounted Patrol Unit, and Canine Unit.

The objective of the Neighborhood Task Force (NTF) is to disrupt the criminal environment and provide a highly visible pro-active policing presence in neighborhoods with the greatest amount of crime and disorder. The NTF utilizes tangible crime data and analysis to deploy resources in neighborhood hotspots and fully integrate with existing District level policing activities. The NTF initiative differs from the 2007 Neighborhood Safety Initiative (NSI) in that funding is primarily through existing straight time resources. The NSI was primarily executed with additional overtime funds.

Differential Police Response: Initiated in 2008, this program provides police interventions for lower priority calls by using existing limited duty police officers. The program effectively uses officers' unique work and training experience and problem solving skills rather than performing clerical tasks. As of August 2008, the Differential Police Response officers handled 4,554 calls. The DPR has freed up full-duty police officers to respond to higher priority calls in the districts.

Overtime Management: In late spring 2008, MPD reviewed its overtime budget and directed leadership personnel to develop and implement more efficient management measures to control overtime expenditures.

Each District and Bureau now monitors overtime resources and expenditures regularly. The Districts have taken a more managed approach to extension of duty and are increasing the use of technology such as in-squad reporting to create time efficiencies for officers. Other bureaus have implemented new systems to adjust their workloads and reduce duplication of internal processes. The MPD leadership expects to continue to develop systems to better manage and account for pressured city resources.

MPD Information Technology: In 2008, MPD made significant changes and improvements to its data systems. The MPD sought outside assistance from technology companies and local IT managers to complete implementation of the Computer Aided Dispatch/Records Management System (CAD/RMS) and to assess how to proceed with the execution of the remaining Tiburon CAD/RMS modules. Recruitment is underway for a new civilian IT Director position, who will complete the analysis of MPD IT project management and build a strong IT/technology division. Transmission of crime data to the state has been timely and accurate. For additional efficiencies, additional department members have been trained to review and submit data to streamline internal processes. Daily crime briefings utilize the newly available and citywide Geographical Information Systems (GIS) mapping to develop effective crime fighting strategies and neighborhood deployments.

Redistricting: The MPD will again review the existing patrol district boundaries. District boundaries are most effective when they reflect the geography, existing defined neighborhoods and identifiable crime patterns. The MPD altered District boundaries in 2007 to equalize workloads, but the boundaries did not fully address natural geographic boundaries, neighborhood linkages, and previously mentioned crime patterns. Upcoming analysis will

focus on existing district boundaries that divide neighborhood and hot-spot crime areas. By addressing these issues, MPD can develop and implement more focused strategic and tactical area plans.

Civilian Staffing Reorganization: The MPD is currently reviewing the job assignments and job descriptions for Police Services Assistants, Police Aides, Police Services Specialists, and Police Services Specialist Investigators. The department anticipates expanding the responsibilities for these positions and increasing its flexibility to hire retired officers or non-sworn personnel to perform functions that are not considered direct law enforcement activities. Utilizing these positions to perform identified functions will allow for current sworn positions to move back to higher priority street duties. To better effectuate anticipated changes, the proposed budget eliminates the Police Services Assistants and increases position authority and funding to additional Police Aides and Police Services Assistant Investigators.

CAPITAL PROJECTS

Remodeling Police Administration Building (PAB): The 2009 capital budget continues the department's general PAB remodeling with $954,000 in funding. The PAB was built in 1970 and until 2001 had not undergone any major remodeling. The electrical and mechanical systems are inadequate to support modern technology needs and current staffing levels. As funding allows, the department plans to completely renovate and remodel the building. For 2009, funding will be used to finish installation the electrical substation replacement, cooling tower replacement and asbestos abatement. A space needs analysis will be completed before additional remodeling work is accomplished.

Renovation of Old Third District Building: The 2009 capital budget contains $550,000 of general obligation borrowing to continue with the second phase of reoccupying the now vacant old Third District building on Vliet Street to house the Neighborhood Task Force. Currently, the MPD is performing basic renovation work on the first floor of the facility to allow for legal occupancy, including addressing ADA, HVAC, and electrical issues. Phase 2 will consist of minimal renovation to allow for use of the second floor, including plumbing, additional HVAC, and necessary electrical upgrades.

911 System Replacement: The current 911 system has received an "end of support" notice from the vendor, to take effect December 31, 2009. At that point, all software support will end while hardware support has already been extended based on availability of discontinued parts. MPD has started planning for system replacement with biweekly meetings with the Fire and Public Works departments. MPD has also conducted product research, is in the process of hiring a consultant to assist in RFP development and vendor selection, and is developing a project implementation timeline. The replacement system will address the rapid changes in communications technology, deal with wireless Internet Protocol (IP) based devices, and change from the current technology to an IP network. The MPD's Avaya phone system will also require upgrades when the new 911 system is implemented. The 2009 capital budget provides $5.0 million in funding for this project.

2009 Budget by Services (Funding in Millions)

Service	**Investigations**	
Activities:	Homicide investigations, crimes against persons and property, sensitive crimes, child abuse neglect and custody, missing person investigations, non-criminal investigations, ATF investigations, and internal investigations.	
		2009 Projection
Performance Measures:	Percent of index crimes cleared by arrest.	17.5%
Funding by Source:	Operating Funds	$61.6
	Grants and Reimbursables	0.9
	Totals	**$62.5**
Service	**Patrol Operations**	
Activities:	Neighborhood Task Force, Weed and Seed operations, Area Specific Patrol, Bicycle Patrol, Neighborhood Foot Patrol, Mounted Patrol, Harbor Patrol, Special Operations Patrol Support, and Tactical Enforcement.	
		2009 Projection
Performance Measures:	Percent change in reported violent crimes.	-10.0%
Funding by Source:	Operating Funds	$135.1
	Grants and Reimbursables	2.9
	Capital Budget	0.6
	Totals	**$138.6**
Service	**Administration and Operations Services**	
Activities:	General Administration, Budget and Finance, Personnel, Payroll, Building and Vehicle services, Records Management, Communications, Data Services, Printing and Stores.	
Funding by Source:	Operating Funds	$29.5
	Capital Budget	6.2
	Totals	**$35.7**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	1.00		Chief of Staff	Positions created or eliminated in the reorganization approved in CCFN 071389.
-1	-1.00		Inspector of Police	
-1	-1.00		Deputy Inspector of Police	
3	3.00		Assistant Chief of Police	
-3	-3.00		Deputy Chief of Police	
1	1.00		Police Information Systems Director	
-2	-2.00		Police Alarm Operator (G)	Police Alarm Operators replaced by Police Dispatchers upon vacancy per settlement to Case No. 98-CV-009353.
2	2.00		Police Dispatcher (G)	
1	1.00		Accountant I	Position created to support grant accounting.
1	1.00		Document Examiner	Position created to support investigations.
-10	-3.70		Police Officer	Impact of the grant funded positions to serve as School Resource Officers for MPS schools approved for 2008.
10			Police Officer (L)	
-1		-1.00	Detective (G)	Human Trafficking Grant expires.
1		1.00	Crime and Intelligence Specialist (J)	Safe Streets Initiative Grant funded.
-2		-2.00	Police Officer (H)	UASI Grant expires.
2		2.00	Detective (K)	HIDTA Grant program change.
-2		-2.00	Police Officer (K)	
-6		-6.00	Police Officer (B)	COPS in Schools Grant expires.
16	16.00		Police Aide	Reorganization of duties.
-33	-33.00		Police Services Assistant	
17	17.00		Police Services Specialist Investigator	
	9.00		Civilian Clerical Positions	Assist returning sworn personnel to street duty.

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-7.92		Various	Recalculation to reflect overtime and position funding.
1			Finance and Planning Manager (Aux)	Police Chief performing an ongoing review of organizational needs and requirements.
2			Crime Analyst (Aux)	
1			Inspector of Police	
	-56.12		Various Sworn and Civilian Positions	The Mayor has proposed revenues to fund these positions.
-2.00	**-56.74**	**-8.00**	**Totals**	

PORT OF MILWAUKEE

EXECUTIVE SUMMARY

MISSION: To enhance the overall economic environment of the Milwaukee region by stimulating trade, business, and employment.

OBJECTIVES: Increase investment.

Enhance intermodal options.

Foster development of agricultural markets.

STRATEGIES: Administer 467 acres of land at or near the lakefront.

Identify tenants not currently at the Port but with great growth potential.

Increase marketing for the ferry to Michigan.

Export dry distillery grains.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	16.12	22.00	22.00	22.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	31	35	35	35	0	0
EXPENDITURES						
Salaries and Wages	$1,046,264	$1,228,764	$1,289,050	$1,289,050	$60,286	$0
Fringe Benefits	459,476	503,793	528,511	528,511	24,718	0
Operating Expenditures	1,239,837	962,019	1,198,950	1,198,950	236,931	0
Special Funds	1,406,686	1,633,483	1,520,000	1,778,500	145,017	258,500
TOTAL	$4,152,263	$4,328,059	$4,536,511	$4,795,011	$466,952	$258,500
REVENUES						
Charges for Services	$4,921,715	$4,328,059	$4,328,059	$4,795,011	$466,952	$466,952
TOTAL	$4,921,715	$4,328,059	$4,328,059	$4,795,011	$466,952	$466,952

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Port of Milwaukee contributes to the goal of increasing investment and economic vitality throughout the city. The Port has a major role in the local economy by providing land for businesses that need to be near the water. These businesses generate approximately $80 million in annual revenue and employ nearly 400 people. In fact, the Port's operations are directly responsible for the creation of over 1,000 jobs and approximately another 900 jobs are indirectly related to the Port's operations. Nearly 80 jobs have been created within the last few years. These family supporting jobs generate approximately $94 million in wages and salaries.

The Port plays a role in nurturing investment in Milwaukee by stimulating trade and business and by serving as a regional transportation and distribution hub for Southeastern Wisconsin. The Port links waterborne, rail, and

ground transportation in an accessible location close to downtown. As a result, the Port's tenants and customers are able to ship and receive products to and from all parts of the world.

The changes in Milwaukee's economy have resulted in a cargo mix that is quite different from 30 years ago. The major commodities are cement, coal, steel, and salt and are primarily used locally. The Port seeks to diversify its activities through the promotion of recreational businesses and passenger related travel services.

The Port administers 467 dry acres of city owned property at or near the lakefront. Milwaukee World Festivals, Inc. currently leases approximately two-thirds of the Port's north harbor land for the Maier Festival Grounds, home of Summerfest, various ethnic festivals, and the Marcus Amphitheater. Smaller leaseholders and city owned facilities account for most of the remaining acreage.

The seven member Board of Harbor Commissioners governs the Port of Milwaukee. This group is responsible for developing the Port's strategic plan and governing its operations.

Strategies and Milestones for 2009

Objective: Increase investment.	
Strategies	**2009 Milestones**
Administer 467 acres of land at or near the lake.	Resolve all outstanding leasing issues on the North Harbor tract. Reduce remaining unleased properties or find suitable uses.
Objective: Enhance transit options.	
Strategies	**2009 Milestones**
Identify tenants that are not currently at the Port but with great growth potential.	Increase tonnage imports and exports by 5%.
Increase marketing for the ferry to Michigan.	Increase riders on the high speed ferry to Michigan by 7%.
Objective: Foster the development of agricultural markets.	
Export Dry Distillery Grains (DDG).	Discover area where farmers use DDG's as cattle food.

STRATEGY IMPLEMENTATION

In 2007, the Port generated operating revenue of over $6 million, the sixth consecutive year of increased revenues. Port revenues have exceeded expenditures in each of the last seven years.

Over 50% of the Port's 2007 revenues are derived from a combination of facility rentals and the lease of Maier Festival Park to Milwaukee World Festivals, Inc. Milwaukee World Festivals, Inc. annually holds Summerfest and

a host of ethnic festivals on the 75 acre Maier Festival Grounds. This lease will generate almost $1.1 million in 2009. The Port transfers any excess revenue to the city's General Fund to ease the property tax burden.

The increase in Port revenues can be attributed to increased tonnage and nearly all available space being leased. In 2007, tonnage increased by approximately 331,000 tons or about 1.4%. This represents another record breaking year for the Port. The increased tonnage in 2007 is directly attributable to the winter of 2007 and the amount of salt needed for snow and ice control. The Port moved over 1.3 million tons of salt in 2007. This represents a 60% increase in salt tonnage from 2006 to 2007 and 48% of the Port's total tonnage for 2007.

The Port continues to replace low productivity tenants with higher productivity ones to take full advantage of Port properties and services.

OTHER SERVICE AND BUDGET CHANGES

Kinnickinnic River Project: The United States Environmental Protection Agency Great Lakes National Program Office and the Wisconsin Department of Natural Resources have collaborated and will soon begin work on a $22 million project to remove 170,000 cubic yards of contaminated sediment from Milwaukee's Kinnickinnic River. This project is being funded under the Great Lakes Legacy Act (GLLA). GLLA provides federal money in conjunction with local matching dollars to cleanup polluted sediment along the shores of the Great Lakes.

The Kinnickinnic River Project will be completed in three phases:

- Fall 2008 construction of a special cell for the Kinnickinnic River sediment.
- Fall 2008 construction of shoreline features.
- Spring 2009 to late fall 2009 sediment removal and disposal.

In addition to the 170,000 cubic yards of contaminated sediment, the project will also remove 1,200 pounds of PCBs and 13,000 pounds of PAHs.

Invasive Species: During the past two centuries, invasive species have significantly changed the Great Lakes ecosystem. In turn, the changes have had broad economic and social effects on people that rely on the ecosystem for food, water, and recreation. An "invasive species" is a plant or animal that is non-native (or alien) to an ecosystem, and whose introduction is likely to cause economic, human health, or environmental damage in that ecosystem. Once established, it is extremely difficult to control their spread.

Ballast water is taken onto or discharged from a ship as it loads or unloads its cargo, to accommodate changes in its weight. Thirty percent of invasive species have been introduced in the Great Lakes through ballast water. In the early 1990's, the U.S. Coast Guard began requiring ships to exchange their ballast water, or seal their ballast tanks for the duration of their stay. The Coast Guard later used their success in the Great Lakes to develop a ballast management program for the entire nation. Currently, the Coast Guard is in the process of developing ballast water discharge standards.

The lastest and potentially most harmful non-native fish to be introduced to the Great Lakes is the Asian sea carp. Asian carp are a significant threat to the Great Lakes because they are large, extremely prolific, and consume vast amounts of food. They can weigh up to 100 pounds, and can grow to a length of more than four feet. They are well suited to the climate of the Great Lakes region, which is similar to their native Asian habitats.

Researchers expect that Asian carp would disrupt the food chain that supports the native fish of the Great Lakes. Due to their large size, ravenous appetites, and rapid rate of reproduction, these fish could pose a significant risk to the Great Lakes ecosystem. Eventually, they could become a dominant species in the Great Lakes.

Asian carp have been found in the Illinois River, which connects the Mississippi River to Lake Michigan. To prevent the carp from entering the Great Lakes, the U.S. Army Corps of Engineers, the U.S. Environmental Protective Agency, the State of Illinois, the International Joint Commission, the Great Lakes Fishery Commission, and the U.S. Fish and Wildlife Service are working together to install and maintain a permanent electrical barrier between the fish and Lake Michigan.

The Port of Milwaukee is working with other agencies to ensure that the damage caused by the Asian sea carp and other invasive species are minimized.

2009 Budget by Services (Funding in Millions)

Service	**Port Economic Development**	
Activities:	Market and promote Port facilities, seek changes in federal laws to promote regional trade and provide harbor equipment, vessel, and crane services.	
		2009 Projection
Performance Measures:	Tonnage growth.	5.0%
	Percent of total expenses covered by revenues.	100.0%
	Port related job growth.	20
Funding by Source:	Operating Funds	$4.8
	Grants and Reimbursables	0.8
	Capital Budget	1.4
	Totals	**$7.0**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

DEPARTMENT OF PUBLIC WORKS
ADMINISTRATIVE SERVICES DIVISION

EXECUTIVE SUMMARY

MISSION: Provide administrative support, guidance, and direction for DPW.

OBJECTIVES: Provide guidance and support services for DPW in the areas of finance and planning, payroll, employee safety, Call Center and contract management.

Administer and support technology related services for DPW and the city including server/desktop computing, application development, and telecommunications infrastructure.

Administer the Emerging Business Enterprise and Residential Preference Programs to ensure opportunities for underutilized businesses and residents.

STRATEGIES: Move to a Risk Management model to reduce workplace injuries and control worker's compensation costs.

Support service delivery activities through the call center and supporting application.

Maximize efficiency and effectiveness of DPW operations through application development and implementation.

Ensure the continuing support and maintenance of telecommunications services that allow for daily citywide communications that impact the health and safety of the public.

Work with community partners to identify qualified businesses and residents for city contracts.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	46.76	50.78	50.54	50.54	-0.24	0.00
FTEs - Other	6.17	7.53	7.46	7.46	-0.07	0.00
Total Positions Authorized	63	63	63	63	0	0
EXPENDITURES						
Salaries and Wages	$2,809,995	$2,822,257	$2,891,553	$2,892,687	$70,430	$1,134
Fringe Benefits	1,105,705	1,159,112	1,185,537	1,186,001	26,889	464
Operating Expenditures	759,584	754,050	777,847	780,547	26,497	2,700
Equipment	29,645	39,000	39,000	39,000	0	0
TOTAL	$4,704,929	$4,774,419	$4,893,937	$4,898,235	$123,816	$4,298
REVENUES						
Charges for Services	$1,491,238	$1,361,000	$1,338,700	$1,338,700	$-22,300	$0
Licenses and Permits	2,127,927	1,711,100	1,933,400	1,933,400	222,300	0
TOTAL	$3,619,165	$3,072,100	$3,272,100	$3,272,100	$200,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Administrative Services Division provides planning and support to the Department of Public Works (DPW) in a variety of areas. DPW employs approximately 2,000 FTE employees and is responsible for a budget of more than $250 million including Enterprise Funds. Administrative functions include budget preparation and control, accounting, payroll, human resources, employee safety, contract administration, purchasing and inventory, communications, special event permitting, technology support, and the Call Center operation. The division also supports administration and management of the Parking Fund.

The Administrative Services Division's 2009 proposed budget includes $4.9 million in operating funds and $400,000 in capital funds. The division's activities support other DPW divisions and Enterprise Funds in achieving their program objectives and its costs are distributed across 14 public works programs.

Strategies and Milestones for 2009

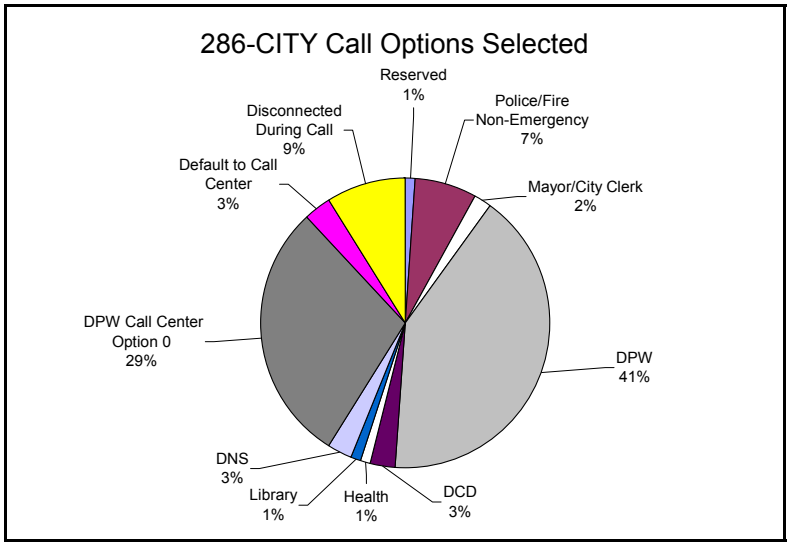
Objective:	**Provide guidance and support services for DPW in the areas of finance and planning, payroll, employee safety, Call Center and contract management.**
Strategies	**2009 Milestones**
Move to a Risk Management model to reduce workplace injuries and control worker's compensation costs.	Track and analyze injury to better determine how and why injuries occur and pursue intervention strategies to increase safety. Evaluate departmental safety practices to determine effectiveness and revise and implement workplace practices that identify and minimize hazards before injuries occur. Reinstate the Injury Review Committee and create documentation regarding improvements or changes made as a result of this initiative. Execute regular reporting and follow-up through individual department AIM meetings. Work in conjunction with DER to expedite return to work options for injured workers. Analyze the effectiveness of the light duty program and revise accordingly.
Support service delivery activities through the call center and supporting application.	Work with DPW divisions to ensure the accuracy of call center data, including disposition information. Coordinate with City Hall Information Desk during emergency situations to provide additional staff to process calls during high call volume.

Strategies and Milestones for 2009

Objective:	**Administer and support technology related services for DPW and the city including server/desktop computing, application development, and telecommunications infrastructure.**
Strategies	**2009 Milestones**
Maximize efficiency and effectiveness of DPW operations through application development and implementation.	Continue working with Infrastructure Services Division on database conversion and capital project mapping.
Ensure the continuing support and maintenance of telecommunications services that allow for daily citywide communications that impact the health and safety of the public.	Complete upgrade of network equipment.
Objective:	**Administer the Emerging Business Enterprise and Residential Preference Programs to ensure opportunities for underutilized businesses and residents.**
Strategies	**2009 Milestones**
Work with community partners to identify qualified businesses and residents for city contracts.	Meet EBE and RPP participant goals.

STRATEGY IMPLEMENTATION

Figure 1



Safety: DPW's Safety Section works to minimize workplace injuries and allow for a safe and productive work environment. The section implements programs and procedures and acquires new safety devices that contribute to safer work practices. High rates of injuries still occur which contribute to lost workdays and escalating worker's compensation costs. In 2009, additional data pertaining to injuries will allow DPW to enhance safety efforts and work loss prevention.

Expanded data analysis will allow the department to better determine the nature, cause, and frequency of workplace injuries and assist in the development of proactive and targeted safety initiatives. The department will also reinstate the Injury Review Committee and report regularly on the progress of the committee and safety efforts at AIM meetings. The department will also work closely with the Department of Employee Relations to expedite the return to work process for injured employees. Added visibility to safety efforts along with additional data tools will help the department structure safety management in a manner that maximizes impact on injuries and related costs.

286-CITY: In 2006, DPW implemented 286-CITY, a single access telephone number to provide the public with an easier method for obtaining city services and information. The purpose of 286-CITY is to streamline access to city government by providing two telephone numbers: 9-1-1 for emergency calls and 286-CITY (2489) for non-emergency calls.

Approximately 92,255 calls were received through July 2008, an increase of over 89% compared with this time in 2007. Of the total calls in 2007, the highest selections were for DPW (41%), the zero option which defaults to the Call Center (29%) and Police and Fire (7%) (see Figure 1).

Call Center: The DPW Call Center is a reliable resource for customers to obtain information and make service requests. Currently all DPW service related requests, aside from Water and Parking, are received and processed through the Call Center. A centralized Call Center allows DPW to better track and more efficiently respond to the many calls the department receives for services like sanitation, forestry, street maintenance, and street lighting. In 2007, the Call Center received 168,095 calls and online requests for service and information (see Figures 2 and 3). Requests can be made over the telephone or online. The number of online requests has steadily increased. In 2006, the department processed 8,748 online requests and in 2007 this increased to 10,697. Through July 2008, DPW has received 9,695 online requests.

Figure 2

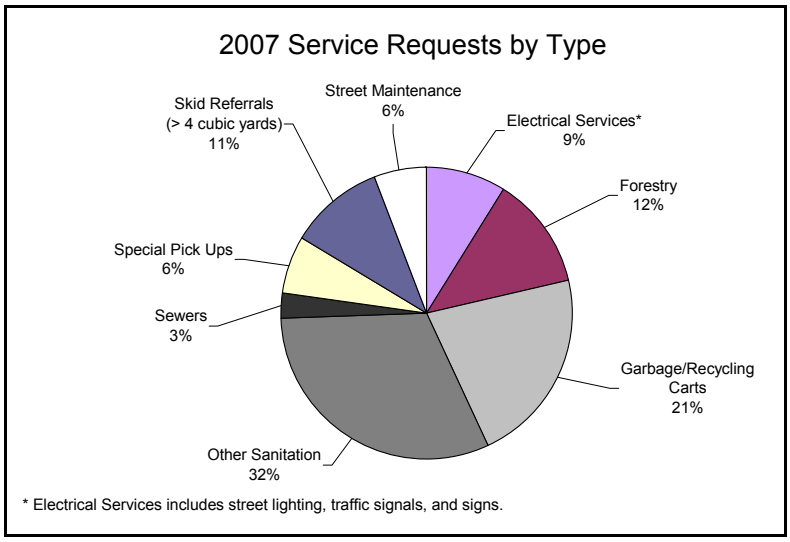
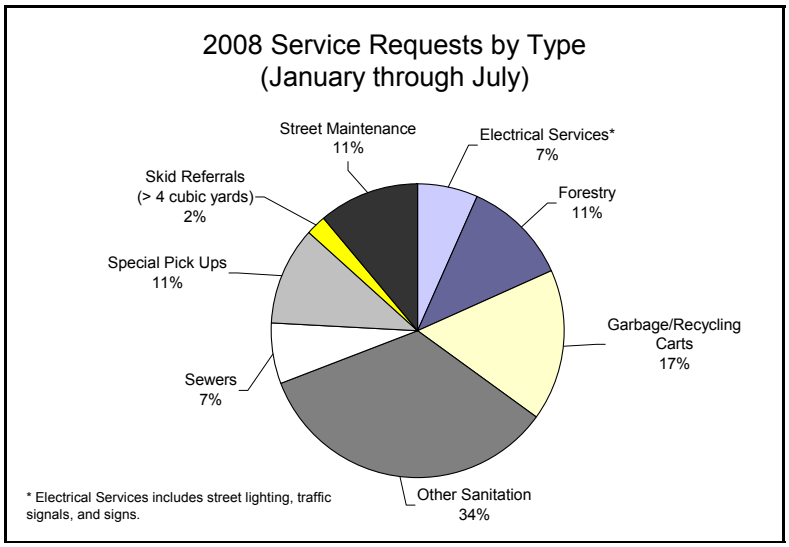


Figure 3



Recent enhancements to the call center include the incorporation of Forestry's new tree inventory system that will allow for easier identification of trees related to citizen service calls. The call center application has been integrated with the vacant lots database to help Sanitation determine which lots require servicing.

Through the AIM process, the Call Center data has become an important resource for policymakers in holding the department accountable for service delivery. To that end, the Administration division will continue working with DPW divisions to ensure the accuracy and reliability of the Call Center data.

Technological Support: DPW's Technology Support Services has three primary areas of focus: server/desktop computing, application development, and citywide telecommunications infrastructure.

DPW provides custom built applications to support the ongoing operations of the department and to provide enhanced solutions to department and citywide issues. DPW continues to support and enhance the CityTime web application for employee time entry and an absence database was added in 2007 to improve tracking of employee

absences. In 2008, CityTime was expanded to incorporate the Fire Department along with enhancements for custom reports. Other examples of applications in progress or planned for 2009 include a system to create and retrieve parking space vacancy data from city owned parking structures along with plans to expand to an additional 20 downtown parking structures. An application to track abandoned vehicle complaints is also under development to improve the efficiency and effectiveness of processing abandoned vehicles.

DPW Telecommunication Services provides installation, support and maintenance for telecommunication equipment including the network infrastructure for the Police, Fire, and Water departments. This includes the deployment of fiber and copper infrastructure that supports critical health and safety response and communications. DPW also continues to manage and support all network equipment for the city as part of an agreement with ITMD in 2007.

OTHER SERVICE AND BUDGET CHANGES

Capital Projects: The 2009 capital budget provides $350,000 for public safety communication needs. This funding will be utilized primarily to install new fiber routes as well as redundant connections for various city agencies, specifically for public safety purposes.

Staff Changes: Due to a reorganization of the finance section, one position of DPW Accounting Manager is eliminated and one Management Accountant position is created. In addition, customer service representatives in the Call Center are reclassified.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated full-time equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
1	1.00		Management Accountant	Retitled and reclassified to better reflect duties.
-1	-1.00		Public Works Accounting Manager	
1	1.00		Communications Assistant IV	
-1	-1.00		Customer Service Rep III	
1	1.00		Communications Assistant III	
-1	-1.00		Customer Service Rep II	
	-0.24	-0.07	Various Positions	Miscellaneous adjustment.
0	**-0.24**	**-0.07**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
INFRASTRUCTURE SERVICES DIVISION

EXECUTIVE SUMMARY

MISSION: To promote the health, safety, mobility, and quality of life for all City of Milwaukee residents and visitors by providing safe, attractive, and efficient surface infrastructure systems.

OBJECTIVES: Enhance transportation options and existing infrastructure.

Reduce energy use in city operations by 15% by 2012.

STRATEGIES: Reduce local street replacement cycle to 65 years.

Complete installation of the LED traffic control signals and follow the development of LED streetlights.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	238.92	234.28	246.23	248.40	14.12	2.17
FTEs - Other	252.95	277.43	276.37	278.86	1.43	2.49
Total Positions Authorized	698	696	703	707	11	4
EXPENDITURES						
Salaries and Wages	$12,455,889	$12,335,517	$13,006,631	$12,927,435	$591,918	$-79,196
Fringe Benefits	5,067,683	5,057,563	5,332,718	5,300,248	242,685	-32,470
Operating Expenditures	7,409,469	7,456,354	8,050,700	7,816,700	360,346	-234,000
Equipment	68,954	89,500	117,800	117,800	28,300	0
TOTAL	$25,001,995	$24,938,934	$26,507,849	$26,162,183	$1,223,249	$-345,666
REVENUES						
Charges for Services	$3,158,791	$3,764,100	$2,994,000	$2,994,000	$-770,100	$0
TOTAL	$3,158,791	$3,764,100	$2,994,000	$2,994,000	$-770,100	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Infrastructures Service's primary mission is to provide safe attractive and efficient public ways and infrastructure systems. These systems contribute to the city's goal of strengthening the local economy by increasing investment and economic vitality throughout the city.

The Infrastructure Services Division is responsible for design, construction, and maintenance of the city's infrastructure systems, including streets and alleys, bridges, sewers, sidewalks, traffic control devices, street lights, and underground conduits. In addition, the division coordinates transportation improvements with other governmental agencies and railroad companies, undertakes engineering studies, and investigates various permits, plans, and easements.

In 2009, the Infrastructure Services Division will use approximately $96 million to support its objectives, including $26.2 million in operating funds, $31.7 million in capital funds and $34.9 million in state and federal aid.

Grant and aid funds are used primarily for two capital programs: the Major Bridge Program and the Major Street Improvements Program. In the 2009 proposed budget, grant funds constitute 42% of the Major Bridge Program and 88.1% of the Major Street Improvements Program. Grant funds help the city preserve and maintain its street and bridge systems, which are critical components of the overall transportation system.

Strategies and Milestones for 2009

Objective: Enhance transit options and existing infrastructure.	
Strategies	**2009 Milestones**
Reduce the local street replacement cycle to 65 years.	Adopt 2009 capital budget and 2009-15 capital plan.
Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2009 Milestones**
Installation of LED traffic control signals.	Complete installations.
Follow development of LED streetlights.	If technologically and financially feasible, test pilot a small area of the city.

STRATEGY IMPLEMENTATION

Many of the Infrastructure Services Division's activities improve the condition of the city's surface public ways, primarily streets, sidewalks, and alleys. Activities include resurfacing or reconstructing existing pavement, curb and gutter, and constructing new streets as part of residential, commercial, and industrial development. Maintaining the city's streets, alleys, and sidewalks assists in promoting economic development in Milwaukee by providing the infrastructure necessary to move people, goods, and services efficiently throughout the city. Currently over 5.4 million trips are made each day on Milwaukee's streets. This includes rides to work, school, church and hundreds of other activities. Without a well maintained infrastructure system this would not be possible.

Milwaukee's street network includes approximately 1,400 miles of freeways, highways, arterials, collectors and local roads. Government agencies other than the City of Milwaukee are responsible for approximately 50 of these miles. Another 450 miles are part of the Federal Aid Transportation System and are eligible for federal, state, and county funding. The remaining 900 miles of streets are the sole responsibility of the City of Milwaukee. The city maintains all its streets under its Resurfacing Reconstruction, Major Street, and Street Maintenance Programs.

Major Streets: The city's 450 miles of arterials and collectors are resurfaced and maintained as part of the city's Major Streets Program. Arterials and collectors are a part of the Federal Aid Transportation System and are eligible for county, state, and federal funding. Over the past five years, an average of $33 million per year has been dedicated to the preservation and reconstruction of these streets. This funding allows the city to reconstruct nearly seven miles of pavement each year, which provides a 65 year replacement cycle. The 2009 proposed budget includes $34.7 million for the Major Streets Program (see Table 1). There are 20 major streets reconstruction projects scheduled for 2009. The largest of these projects is the 76th Street project. This street reconstruction project is being coordinated with the Water, Sewer, Street Lighting and Underground Conduit Programs and will cost approximately $11.4 million. This project is expected to be completed in the fall of 2009.

Table 1

Major Streets

Source of Funds	2007 Experience	2008 Budget	2009 Budget	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2009-2014 Average
City Funding (1)	$3,636,454	$4,154,566	$4,130,000	$6,760,000	$4,970,000	$5,200,000	$4,045,000	$1,146,500	$5,241,917
Assessable (2)	$593,946	$4,033,700	$83,000	$77,000	$91,000	$89,000	$100,000	$100,000	$90,000
Grant and Aid	$23,442,160	$24,460,825	$30,450,000	$16,670,000	$23,200,000	$23,555,000	$11,770,000	$34,575,000	$23,370,000
Annual Totals	**$27,672,560**	**$32,649,091**	**$34,663,000**	**$23,507,000**	**$28,261,000**	**$28,844,000**	**$15,915,000**	**$35,821,500**	**$27,835,250**

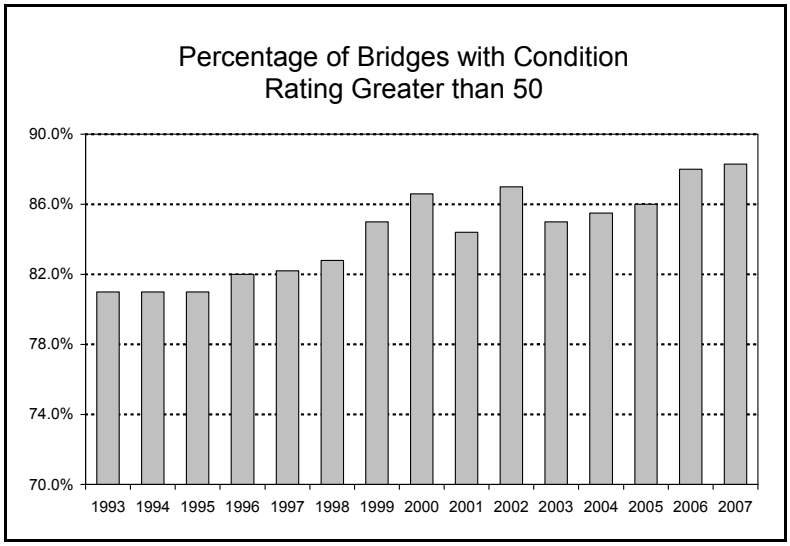
(1) Street portions of projects are no longer assessable.

(2) Assessable items include sidewalks, alleys, sewers.

(3) LRIP is included in the Major Streets Program but is used for the local streets program.

Local Streets: Approximately 900 miles of city streets are not eligible for state and federal funding. These streets are maintained, repaired, reconstructed and resurfaced with capital funds budgeted for the Resurfacing Reconstruction Program. Beginning with the 2009 budget, this program will be funded solely with city funds. Property owners will no longer be assessed if their property abuts a street reconstruction project. This change is a result of the city's adoption of a Motor Vehicle Registration Fee and a new special assessments ordinance in Common Council File Number 080034 in 2008.

Figure 1



The 2009 proposed budget provides $10.3 million for the Resurfacing Reconstruction Program, which will resurface or reconstruct approximately 15 miles of local streets. Approximately $2 million of these funds will be used for capital maintenance. This level of funding represents a 157% increase in funding over the 2004 budget and an increase of $3.8 million over the 2008 budget, demonstrating the city's commitment to investing and improving its transportation infrastructure.

The 2009 proposed budget provides an additional $102,000 to extend the winter pothole patching season by two months. This level of funding will support five crews.

The six year capital plan for local streets will enable the city to maintain its streets at a safe and drivable level (see Table 2). The plan allows the city to complete an average of 12.7 miles of resurfacing or reconstruction per year. In addition, Infrastructure Services will complete approximately 37 miles of street maintenance annually. The final year of the plan will produce a 59 year replacement cycle. This represents a significant improvement over the current replacement cycle.

Major Bridges: The Major Bridge Program preserves and maintains a bridge system that ensures the safe and efficient movement of vehicles, people, and commodities. The 2009 proposed budget provides total funding of $13.4 million, including $4.4 million in operating and $9 million in grant and capital funds. Operating funds will be used to provide normal bridge maintenance while the grant and capital funds will provide major repairs, reconstruction or rehabilitation.

Table 2

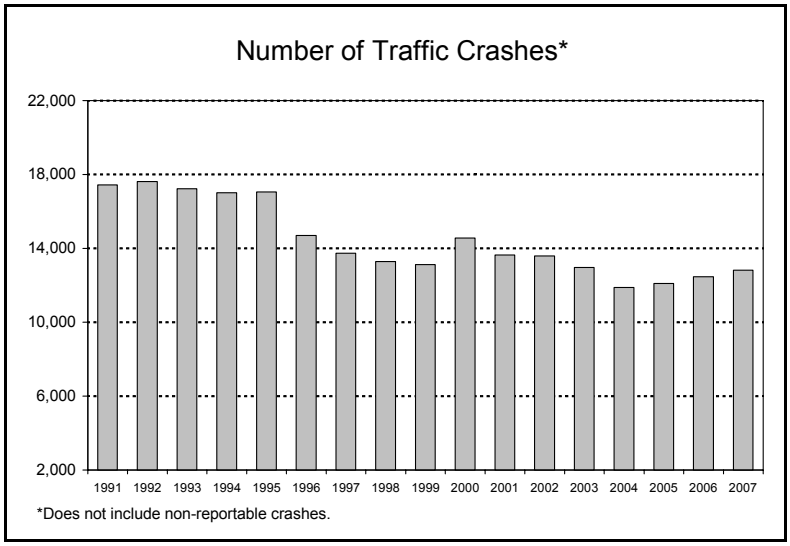
Local Street Resurfacing/Reconstruction Funding 2009-2014 Plan

Source of Funds	2007 Experience	2008 Budget	2009 Budget	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2009-2014 Average
City Funding (1)	$3,636,454	$4,154,566	$8,300,000	$7,753,745	$9,140,000	$8,960,000	$10,280,000	$10,100,000	$9,088,958
Assessable (2)	$593,946	$4,033,700	$0	$0	$0	$0	$0	$0	$0
LRIP (3) State Funding	$0	$1,067,445	$0	$1,067,445	$0	$1,067,445	$0	$1,067,445	$533,723
City Match	$0	$533,700	$0	$1,067,445	$0	$1,067,445	$0	$1,067,445	$533,723
Assessable Match	$533,000	$533,700	$0	$0	$0	$0	$0	$0	$0
Annual Totals	**$4,763,400**	**$10,323,111**	**$8,300,000**	**$9,888,635**	**$9,140,000**	**$11,094,890**	**$10,280,000**	**$12,234,890**	**$10,156,403**
Cost Per Mile	$750,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Expected Miles Completed	10.57	12.90	10.38	12.36	11.43	13.87	12.85	15.29	12.70
Replacement Cycle (years)	**85**	**70**	**87**	**73**	**79**	**65**	**70**	**59**	**72**

(1) City funds do not include funds for capital street maintenance.
(2) Enough carryover assesable authority
(3) LRIP is included in the Major Streets Program.

Bridge conditions are measured using a sufficiency rating ranging from 0 to 100. Ratings are conducted every two years through physical bridge safety inspections. Bridges with a rating below 50 are inspected annually. In 2007, 88.3% of the rated bridges had a sufficiency rating above 50 (see Figure 1). Currently, 18 bridges have sufficiency ratings less than 50. The six year capital plan addresses 12 of these bridges. The remaining six bridges are safe and operable, but non-safety related issues such as designed in street and sidewalk capacity contribute to their lower sufficiency rating.

Figure 2



Street Lighting: The 2009 Street Lighting Program includes $16.3 million in capital, grant and operating funding. Approximately $4.1 million will be expended on paving related improvements. Infrastructure Services routinely performs electrical upgrades in conjunction with the Paving Program because it is the most cost effective manner to perform upgrades.

Approximately $1.8 million will be used for the Neighborhood Lighting Program, which funds upgrades to street and alley lighting, miscellaneous upgrades, pole knockdown repairs, and excavation repairs. Infrastructure Services will expend $1 million on removing and upgrading series circuits. This program will yield immediate benefits. As a result of the Series Circuitry Upgrade Program, electrical maintenance costs and electrical outages will decline. The upgrade will make the city's electrical system more reliable and will allow DPW's maintenance crews to be more responsive.

The 2009 proposed budget includes $1.2 million for upgrades to street lighting substations with similar annual funding planned through 2012. The substation upgrade project will allow for more efficient management of the street lighting system. Upon completion of the street lighting substations, potential problems will be diagnosed before they occur and crews will be more responsive to citizens.

The 2009 proposed budget increases the total number of electrical services maintenance crews by two. These crews will respond to emergency street light outages. As a result of adding two crews, Electrical Services will be able to respond to citizen concerns in a timelier manner and reduce overtime by $116,000.

Traffic Controls: The Traffic Control Program designs and operates transportation systems that support the safe and efficient movement of people and goods. The program helps to reduce the number of traffic crashes, improve traffic flow and reduce pollution. The 2009 proposed budget provides $4.1 million for this service including $3.1 million in operating funds and $1 million in capital and grant funds. The majority of funding will be used for maintenance and sign replacement. The Traffic Control Program has resulted in a reduction in the number of reported traffic crashes by 27% since 1992 (see Figure 2).

DPW negotiated a signed performance contract agreement with Johnson's Control Inc, (JCI) to install LED traffic control signals at approximately 220 intersections. JCI expects to complete installation of the LEDs by June 2009. This project will reduce energy use by approximately $140,000 and salary expense by $30,000.

OTHER SERVICE AND BUDGET CHANGES

Underground Conduit and Electrical Manholes: The Underground Conduit and Manhole Program provides internal communication services. The system provides a secure and weatherproof means of connecting communication cables among various city departments, including the Fire Department, Police Department, Health Department, Milwaukee Public Library, Milwaukee Water Works, and the Department of Public Works. The conduit system also provides a secure and reliable route for traffic signals and street lighting cable circuits and systems. The 2009 proposed budget provides approximately $800,000 in funding for this program.

2009 Budget by Services (Funding in Millions)

Service	**Streets, Alleys, and Sidewalks**	
Activities:	Street paving, street maintenance, alley resurfacing, reconstruction and maintenance, and sidewalk replacement.	
		2009 Projection
Performance Measures:	Percentage of projects heard by May 1st.	90.0%
	Local street replacement cycle.	6.0
Funding by Source:	Operating Funds	$10.3
	Capital Budget	17.4
	Grants and Reimbursables	33.3
	Totals	**$60.9**

Service	**Bridges**	
Activities:	Bridge reconstruction, bridge repair and maintenance, operation of movable and automated bridges.	
		2009 Projection
Performance Measures:	Percentage of bridges with a condition rating above 50.	85.0%
Funding by Source:	Operating Funds	$4.4
	Capital Budget	4.5
	Grants and Reimbursables	4.4
	Totals	**$13.4**

Service	**Lighting**	
Activities:	Lighting systems operations, street light repair, circuitry replacement, and capital improvements.	
		2009 Projection
Performance Measures:	Complaints responded to within 30 days.	80.0%
	Streets meeting IES standards.	95.0%
Funding by Source:	Operating Funds	$8.3
	Capital Budget	7.9
	Grants and Reimbursables	0.1
	Totals	**$16.3**

2009 Budget by Services (Funding in Millions)

Service	**Traffic Control**	
Activities:	Install and replace traffic control signs, pavement markings and traffic signals, provide review and design for special events and street paving traffic control plans, and provide for the safe and uniform flow of traffic.	
		2009 Projection
Performance Measures:	Complaints responded to in less than 60 days.	75.0%
	Reduce the number of traffic accidents by 5.0%.	13,000
Funding by Source:	Operating Funds	$3.1
	Capital Budget	1.0
	Totals	**$4.1**

Service	**Underground Conduit and Manholes**	
Activities:	Install and replace underground communication conduits, maintain and replace electric manholes.	
		2009 Projection
Performance Measures:	Percentage of customers satisfied with communication services.	90.0%
Funding by Source:	Operating Funds	$0.1
	Capital Budget	0.6
	Grants and Reimbursables	0.1
	Totals	**$0.8**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
			Transportation	
	-1.00	1.00	Traffic Control Assistant	Shift in funding.
			Streets and Bridges	
	1.50	0.17	Infrastructure Repair Worker	Extended pothole season.
2	1.00	1.00	Painter Leadworker House	Transferred from Operations.
2	1.00	1.00	Painter Leadworker House	
1	0.25	0.75	Infrastructure Claims Specialist	Created to better manage workload.
4	3.40	0.60	Electrical Mechanic	
2	1.40	0.60	Special Laborer, ES	
	0.37	0.30	Laborer, ES	Increased to full time.
	6.20	-3.99	Various	Miscellaneous adjustments.
11	**14.12**	**1.43**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
OPERATIONS DIVISION

EXECUTIVE SUMMARY

MISSION: Improve the safety, cleanliness, and sustainability of Milwaukee neighborhoods and the environment.

OBJECTIVES: Improve neighborhood appearance.

Reduce energy use in city operations.

Enhance transit options.

Facilitate service provisions to city residents.

STRATEGIES: Timely collection of solid waste and vigorous abatement of nuisance garbage.

Effective recycling program to reduce solid waste.

Timely street sweeping and leaf collection.

Timely snow and ice control operations.

Enhance the urban forest and boulevard system.

Retrofit buildings and purchase vehicles to increase energy efficiency.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	762.83	750.83	725.23	718.23	-32.60	-7.00
FTEs - Other	122.64	128.44	124.44	127.44	-1.00	3.00
Total Positions Authorized	1,643	1,596	1,599	1,603	7	4
EXPENDITURES						
Salaries and Wages	$40,002,685	$37,732,622	$37,197,834	$36,191,266	$-1,541,356	$-1,006,568
Fringe Benefits	16,263,209	15,470,374	15,251,112	14,838,419	-631,955	-412,693
Operating Expenditures	28,480,411	25,405,364	28,413,058	27,510,961	2,105,597	-902,097
Equipment	1,812,136	1,778,000	2,488,460	1,899,460	121,460	-589,000
Special Funds	127,000	723,735	747,000	747,000	23,265	0
TOTAL	$86,685,441	$81,110,095	$84,097,464	$81,187,106	$77,011	$-2,910,358
REVENUES						
Charges for Services	$38,898,067	$40,459,000	$40,655,000	$41,130,000	$671,000	$475,000
Miscellaneous	17,901	236,700	222,700	267,400	30,700	44,700
TOTAL	$38,915,968	$40,695,700	$40,877,700	$41,397,400	$701,700	$519,700

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Department of Public Works Operations Division supports the city's goals of building safe and healthy neighborhoods, increasing investment and economic vitality throughout the city, and sustaining, enhancing and promoting Milwaukee's natural environmental assets.

Environmental Services: The Sanitation Section is responsible for collecting and disposing of the city's residential solid waste. Solid waste collection protects city residents from vermin and infectious disease. The section also sweeps city streets, which protects the environment by reducing harmful stormwater run off into streams, rivers, and lakes. Additionally, Sanitation reduces the amount of materials sent to landfills through public education, brush collection, and the city's recycling program. A high performance recycling program generates revenue for recyclables and reduces garbage tipping fees. Environmental Services is also making additional efforts to reduce nuisance garbage and maintain vacant lots owned by the city until they can be sold by the Department of City Development.

DPW's Forestry Section is primarily responsible for tree and landscape management. The program currently maintains 200,000 trees and 120 miles of boulevards that provide Milwaukee with a natural beauty both residents and visitors enjoy. The urban tree canopy and boulevard system contribute to the environmental sustainability of the city by helping to manage stormwater runoff. The city's trees and other vegetation also absorb carbon dioxide, which contributes to global warming from the environment.

Fleet Services and Fleet Operations: Fleet Operations works cooperatively with the Environmental Services Section to clear city streets of snow and ice, a critical component to the Administration's key objective of nurturing investment in the city. The Fleet Services and Fleet Operations Sections also operate and maintain the Department of Public Works (DPW) centralized fleet of over 4,000 motor vehicles and related equipment. The Fleet Services Section provides equipment to other DPW divisions and provides repair services for vehicles owned by the Library, Health Department, Police Department, Water Works, Sewer Maintenance Fund, and Parking Fund.

Facilities Development and Management: The Facilities Development and Management Section manages the city's building facility assets. This entails improving the functionality of existing facilities while identifying opportunities to divest from facilities that do not add adequate value to city services. The section's central strategic challenge is to prioritize projects that preserve the city's critical building infrastructure within the context of declining resources. The section provides building services, such as design, construction, and maintenance for city facilities excluding the Port of Milwaukee, Milwaukee Public Library, and Health Department clinics. Consequently, this section oversees 160 of the city's 220 buildings.

Strategies and Milestones for 2009

Objective: Improve neighborhood appearance.	
Strategies	**2009 Milestones**
Maintain timely, regular collection of solid waste.	Missed collection rate of 1% or less.
Vigorously abate nuisance garbage and litter.	Remediate most nuisance garbage referrals within four days and all referrals within seven days.
Solid waste reduction through an effective recycling program that increases resident participation and tonnage collected.	Increase resident participation through education and outreach. Monitor results of recycling setout initiative. Increase tonnage of recyclables collected by 5%.
Continue periodic street sweeping based on neighborhood need.	Maintain street sweeping schedule over 90% of the time.
Provide timely fall leaf collection.	Complete leaf collection prior to first snow plowing.
Maintain urban forest and boulevard system.	Prune 15% of city owned street trees. Survey city's ash tree population. Inoculate one-third to one-half of city owned ash trees. Continue construction of sustainable boulevards.

Objective: Enhance transit options and existing infrastructure.	
Strategies	**2009 Milestones**
Conduct timely snow and ice control operations.	Mass transit routes, main streets, and arterials salted within 4 hours and plowed open within 6-12 hours from end of snowfall or before next rush hour. Residential streets open to through traffic with salting within 6-8 hours from start of operation and plowing by 18-24 hours from end of snowfall. Clearing of curb ramps and designated bus stops so that 50% of designated bus stops are clear within 72 hours after plowing operations complete.

Strategies and Milestones for 2009

Objective: Reduce energy use in city operations by 15% by 2012 (from 2005 baseline).	
Strategies	**2009 Milestones**
Retrofit city owned buildings with energy efficient systems and fixtures.	Retrofit 15 city owned buildings based on energy audit recommendations.
Purchase more energy efficient vehicles .	Purchase cost effective hybrid or flexible fuel vehicles.
Objective: Facilitate service provision to city residents.	
Strategies	**2009 Milestones**
Provide needed vehicles and equipment to support city services to residents.	Maintain police and light vehicle availability rate of 95% or more. Maintain truck and heavy vehicle availability rate of 90% or more.

STRATEGY IMPLEMENTATION

The 2009 proposed budget provides $81 million operating funds, utilizes nearly $9 million of grant and reimbursable funding and provides $16.5 million of capital funds to continue DPW Operations Division's provision of services to Milwaukee's residents and businesses.

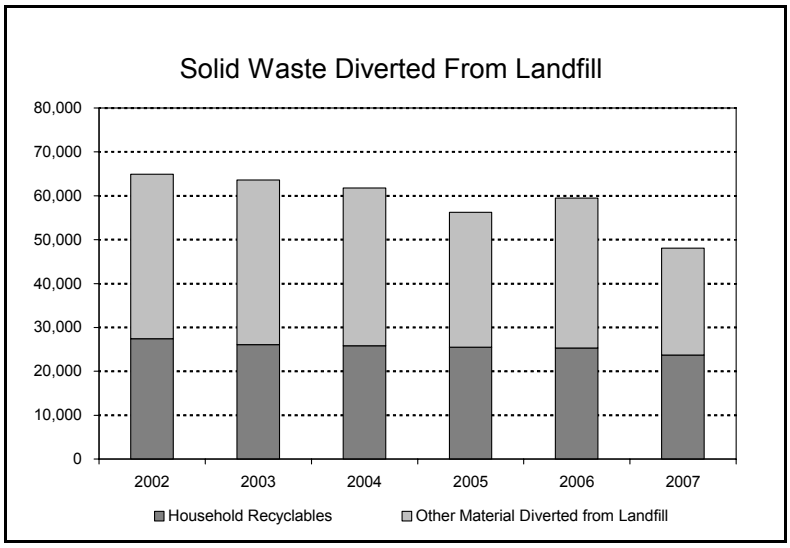
Solid Waste Collection and other city cleanliness activities receive approximately $32.6 million funding in the 2009 proposed budget. On a weekly basis, DPW collects waste from about 213,000 households of up to 4 units. In 2007, Environmental Services Section employees collected 292,800 tons of residential garbage from these households and participating apartment buildings. The city provided garbage collection to 1,291 apartment buildings of five units or more at full cost to the property owner which generated over $1 million in revenue. In 2008, the city raised its apartment garbage collection charges and expects to collect over $1 million in revenue. The 2009 revenue estimate is nearly $1.5 million, based on a full year at the increased rate.

An important component of Solid Waste Collection funding is the Solid Waste Fee. In 2007, nearly $25 million was collected from households and property tax exempt entities through this fee. Operations Driver Workers staff the majority of Solid Waste Collection activities. In addition to the expenditures contained in the Proposed Budget, the Mayor has proposed 2009 revenues which would fund two additional Operator Driver Worker positions in the Sanitation Section.

Nuisance garbage abatement is a Sanitation activity that is critically important to the health of Milwaukee residents and the appearance of their neighborhoods. In 2007, DPW assumed responsibility for execution of clean up orders issued by the Department of Neighborhood Services after a property owner's grace period expires. DPW is able to rapidly execute cleanup operations with a goal to remediate most nuisance garbage occurrences within four calendar days and clean 100% of referrals in seven days or less. In 2007, DPW resolved nuisance garbage incidents within four days 83% of the time and within 7 days 96% of the time.

Recycling and other solid waste reduction efforts benefit the city through reduced tipping fee expenditures for solid waste deposited into landfills and providing revenue through sale of recycled material. In 2007, Sanitation collected 23,700 tons of recyclables and 24,400 tons of compost material, a decline from prior years, as shown in Figure 1. The 2009 proposed budget provides $3.4 million in operating funds and $3.8 million in grant funds for recycling efforts.

Figure 1



As a quasi-business operation, the recycling program's central mission is to recover an increasing amount of recyclables from the waste stream. The Environmental Services Section has been trying a variety of approaches to do this.

To provide a greater level of service and increase recycling tonnages, twice per month recycling collection was piloted on two routes in 2007. The pilot was conducted in two neighborhoods that had among the highest recycling rates in the city. It was designed to address two areas of resident concern- infrequent recycling collection and random monthly collection dates. The pilot program guaranteed two collections per month scheduled on the same day of the week to ensure greater consistency. The pilot resulted in a 3.6% increase in recycling material collected.

To increase recycling participation in target neighborhoods, 1,200 central city households were converted from 18 gallon bins to 95 gallon carts for recycling service. The growth in owner-occupied homes in these neighborhoods improves the likelihood of participation in recycling efforts. In 2007, recycling tonnage collected in these neighborhoods increased 50% over 2006.

Removing snow and ice as quickly and economically as possible to restore safe motorist and pedestrian travel, and minimize economic losses is an important DPW activity. The estimated average daily gross city product in Milwaukee is $86.7 million. A well run snow and ice removal operation adds value to the economy by allowing year round operation of the regional economy.

The extent to which snow and ice control operations are performed is largely dependent upon weather conditions. Snow and ice control expenditures are primarily dependent upon snowfall, which has fluctuated tremendously over the past decade. Over the last five years, DPW has improved the efficiency of its snow and ice control operations by utilizing more salt trucks with underbelly plows. Underbelly plows allow DPW staff to respond more quickly to rapid accumulations of snow on the roadway. Additionally, expansion of snow driver pool overtime has allowed for more sustained snow removal operations using only city forces.

In 2007 and 2008, Milwaukee experienced severe winter snowfalls. Nearly 78 inches of snow fell in 2007 resulting in 7 plowing and 55 ice control operations. Expenditures exceeded $10.8 million for labor, equipment, and de-icing material, including over 106,000 tons of salt. In early 2008, 68 inches of snow fell and $9.2 million was expended in 5 plowing and 37 ice control operations. The city has set aside contingent funds and recently the Common Council passed an increase in the 2008 Snow and Ice Control Fee to help finance these extraordinary expenditures.

Snowfall over the past ten years has averaged almost 49 inches per year, resulting in an average of four plowing operations and 31 ice control operations. The 2009 proposed budget includes $4.5 million for snow and ice control operations and a Snow and Ice Control Fee sufficient to raise this revenue. The Mayor had proposed an increase to the 2009 Snow and Ice Control Fee which would have allowed for a budget of $6.1 million, in line with both the 5 and 10 year average experience. The Common Council rejected this proposal.

The Emerald Ash Borer emerged as a present threat to the state's ash tree population in 2008 with its discovery in Ozaukee and Washington counties. Previously, the infestation was observed 40 miles south of the Wisconsin-Illinois boarder and in remote locations of Upper Michigan. Milwaukee's urban forest contains approximately 36,000 ash trees, with a replacement value of about $27 million. Other states have tried to control the pest by clear cutting ash trees once the pests have been detected. This strategy has proven to be largely ineffective. The Emerald Ash Borer is an extremely elusive pest and is difficult to detect until it has firmly established itself in the tree population.

DPW has been working with the State of Wisconsin on an alternative pest control strategy. This strategy involves an intense educational campaign to discourage transport of firewood from other regions, which could spread the pest. Recently developed pesticides offer hope of avoiding a calamitous infestation of Milwaukee's urban forest. The 2009 proposed budget includes $800,000 for an Emerald Ash Borer Readiness and Response program. It includes a hyper-spectral imaging survey to precisely locate ash trees and other species throughout the city as a follow up to visual and aerial surveys previously conducted in cooperation with the United States Forest Service and Wisconsin DNR. This thorough mapping of Milwaukee's ash tree population, including ash trees on private property and parks, will be utilized to effectively vaccinate these threatened trees in 2009 and 2010.

The Facility Maintenance and Development Program activities focus on providing quality support for facilities used by city agencies and for recreational facilities and playlots. The department has completed condition assessments on nearly all DPW managed buildings. The department will continue long term capital budget planning to improve the condition and energy efficiency of its facilities while minimizing the cost of those improvements.

The department is on schedule and on budget with its major facility project, City Hall Restoration, with project completion expected in late 2008. While change orders are inevitable on a project of this scale, they remain within the contingencies budgeted for this project.

The Fleet Services Program provides repair and maintenance services to over 4,000 vehicles and pieces of equipment. It also provides equipment operators for a variety of DPW functions. In 2007, Fleet Services met its goal of Preventative Maintenance checks and ensured that fleet vehicles were available 95% of the time.

OTHER SERVICE AND BUDGET CHANGES

Self-Help Centers: Heavy construction debris such as concrete and asphalt will no longer be accepted at the City's two Self-Help Centers under the 2009 proposed budget. A reduction in two Operations Driver Worker positions that transport this debris to landfills results in a $90,680 savings.

Sick Leave Policy: The Administration and the Department of Public Works continue efforts to effectively control excessive sick leave use in the driver pool that reduces crew productivity. As a result of improved sick leave control and the reduction to special collection calls for service, the 2009 budget reduces the number of Operations Driver Workers by five. This change is expected to save $227,000 annually with some possible impact on services.

Snow and Ice Control Fee: The Snow and Ice Control Fee recovers a portion of the city's cost for snow and ice operations. The fee is charged based on the estimated street frontage for all properties. The fee was established in 2002 at a frontage rate of $0.2736 or $12.04 for an average 44 foot frontage residential property. The 2008

budget increased the rate to $0.4788 per frontage foot or $21.07 for an average residence. Heavy snowfalls during early 2008 caused snow and ice control expenditures to greatly exceed budgeted amounts. Actions to offset those expenditures included an additional fee increase to $0.6522 or $28.70 for the average residence, passed by the Common Council on September 12, 2008. However, in subsequent action on that date, the Common Council did not pass the Mayor's proposal to increase the 2009 Snow and Ice Control Fee by the same amount.

Fleet Reduction and Vehicle Maintenance: DPW continues to analyze its equipment fleet. Through detailed analyses of daily vehicle usage, DPW identified opportunities for fleet reduction. Since 2004, the city has reduced its DPW vehicle fleet nearly 21% (301 vehicles). These fleet reductions reduce the workload for vehicle service staff.

Secondly, substantial purchases of new vehicles and equipment through recent years' capital and operations budgets provide the opportunity to adjust the fleet planned maintenance program. This investment and staff productivity is reflected in the proportion of planned maintenance inspections performed within 30 days of the target date. The "on-time" rate increased from 59% in 2006 to 73% in 2007 and was 79% during the first six months of 2008. This proven operational efficiency will result in a $207,000 operations cost avoidance in 2009 and the elimination of a number of vacant positions.

Boulevard System: The 2009 proposed capital budget provides $525,000 to continue the three year Sustainable Boulevard Plan. In 2005, DPW enlisted the advice of residents, landscape design professionals, and environmentalists to develop recommendations for a long term boulevard strategy. Annual fiscal pressures have required the department to craft alternatives for the boulevards that increase the system's environmental and financial sustainability while preserving its aesthetic value. As a result of this process, the department has created a Sustainable Boulevard Plan.

The 2008 through 2010 capital budgets will invest a total of $1.5 million into this Sustainable Boulevard Plan. After its completion, the department will be able to achieve annual operational savings of $150,000 from its seasonal staff.

Tree Pruning: The 2009 proposed budget extends the tree pruning cycle from the current five years to seven years. This may increase resident requests for out-of-cycle pruning service, but is in-line with comparable Midwest cities. The extended pruning cycle eliminates one Forestry Crew Leader and nine Urban Forestry Specialist positions. In addition to the expenses contained in the Proposed Budget, the Mayor has proposed 2009 revenues which would be sufficient to meet a six year tree pruning cycle. These additional revenues would fund the Forestry Crew Leader and four of the nine Urban Forestry Specialist positions.

Brush Collection: City residents can continue to dispose of brush at the self-help centers or have the brush removed by a private tree removal service. In addition to the expenses contained in the Proposed Budget, the Mayor has proposed revenue sufficient to continue to provide curbside brush collection services to residents.

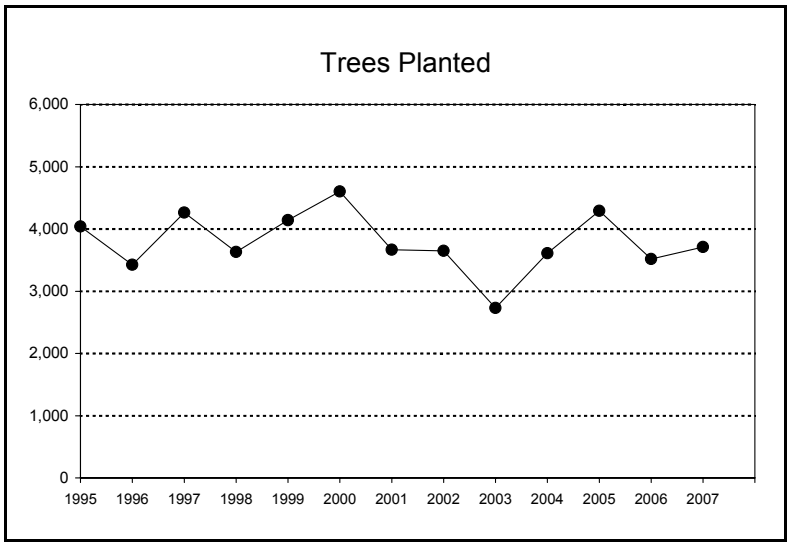
Reduce Facility Maintenance: The 2009 proposed budget reduces facility maintenance, including the elimination of a Maintenance Technician II and three vacant Custodial Worker positions. Improved performance and modern design of mechanical systems provided by past years' capital budgets allow for the adjustment of planned maintenance schedules and decrease the need for unplanned corrective maintenance. These capital investments allow the city to focus DPW resources on direct services to residents, including preserving sanitation, boulevard services, and public infrastructure.

Energy Efficiency Improvements: As directed by the Mayor, DPW has proactively identified ways to reduce energy consumption in city facilities. Energy audits completed in 2008 have resulted in quick returns on energy efficiency through installation of recommended equipment and fixtures. The city recently entered into an Energy Performance Contract with a renowned vendor in energy improvements. The vendor will make improvements to the Safety Academy and install LED traffic signal heads for Infrastructure Services. Through these measures,

energy consumption will continue to decline, a significant step toward meeting the Mayor's target of a 15% reduction by 2012.

The Fleet Section recently purchased several hybrid automobiles for use by city departments. The cost benefit is increasingly apparent by reduced fuel consumption during this time of rapidly escalating fuel prices. DPW continues to explore the practicality of other alternative energy propulsion such as Compressed Natural Gas powered refuse packers and hybrid medium duty work vehicles.

Figure 2



CAPITAL PROJECTS

Tree Planting and Production: The 2009 proposed budget provides $1.7 million for the Tree Planting and Production Program. The program will fund 5,330 replacement street trees, as part of the Mayor's commitment to improve Milwaukee's environment. Figure 2 demonstrates this increased commitment to improve the urban tree canopy. These capital accounts also fund nursery staff time devoted to tree production.

Concealed Irrigation and Landscaping: The 2009 proposed budget provides $582,000 in funding for irrigation replacements and landscaping that coordinate with street reconstruction projects. The replacement irrigation systems are to support planting beds only and not turf. The Sustainable Boulevard Plan will reduce the need for irrigation on connecting boulevards.

City Hall Restoration: This program was introduced in 2002 to address the structural and historical integrity of Milwaukee's City Hall, which is listed as a National Historic Landmark. This program restores the exterior façade and roofs of City Hall to ensure a watertight, energy efficient, and safe condition.

J. P. Cullen & Sons, Inc. is providing repair and restoration work to address the deterioration of key exterior elements such as brick, terra cotta, sandstone, windows, embedded structural steel, copper and slate roofing. The project is scheduled for completion in late 2008. The project is on schedule and within budget as it nears completion.

City Hall Foundation and Hollow Walk Repairs: This project will commence upon completion of the City Hall Restoration Project. Ongoing investigation has found significant foundation settling, particularly on the three sides of the northern half of the building. City Hall was built on a foundation of wood pilings as was common in the late 1890's. As pilings have deteriorated, settling has occurred. Work to repair and underpin the existing pile caps and install monitoring wells is necessary to correct this condition. In conjunction with the foundation work, the sidewalks, hollow sidewalk areas, and the associated interior walls will be repaired and restored. The 2008 capital budget included $1.2 million to conduct a detailed evaluation to determine condition changes since the last analysis in mid-2004. This evaluation awaits the completion of the City Hall Restoration Project. The 2009 proposed capital budget includes $1.8 million to commence initial construction in late 2009. Considerable project risk exists due to the large portion of the foundation that is buried and not directly observable. After work is complete, the building's foundation is expected to perform its support function into the long term future.

MacArthur Square Plaza Restoration: The 2009 capital budget provides $534,000 to waterproof the Plaza reflection pool that forms a large portion of the roof of MacArthur Square Parking Structure and the Plaza base.

Severe deterioration of the pool's walls and floor threaten the facility's long term structural integrity. This project will restore the watertight integrity of the plaza floor and complements 2008 funding to address the plaza's failed main expansion joint. In addition to the necessary structural work, several minor health and safety renovations, including rebuilding plaza stairways and sidewalk, and rehabilitating electrical fixtures, will continue.

Environmental Remediation Program: The 2009 budget includes $200,000 for the city's Environmental Remediation Program. This program funds lead and asbestos abatement in city facilities, and soil and groundwater remediation that resulted from leaking underground storage tanks.

ADA Compliance Program: In 2009, the city will utilize carryover funding to continue its ADA Compliance Program. This program funds various accessibility improvements including building entrances, office modifications, and rest rooms. A new wheelchair accessible elevator is currently under construction at the south entrance to City Hall. This will provide improved access for persons with disabilities.

Facilities Exterior Program: The 2009 budget includes $825,000 for projects to maintain watertight integrity, improve energy efficiency, and provide for safe conditions.

Municipal Garage/Outlying Facility Remodeling: The 2009 budget includes $240,000 for switchgear replacement and design of a new air handling unit at the Northwest Garage. The equipment is aged and worn and the manufacture no longer supports its maintenance.

Facilities Systems Program: The 2009 budget includes $1.5 million for facility systems improvements. This includes funding for emergency repairs, electrical code compliance work, and other initiatives to support the city's HVAC systems and other mechanical systems.

Recreational Facilities Program: The 2009 budget includes $300,000 for recreational facilities improvements, including playfield reconstruction to meet ADA standards at Reiske Park, 29th and Meinecke, and 40th and Douglas. Cooper tennis courts will also be reconstructed.

Space Planning, Alterations, and Engineering: The 2009 budget includes $150,000 to fund engineering, facilities inspections, and office reorganizations.

Major Capital Equipment: The 2009 budget includes $6.36 million for major capital equipment that costs more than $50,000 per unit and a life cycle of at least ten years. Equipment items costing less than $50,000 are included in the Operations Division's operating budget. The 2009 major capital equipment list includes the replacement of street sweepers, aerial trucks, heavy dump trucks, and garbage and recycling packers.

Two-Way Radio Replacement and AVL/GPS Initiative: The 2009 budget includes $362,000 for this program. The replacement of the current radio infrastructure with a new digital radio trunking system by the Milwaukee Police Department has been completed. The Police Department has begun its transition to the new radio units and will phase in replacement of DPW units as installation capacity becomes available. The department is also exploring the use of Global Positioning System (GPS) capabilities associated with the system to better manage city crews in the field.

2009 Budget by Services (Funding in Millions)

Service	**City Cleanliness and Solid Waste Collection**	
Activities:	Weekly residential garbage collection, bulky garbage collection, operation of two Self-Help Centers, Neighborhood "Clean and Green" Programs, street and alley sweeping, and weed enforcement.	
		2009 Projection
Performance Measures:	Percent of nuisance litter removals completed in four days or less.	90.0%
	Special collection of bulky garbage.	7,000
	Calls for missed garbage collection as percent of total collections.	0.10%
Funding by Source:	Operating Funds	$32.0
	Grants and Reimbursables	0.6
	Totals	**$32.6**

Service	**Recycling and Solid Waste Reduction**	
Activities:	Curbside recycling collection, fall leaf, brush, and yard waste collection and composting, recycling and waste reduction education, and Self-Help Center Recycling Programs.	
		2009 Projection
Performance Measures:	Tons diverted from landfill.	60,000
	Tons of recyclables from curbside collections.	25,500
Funding by Source:	Operating Funds	$3.4
	Grants and Reimbursables	3.8
	Totals	**$7.2**

Service	**Snow and Ice Control**	
Activities:	Snow plowing operations, salting operations, and special snow clean up.	
		2009 Projection
Performance Measures:	Inches of snow.	39.0
	Number of snow and ice operations.	27
Funding by Source:	Operating Funds	$4.5
	Totals	**$4.5**

2009 Budget by Services (Funding in Millions)

Service	**Urban Forest Maintenance and Boulevard Beautification**	
Activities:	Tree planting, tree production at the city nursery, pruning and maintenance of trees, removal of hazardous and damaged trees and stumps, developing strategies to control emerging pests, turf maintenance, irrigation systems repair, and flowerbed maintenance.	
		2009 Projection
Performance Measures:	Calls for service for broken branches on street trees.	1,200
	Trees planted.	4,300
	Trees removed.	3,600
	Number of citizen complaints regarding the condition of boulevards.	50
Funding by Source:	Operating Funds	$11.6
	Capital Budget	3.4
	Grants and Reimbursables	0.9
	Totals	**$15.9**
Service	**City Facility Maintenance and Development**	
Activities:	Architectural and mechanical design, construction management, building maintenance services, energy management, and facility systems controls.	
		2009 Projection
Performance Measures:	Percentage of DPW buildings with condition assessments.	100.0%
Funding by Source:	Operating Funds	$9.0
	Capital Budget	5.9
	Grants and Reimbursables	1.3
	Totals	**$16.2**
Service	**Fleet Services and Fleet Support to Other Divisions**	
Activities:	Preventive maintenance and repair of vehicles and equipment, provide vehicles, and equipment operators.	
		2009 Projection
Performance Measures:	Total unscheduled work orders completed on DPW equipment.	29,000
	Preventative Maintenance conducted.	7,000
	Fleet availability percentage.	95.0%
Funding by Source:	Operating Funds	$20.9
	Capital Budget	6.4
	Grants and Reimbursables	2.0
	Totals	**$29.3**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
			Fleet Services Section	
1	1.00		Field Service Mechanic	Improve response to calls for field maintenance.
-1	-1.00		Auto Maintenance Mechanic	Operational efficiency based on investments in major fleet equipment.
-2	-2.00		Vehicle Service Technician	
-1	-1.00		Heavy Equipment Lubricator	
-1	-1.00		Garage Attendant	
			Fleet Operations/Dispatch Section	
-2	-2.00		Operations Driver Worker	No longer accept construction debris at self-help yards.
-5	-5.00		Operations Driver Worker	Operational efficiency.
-3			Clerk Dispatcher II (Auxiliary)	Reclassification.
1			Communications Assistant IV	
2			Communications Assistant III	
			Facilities Development and Management Section	
-1	-1.00		Security Manager	Reclassification.
1	1.00		Security Operations Manager	
-3	-3.00		Custodial Worker III/City Laborer	Operational efficiency.
-1	-1.00		Maintenance Technician II	
-2	-1.00	-1.00	Painter Leadworker, House	Transfer function to Infrastructure Services Division.
-2	-1.00	-1.00	Painter	
1		1.00	Infrastructure Repair Crew Leader	Reclassification.
-1		-1.00	Bridge Labor Crew Leader II	
			Sanitation Section	
1		1.00	Recycling Program Assistant (B)	Community recycling promotion.
	-1.00		Sanitation Supervisor	The Mayor has proposed revenue to fund this position.
-2	-2.00		Sanitation Worker	Reclassification
2	2.00		Operations Driver Worker (D)	

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	-2.00		Operations Driver Worker (D)	The Mayor has proposed revenue to fund these positions for brush collection and other duties.
12			Sanitation Inspector (Auxiliary)	Enhance ordinance enforcement.
			Forestry Section	
-7	-7.00		Urban Forestry Specialists	Pruning cycle change and extending boulevard mowing cycle.
	-4.00		Urban Forestry Specialists	The Mayor has proposed revenue to fund these positions for tree pruning.
	-1.00		Urban Forestry Crew Leader	
20			Urban Forestry Laborer (Seasonal) (Auxiliary)	Operational changes.
	-0.60		Various Positions	Miscellaneous experience adjustment.
7	**-32.60**	**-1.00**	**Totals**	

SPECIAL PURPOSE ACCOUNTS

EXECUTIVE SUMMARY

OBJECTIVES: Special Purpose Accounts appropriate funds for purposes not included in departmental budgets. These accounts may include funding for short term programs, programs that affect numerous departments, or programs that warrant distinction from departmental budgets. Every year, the Common Council adopts a resolution that authorizes expenditure of funds from the various Special Purpose Accounts by specific departments or by Common Council resolution.

The 2009 proposed budget provides funding of $36.2 million for Miscellaneous Special Purpose Accounts and funding of $165.5 million total for Special Purpose Accounts. Highlights of the 2009 Miscellaneous Special Purpose Accounts (SPAs) include:

New Accounts

Milwaukee Energy Efficiency Program (Me2): The 2009 proposed budget includes a new account to implement a pilot program to improve energy efficiency in residential and commercial properties. The program is a collaborative effort between the City of Milwaukee, Focus on Energy, and WE Energies. Focus on Energy will conduct energy audits of homes and small businesses and then coordinate building improvements, with the costs being charged to the property owner over time as they realize energy savings on their WE Energies bill. The program will help eligible Milwaukee residents and businesses install cost effective energy efficiency projects that otherwise may not be completed. The program will help residents and businesses manage rising energy costs, protect our environment, improve the housing stock, and control the region's growing demand for electricity and natural gas. While $1 million is included in appropriation authority, this is offset by revenue so that there is no fiscal impact on the city budget. For more information on the new program, please refer to the *Department of Administration* section of the *2009 Proposed Plan and Executive Budget Summary*.

Discontinued Accounts

Housing Trust Fund: The Housing Trust Fund was funded with $2.5 million of GO borrowing authority in 2007 and $400,000 in tax levy funding through a new Special Purpose Account created in 2008. The Fund is dedicated to the construction, rehabilitation, and accessibility modification of affordable housing for low to moderate income households. City money is intended to leverage financial support such as tax credits, private investment, and the involvement of other government and non-profit agencies. The 2009 proposed budget includes $400,000 of GO borrowing authority for the Housing Trust Fund in the capital budget.

Economic Development Committee Fund: This account is not funded in 2009.

Other Significant Changes

Audit Fund: The 2009 proposed budget increases the Audit Fund by $67,000 to $317,000 to pay for the increased cost of contracting for a private audit of the city's Comprehensive Annual Financial Report, among other audit activities.

Business Improvement Districts City Contribution: This account provides funding to pay for the maintenance of city owned property within Business Improvement Districts (BIDs). The BIDs issue a special assessment annually and some of this funding pays for some maintenance of these properties. The 2009 proposed budget reduces the city contribution from $187,000 to $40,000.

Care of Prisoners Fund: This account provides funding to pay for billings by Milwaukee County for the care of city prisoners boarded at the House of Correction. Prisoners convicted of city violations are housed in the House of Corrections in accordance with Wisconsin State Statutes. This account is decreased by $89,000 in the 2009 proposed budget to $78,000, reflecting a trend of decreasing expenditures.

City Attorney Collection Contract: This account provides funding to support two collection contracts that are used to pay outside contractors to collect money legally due and owed to the city. This account is decreased by $250,000 in the 2009 proposed budget to $1 million, adjusting the funding for anticipated expenditures in 2009.

Driver Licensure and Employment Initiative: This account provides $75,000 in 2009, the same amount of funding as provided in 2008, to help fund an initiative to reduce barriers to employment for Milwaukee residents. This is the third year that tax levy funding is supporting this initiative. The Special Purpose Account funding is supplemented by $125,000 in CDBG reprogramming. Continued support for the Driver's Licensure Initiative is important because a significant percentage of Milwaukee residents have revoked or suspended driver's licenses. The lack of a valid driver's license creates a significant barrier to employment, particularly since there are many jobs located in the suburban and exurban areas outside of the City of Milwaukee and there is a lack of public transit to allow individuals without driver's licenses to access these jobs. This project will continue to assist residents in restoring suspended and revoked licenses and enable them to seek employment. More information on this project is included in the *Municipal Court* section of the *2009 Proposed Plan and Executive Budget Summary*.

Graffiti Abatement Fund: The Mayor has proposed 2009 revenues which would be sufficient to fund this account at $95,000. In addition, $90,000 in CDBG funds are allocated in 2009 for graffiti abatement.

Group Life Insurance Premium: This account funds the city's obligations with respect to life insurance benefits for city employees. The account is decreased by $157,000 to $2.65 million in 2009, reflecting anticipated salary levels.

Milwaukee Arts Board Projects: This account funds a city match for grants that the Milwaukee Arts Board receives from the state and federal governments, as well as from foundations. The account is decreased by $12,800 to $160,000 in 2009. A minimum of $35,000 must be funded through this account to match the state grant.

Milwaukee Fourth of July Commission: This account funds activities conducted in neighborhood parks to celebrate the Fourth of July, including fireworks, flag displays, and entertainment. The account is decreased by $25,000 to $105,000 in 2009. Efforts will be made to increase private contributions to support these activities.

Outside Counsel/Expert Witness Fund: This account funds the legal expenses incurred by the city for the retention of outside counsel and experts necessary for litigation and related legal efforts. The account is increased by $205,000 to $430,000 in 2009, reflecting an anticipated increase in expenditures given current and expected litigation.

Razing and Vacant Building Protection Fund: This account provides funding for demolishing condemned properties. The account is decreased to $360,000 in 2009. It is anticipated that funding from the Federal Housing and Economic Recovery Act will also be used to pay for razing expenses in 2009, providing overall funding sufficient for necessary property razings.

Receivership Fund: This account was established to abate the North Meadows nuisance property. This project will be completed in 2008, so funding for this purpose is no longer needed. The account is decreased by $300,000 to

$25,000 in 2009, to continue to provide funding for the abatement of residential or commercial properties that have been adjudicated or determined to constitute a nuisance.

Remission of Taxes Fund: This account funds the refunding of erroneous ad valorem taxes and interest on the same to property owners who successfully appeal their property assessments. The account is increased by $500,000 to $1 million in 2009, reflecting the potential increased costs resulting from pending cases challenging assessments and recent court decisions.

Retirees Benefit Adjustment: This account makes supplemental pension benefits for certain non-employee retirement services retirees. The account is decreased by $38,000 in 2009 for total funding of $202,000, reflecting the trend in anticipated expenditures.

Tuition Reimbursement Fund: The city provides a Tuition Benefit Program to eligible employees to help them further develop skills related to their current job or a reasonable promotional opportunity within city government. The amount of tuition benefits available to each employee depends upon the particular employee group to which they belong, with specific maximum reimbursement levels determined by collective bargaining agreements. The account is increased by $40,000 in 2009 for total funding of $800,000.

Unemployment Compensation Fund: This account funds the city's portion of unemployment compensation benefit payments to city employees who are laid off or otherwise separate from service. Eligibility for this benefit is determined by the State of Wisconsin upon review of the employee's level of earnings and the circumstances surrounding the separation from employment. The account is increased by $70,000 to $950,000 in 2009, reflecting an increase in the maximum weekly benefit and potential layoffs in 2009.

SPECIAL PURPOSE ACCOUNT
WORKER'S COMPENSATION

SUMMARY OF EXPENDITURES

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Worker's Compensation	$12,259,304	$12,125,000	$12,983,000	$14,383,000	$2,258,000	$1,400,000
Required Employer Law Compliance Expenses	605	25,000	0	0	-25,000	0
TOTAL	$12,259,909	$12,150,000	$12,983,000	$14,383,000	$2,233,000	$1,400,000

The Worker's Compensation Special Purpose Account, administered by the Employee Benefits Division of the Department of Employee Relations (DER), funds the city's financial obligations under the state's Worker's Compensation Act. The city's Worker's Compensation Program is self-funded and self-administered. Costs are driven by the number and severity of claims. The account also covers expenses incurred because of exposure to bloodborne pathogens in the workplace as mandated by the bloodborne pathogen law.

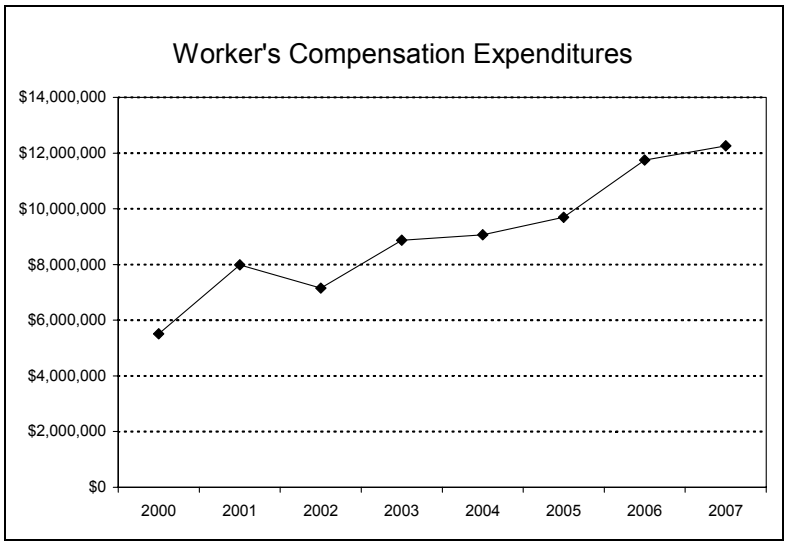
The 2009 proposed budget for the Worker's Compensation account totals approximately $14.4 million, an increase of 18.1% from the 2008 budget. This increase is due to expected expenditure increases that are driven by annual increases in wage rates, rising medical costs, and sustained injury rates (see Figure 1). DER continues to utilize medical bill repricing options to reduce worker compensation medical costs. Bill review and repricing generate savings from state fee schedules and negotiated provider discounts. In 2007, medical and hospital discounts resulted in net savings of over $3.9 million. Through July 2008, the city has achieved over $3.1 million in savings.

In an effort to stem increasing worker's compensation costs resulting from workplace injuries, DER will work with city departments to design and implement a Risk Management Model in 2009. Currently a large disconnect exists between workplace safety at the department level and the impact of those injuries on worker's compensation costs. This is due to several factors including a lack of available safety data, the absence of a framework for information sharing, the structure of the worker's compensation budget, and the implementation of safety efforts within departments.

The risk management model relies on prevention strategies that will require sharing responsibility and accountability for safety and injury reduction with operating departments. An environment where cost containment through prevention and claim management is expected at every level of the organization needs to exist in order for the city to successfully manage worker's compensation costs.

The new claims management system implemented in 2008 by DER will serve as the foundation for the identification of safety performance indicators and the development of department specific safety plans. Data and

Figure 1



reports documenting the nature, frequency, and severity of claims as well as financial data will be distributed to department heads and safety personnel to track and analyze how injuries are occurring. Departments will be required to evaluate safety practices, determine effectiveness and establish benchmarks for improvements while working to minimize job hazards and prevent injuries from occurring.

The new accountability structure will rely on department heads, safety personnel, and first line supervisors to manage safety concerns and reduce accidents. Departments will also be responsible for expediting the return to work process for injured personnel and collaborating with DER to develop procedures that accommodate each department's unique circumstances. Progress on safety efforts will be reported at regular departmental AIM meetings with the Mayor and the Common Council.

SPECIAL PURPOSE ACCOUNT
EMPLOYEE HEALTH CARE BENEFITS

SUMMARY OF EXPENDITURES

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Claims	$31,077,469	$36,550,000	$36,550,000	$28,750,000	$-7,800,000	$-7,800,000
Health Maintenance Organizations	65,687,198	67,625,000	77,768,750	80,718,750	13,093,750	2,950,000
Dental Insurance	2,147,900	2,200,000	2,200,000	2,200,000	0	0
Administrative Expense	3,165,892	3,500,000	5,500,000	3,000,000	-500,000	-2,500,000
TOTAL	$102,078,459	$109,875,000	$122,018,750	$114,668,750	$4,793,750	$-7,350,000

This Special Purpose Account covers employee health care costs for the self-insured health care program (the "Basic" Plan), Health Maintenance Organizations (HMOs), dental insurance, administrative expenses, and cost containment measures. The Department of Employee Relations manages the account.

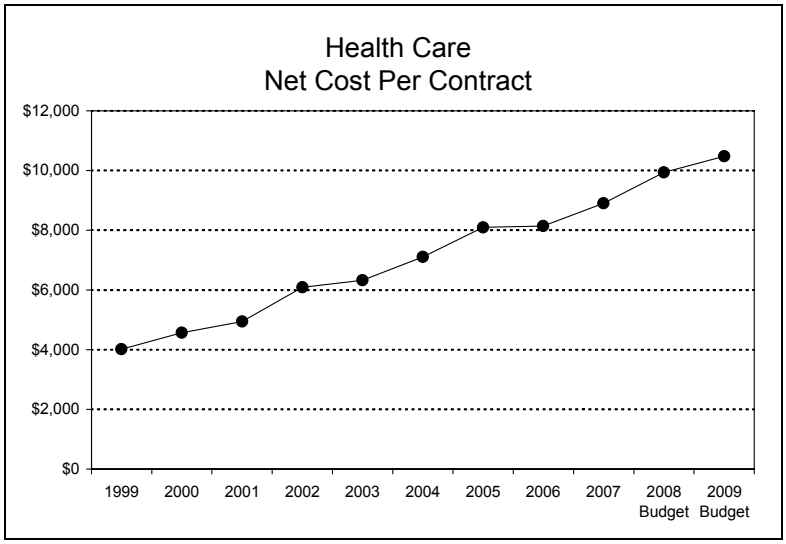
The 2009 employee health care budget is approximately $114.7 million, an increase of 4.4% from 2008.

The Basic Plan is administrated by Claim Management Services. Prescription drugs are carved out of this plan and are administered by Navitus. Basic Plan per contract costs are expected to grow 5.9% from the estimated 2008 cost per contract. This growth will increase costs by $1.5 million for the Basic Plan in 2009. However, enrollment changes will allow the estimated budgeted Basic Plan costs for 2009 to decrease by $9.3 million for a total decrease of $7.8 million.

For 2009, the HMO contract was awarded to United Health Care. HMO rates will increase on average by approximately 10% from 2008 to 2009. This rate increase translates into an increase in the HMO budget of $6.8 million. Labor contracts with MPA (Police), Local 215 (Fire) and Management employees have introduced an employee premium payment of $20 for single and $40 for family per month. Other changes include prescription drug co-pays of $5 for generic, $17 for formulary name brands and $25 for non-formulary name brands and co-pay changes for emergency room and doctor office visits. The budget for HMO's was reduced by $1.1 million to reflect these changes. In 2009, the city will continue to carve out prescription drugs out of this plan with Navitus administering. The 2009 budget also assumes the availability of $2 million of carryover funding from 2008 to 2009. Overall, the HMO costs will increase by $13.4 million from the 2008 level to reflect plan enrollment changes and the rate and plan changes.

Due to personal decisions and declining city employee numbers, enrollment has declined by approximately 425 from 2007 levels. The impact of this change has been a savings of $2.3 million.

Figure 1



In addition to the expenses included in the proposed budget, the Mayor has proposed 2009 revenues which provide $300,000 for HMO costs.

When comparing the cost per contract for active and retirees, the city will experience consistent growth in health care costs between the 1999 actual experience and 2009 budgets. Figure 1 shows that the cost per contract increases by approximately $2,000 every three years. On a percentage basis, costs from 2002 to 2005 increased 33.1% while costs from 2006 to 2009 are expected to grow 28.7%.

Although the picture is somewhat clear regarding the actual results for 2008, since $2 million of available funds were used in setting the 2009 budget, yearend accruals and normal contract startup claims processing delays make any prediction difficult.

2009 Rates: HMO rates in 2009 for active employees will vary by representation. Employees in MPA (Police), Local 215 (Fire) and Management will have a premium payment of $20 for single coverage and $40 for family coverage. All other active employees will not pay a premium. For the Basic Plan, the share paid by employees varies by the employee representation. All active employees have one Basic Plan option with a fixed payment amount based on contract negotiations.

Health Care Future: The city was able to negotiate a Wellness Program into contracts with MPA (Police), Local 215 (Fire) and Management. The city is seeking the agreement on the Wellness Program with other unions through labor negotiations. The program will not be implemented until all unions have agreed.

The Wellness Program will be developed by a joint management/union committee. It will include a risk assessment which will include a blood test. Employees who do not participate in the risk assessment will pay a higher portion of the premium cost. Employees who smoke will also pay a higher premium.

Cost of implementing the Wellness Program is estimated at $2 million. The city will agree to cover this cost which would be covered with a portion of the carried over funds and additional premium cost sharing.

SPECIAL PURPOSE ACCOUNT
BOARD OF ZONING APPEALS

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	2.33	3.00	3.00	3.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	11	11	11	11	0	0.00
EXPENDITURES						
Salaries and Wages	$175,944	$205,837	$210,445	$193,296	$-12,541	$-17,149
Fringe Benefits	17,977	53,708	54,776	47,745	-5,963	-7,031
Operating Expenditures	66,239	51,494	51,494	51,494	0	0
TOTAL	$260,160	$311,039	$316,715	$292,535	$-18,504	$-24,180
REVENUES						
Licenses and Permits	$372,490	$273,000	$281,000	$281,000	$8,000	$0
TOTAL	$372,490	$273,000	$281,000	$281,000	$8,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Board of Zoning Appeals (BOZA) supports the city's goal of increasing investment and economic vitality through the city. The Board is composed of seven members appointed by the Mayor and confirmed by the Common Council. BOZA hears and decides on appeals of rulings on city zoning ordinances.

STRATEGY IMPLEMENTATION

The Board of Zoning Appeals plays an important role in the city's economic development. The city wants to encourage developers to invest in Milwaukee by making the zoning appeals process simple and predictable. The Board helps to ensure that development proposals do not harm the urban setting. An unprecedented amount of information is disseminated to community groups and leaders from the city via E-Notify and the Department of City Development has increased interest in BOZA hearings. With more individuals and entities expressing interest in cases, an additional proceeding may be necessary.

In 2009, BOZA will continue to improve communication with customers and citizens to reduce the waiting time for hearings. BOZA's goal for 2009 is to hear and decide routine appeals within 4 to 6 weeks and complex appeals within 12 to 24 weeks.

2009 Budget by Services (Finding in Millions)

Service	**Zoning Appeals**	
Activities:	Board action on appeals, BOZA hearings, appeals processing and inquiries on appeals.	
		2009 Projection
Performance Measures:	Routine appeals (weeks to complete).	4-6 weeks
	Complex appeals (weeks to complete).	12-24 weeks
Funding by Source:	Operating Funds	$0.3
	Totals	**$0.3**

SPECIAL PURPOSE ACCOUNTS SUMMARY

LINE DESCRIPTION	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Special Purpose Accounts Miscellaneous						
Alternative Transportation for City Employees	$120,699	$130,032	$130,032	$130,032	$0	$0
Annual Payment to Department of Natural Resources	7,034	7,100	7,100	7,100	0	0
Audit Fund	221,000	250,000	317,000	317,000	67,000	0
Board of Ethics	25,491	28,999	31,000	31,000	2,001	0
Boards and Commissions Reimbursement Expense	17,164	20,000	20,000	20,000	0	0
Business Improvement District-City Contribution	$187,000	$187,000	$93,500	$40,000	-147,000	-53,500
Cable TV Franchise Regulation	5,955	3,000	1	1	-2,999	0
Care of Prisoners Fund	80,078	167,000	78,000	78,000	-89,000	0
City Attorney Collection Contract	971,333	1,250,000	1,000,000	1,000,000	-250,000	0
City Memberships	143,133	153,933	160,689	156,169	2,236	-4,520
Clerk of Court Witness Fees Fund	7,085	12,000	12,000	9,000	-3,000	-3,000
Contribution Fund General	0	1,900,000	2,100,000	2,100,000	200,000	0
Damages and Claims Fund	13,723,873	1,375,000	1,375,000	1,375,000	0	0
Drivers Licensure and Employment Project	75,000	75,000	200,000	75,000	0	-125,000
eCivis Grants Locator	23,100	25,468	26,741	26,741	1,273	0
Economic Development Committee Fund	19,605	38,000	100,000	0	-38,000	-100,000
E-Government Payment Systems	50,906	60,000	60,000	60,000	0	0
Emerging Business Enterprise Effectiveness Study	45,000	0	0	0	0	0
Employee Training Fund	39,824	40,000	40,000	25,000	-15,000	-15,000
Firemen's Relief Fund	127,775	133,000	140,000	140,000	7,000	0
Flexible Spending Account	38,539	50,000	50,000	50,000	0	0
Graffiti Abatement Fund	88,552	95,000	115,000	0	-95,000	-115,000
Group Life Insurance Premium	3,063,498	2,807,000	2,650,000	2,650,000	-157,000	0
Housing Trust Fund	0	400,000	400,000	0	-400,000	-400,000
Insurance Fund	468,596	490,000	490,000	470,000	-20,000	-20,000
Land Management	191,288	200,000	250,000	200,000	0	-50,000
Long Term Disability Insurance	630,100	801,000	801,000	801,000	0	0
Low Interest Mortgage Loan Program	120	7,500	1,000	1,000	-6,500	0
Maintenance of Essential Utility Services	53,914	75,000	75,000	75,000	0	0
ME2 Project Pass Through	0	0	0	1,000,000	1,000,000	1,000,000
Less Recovery from ME2 Project	0	0	0	-999,999	-999,999	-999,999
Milwaukee Arts Board Projects	179,230	172,800	172,800	160,000	-12,800	-12,800
Milwaukee Fourth of July Commission	126,648	130,000	130,000	105,000	-25,000	-25,000
MMSD User Charge	0	34,528,821	42,711,967	42,711,967	8,183,146	0
Less Recover MMSD User Charge	0	-34,528,820	-42,711,966	-42,711,966	-8,183,146	0
Municipal Court Intervention Program	431,462	434,000	434,000	434,000	0	0
Outside Council/Expert Witness Fund	422,078	225,000	475,000	430,000	205,000	-45,000
Razing and Vacant Building Protection Fund	1,262,774	1,151,000	1,131,000	360,000	-791,000	-771,000
Receivership Fund	211,027	325,000	325,000	25,000	-300,000	-300,000
Reimbursable Services Advance Fund	0	50,000,001	50,000,001	50,000,001	0	0
Less Recover Reimbursable Services Advance Fund	0	-50,000,000	-50,000,000	-50,000,000	0	0
Remission of Taxes Fund	621,599	500,000	1,000,000	1,000,000	500,000	0
Reserve for 27th Payroll	0	1,500,000	1,500,000	1,500,000	0	0
Retirees Benefit Adjustment Fund	237,550	240,000	226,000	202,000	-38,000	-24,000
Tuition Reimbursement Fund	869,613	760,000	760,000	800,000	40,000	40,000

LINE DESCRIPTION	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Unemployment Compensation Fund	999,664	880,000	880,000	950,000	70,000	70,000
Vacant Lot Maintenance	747,586	0	0	0	0	0
Wages Supplement Fund	0	22,406,500	21,600,000	20,350,000	-2,056,500	-1,250,000
Total Miscellaneous SPAs	$26,534,893	$39,505,334	$39,356,865	$36,153,046	$-3,205,288	$-3,150,319
Board of Zoning Appeals	$260,160	$311,039	$316,715	$292,535	$-18,504	$-24,180
Workers' Compensation Fund	$12,259,909	$12,150,000	$12,983,000	$14,383,000	$2,233,000	$1,400,000
Employee Health Care Benefits						
Administration Expenses	$3,165,892	$3,500,000	$5,500,000	$3,000,000	$-500,000	$-2,500,000
Claims	31,077,469	36,550,000	36,550,000	28,750,000	-7,800,000	-7,800,000
Dental Insurance	2,147,900	2,200,000	2,200,000	2,200,000	0	0
HMOs	65,687,198	67,625,000	77,768,750	80,718,750	13,093,750	2,950,000
Total Employee Health Care Benefits	$102,078,459	$109,875,000	$122,018,750	$114,668,750	$4,793,750	$-7,350,000
Grand Total Special Purpose Accounts	$141,133,421	$161,841,373	$174,675,330	$165,497,331	$3,802,958	$-9,124,499

CITY TREASURER

EXECUTIVE SUMMARY

MISSION: To fulfill the duties and responsibilities of the independently elected City Treasurer, who serves as the chief investment and revenue collection officer of the City of Milwaukee, as set forth in Wisconsin State Statutes, the City of Milwaukee Charter and Code of Ordinances, and Common Council resolutions.

OBJECTIVES: Effective investment of city monies.

Collect taxes and delinquent taxes in a timely and cost-effective manner.

STRATEGIES: Invest city monies in a manner that maximizes investment earning revenues while ensuring the safety and liquidity of invested funds.

Aggressive efforts to collect delinquent property taxes.

Maintain high quality standards in providing tax collection services to city residents and in the accounting and investment of city funds.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	26.33	30.11	30.25	30.25	0.14	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	59	58	58	58	0	0
EXPENDITURES						
Salaries and Wages	$1,528,198	$1,559,080	$1,611,195	$1,588,972	$29,892	$-22,223
Fringe Benefits	600,142	639,223	660,590	651,479	12,256	-9,111
Operating Expenditures	561,910	648,755	666,255	677,255	28,500	11,000
Equipment	1,208	0	3,500	3,500	3,500	0
Special Funds	21,585	34,465	38,050	38,050	3,585	0
TOTAL	$2,713,043	$2,881,523	$2,979,590	$2,959,256	$77,733	$-20,334
REVENUES						
Charges for Services	$134,601	$107,150	$126,755	$126,755	$19,605	$0
Licenses and Permits	158,445	120,100	79,200	79,200	-40,900	0
Taxes and Payment in Lieu of Taxes	9,580	10,000	9,600	9,600	-400	0
Miscellaneous	8,708,599	8,000,000	3,600,000	3,600,000	-4,400,000	0
TOTAL	$9,011,225	$8,237,250	$3,815,555	$3,815,555	$-4,421,695	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City Treasurer, under authority provided by Wisconsin State Statutes and the Milwaukee City Charter, receives and accounts for all monies paid to the city, makes disbursements vouchered for payment by the Comptroller, invests city funds that are not needed to meet current expenditures, collects current property taxes and delinquencies for all six tax levies within the City of Milwaukee, settles property tax collections on a prorated basis, and remits to each taxing jurisdiction their share of the monies collected.

The Treasurer's Office supports the city's efforts to improve fiscal capacity through its investment of city funds that are not needed immediately to meet current expenditures, i.e. property taxes and lump sum revenue payments such as State Shared Revenue. In making investment decisions, the Treasurer's Office considers the safety, liquidity, and rate of return of various investment instruments. The Treasurer's Office also supports the city's efforts to deliver services at a competitive cost by controlling the costs of tax collection. The Treasurer's 2009 proposed operating budget totals approximately $3 million.

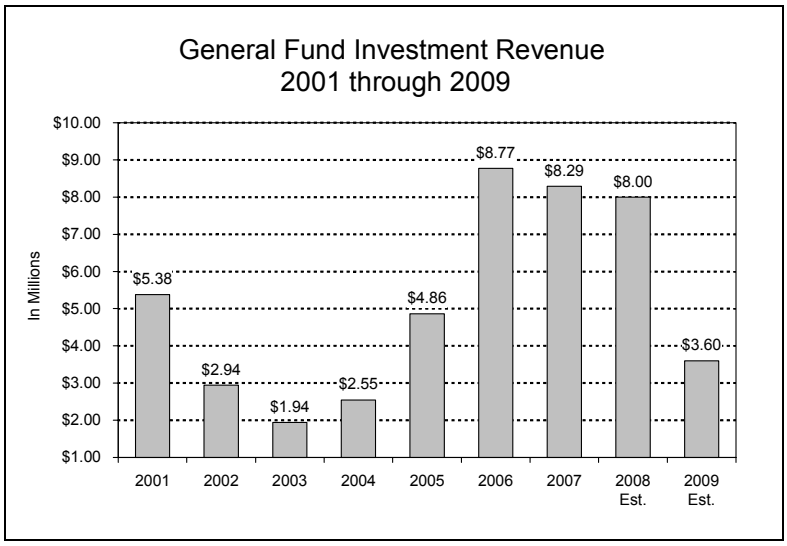
Strategies and Milestones for 2009

Objective: Effective investment of city monies.	
Strategies	**2009 Milestones**
Invest city monies in a manner that maximizes investment earning revenues while ensuring the safety and liquidity of invested funds.	Rate of return on city investments. City rate of return compared to benchmark.
Objective: Collect taxes and delinquent taxes in a timely and cost effective manner.	
Strategies	**2009 Milestones**
Aggressive efforts to collect delinquent property taxes.	Cost of property tax collection. Percentage of delinquent city property taxes collected.

STRATEGY IMPLEMENTATION

The City Treasurer is responsible for investing available city fund balances. These balances consist of tax dollars collected and revenues received, including State Shared Revenue and aid payments, as well as various fines and fees. Since the city's cash flow requirements do not always equal the current fund balance, the city invests any funds that are not needed immediately into low risk investments. In turn, earnings from these investments are used to reduce the tax levy. One-third of earnings are allocated to the Public Debt Amortization Fund.

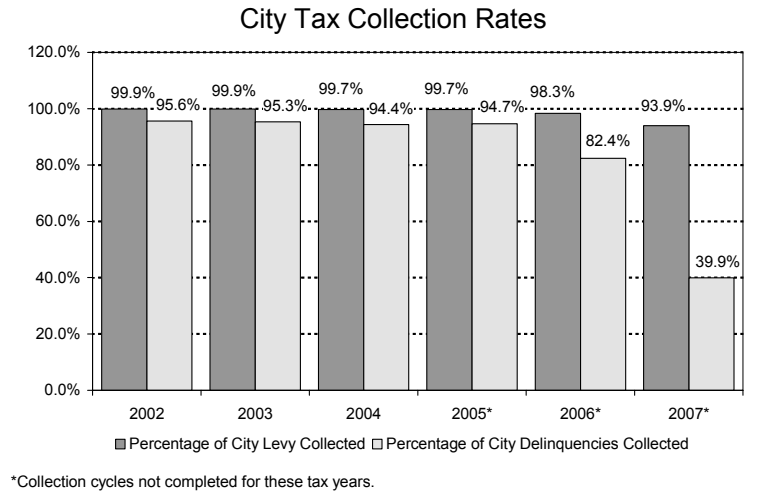
Figure 1



The primary goal of the Treasurer is to maximize the city's rate of return, while ensuring the safety and liquidity of invested funds. The rate of return is a critical component in determining the amount of investment earnings. Due to market conditions, the Treasurer has obtained rates of return ranging between 1.23% and 5.10% during the period of 2001 to 2007. As shown in Figure 1, this has translated into city General Fund investment revenue of $8.3 million in 2007, a decrease of $475,000 from the previous year. This decrease was primarily the result of decreased interest rates, with these decreases determined by the actions of the Federal Reserve System. In 2009, the total city investment revenue is projected to be $5.4 million with $3.6 million being credited to the General Fund and $1.8 million to the Public Debt Amortization Fund. The prorated distribution of investment revenue between the General Fund and Public Debt Amortization Fund is required by Wisconsin State Statutes.

The City Treasurer is responsible for the collection of property taxes, including delinquent taxes for all six levies within the city. As seen in Figure 2, the Treasurer has been successful at collecting almost 100% of the total city levy and an average of over 94% of the resulting delinquent accounts. The Treasurer's Office strives to collect all delinquent property tax accounts. One of the ways that the department has succeeded in its collection efforts is by having the city's collection agent, the Kohn Law Firm, attempt to collect delinquent real estate property taxes for the period of six months prior to the city pursuing a foreclosure action. An additional benefit of this approach has been the reduction in the number of tax delinquent parcels acquired through foreclosure, reducing the city's property management costs.

Figure 2



The number of parcels acquired has decreased from 723 in 2001 to 184 in 2008. The parcels acquired in 2008 are still subject to petitions to vacate judgment so the actual number acquired may decrease. As a result of the recent problems resulting from subprime mortgage lending, the number of tax delinquent parcels acquired through foreclosure increased in 2008 compared to 2007, and may further increase in 2009. However, the city will have additional grant funding to address the costs of these properties through the federal Housing and Economic Recovery Act.

2009 Budget by Services (Funding in Millions)

Service	**City Financial Management**	
Activities:	Receive and account for all monies paid to the city, make disbursements that have been vouchered for payment by the Comptroller, invest city funds not needed immediately to meet current expenditures, and collect property taxes and delinquent taxes for all six levies within the city.	
		2009 Projection
Performance Measures:	Rate of return on investments.	2.25%
	State of Wisconsin Local Government Investment Pool (LGIP) rate of return (benchmark).	TBD
	Cost of tax collection as a percentage of total taxes collected.	0.23%
	Total percentage of delinquent city property taxes collected after two years at the close of the levy.	90.0%
Funding by Source:	Operating Funds	$3.0
	Totals	**$3.0**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
	0.14		Temporary Customer Service Representative I	Assist with bank account reconciliations performed by Accountant I position eliminated in 2008 and cover for vacation and long term sick leave.
0	**0.14**	**0.00**	**Totals**	

FRINGE BENEFIT OFFSET

BUDGET SUMMARY

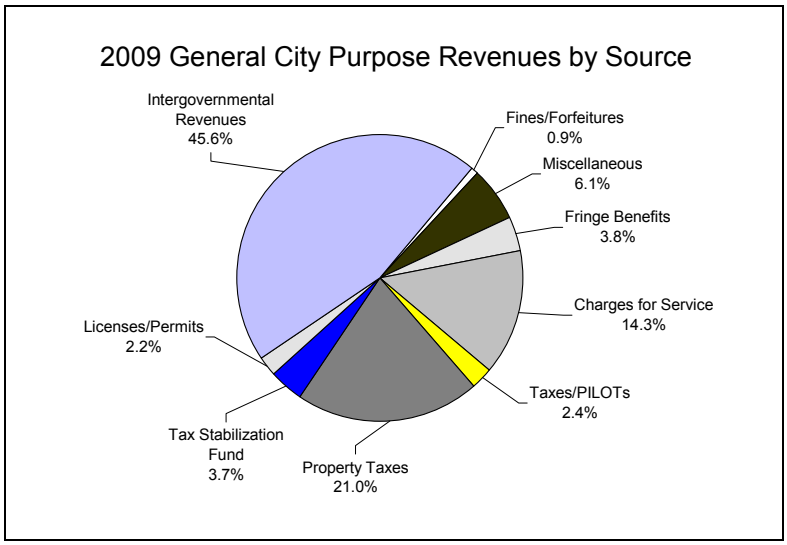
	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Fringe Benefit Offset	$-119,653,507	$-119,579,729	$-124,132,535	$-121,996,378	$-2,416,649	$2,136,157
TOTAL	$-119,653,507	$-119,579,729	$-124,132,535	$-121,996,378	$-2,416,649	$2,136,157

Employee fringe benefit costs are appropriated in various special purpose accounts. In addition, department operating budgets include an estimated employee fringe benefit factor in order to reflect the total cost of department operations. In prior years, this second appropriation, or "double" budget, was offset by a "paper" revenue to avoid levying twice for employee benefits. The 2009 budget offsets this "double" budget with a budget offset, as opposed to a revenue offset. This approach avoids overstating the total city budget by the fringe benefit factor, which in 2009 amounts to approximately $122 million.

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

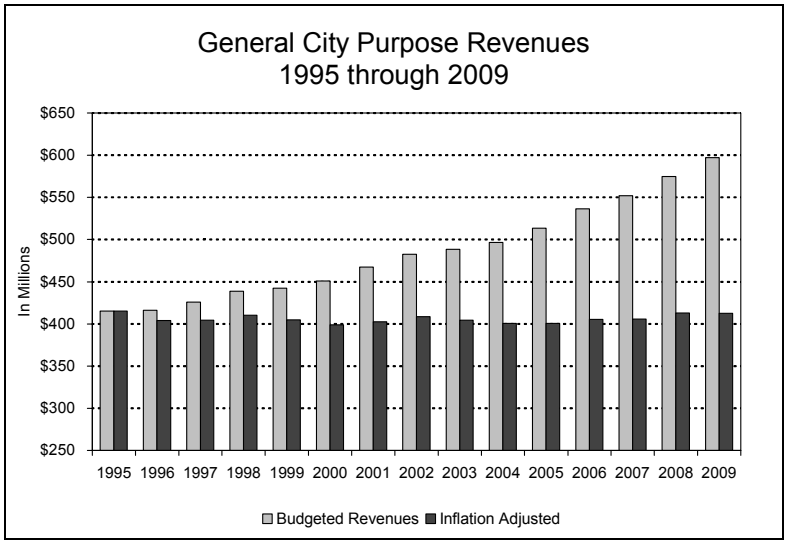
State law requires the city to balance its annually budgeted expenditures with its anticipated revenues. Each year, the Comptroller's Office develops revenue estimates for the upcoming budget year. Once these estimates are finalized, the city determines the needed property tax levy and reserve fund withdrawals to offset budgeted expenditures. In 2009, the city anticipates it will generate approximately $590.1 million in revenue for general city purposes. Figure 1 provides a breakdown of these revenues by major category.

Figure 1



Revenue diversification and enhancement provides the city with the means to retain existing service levels. Property tax increases have been limited by state legislation and state aids have continued to decrease, placing pressure on other revenue sources or requiring service reductions. State restrictions on the type of charges for service that are available to municipalities further erode the city's ability to diversify its revenues.

Figure 2



The overall general city purpose revenues have grown at a rate less than inflation (see Figure 2) for the majority of the period. In fact, revenues in 1995 adjusted for inflation equaled $415 million and 2009 inflation adjusted revenues will be $412 million. This is a loss of 0.6% since 1995.

There are a variety of sources of funds for the general city purposes budget. Figure 3 illustrates the distribution of the different revenue categories in the 1995 budget and the 2009 budget. A noticeable shift in intergovernmental, property taxes, and charges for service is evident over the time period. As shown in Figure 3, the city received proportionately more intergovernmental aid in 1995 when it accounted for 63.7% of total revenues versus 45.6% in 2009.

Over the same time period, the city's reliance on property taxes increased from 10.6% to 21.0% although it only slightly increased in terms of real dollars. The city has increased its efforts to diversify revenues by increasing charges for service as a percentage of revenue from 4.3% to 14.3%.

Intergovernmental revenues have remained flat from 1995 to 2009. However, from 2003 to 2009, intergovernmental revenues decreased from $284.6 million to $272.2 million. This is shown in Figure 4 along with the inflation adjusted amounts.

The 2009 property tax levy of $125.4 million for general city purposes is part of the total property tax levy of $238.4 million

Figure 5 illustrates the increased city reliance on user based fees. In the past several years, charges for service revenues increased from $19.4 million in 1995 to $85.1 million in 2009. This trend is also evident in Figure 3, where charges for service revenues increased from 4.3% of revenues to 14.3% in the same time period. Fees for Solid Waste, Snow and Ice, and Sewer Maintenance are now charged to city property owners according to usage, instead of through the tax levy.

The following discussion provides more specific detail on the different categories of general purpose revenues.

Intergovernmental Revenue: These revenues include funding received from other governmental jurisdictions, state and federal aid formulas, grants, and other program specific government aids.

In the 2009 budget, intergovernmental revenues total $272.2 million. The city anticipates an overall increase in state aids of $1.0 million from 2008 to 2009.

The largest amount of state aids received by the city comes in the form of State Shared Revenue. In 2009, the city expects to receive $230.9 million of shared revenue. This is a slight increase from the 2008 budget due to an increase in the utility payment portion of the shared revenue payment.

Figure 3

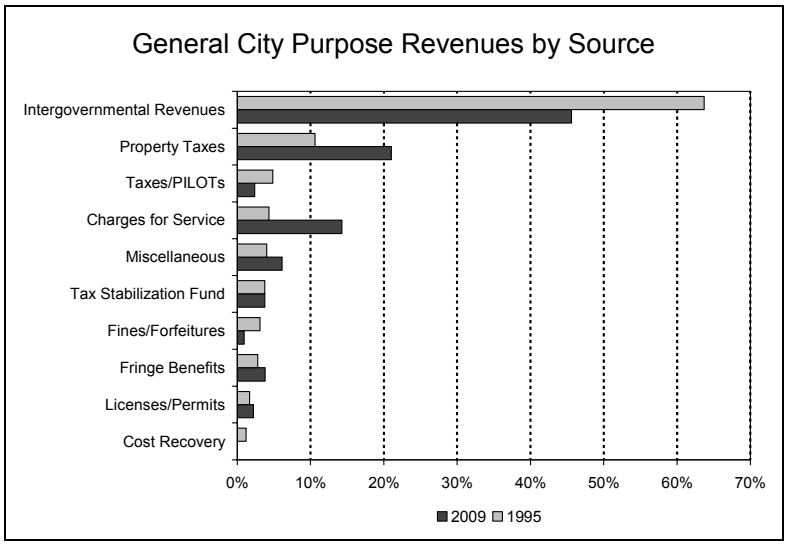
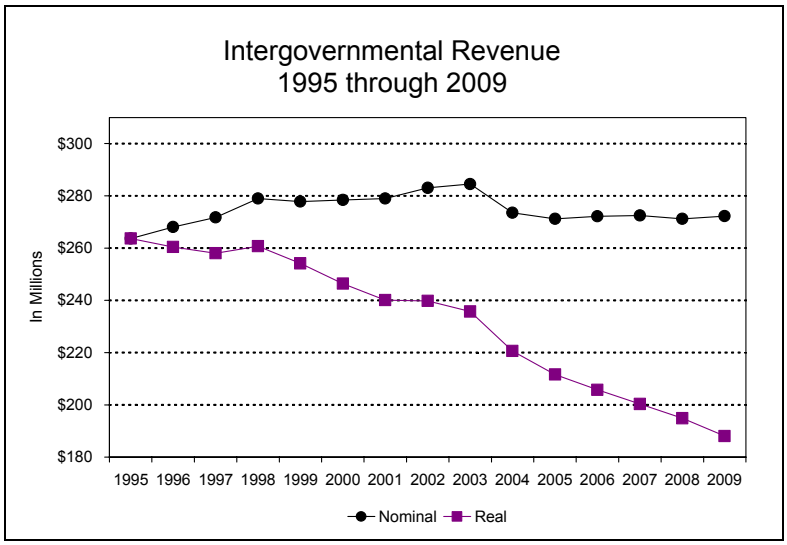


Figure 4



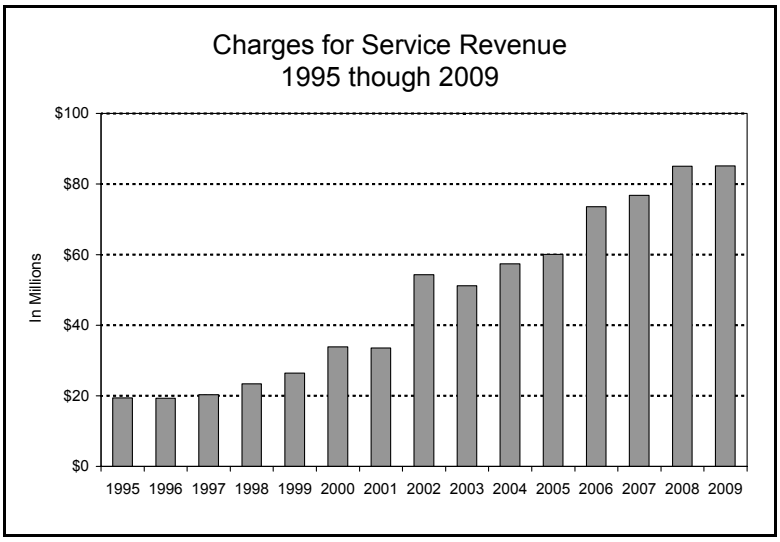
Since the state fixed the allocation for shared revenue in 1995 and later fixed the amount municipalities received, the city was unable to rely on shared revenue to assist in addressing its structural budget issues. Each increase of 1% in the payment would generate an additional $2.3 million in revenues to the city. The city has turned to other sources of funds or service cuts to offset the lack of growth in shared revenue. The city will experience a nearly $75.9 million decrease in "real" intergovernmental aids since 1995 as shown in Figure 4.

The state transportation aids are determined by the amount that is spent in specific transportation related accounts and the funds made available in the state budget for this purpose. This program is in direct opposition to expenditure control initiatives that are in other parts of the state budget because higher expenses result in more revenue received. These aids total $27.2 million in 2009, an increase of $0.9 million from the 2008 amount.

Another of the larger state aids is the Expenditure Restraint Payment. The intent of this program is to reward communities who control their General Fund expenditures. General Fund expenses are allowed to increase by the

CPI and 60% of the net new construction. The other qualifying factor is an equalized property tax rate above $5 per $1,000 of equalized value. The problem is in the distribution of the program funds. They are distributed by the percentage of excess property tax level which means the higher you tax the more money you receive. Milwaukee has continued to do an excellent job of controlling our property tax levy, thus causing the expenditure restraint aids to fall from an actual $9.0 million in 2007 to $7.6 million for 2009. This is a 15.6% or $1.4 million drop from 2007.

Figure 5



Property Taxes: The property tax levy will provide $125.4 million in revenue for the general city purposes budget in 2008. The total city tax levy increased from $227.5 million in 2008 to $238.4 million in 2009 or a $10.9 million increase.

Taxes and Payments in Lieu of Taxes: The 2009 budget includes an estimated $14.1 million in revenue attributable to Taxes and Payments in Lieu of Taxes (PILOTs), an increase of $1.2 million from 2008. These funds include revenues raised by non-property tax levies; occupation taxes; trailer park taxes; principal, interest, and penalties on delinquent taxes; property tax adjustments; and payments from property tax exempt governmental entities for city services.

Charges for Services: The 2009 budget includes $85.1 million in revenue from charges for services, a increase of $4.5 million. This category of funding encompasses revenue received for services provided by city operating departments. Charges for services revenue has steadily increased since 1995 (see Figure 5).

The Solid Waste Fee is a charge that mainly recovers a portion of the cost of weekly garbage collection. Other service costs for related solid waste services like recycling, brush collection, and special collections are also partially recovered through the fee. The proposed fee recovers nearly 100% of solid waste operating costs.

Charges reduce reliance on variable and uncertain revenues such as intergovernmental aids. They can also make a local government's cost structure more competitive. The Mayor has proposed increasing the solid waste fee by $9.25 per quarter or $37 annually. The Solid Waste Fee will grow from $132 to $169 per year for residential units and will generate $32 million. Leaf pickup and street sweeping costs will continue to be recovered through the Sewer Maintenance Fee in the form of a $5 million transfer from the Sewer Fund to the General Fund.

For 2009, the Mayor requested an increase in the snow and ice fee from its current rate of $0.4788 per foot of property frontage to an annual rate of $0.6522 per foot of property frontage. The fee increase would have generated a total of $6.1 million in 2009 but the fee increase was rejected by the Common Council.

Miscellaneous Revenues: Miscellaneous revenues include the transfer from the Parking Fund, interest on investments, funds from the sale of surplus property, real estate property sales, several spending offset accounts, and other revenues not included in any other category. For 2009, these revenues are expected to total $36.4 million.

The increase of $1.0 million in miscellaneous revenues is primarily due to the new revenue expected from the transfer from the Capital Improvements Fund ($3.3 million), New Berlin contract ($1.5 million) and the loss of interest earnings from a decrease in the interest rate ($-4.4 million).

Interest earnings will decrease by $4.4 million from a 2008 level of $8.0 million to the 2009 estimate of $3.6 million. Two-thirds of the interest on the city's unrestricted investments is counted as general city purpose revenue (one-third accrues to the Public Debt Amortization Fund). For 2009, a 2.25% rate of return on unrestricted investments of approximately $240 million is assumed.

Fines and Forfeitures: Revenue of $5.6 million related to fines and forfeitures is included in the 2009 budget. Fines and forfeitures include payments received from individuals as penalties for violating municipal laws. The revenue in this account reflects collections made by the Municipal Court.

Licenses and Permits: Revenue from licenses and permits in 2009 is estimated at $13.1 million, an increase of $0.2 million from 2008. These funds include charges administered by various departments for legal permission to engage in a business, occupation, or other regulated activity. An adjustment was made to numerous licenses and permits as a means to continue revenue diversification. Several licenses and permits were increased that are estimated to generate $773,000.

Fringe Benefit Offset: The fringe benefit costs associated with reimbursables, grants, Enterprise Funds, and capital activity are gross budgeted in the General Fund. These other funds make a payroll payment to the General Fund to offset the cost of their General Fund budgeted fringe benefit, which is anticipated to be $22.7 million in 2009.

Cost Recovery: Cost Recovery Funds do not represent actual revenue to the city. They offset Tax Levy Funds included in departmental equipment rental accounts to pay the depreciation portion of internal service agency charges.

Tax Stabilization Fund (TSF): The Tax Stabilization Fund is used to accumulate unexpended appropriations and revenue surpluses. It assists in stabilizing the city's tax rate and protects citizens from tax rate fluctuations that can result from erratic variations in non-property tax revenues. Approximately $15.2 million lapsed into the Fund at the end of 2007 bringing the balance in the Fund (as of April 15, 2008) to $44.8 million.

The 2009 withdrawal will be $22.4 million and will be 50% of the fund balance. After the 2009 withdrawal and anticipated regeneration at the end of 2008, the TSF should have a fund balance of approximately $37.9 million.

2. SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2006 ACTUAL EXPENDITURES	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
Taxes and Payments in Lieu of Taxes					
Housing Authority	$886,548	$924,305	$850,000	$875,000	$25,000
Parking	967,300	1,028,054	981,000	1,019,900	38,900
Water Services Division	7,460,814	7,766,748	8,029,000	8,017,600	-11,400
Trailer Park Taxes	116,674	105,887	120,000	105,000	-15,000
Occupational Taxes	13,022	9,580	10,000	9,600	-400
Payment in Lieu of Taxes Other	348,616	436,536	350,000	427,000	77,000
Interest/Penalties on Taxes	1,911,782	2,043,047	1,840,000	2,177,900	337,900
TID Excess Revenue	1,837,040	745,502	0	359,000	359,000
Other Taxes	870,557	1,045,970	755,000	1,150,000	395,000
Total Taxes	$14,412,353	$14,105,629	$12,935,000	$14,141,000	$1,206,000
Licenses and Permits					
Licenses					
Amusement Dance/Music	$584,127	$592,939	$450,000	$482,400	$32,400
Dog and Cat	120,171	158,445	120,100	79,200	-40,900
Food Health Department	1,596,110	1,663,390	1,650,000	1,867,790	217,790
Health Department Non-Food	65,764	59,336	54,375	61,400	7,025
Liquor and Malt	1,093,373	1,041,752	1,067,000	1,030,075	-36,925
Scales	216,738	272,526	235,000	329,635	94,635
Miscellaneous City Clerk	311,927	460,916	471,300	584,175	112,875
Miscellaneous Neighborhood Services	396,459	405,331	382,000	374,200	-7,800
Miscellaneous Department Public Works Administration	18,396	17,918	16,500	16,500	0
Permits					
Board of Zoning Appeals	$209,076	$275,580	$208,000	$223,000	$15,000
Zoning Change Fees	85,088	96,910	65,000	58,000	-7,000
Building	3,033,082	2,807,041	2,858,700	2,613,400	-245,300
Building Code Compliance	177,140	162,125	175,000	160,000	-15,000
Curb Space Special Privilege	105,755	25,935	50,000	29,125	-20,875
Electrical	903,652	846,335	900,000	800,000	-100,000
Elevator	140,660	171,799	130,000	130,000	0
Occupancy	315,096	289,253	295,000	304,000	9,000
Plumbing	713,652	734,519	775,000	700,000	-75,000
Miscellaneous Neighborhood Services	133,098	114,497	119,100	109,100	-10,000
Sign and Billboard	91,797	110,814	97,000	102,900	5,900
Special Events	191,039	198,511	185,600	185,000	-600
Miscellaneous Department of Public Works	675,919	604,355	541,000	551,900	10,900
Special Privilege Miscellaneous City Clerk	12,293	22,355	13,500	23,300	9,800
Special Privilege Miscellaneous Neighborhood Services	388,343	412,054	375,000	385,000	10,000
Sprinkler Inspection	60,308	68,068	59,000	67,500	8,500
Use of Streets Excavating	1,275,553	1,307,143	968,000	1,180,000	212,000
Plan Exam Department of City Development	811,317	778,152	650,000	632,800	-17,200
Total Licenses and Permits	$13,725,933	$13,697,999	$12,911,175	$13,080,400	$169,225
Intergovernmental Revenue					
Fire Insurance Premium	$1,008,240	$999,584	$1,100,000	$1,040,000	$-60,000
Local Street Aids	25,447,972	25,995,055	26,320,300	27,269,000	948,700
Payment for Municipal Services	2,560,532	2,341,015	2,350,000	2,225,000	-125,000
State Payments Police	614,865	874,820	1,075,400	979,900	-95,500
State Shared Revenue (General)	230,599,908	230,601,451	230,574,800	230,857,500	282,700
Other State Payments	17,134	7,034	7,000	7,000	0
Expenditure Restraint Aid	9,120,656	9,041,200	7,087,514	7,624,000	536,486
Computer Exemption Aid	3,047,517	2,678,881	2,750,000	2,250,000	-500,000
Total Intergovernmental Revenue	$272,416,824	$272,539,040	$271,265,014	$272,252,400	$987,386

	2006 ACTUAL EXPENDITURES	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
Charges for Services - General Government					
City Attorney	$902,809	$663,846	$1,025,500	$876,000	$-149,500
Department of Employee Relations	202,861	258,012	184,400	195,000	10,600
City Treasurer	119,753	134,601	107,150	126,755	19,605
Common Council City Clerk	3,797,987	167,443	117,300	141,395	24,095
Cable Franchise Fee	0	3,997,409	3,600,000	3,925,000	325,000
Comptroller	269,750	249,070	245,000	254,100	9,100
Election Commission	788	0	1,800	500	-1,300
Municipal Court	1,498,038	1,700,345	1,578,700	1,710,100	131,400
Debt Commission	290,293	0	215,000	0	-215,000
Assessor	530,243	478,210	616,500	476,500	-140,000
Department of City Development	550,499	424,937	517,000	462,000	-55,000
Department of Administration	66,397	80,902	87,300	155,350	68,050
Milwaukee Public School Service Charges	3,737,000	3,864,000	3,998,700	0	-3,998,700
Fire Department	5,906,660	5,585,343	5,984,400	7,182,900	1,198,500
Police Department	570,843	730,444	921,800	647,500	-274,300
Department of Neighborhood Services	5,506,625	6,114,379	4,926,900	5,578,830	651,930
Building Razing	1,035,418	1,257,045	975,000	1,008,500	33,500
Fire Prevention Inspections	1,249,176	1,355,566	1,245,000	1,250,000	5,000
Essential Services	73,539	78,429	85,000	80,000	-5,000
Department of Public Works Operations Division Buildings and Fleet	4,347,261	4,240,404	3,909,000	3,905,000	-4,000
Department of Public Works Infrastructure Division	4,420,004	3,156,791	3,764,100	2,994,000	-770,100
Department of Public Works Operations Division Forestry	166,040	160,359	135,000	120,000	-15,000
Harbor Commission	3,882,471	4,921,715	4,328,059	4,795,011	466,952
Department of Public Works Administrative Services	585,588	1,491,238	1,361,000	1,338,700	-22,300
Department of Public Works Operations Division Sanitation	897,022	738,739	1,442,000	808,000	-634,000
Solid Waste Fee	24,942,022	24,996,994	25,000,000	25,000,000	0
Snow and Ice Control Fee	2,505,632	2,653,893	4,300,000	4,500,000	200,000
Street Sweeping and Leaf Collection	4,600,000	4,600,000	5,000,000	5,000,000	0
Apartment Garbage Pickup	1,091,245	1,075,866	1,000,000	1,475,000	475,000
Health Department	666,685	797,917	755,575	1,421,165	665,590
Public Library	509,850	490,261	504,200	473,000	-31,200
County Federated System	1,382,126	1,397,387	1,400,000	940,900	-459,100
Recycling Contract	1,167,065	1,330,910	1,250,000	1,250,000	0
Total Charges for Services	$77,471,690	$79,192,455	$80,581,384	$78,091,206	$-2,490,178
Fines and Forfeitures					
Municipal Court	$5,530,127	$5,783,973	$5,502,000	$5,593,000	$91,000
Total Fines and Forfeitures	$5,530,127	$5,783,973	$5,502,000	$5,593,000	$91,000
Miscellaneous Revenue					
Transfer from Other Funds	$15,200,000	$15,800,000	$17,000,000	$20,300,000	$3,300,000
Interest on Investment	9,244,004	8,708,599	8,000,000	3,600,000	-4,400,000
Contributions	1,625,776	2,237,186	1,900,000	2,100,000	200,000
Department of Administration Property Sales	516,782	835,020	336,200	677,000	340,800
Department of City Development Property Sales	141,527	370,434	150,000	250,000	100,000
Department of Public Works Operations Division Rent	1,847,668	17,901	236,700	267,400	30,700
Comptroller Rent	162,130	160,580	160,300	159,300	-1,000
Department of City Development Rent	6,098	0	10,000	0	-10,000
Other Miscellaneous	780,742	1,339,551	811,800	800,200	-11,600
Insurance Recovery	251,893	111,623	229,150	181,525	-47,625
Potawatomi	4,182,221	4,824,648	5,400,000	5,400,000	0

	2006 ACTUAL EXPENDITURES	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 PROPOSED BUDGET	CHANGE 2009 PROPOSED VERSUS 2008 ADOPTED
Midtown/LIMP Revenues	29,943	-21,219	30,000	30,000	0
Harbor Commission Transfer	1,090,000	1,095,000	1,165,983	1,166,700	717
New Berlin Contract	0	0	0	1,500,000	1,500,000
Total Miscellaneous Revenue	$35,078,784	$35,479,323	$35,430,133	$36,432,125	$1,001,992
Fringe Benefits					
Fringe Benefit Offset	$23,739,528	$22,386,775	$22,450,403	$22,650,000	$199,597
Total Fringe Benefits	$23,739,528	$22,386,775	$22,450,403	$22,650,000	$199,597
Cost Recovery					
Sewer Maintenance	$0	$0	$10,000	$10,000	$0
Total Cost Recovery	$0	$0	$10,000	$10,000	$0
Total General Fund Revenue	$442,375,239	$443,185,194	$441,085,109	$442,250,131	$1,165,022
Amount to be Raised Pursuant to 18-02-6	$115,136,600	$119,157,881	$133,532,230	$147,808,232	$14,276,002
Less:					
Tax Stabilization Fund Withdrawal (Sustainable)	$16,328,000	$23,175,000	$29,457,500	$22,378,500	$-7,079,000
Property Tax Levy	$98,808,600	$95,982,881	$104,074,730	$125,429,732	$21,355,002
Total Sources of Fund for General City Purposes	$557,511,839	$562,343,075	$574,617,339	$590,058,363	$15,441,024

B. PROVISION FOR EMPLOYES' RETIREMENT FUND

EXECUTIVE SUMMARY

OBJECTIVES: Provide the means by which the city can track and monitor retirement related expenditures and resources. Maintain the health of the retirement related funds in an era of increasing costs and variable earnings.

SERVICES: Retirement system.

SUMMARY OF EXPENDITURES

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Firemen's Pension Fund						
Employer's Pension Contribution	$121,651	$122,000	$125,000	$125,000	$3,000	$0
Lump Sum Supplement Contribution	297,508	250,000	200,000	200,000	-50,000	0
Subtotal	$419,159	$372,000	$325,000	$325,000	$-47,000	$0
Policemen's Pension Fund						
Employer's Pension Contribution	$307,582	$0	$60,000	$41,423	$41,423	$-18,577
Subtotal	$307,582	$0	$60,000	$41,423	$41,423	$-18,577
Employees' Retirement Fund						
Employer's Pension Contribution	$0	$0	$0	$0	$0	$0
Administration	19,362,651	24,461,700	24,364,000	24,364,000	-97,700	0
Annuity Contribution Tax Levy	23,422,742	23,001,449	24,850,000	17,949,000	-5,052,449	-6,901,000
Annuity Contribution - Employers' Reserve Fund*	0	0	0	5,581,000	5,581,000	5,581,000
Subtotal	$42,785,393	$47,463,149	$49,214,000	$47,894,000	$430,851	$-1,320,000
Social Security Tax	$17,503,709	$17,560,704	$18,570,000	$18,090,000	$529,296	$-480,000
Former Town of Lake Employees' Fund						
Employer's Pension Contribution	$7,506	$8,700	$7,300	$7,300	$-1,400	$0
Subtotal	$7,506	$8,700	$7,300	$7,300	$-1,400	$0
Deferred Compensation Plan	$983,335	$1,454,342	$1,560,711	$1,560,711	$106,369	$0
Total	$62,006,684	$66,858,895	$69,737,011	$67,918,434	$1,059,539	$-1,818,577
Revenues						
Fringe Benefits Pensions	$854,682	$1,042,400	$1,067,000	$1,067,000	$24,600	$0
Charges for Service Employees' Retirement System	18,948,735	24,095,460	24,037,530	24,037,530	-57,930	0
Charges for Service Deferred Compensation	983,335	1,454,342	1,560,711	1,560,711	106,369	0
Property Tax Levy	41,118,922	40,188,093	42,987,670	35,588,093	-4,600,000	-7,399,577
Employers' Reserve Fund	0	0	0	5,581,000	5,581,000	5,581,000
Miscellaneous Employees' Retirement System	101,040	78,600	84,100	84,100	5,500	0
Total	$62,006,714	$66,858,895	$69,737,011	$67,918,434	$1,059,539	$-1,818,577

* Proposed use of $5.6 million from the Employers' Reserve Fund in accordance with the City Charter Ordinance 36-08-8.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Employes' Retirement Fund includes provisions for employee pensions, the Policemen's Annuity and Benefit Fund, the Firemen's Pension Fund, Social Security contributions, and the city's Deferred Compensation Plan.

The Employes' Retirement System (ERS) is responsible for administering the city's defined benefit pension plan for city employees and other members of the system. The system operates under the direction of the Annuity and

Pension Board, a body of eight members (three elected by active system members, one by city retirees, three appointed by the President of the Common Council, and the City Comptroller, ex-officio). Retirement contributions for employees of the Milwaukee Metropolitan Sewerage District, the Wisconsin Center District, the Water Works, Milwaukee Public School Board (excluding teachers), and the Milwaukee Area Technical College are borne by those respective governmental units and are not included in these appropriations. There were 26,868 members in the system as of December 31, 2007.

The Policemen's Annuity and Benefit Fund (PABF) administers pensions for city Police Officers employed prior to 1947. There were 126 members as of August 2008.

Funds in the Firemen's Pension Fund are provided for retired Fire Fighters who were employed prior to 1947. This fund had 118 members as of August 2008, excluding four surviving spouses paid directly by ERS.

The Former Town of Lake Employes' Retirement Fund provides retirement benefits to former Town of Lake employees who became city employees when the Town of Lake was annexed. There are currently two members.

ERS also oversees the city's contribution for payment of the employer's share of Social Security tax. The Deferred Compensation Board is responsible for administration of the city's Deferred Compensation Plan.

SERVICES

Annuity Contribution: The 2009 proposed budget provides $17.9 million for the city's share of employees' annuity contributions (5.5% of pay for general city employees and 7% for Police Officers, Fire Fighters, and elected officials).

An additional $5.6 million will be provided from the employers' pension reserve fund to the Annuity Contribution - Employers' Reserve Fund payment in accordance with City Charter Ordinance 36-08-8 and $0.3 million from Mayoral proposed 2009 revenues.

Social Security Payments: In the 2009 proposed budget, $18.1 million is provided for Social Security payments.

Administration: In the 2009 proposed budget, ERS administrative costs are $24.4 million.

Pension Reserve Fund: The 2009 proposed budget includes no additional pension reserve funding. An actuarial study finished in early 2005 indicated that minimal risk exists to the overall fund through 2017. The city's continued reductions to the number of employees also reduces future pension liability. Currently, the Pension Fund is funded at 131% of its actuarial determined funding level and there is a balance of over $24.9 million in the reserve fund.

Employer's Pension Contribution (ERS): Duty disability payments for non-consenters of the Global Pension Settlement are fully funded. No additional funding is included in the 2009 proposed budget.

Employer's Pension Contribution (PABF): The 2009 proposed budget includes a $41,423 contribution for the former PABF.

Lump Sum Contribution for Firemen's Annuity and Benefit Fund (FABF): A total of $200,000 is provided in the 2009 proposed budget for a pension supplement to remaining members of this fund. This will provide a supplement fund payment per member that is roughly equivalent to the payment received in 2008.

EMPLOYES' RETIREMENT SYSTEM

EXECUTIVE SUMMARY

MISSION: Administer the payment of retirement and other benefits to eligible persons as provided under the City Charter and protect the funds of the Employes' Retirement System (ERS) by investing them in a prudent and vigilant manner.

OBJECTIVES: Safeguard ERS funds by investing them in a fiscally responsible and prudent manner.

STRATEGIES: Monitor and analyze all investment activities and provide oversight of the investment portfolio to maximize returns while minimizing the variability of the Fund's asset value.

Maintain and update the Milwaukee Employee Retirement Information Technology Solutions (MERITS) system to provide effective and efficient pension administrative services.

Improve member communication through the ERS website, pre-retirement counseling seminars, brochures, and newsletters.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	40.50	42.00	41.50	41.50	-0.50	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	49	52	51	51	-1	0
EXPENDITURES						
Salaries and Wages	$2,025,076	$2,542,400	$2,603,000	$2,603,000	$60,600	$0
Fringe Benefits	854,682	1,042,400	1,067,000	1,067,000	24,600	0
Operating Expenditures	14,695,946	20,235,200	20,543,000	20,543,000	307,800	0
Equipment	491,236	141,700	151,000	151,000	9,300	0
Special Funds	1,295,711	500,000	0	0	-500,000	0
TOTAL	$19,362,651	$24,461,700	$24,364,000	$24,364,000	$-97,700	$0
REVENUES						
Charges for Services	$18,948,735	$24,095,460	$24,037,530	$24,037,530	$-57,930	$0
Miscellaneous	101,040	78,600	84,100	84,100	5,500	0
TOTAL	$19,049,775	$24,174,060	$24,121,630	$24,121,630	$-52,430	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to improve its fiscal capacity. Employe's Retirement System (ERS) contributes to this goal by effectively managing the pension funds under its control. Effective management of these funds minimizes the amount of tax levy funding needed to support ERS. It also ensures that the city's long term financial obligations to retirees are adequately funded to provide retirement related benefits for members and their beneficiaries. ERS also administers the city's contribution of Social Security, the Group Life Insurance Program, and health care for city retirees including COBRA health and dental plans. On December 31, 2007, there were 26,868 members (actives, inactives, and retirees) in the system and the value of the Fund was $5.2 billion.

The Annuity and Pension Board is trustee of the system's funds and is responsible for the system's general administration. The Secretary and Executive Director function under the direction of the board and are responsible for daily operation of the office.

Strategies and Milestones for 2009

Objective:	**Safeguard the funds of the Employes' Retirement System (ERS) by investing them in a fiscally responsible and prudent manner.**
Strategies	**2009 Milestones**
Monitor and analyze all investment activities and provide oversight of the investment portfolio to maximize returns while minimizing the variability of the Fund's asset value.	Funded ratio of assets to pension liabilities over 100%. Rate of return exceeding blended benchmark index.

STRATEGY IMPLEMENTATION

The current asset value in the city pension system is $5.2 billion at year end 2007. This is a $144 million increase from the 2006 year end value of $5.1 billion.

Figure 1 shows how well the pension system has been funded. It illustrates the ratio of assets to liabilities, known as the funded ratio. A ratio of 100% indicates a fully funded pension system. The city has a well funded system that is currently at 131.2% funding as of January 1, 2008. From 1997 to 2008, the funded ratio has exceeded 115%.

To measure the Fund's performance, ERS compares the investment return of the retirement fund against a blended benchmark index consisting of the following indices: Russell 3000 Stock Index, the Lehman Brothers Aggregate Bond Index, the Morgan Stanley Capital International EAFE (Europe, Australiasia, and Far East) Stock Index, and the NCREIF Property Index. The blended benchmark is weighted according to the asset allocation strategy adopted by the Annuity and Pension Board.

Over the long term, ERS' objective is for the Fund to outperform the blended benchmark by 0.5%. ERS' asset allocation strategy is designed to take advantage of long term investment and market trends that occur over the life of an investment cycle. In 2007, the Funds net rate of return was 7.2% while the blended benchmark index was at 7.8%. As seen in Figure 2, the Fund's rate of return net of fees paid to investment managers last trailed the blended benchmark in 1999.

Figure 1

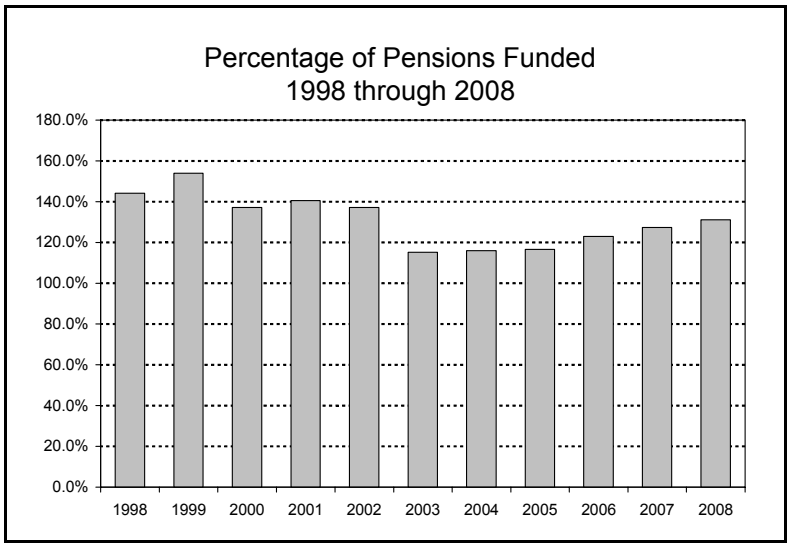
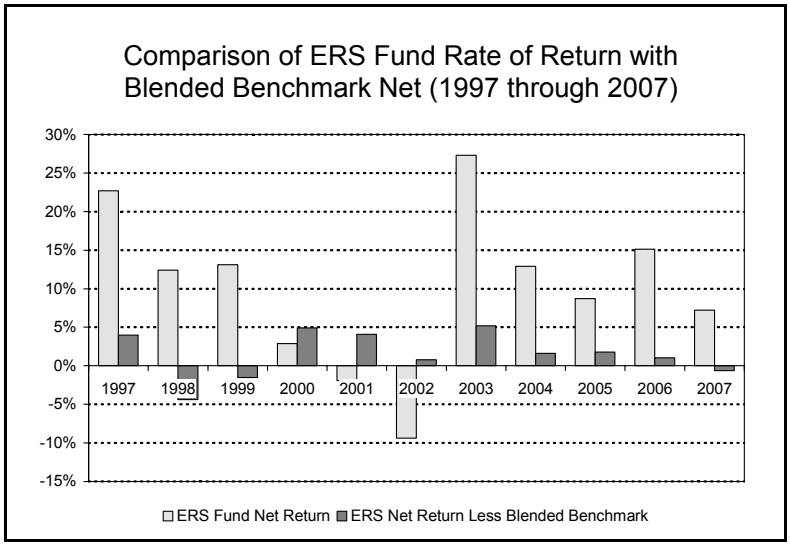
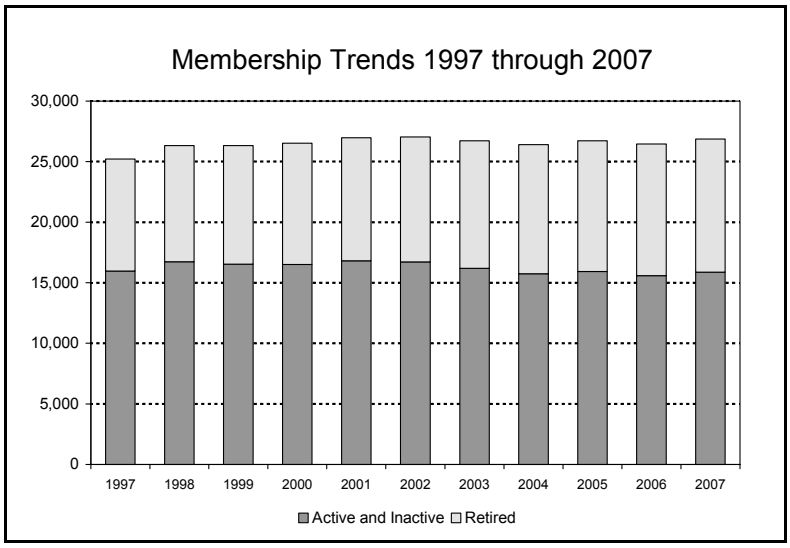


Figure 2



Customer service is enhanced through a series of public awareness projects. A monthly retiree newsletter keeps members informed on a variety of issues including the fund performance, tax issues, and health insurance issues. Thousands of letters are generated to inform individuals of their specific entitlements and answers to their questions. Community presentations and pre-retirement seminars are conducted on a regular basis. The member handbooks, brochures, a partially interactive website and telephone system also enhance customer service delivery. Figure 3 shows membership trends.

Figure 3



ERS measures the quality of its counseling services through a series of exit surveys for new employees, pre-retirement seminar participants, and retirees. Customer service is also evaluated by timely servicing of walk-ins and scheduled appointments using reception cards. The goal is to exceed the 95% satisfaction level in all areas. Customer satisfaction approached 100% in 2007.

OTHER SERVICE AND BUDGET CHANGES

MERITS Line-of-Business Computer System implementation including Member Self-Service and Configuration Management Modules was completed in 2007. The post implementation support phase of the project is underway and will continue throughout the life of the system. Implementation of MERITS was on budget, although later than planned, and is being used in regular business operations. The implementation of MERITS has improved pension administration by producing consistent and accurate calculations, reducing manual processing and possible human error, and reducing storage and backup of members' information to eliminate lost data. The 2009 proposed budget includes $300,000 to begin long range system replacement planning and $280,000 to explore acquisition of a disaster recovery site.

2009 Budget by Services (Funding in Millions)

Service	**Investment Management**	
Activities:	Cash flow analysis, negotiate investment manager contracts, monitor investment performance, and compliance monitoring of investment managers.	
		2009 Projection
Performance Measures:	Exceed the gross rate of return of the blended benchmark index.	0.5%
Funding by Source:	Operating Funds	$13.3
	Totals	**$13.3**
Service	**Customer Service**	
Activities:	Prepare pension estimates, counsel members on benefits, calculate pension allowances and adjustments, process retirement applications, enroll new members, pay benefits, and review disability cases.	
		2009 Projection
Performance Measures:	Exceed 95.0% favorable rating on customer satisfaction surveys.	95.0%
Funding by Source:	Operating Funds	$5.7
	Totals	**$5.7**
Service	**System Operations Support**	
Activities:	Maintain and enhance electronic information systems supporting the administration of the Trust, assist and support existing operations by providing software and systems expertise, establish and implement policies and procedures necessary to safeguard data, and when necessary, restore critical operations.	
		2009 Projection
Funding by Source:	Operating Funds	$5.4
	Totals	**$5.4**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1		-0.5	Office Supervisor (0.5 FTE)	Decrease in Policemen's Annuity and Pension Fund membership allows service efficiencies.
-1	**0.00**	**-0.50**	**Totals**	

DEFERRED COMPENSATION PLAN

EXECUTIVE SUMMARY

MISSION: Provide a tax deferred retirement savings option for city employees that is cost effective, responsive to the needs of its participants, and complies with Section 457 of the Internal Revenue Code.

OBJECTIVES: Administer deferred compensation efficiently and effectively while achieving customer satisfaction.

STRATEGIES: Increase employee participation.

Provide educational materials on the Plan's investment options and model portfolios.

Increase participant understanding of post-retirement distribution options.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	1.74	2.00	2.00	2.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	2	2	2	2	0	0
EXPENDITURES						
Salaries and Wages	$139,280	$134,334	$139,316	$139,316	$4,982	$0
Fringe Benefits	50,782	55,077	57,120	57,120	2,043	0
Operating Expenditures	793,273	1,189,931	1,289,275	1,289,275	99,344	0
Equipment	0	0	0	0	0	0
Special Funds	0	75,000	75,000	75,000	0	0
TOTAL	$983,335	$1,454,342	$1,560,711	$1,560,711	$106,369	$0
REVENUES						
Charges for Services	$1,407,283	$1,454,342	$1,560,711	$1,560,711	$106,369	$0
TOTAL	$1,407,283	$1,454,342	$1,560,711	$1,560,711	$106,369	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Section 5-50 of the Milwaukee City Charter allows for establishment of a Deferred Compensation Plan. The Plan is a non-qualified, tax deferred retirement plan governed under Section 457 of the Internal Revenue Code. Such a plan allows city employees to set aside a portion of their income before federal and state taxes are withheld. The income is not taxed until it is withdrawn from the Plan, usually at retirement when an individual's marginal tax rate may be lower.

The Deferred Compensation Plan is funded entirely by payroll and rollover contributions of city employees and associated earnings. The Plan is administered by a nine member Deferred Compensation Board, which hires contractors to perform daily activities in enrollment, recordkeeping, marketing and investment selection, and monitoring. The Plan has 7,874 active and retired participants including assets of $621.6 million as of December 31, 2007.

The Deferred Compensation Plan is self-sustaining and does not impact the city's property tax levy.

Strategies and Milestones for 2009

Objective: Efficient and effective administration of the Deferred Compensation Plan.	
Strategies	**2009 Milestones**
Increase employee participation and plan assets.	Increase active employee participation to 75%.
Increase participant understanding of post retirement options.	Provide three post retirement sponsored educational sessions.
Increase rollovers into the Plan.	Provide an easier process for global pension settlement rollovers into the Plan.
Increase use of model portfolios.	Automatically diversify participant's assets within the model portfolios beginning in 2009.

STRATEGY IMPLEMENTATION

The success of deferred compensation in maintaining a cost effective and responsive plan is measured by increased employee participation and average amount deferred.

Plan participants can deposit their payroll contribution into seven different investment options: Stable Value Account, Income Account, Socially Conscious Balanced Account, Passively Managed U.S. Equity Account, Actively Managed Equity Account, Passively Managed International Equity Account, and Schwab Personal Choice Retirement Account. The Board is responsible for specifying the options from which participants make their choices and focuses on broad investment categories in making options available to participants.

By offering a variety of investment options and model portfolios, the Board provides plan participants with an opportunity to diversify their investments. The Board has improved investment returns to participants by actively seeking out manager fee reductions, institutional class fund shares, 12 B-1 fee credits, and low operating cost funds.

To assist members in developing an investment plan, the Deferred Compensation Board has provided every participant a new marketing brochure "Designing Your Personal Investment Plan" which includes educational materials to help in diversifying members assets in the Plan's model portfolios. The Plan provides ongoing investment and retirement workshops to assist plan participants in making informed investment decisions. In addition, information on deferred compensation is provided at new employee orientations.

2009 Budget by Services (Funding in Millions)

Service	**Deferred Compensation**	
Activities:	Enrollment, agreement processing, payroll changes, future allocation changes, participant advising, investing, and depositing participant contributions.	
		2009 Projection
Performance Measures:	Increase active employee participation by 3.0%.	71.0%
	Increase average participant deferred by 4.0%.	$5,500
Funding by Source:	Operating Funds	$1.6
	Totals	**$1.6**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

C. CAPITAL IMPROVEMENTS

EXECUTIVE SUMMARY

MISSION: To maintain and enhance the city's infrastructure in a cost efficient and effective way and to ensure that the city remains economically competitive.

OBJECTIVES: Prepare a six year capital improvements plan to identify long range capital needs and to establish spending, debt, and tax rate goals.

Develop investment strategies to ensure favorable rates of return on city capital investments.

STRATEGIES: Reducing capital borrowing to match debt retirements in order to manage the debt levy and enhance the city's financial flexibility.

Implementing consultant recommendations for the infrastructure capital project management process to improve the ability to monitor capital expenditures on a real time basis for specific projects.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The 2009 capital improvements budget represents the initial year of a six year capital improvements plan. The budget and plan identify the city's capital funding needs and provide funding sources to support these identified needs. In general, capital improvements include projects to reconstruct, rehabilitate, or otherwise restore an existing system or facility to full functionality. They may also include projects to construct a new or more expansive facility to meet increased demands or to enhance economic development through job creation, business formation, and housing production.

HIGHLIGHTS

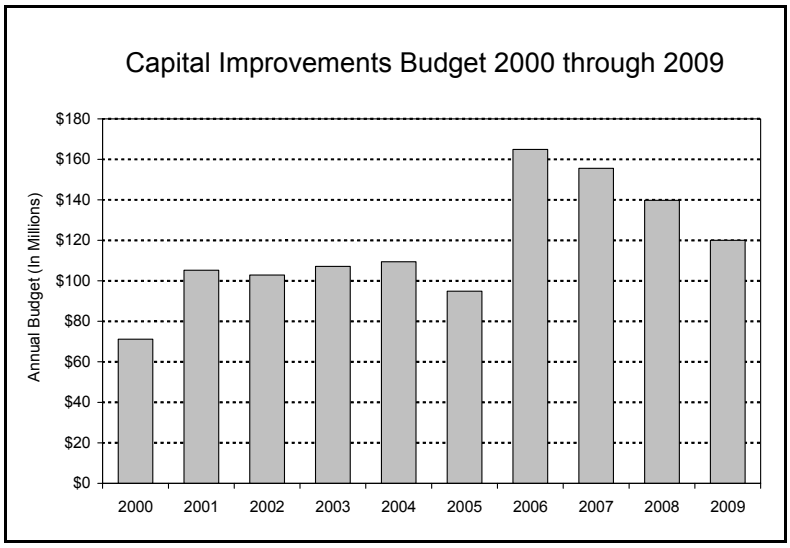
For 2009, the capital improvement budget continues a transitional period. Past capital improvement borrowing levels have translated into a destabilizing debt service tax levy. Problems with cost overruns on several larger capital improvement projects have led to a need for improved monitoring. Although it is important to fix these problems, the side effect is a capital improvement budget that is difficult to compare to previous capital improvement budgets. To address the debt tax levy, the 2009-2014 Capital Improvements Plan will project borrowing levels to a point where the amount of borrowing will approximate the amount of debt retired.

The following discussion of funding and expenditures excludes Vehicle Registration Fee related transfer payments to debt service and the general fund. The 2009 general city capital improvements budget totals $119.9 million, a decrease of $19.5 million or 14% from the 2008 budget of $139.5 million. The tax levy supported portion of the capital budget, which includes tax levy cash resources as well as tax levy supported general obligation debt, totals $70.7 million. Tax levy cash resources will decrease $2.2 million from $4 million in 2008 to $1.8 million in 2009.

The city's long term goal is to reduce tax levy supported borrowing authorizations to match tax levy debt retirements in order to limit future increases in the debt service tax levy. Control of new levy supported debt will be accomplished through a combination of prioritizing capital programs and projects through the annual budget process and converting some currently levy supported programs to other revenue sources. For example, the 2009 capital budget suspends levy supported borrowing for Milwaukee Public Schools, which was $4 million in 2007. The city have utilized lease payments from the Sewer Fund and Water Works for the jointly occupied Tower Facility to pay General Obligation (GO) debt service.

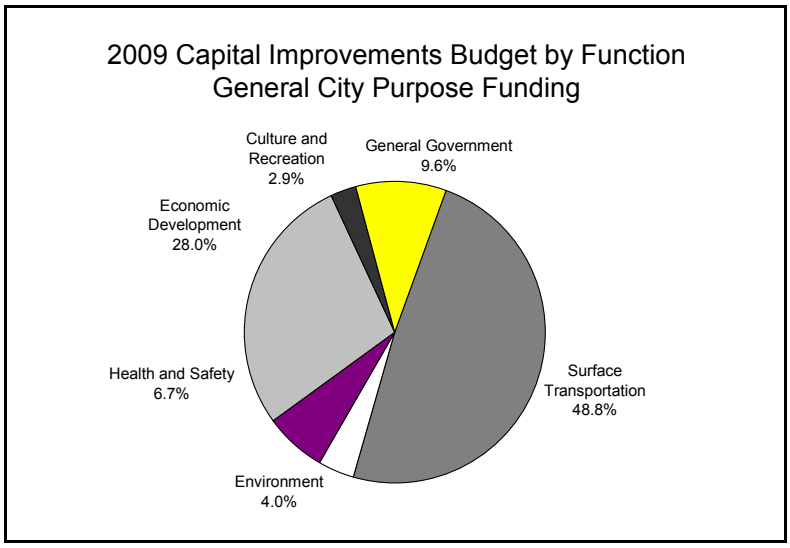
Figure 1 shows capital improvement budgets from 2000 to 2009. As shown, the capital improvements budget was significantly reduced in 2000 due to increased federal and state grant funding. From 2001 to 2004, the capital improvements budget stabilized between $102.8 million and $109.6 million. In 2005, the capital improvements budget was reduced to $94.9 million, a level that is considered sustainable in the long term. The 2006 capital budget increased to $164.9 million; however this is the result of two large one time projects ($41.7 million) and a large increase in TID funding ($38.7 million). The 2009 capital budget is also significantly impacted by the continuing policy of full, upfront TID funding that began in 2006. Levy supported GO borrowing is about $69 million for city purposes, down from $75 million in 2003.

Figure 1



Functional Categories: Projects included in the 2009 general city funded capital improvements budget are categorized in six functional categories including Surface Transportation, Environment, Health and Public Safety, Economic Development, Culture and Recreation, and General Government. Figure 2 illustrates the portion of the capital budget allocated to each functional area (Water, Parking, Sewer Relief and Relay, and Grant and Aids are excluded).

Figure 2



Surface Transportation projects constitute the largest functional category, which is 48.8% of the general city funded capital budget or $76.1 million. This area experiences a continuing significant increase of funding for streets, bridges, and street lighting projects

Economic Development projects is the second largest capital functional area at 28% of the general city funded capital budget. Tax Incremental Districts (TIDs) amount to $40.7 million or 93.2% of funding for economic development projects.

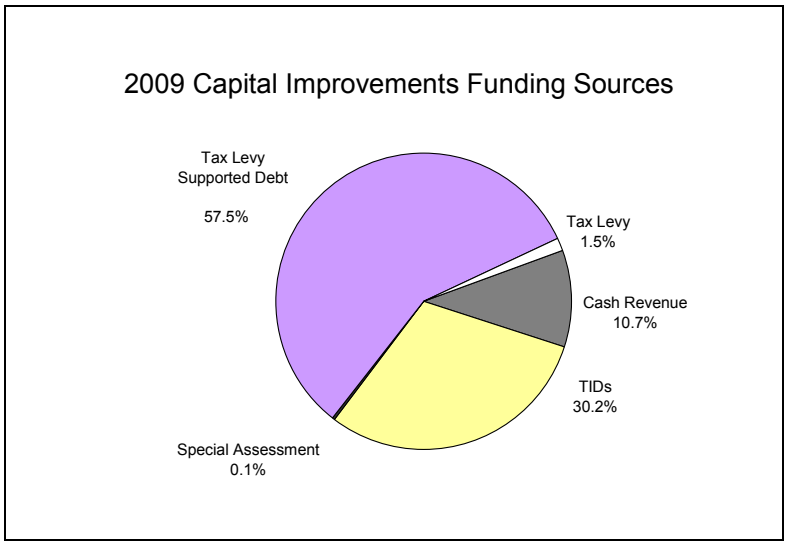
The General Government project category constitutes the third largest functional area, with $15 million, or 9.6% provided for this purpose. This is a decrease from 2008, but includes significant funding of $1.8 million for the City Hall Foundation and Hollow Walk Project.

The Health and Safety projects and Environment projects functional categories comprise a total of about 6.7% of the 2009 general city funded capital budget. Health and Safety has funding of $10.3 million and Environment has funding of $6.3 million, respectively. Environment Programs include the expansion of sewer capacity and infiltration and inflow reduction programs, included in the Sewer Maintenance Fund since 2008. Culture and

Recreation projects are the smallest functional category with $4.5 million, or 2.9% of the city funded capital budget. Within this category, central and neighborhood libraries capital projects funding totals $4.1 million.

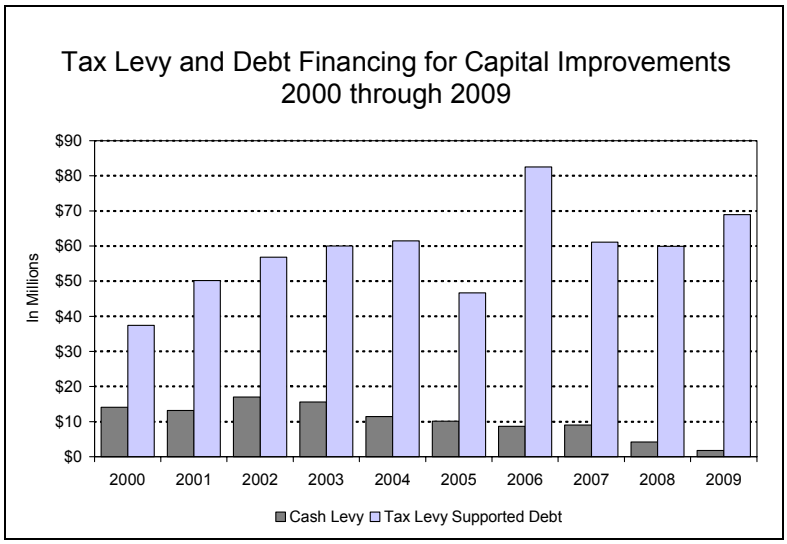
Funding Sources: The 2009 capital budget is financed through several funding sources including the property tax levy, tax levy supported debt, Tax Incremental Districts, special assessments, cash revenues, and grants and aids. Figure 3 shows funding sources for the 2009 city funded capital budget (excluding grant and aid).

Figure 3



For 2009, the largest funding source is tax levy supported debt financing, which is approximately $68.9 million or 57.5% of total funding. This is an increase from 2008. Given the life expectancy of the facilities to be constructed or equipment to be purchased, borrowing is an appropriate funding mechanism.

Figure 4



The second largest source of funding for capital projects is Tax Incremental District borrowing, with $32.2 million, or 30.2%, of total funding sources. TID borrowing is considered self-supporting because the improvements made within these districts are financed through property tax revenue generated from the incremental values resulting from the improvements. The significantly larger TID funding amounts started in 2006 and will continue due to the policy change to fully fund all approved TIDs upfront rather than on an expenditure cash flow basis. While this policy has not changed how TIDs are analyzed, approved, or expended, it produces a major change to capital budget funding.

In addition to TID financing, other self-supporting funding sources include $12.8 million of cash revenues, which is 10.7% of the total, and $150,300 of special assessments, which represent 0.1% of the total. Not included in Figure 3 are capital grant and aids, which are anticipated to be $36.4 million in 2009.

In addition to tax levy supported debt, cash tax levy is the other non-self supporting funding source for capital. In 2009, tax levy supported capital totals $1.8 million, or 1.5% of all funding sources. This tax levy supported total is a decrease of $4.0 million from 2008. Figure 4 shows cash and debt financing trends for capital improvements from 2000 to 2009. As shown, cash financing, while it has fluctuated somewhat, has generally declined from the peak of $14.1 million in 2000 to $1.8 million in 2009.

Debt Levy Control: The 2006 capital budget suspended the Infrastructure Cash Conversion (ICC) Policy goal to institute a change in overall philosophy to managing capital and debt levy impacts. The focus has changed from

the basic ICC goal of funding an increasing amount of cash for a defined set of projects considered recurring infrastructure to the larger issue of controlling all capital debt. Through the years, even while the cash percentage for the defined ICC projects increased, overall capital borrowing also increased at an unsustainable rate. This created a situation of significant annual increases to the debt service levy, impacting the city's ability to fund other programs. The capital budget will continue to move in the direction of limiting debt issuance to debt retirements to better stabilize the debt service levy.

Note: For purposes of the 2003 and earlier budgets, the Public Debt Amortization Fund (PDAF) withdrawal was reflected in the capital improvements budget by shifting cash funded improvements to debt funded improvements. Fund assets were used to purchase the additional debt. The additional debt was then immediately canceled, thus avoiding future debt service costs. Beginning in 2004, the PDAF draw was applied to reduce the city debt tax levy rather than the capital improvements tax levy. For 2009 the draw is $6.5 million. At the end of 2008, fund assets will be used to prepay a portion of the principal and interest on city debt due in 2009, which will result in a reduction in the debt levy portion of the 2009 city debt budget.

2009 HIGHLIGHTS AND CHANGES

Major Capital Equipment: Instituted in 2002, Major Capital Equipment Accounts in the Fire Department and Department of Public Works' budgets will continue to fund the purchase of durable equipment with an original unit cost of $50,000 or more through the capital budget. In 2009, the Fire Department will use $1.7 million and the DPW Operations Division will use $6.36 million to replace major fleet equipment.

City Hall Foundation and Hollow Walk: Milwaukee's City Hall is an architecturally significant landmark building listed in the National Register of Historic Places. A significant capital project restoring the building's watertight integrity and addressing structural problems with the towers, exterior walls, interior walls, and supporting structure is nearing completion. The total cost of this project is approximately $70 million and will be completed in late 2008. The 2009 capital budget includes $1.8 million of continuing funding for the next phase of foundation and hollow walk repairs.

Emerald Ash Borer Readiness and Response: It is estimated that the City of Milwaukee has over 36,000 ash street trees and an estimated 150,000 additional ash trees on private lands. The street trees alone comprise an asset value of more than $27 million. Emerald Ash Borer (EAB) has been discovered in neighboring counties and poses a tremendous threat to the survival of these ash trees. Not since Dutch Elm Disease has the city's tree canopy experienced a devastating threat. Beginning in 2009, the Department of Public Works will begin a biannual pesticide injection in half of all street trees every year to protect against EAB infestation. Funding for 2009 also includes conducting remote species mapping using hyper spectral imaging technology to identify the location of all ash trees in the city.

Tax Increment Financing Districts: The 2009 capital budget includes $40.7 million of funding ($36.3 million self supported borrowing and $4.4 million cash revenues) to promote economic development and job growth through tax increment financing.

Large Scale Project Budget Reporting: In response to the Comptroller's audit of the Canal Street construction project, Common Council File 061597 defines a large scale project as a capital project whose components total at least $2 million in total funding, grantor and city share. The table on the following pageidentifies these large scale projects to be funded in 2009 by all funding sources associated with the projects, including grant and enterprise funds.

Other capital projects included in the 2009 budget are described in more detail in the departmental operating budget sections of the *2009 Proposed Plan and Executive Budget Summary*. Please refer to these sections for more detail on these projects.

2009 LARGE SCALE PROJECTS FUNDING BY SOURCE

	CITY FUNDED CONSTRUCTION	GRANT FUNDS	SEWER ENTERPRISE	WATER ENTERPRISE	STREET LIGHTING	CONDUIT/MANHOLES	PROJECT TOTAL
N 76TH ST(W CENTER ST TO W APPLETON AV)	$901,800	$8,819,200	$430,000	$945,000	$231,000	$40,000	$11,367,000
N 27TH ST (W ST PAUL AV TO W HIGHLAND BLVD)	$375,000	$2,125,000	$0	$0	$220,000	$120,000	$2,840,000
W BLUEMOUND RD (ZOO TO MAYFAIR RD)	$245,000	$2,345,055	$0	$0	$3,000	$10,000	$2,603,055
W BROWN DEER RD (N 91ST ST TO N 124TH ST)	$25,000	$2,300,000	$0	$0	$0	$0	$2,325,000
S HOWELL AV (E/W HOWARD AV TO E WILBUR AV AND S CHASE AV - S HOWELL AV TO E OHIO AV)	$420,000	$3,680,000	$58,000	$0	$97,000	$230,000	$4,485,000
W LISBON (SOO LINE ROW TO N SHERMAN BL)	$476,000	$1,888,000	$0	$0	$14,000	$50,000	$2,428,000
W LOOMIS RD (W FARDALE AV TO S 51ST ST)	$75,000	$10,925,000	$0	$0	$0	$0	$11,000,000
W OKLAHOMA AV (S 60TH ST TO S 72ND ST)	$790,000	$3,160,000	$0	$0	$14,000	$20,000	$3,984,000
W FOREST HOME AV (S 43RD ST TO HWY 100)	$376,000	$5,964,000	$0	$0	$0	$0	$6,340,000
W FOREST HOME AV BRIDGE OVER KINNICKINNIC RIVER	$25,000	$1,838,000	$0	$250,000	$10,000	$0	$2,123,000
W HAMPTON AVE BRIDGE OVER LINCOLN CREEK	$402,000	$1,608,000	$0	$0	$10,000	$10,000	$2,030,000

SUMMARY OF DEPARTMENTAL APPROPRIATIONS
OVERVIEW OF 2009 PROPOSED CAPITAL BUDGET
GENERAL CITY PURPOSES

	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
City Funded					
Special Projects	$8,825,000	$8,825,000	$15,825,000	$7,000,000	$7,000,000
Administration, Department of	455,720	4,511,320	1,656,920	1,201,200	-2,854,400
Assessor	0	657,000	0	0	-657,000
City Attorney	0	5,633,000	0	0	-5,633,000
City Development, Department of	71,729,500	74,680,033	44,224,614	-27,504,886	-30,455,419
Common Council City Clerk	0	391,888	350,000	350,000	-41,888
Election Commission	0	40,000	40,000	40,000	0
Fire & Police Commission	0	150,000	150,000	150,000	0
Fire Department	3,208,000	4,067,500	2,807,500	-400,500	-1,260,000
Health Department	800,000	1,214,000	864,000	64,000	-350,000
Library	1,238,000	7,594,000	4,144,000	2,906,000	-3,450,000
Municipal Court	429,620	683,645	683,645	254,025	0
Police Department	2,745,000	6,780,000	6,664,000	3,919,000	-116,000
Port of Milwaukee	500,000	6,658,500	1,400,000	900,000	-5,258,500
Public Works, Department of	49,531,974	63,100,856	47,740,300	-1,791,674	-15,360,556
Subtotal City Funded	$139,462,814	$184,986,742	$126,549,979	$-12,912,835	$-58,436,763
Grants & Aids Funding					
Library	$0	$0	$50,000	$50,000	$50,000
Port of Milwaukee	800,000	1,450,000	1,450,000	650,000	0
Public Works, Department of	56,382,825	34,886,000	34,886,000	-21,496,825	0
Subtotal Grants & Aids Funding	$57,182,825	$36,336,000	$36,386,000	$-20,796,825	$50,000
Enterprise Funds					
Parking	$2,700,000	$2,936,000	$2,936,000	$236,000	$0
Sewer Maintenance	29,950,000	34,100,000	31,450,000	1,500,000	-2,650,000
Water	36,769,000	29,696,000	27,096,000	-9,673,000	-2,600,000
Subtotal Enterprise Funds	$69,419,000	$66,732,000	$61,482,000	$-7,937,000	$-5,250,000
Total Capital Plan	$266,064,639	$288,054,742	$224,417,979	$-41,646,660	$-63,636,763

2008 CAPITAL IMPROVEMENTS FINANCED BY CATEGORY

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
SPECIAL CAPITAL PROJECTS								
Grant and Aid								
Budget	$0	$300,000	$0	$0	$8,000,000	$8,300,000	$0	$8,300,000
Carryover	(0)	(1,076,833)	(0)	(0)	(0)	(1,076,833)	(0)	(1,076,833)
Municipal Art Fund								
Budget	25,000	0	0	0	0	25,000	0	25,000
Affordable Housing Initiative								
Carryover	(0)	(250,000)	(0)	(0)	(0)	(250,000)	(0)	(250,000)
Housing Trust Fund								
Budget	0	400,000	0	0	0	400,000	0	400,000
Carryover	(0)	(2,500,000)	(0)	(0)	(0)	(2,500,000)	(0)	(2,500,000)
Energy Challenge Fund								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
Transfer Payments								
Payment to Debt Service	3,300,000	0	0	0	0	3,300,000	0	3,300,000
Payment to General Fund	3,300,000	0	0	0	0	3,300,000	0	3,300,000
TOTAL SPECIAL CAPITAL PROJECTS								
Budget	**$6,625,000**	**$1,200,000**	**$0**	**$0**	**$8,000,000**	**$15,825,000**	**$0**	**$15,825,000**
Carryover	**($0)**	**($4,326,833)**	**($0)**	**($0)**	**($0)**	**($4,326,833)**	**($0)**	**($4,326,833)**
DEPARTMENT OF ADMINISTRATION								
Single E-Mail Store								
Carryover	(0)	(350,000)	(0)	(0)	(0)	(350,000)	(0)	(350,000)
Server Consolidation/Storage Area Network								
Carryover	(0)	(27,279)	(0)	(0)	(0)	(27,279)	(0)	(27,279)
FMIS Upgrade								
Budget	0	1,217,600	0	0	0	1,217,600	0	1,217,600
HRMS Upgrade								
Carryover	(0)	(7)	(0)	(0)	(0)	(7)	(0)	(7)
Web Application Server								
Carryover	(0)	(115,000)	(0)	(0)	(0)	(115,000)	(0)	(115,000)
Cluster Corporate Database Server								
Carryover	(0)	(204,860)	(0)	(0)	(0)	(204,860)	(0)	(204,860)
E-Benefits								
Carryover	(0)	(163,353)	(0)	(0)	(0)	(163,353)	(0)	(163,353)
E-Server Tape Subsystem								
Carryover	(0)	(111,860)	(0)	(0)	(0)	(111,860)	(0)	(111,860)
Server Virtualization								
Budget	67,500	0	0	0	0	67,500	0	67,500
Map Milwaukee Upgrade and Expansion								
Budget	191,820	0	0	0	0	191,820	0	191,820
Storage Area Network (SAN) Upgrade								
Budget	75,000	0	0	0	0	75,000	0	75,000
Document Services Storage								
Budget	105,000	0	0	0	0	105,000	0	105,000
TOTAL DEPARTMENT OF ADMINISTRATION								
Budget	**$439,320**	**$1,217,600**	**$0**	**$0**	**$0**	**$1,656,920**	**$0**	**$1,656,920**
Carryover	**($0)**	**($972,359)**	**($0)**	**($0)**	**($0)**	**($972,359)**	**($0)**	**($972,359)**
CITY TREASURER'S OFFICE								
Cashier System Upgrade								
Carryover	($0)	($36,801)	($0)	($0)	($0)	($36,801)	($0)	($36,801)
TOTAL CITY TREASURER'S OFFICE								
Carryover	**($0)**	**($36,801)**	**($0)**	**($0)**	**($0)**	**($36,801)**	**($0)**	**($36,801)**
DEPARTMENT OF CITY DEVELOPMENT								
Advance Planning								
Budget	$125,000	$0	$0	$0	$0	$125,000	$0	$125,000
Neighborhood Commercial District Street Improvement Fund								
Budget	0	337,000	0	0	0	337,000	0	337,000
Carryover	(0)	(2,500,000)	(0)	(0)	(0)	(2,500,000)	(0)	(2,500,000)
Tax Increment Financed Urban Renewal Projects (Including Grant Funded Projects)								
Budget	0	0	36,268,614	0	4,390,000	40,658,614	0	40,658,614
Carryover	(0)	(0)	(140,310,308)	(0)	(0)	(140,310,308)	(0)	(140,310,308)
Development Fund								
Budget	375,000	1,425,000	0	0	0	1,800,000	0	1,800,000
Carryover	(0)	(6,564,778)	(0)	(0)	(0)	(6,564,778)	(0)	(6,564,778)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Business Improvement Districts								
Carryover	(0)	(2,000,000)	(0)	(0)	(0)	(2,000,000)	(0)	(2,000,000)
809 Building Remodeling								
Budget	0	380,000	0	0	0	380,000	0	380,000
Carryover	(0)	(378,500)	(0)	(0)	(0)	(378,500)	(0)	(378,500)
30th Street Industrial Corridor								
Carryover	(0)	(3,000,000)	(0)	(0)	(0)	(3,000,000)	(0)	(3,000,000)
Healthy Neighborhoods Initiative								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(150,000)	(0)	(0)	(0)	(150,000)	(0)	(150,000)
ADA Riverwalk Construction								
Budget	0	724,000	0	0	0	724,000	0	724,000
TOTAL DEPARTMENT OF CITY DEVELOPMENT								
Budget	**$500,000**	**$3,066,000**	**$36,268,614**	**$0**	**$4,390,000**	**$44,224,614**	**$0**	**$44,224,614**
Carryover	**($0)**	**($14,593,278)**	**($140,310,308)**	**($0)**	**($0)**	**($154,903,586)**	**($0)**	**($154,903,586)**
COMMON COUNCIL CITY CLERK								
License Management System Requirements Study								
Carryover	($0)	($671,900)	($0)	($0)	($0)	($671,900)	($0)	($671,900)
License Division Remodeling								
Budget	0	350,000	0	0	0	350,000	0	350,000
TOTAL COMMON COUNCIL CITY CLERK								
Budget	**$0**	**$350,000**	**$0**	**$0**	**$0**	**$350,000**	**$0**	**$350,000**
Carryover	**($0)**	**($671,900)**	**($0)**	**($0)**	**($0)**	**($671,900)**	**($0)**	**($671,900)**
ELECTION COMMISSION								
Office Remodeling								
Budget	$0	$40,000	$0	$0	$0	$40,000	$0	$40,000
TOTAL ELECTION COMMISSION								
Budget	**$0**	**$40,000**	**$0**	**$0**	**$0**	**$40,000**	**$0**	**$40,000**
DEPARTMENT OF EMPLOYEE RELATIONS								
Worker's Compensation Computer System								
Carryover	($0)	($227,603)	($0)	($0)	($0)	($227,603)	($0)	($227,603)
TOTAL DEPARTMENT OF EMPLOYEE RELATIONS								
Carryover	**($0)**	**($227,603)**	**($0)**	**($0)**	**($0)**	**($227,603)**	**($0)**	**($227,603)**
FIRE AND POLICE COMMISSION								
FPC Office Remodeling								
Budget	$0	$150,000	$0	$0	$0	$150,000	$0	$150,000
TOTAL FIRE AND POLICE COMMISSION								
Budget	**$0**	**$150,000**	**$0**	**$0**	**$0**	**$150,000**	**$0**	**$150,000**
FIRE DEPARTMENT								
Ventilation System and Window Replacement								
Carryover	($0)	($50,477)	($0)	($0)	($0)	($50,477)	($0)	($50,477)
Fire Repair Shop Design and Construction								
Budget	0	250,000	0	0	0	250,000	0	250,000
Engine Company # 2 - Alterations								
Carryover	(0)	(48)	(0)	(0)	(0)	(48)	(0)	(48)
Interior Building Maintenance								
Carryover	(0)	(8,355)	(0)	(0)	(0)	(8,355)	(0)	(8,355)
Mechanical Systems Maintenance								
Carryover	(0)	(580,449)	(0)	(0)	(0)	(580,449)	(0)	(580,449)
Exterior Building Maintenance								
Carryover	(0)	(426,460)	(0)	(0)	(0)	(426,460)	(0)	(426,460)
Fire Facilities Maintenance Program								
Budget	0	712,500	0	0	0	712,500	0	712,500
Major Capital Equipment								
Budget	0	1,745,000	0	0	0	1,745,000	0	1,745,000
Carryover	(0)	(4,995,046)	(0)	(0)	(0)	(4,995,046)	(0)	(4,995,046)
Auxiliary Power Supply								
Budget	0	100,000	0	0	0	100,000	0	100,000
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
Fire Digital Radio System								
Carryover	(0)	(201,729)	(0)	(0)	(0)	(201,729)	(0)	(201,729)
TOTAL FIRE DEPARTMENT								
Budget	**$0**	**$2,807,500**	**$0**	**$0**	**$0**	**$2,807,500**	**$0**	**$2,807,500**
Carryover	**($0)**	**($6,462,564)**	**($0)**	**($0)**	**($0)**	**($6,462,564)**	**($0)**	**($6,462,564)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
HEALTH DEPARTMENT								
Mechanical Systems Maintenance Program								
Budget	$0	$246,000	$0	$0	$0	$246,000	$0	$246,000
Carryover	(0)	(285,972)	(0)	(0)	(0)	(285,972)	(0)	(285,972)
Exterior Building Maintenance Program								
Budget	0	228,000	0	0	0	228,000	0	228,000
Carryover	(0)	(916,000)	(0)	(0)	(0)	(916,000)	(0)	(916,000)
Interior Building Maintenance Program								
Budget	0	290,000	0	0	0	290,000	0	290,000
Carryover	(0)	(753,616)	(0)	(0)	(0)	(753,616)	(0)	(753,616)
Public Health Information Network								
Budget	0	100,000	0	0	0	100,000	0	100,000
Carryover	(0)	(110,000)	(0)	(0)	(0)	(110,000)	(0)	(110,000)
TOTAL HEALTH DEPARTMENT								
Budget	**$0**	**$864,000**	**$0**	**$0**	**$0**	**$864,000**	**$0**	**$864,000**
Carryover	**($0)**	**($2,065,588)**	**($0)**	**($0)**	**($0)**	**($2,065,588)**	**($0)**	**($2,065,588)**
LIBRARY								
CENTRAL LIBRARY								
RFID System								
Budget	$0	$2,000,000	$0	$0	$0	$2,000,000	$0	$2,000,000
Central Library Improvements Fund Interior								
Budget	0	194,000	0	0	0	194,000	0	194,000
Carryover	(0)	(1,379,734)	(0)	(0)	(0)	(1,379,734)	(0)	(1,379,734)
Central Library Improvements Fund Mechanical Systems								
Carryover	(0)	(418,000)	(0)	(0)	(0)	(418,000)	(0)	(418,000)
Central Library Improvements Fund Exterior								
Budget	0	950,000	0	0	0	950,000	50,000	1,000,000
NEIGHBORHOOD LIBRARIES								
Neighborhood Library Improvement Fund								
Carryover	(0)	(1,056,456)	(0)	(0)	(0)	(1,056,456)	(0)	(1,056,456)
Villard Library Project								
Budget	0	1,000,000	0	0	0	1,000,000	0	1,000,000
TOTAL LIBRARY								
Budget	**$0**	**$4,144,000**	**$0**	**$0**	**$0**	**$4,144,000**	**$50,000**	**$4,194,000**
Carryover	**($0)**	**($2,854,190)**	**($0)**	**($0)**	**($0)**	**($2,854,190)**	**($0)**	**($2,854,190)**
MUNICIPAL COURT								
Court Case Management System								
Budget	$0	$544,325	$0	$0	$0	$544,325	$0	$544,325
Carryover	(0)	(429,620)	(0)	(0)	(0)	(429,620)	(0)	(429,620)
Court Case Management System								
Budget	0	139,320	0	0	0	139,320	0	139,320
TOTAL MUNICIPAL COURT								
Budget	**$0**	**$683,645**	**$0**	**$0**	**$0**	**$683,645**	**$0**	**$683,645**
Carryover	**($0)**	**($429,620)**	**($0)**	**($0)**	**($0)**	**($429,620)**	**($0)**	**($429,620)**
POLICE DEPARTMENT								
Evidence Storage Warehouse								
Carryover	($0)	($460,000)	($0)	($0)	($0)	($460,000)	($0)	($460,000)
Remodel Administration Building Offices								
Budget	0	954,000	0	0	0	954,000	0	954,000
Carryover	(0)	(2,955,112)	(0)	(0)	(0)	(2,955,112)	(0)	(2,955,112)
Trunked Radio Communications Citywide								
Carryover	(0)	(2,000,000)	(0)	(0)	(0)	(2,000,000)	(0)	(2,000,000)
Training Academy Parking Lot								
Carryover	(0)	(66,433)	(0)	(0)	(0)	(66,433)	(0)	(66,433)
Video Image Systems								
Carryover	(0)	(1,025,000)	(0)	(0)	(0)	(1,025,000)	(0)	(1,025,000)
District Station Six Repairs								
Carryover	(0)	(20,334)	(0)	(0)	(0)	(20,334)	(0)	(20,334)
District Five HVAC Replacement								
Carryover	(0)	(145,000)	(0)	(0)	(0)	(145,000)	(0)	(145,000)
4715 West Vliet Street Renovation								
Budget	0	550,000	0	0	0	550,000	0	550,000
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Surveillance Camera Program								
Carryover	(0)	(150,000)	(0)	(0)	(0)	(150,000)	(0)	(150,000)
District Renovation Program								
Budget	100,000	0	0	0	0	100,000	0	100,000
911 System Replacement								
Budget	0	5,000,000	0	0	0	5,000,000	0	5,000,000
Radio & Communications Upgrades								
Budget	60,000	0	0	0	0	60,000	0	60,000
TOTAL POLICE DEPARTMENT								
Budget	**$160,000**	**$6,504,000**	**$0**	**$0**	**$0**	**$6,664,000**	**$0**	**$6,664,000**
Carryover	**($0)**	**($7,021,879)**	**($0)**	**($0)**	**($0)**	**($7,021,879)**	**($0)**	**($7,021,879)**
PORT OF MILWAUKEE								
Major Maintenance Terminals and Piers								
Carryover	($0)	($134,238)	($0)	($0)	($0)	($134,238)	($0)	($134,238)
Secured Ferry Terminal Parking Facilities								
Carryover	(0)	(212,580)	(0)	(0)	(0)	(212,580)	(0)	(212,580)
Cargo Handling Equipment								
Budget	0	500,000	0	0	0	500,000	0	500,000
Carryover	(0)	(50,000)	(0)	(0)	(0)	(50,000)	(0)	(50,000)
Dockwall Rehabilitation								
Budget	0	150,000	0	0	0	150,000	0	150,000
Carryover	(0)	(373,370)	(0)	(0)	(0)	(373,370)	(0)	(373,370)
Analyze and Upgrade Sewer System								
Carryover	(0)	(79,500)	(0)	(0)	(0)	(79,500)	(0)	(79,500)
South Harbor Tract Electrical Service Rehabilitation								
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
Pier Berth and Channel Improvements								
Budget	0	200,000	0	0	0	200,000	800,000	1,000,000
Carryover	(0)	(900,000)	(0)	(0)	(0)	(900,000)	(0)	(900,000)
Confined Disposal Facility								
Carryover	(0)	(127,458)	(0)	(0)	(0)	(127,458)	(0)	(127,458)
Port Security								
Budget	0	300,000	0	0	0	300,000	650,000	950,000
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
Harbor Maintenance Dredging								
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
Terminal Resurfacing								
Budget	0	250,000	0	0	0	250,000	0	250,000
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
Port Facility Systems								
Carryover	(0)	(100,000)	(0)	(0)	(0)	(100,000)	(0)	(100,000)
TOTAL PORT OF MILWAUKEE								
Budget	**$0**	**$1,400,000**	**$0**	**$0**	**$0**	**$1,400,000**	**$1,450,000**	**$2,850,000**
Carryover	**($0)**	**($2,477,146)**	**($0)**	**($0)**	**($0)**	**($2,477,146)**	**($0)**	**($2,477,146)**
DPW ADMINISTRATION								
Public Safety Communications								
Budget	$0	$350,000	$0	$0	$0	$350,000	$0	$350,000
Carryover	(0)	(225,000)	(0)	(0)	(0)	(225,000)	(0)	(225,000)
CSWAN/COMMON Upgrade								
Carryover	(0)	(1,100,000)	(0)	(0)	(0)	(1,100,000)	(0)	(1,100,000)
Hartung Redevelopment Phase I								
Carryover	(0)	(200,000)	(0)	(0)	(0)	(200,000)	(0)	(200,000)
TOTAL DPW ADMINISTRATION								
Budget	**$0**	**$350,000**	**$0**	**$0**	**$0**	**$350,000**	**$0**	**$350,000**
Carryover	**($0)**	**($1,525,000)**	**($0)**	**($0)**	**($0)**	**($1,525,000)**	**($0)**	**($1,525,000)**
DPW OPERATIONS DIVISION								
BUILDINGS AND FLEET SECTION								
City Hall Complex Remodeling								
Carryover	($0)	($412,797)	($0)	($0)	($0)	($412,797)	($0)	($412,797)
Space Planning Facilities								
Budget	0	155,000	0	0	0	155,000	0	155,000
Carryover	(0)	(110,000)	(0)	(0)	(0)	(110,000)	(0)	(110,000)
Recreational Facilities Citywide								
Budget	0	300,000	0	0	0	300,000	0	300,000
Facility Systems Program								
Budget	0	1,500,000	0	0	0	1,500,000	0	1,500,000
Carryover	(0)	(3,868,500)	(0)	(0)	(0)	(3,868,500)	(0)	(3,868,500)

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
Environmental Remediation Program								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(621,378)	(0)	(0)	(0)	(621,378)	(0)	(621,378)
ADA Compliance Program								
Carryover	(0)	(831,700)	(0)	(0)	(0)	(831,700)	(0)	(831,700)
Facilities Exterior Upgrades Program								
Budget	0	825,000	0	0	0	825,000	0	825,000
Carryover	(0)	(792,700)	(0)	(0)	(0)	(792,700)	(0)	(792,700)
City Hall Restoration Program								
Carryover	(0)	(9,845,772)	(0)	(0)	(0)	(9,845,772)	(0)	(9,845,772)
City Hall Foundation and Hollow Walk								
Budget	0	1,800,000	0	0	0	1,800,000	0	1,800,000
Carryover	(0)	(1,200,000)	(0)	(0)	(0)	(1,200,000)	(0)	(1,200,000)
Municipal Garages/Outlying Facilities Remodeling								
Budget	0	240,000	0	0	0	240,000	0	240,000
Carryover	(0)	(1,525,000)	(0)	(0)	(0)	(1,525,000)	(0)	(1,525,000)
Two Way Radio Replacement								
Budget	0	362,000	0	0	0	362,000	0	362,000
Carryover	(0)	(568,000)	(0)	(0)	(0)	(568,000)	(0)	(568,000)
Major Capital Equipment								
Budget	0	6,360,000	0	0	0	6,360,000	0	6,360,000
Carryover	(0)	(9,343,202)	(0)	(0)	(0)	(9,343,202)	(0)	(9,343,202)
Menomonee Valley Facilities Relocation								
Carryover	(0)	(2,173,000)	(0)	(0)	(0)	(2,173,000)	(0)	(2,173,000)
MacArthur Square Plaza Restoration								
Budget	0	534,000	0	0	0	534,000	0	534,000
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
TOTAL BUILDINGS AND FLEET SECTION								
Budget	**$0**	**$12,276,000**	**$0**	**$0**	**$0**	**$12,276,000**	**$0**	**$12,276,000**
Carryover	**($0)**	**($31,792,049)**	**($0)**	**($0)**	**($0)**	**($31,792,049)**	**($0)**	**($31,792,049)**
FORESTRY SECTION								
Concealed Irrigation and General Landscaping								
Budget	$0	$582,000	$0	$0	$0	$582,000	$0	$582,000
Carryover	(0)	(533,000)	(0)	(0)	(0)	(533,000)	(0)	(533,000)
Production & Planting Program								
Budget	0	1,500,000	0	0	0	1,500,000	0	1,500,000
Carryover	(0)	(1,309,235)	(0)	(0)	(0)	(1,309,235)	(0)	(1,309,235)
Boulevard Plan								
Budget	0	525,000	0	0	0	525,000	0	525,000
Carryover	(0)	(500,000)	(0)	(0)	(0)	(500,000)	(0)	(500,000)
Emerald Ash Borer Readiness & Response								
Budget	640,000	160,000	0	0	0	800,000	0	800,000
TOTAL FORESTRY SECTION								
Budget	**$640,000**	**$2,767,000**	**$0**	**$0**	**$0**	**$3,407,000**	**$0**	**$3,407,000**
Carryover	**($0)**	**($2,342,235)**	**($0)**	**($0)**	**($0)**	**($2,342,235)**	**($0)**	**($2,342,235)**
SANITATION SECTION								
Sanitation Headquarters Modifications (Various Sites)								
Carryover	($0)	($1,761,155)	($0)	($0)	($0)	($1,761,155)	($0)	($1,761,155)
TOTAL SANITATION SECTION								
Carryover	**($0)**	**($1,761,155)**	**($0)**	**($0)**	**($0)**	**($1,761,155)**	**($0)**	**($1,761,155)**
TOTAL DPW OPERATIONS DIVISION								
Budget	**$640,000**	**$15,043,000**	**$0**	**$0**	**$0**	**$15,683,000**	**$0**	**$15,683,000**
Carryover	**($0)**	**($35,895,439)**	**($0)**	**($0)**	**($0)**	**($35,895,439)**	**($0)**	**($35,895,439)**
DPW INFRASTRUCTURE SERVICES								
SEWER CONSTRUCTION								
Expansion of Capacity Sewer Program								
Carryover	($0)	($3,512,500)	($0)	($20,829)	($0)	($3,533,329)	($0)	($3,533,329)
TOTAL SEWER CONSTRUCTION								
Carryover	**($0)**	**($3,512,500)**	**($0)**	**($20,829)**	**($0)**	**($3,533,329)**	**($0)**	**($3,533,329)**
BRIDGE CONSTRUCTION								
Bridge State and Federal Funded								
Budget	$0	$762,000	$0	$0	$0	$762,000	$4,436,000	$5,198,000
Carryover	(0)	(5,887,000)	(0)	(0)	(0)	(5,887,000)	(0)	(5,887,000)
Bridge Reconstruction Local								
Budget	0	5,275,000	0	0	0	5,275,000	0	5,275,000
Carryover	(0)	(7,487,956)	(0)	(0)	(0)	(7,487,956)	(0)	(7,487,956)
TOTAL BRIDGE CONSTRUCTION								
Budget	**$0**	**$6,037,000**	**$0**	**$0**	**$0**	**$6,037,000**	**$4,436,000**	**$10,473,000**
Carryover	**($0)**	**($13,374,956)**	**($0)**	**($0)**	**($0)**	**($13,374,956)**	**($0)**	**($13,374,956)**

	TAX LEVY	GENERAL OBLIGATION	TID	SPECIAL ASSESSMENTS	CASH REVENUES	CITY BUDGET TOTAL	GRANT AND AID FINANCING	PROJECT TOTAL
STREET/PAVING CONSTRUCTION								
Street Reconstruction City Contribution to State and Federally Aided Projects								
Budget	$0	$4,230,000	$0	$100	$0	$4,230,100	$30,450,000	$34,680,100
Carryover	(0)	(18,335,602)	(0)	(5,084,473)	(0)	(23,420,075)	(0)	(23,420,075)
Street Reconstruction or Resurfacing Regular City Program								
Budget	0	10,300,000	0	100	0	10,300,100	0	10,300,100
Carryover	(0)	(7,144,600)	(0)	(3,938,709)	(0)	(11,083,309)	(0)	(11,083,309)
Alley Reconstruction Program								
Budget	0	300,000	0	100	0	300,100	0	300,100
Carryover	(0)	(150,000)	(0)	(646,652)	(0)	(796,652)	(0)	(796,652)
New Street Construction Program								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(400,000)	(0)	(0)	(0)	(400,000)	(0)	(400,000)
New Street Developer								
Budget	0	0	0	0	400,000	400,000	0	400,000
TOTAL STREET/PAVING CONSTRUCTION								
Budget	**$0**	**$15,030,000**	**$0**	**$300**	**$400,000**	**$15,430,300**	**$30,450,000**	**$45,880,300**
Carryover	**($0)**	**($26,030,202)**	**($0)**	**($9,669,834)**	**($0)**	**($35,700,036)**	**($0)**	**($35,700,036)**
Street Improvements Sidewalk Driveway and Gutter Replacement								
Budget	$0	$650,000	$0	$150,000	$0	$800,000	$0	$800,000
Carryover	(0)	(480,000)	(0)	(2,636,579)	(0)	(3,116,579)	(0)	(3,116,579)
Street Improvements Street Lighting								
Budget	0	7,850,000	0	0	0	7,850,000	0	7,850,000
Carryover	(0)	(5,791,170)	(0)	(1,820,107)	(0)	(7,611,277)	(0)	(7,611,277)
Street Improvements Traffic Control Facilities								
Budget	0	990,000	0	0	0	990,000	0	990,000
Street Improvements Underground Conduit and Manholes								
Budget	0	400,000	0	0	0	400,000	0	400,000
Carryover	(0)	(64,524)	(0)	(0)	(0)	(64,524)	(0)	(64,524)
Underground Electrical Manhole Reconstruction								
Budget	0	200,000	0	0	0	200,000	0	200,000
Carryover	(0)	(500,033)	(0)	(0)	(0)	(500,033)	(0)	(500,033)
TOTAL DPW INFRASTRUCTURE SERVICES								
Budget	**$0**	**$31,157,000**	**$0**	**$150,300**	**$400,000**	**$31,707,300**	**$34,886,000**	**$66,593,300**
Carryover	**($0)**	**($49,753,385)**	**($0)**	**($14,147,349)**	**($0)**	**($63,900,734)**	**($0)**	**($63,900,734)**
TOTAL DEPARTMENT OF PUBLIC WORKS								
Budget	**$640,000**	**$46,550,000**	**$0**	**$150,300**	**$400,000**	**$47,740,300**	**$34,886,000**	**$82,626,300**
Carryover	**($0)**	**($87,173,824)**	**($0)**	**($14,147,349)**	**($0)**	**($101,321,173)**	**($0)**	**($101,321,173)**
TOTAL PROJECTS								
Budget	**$8,364,320**	**$68,976,745**	**$36,268,614**	**$150,300**	**$12,790,000**	**$126,549,979**	**$36,386,000**	**$162,935,979**
Carryover	**($0)**	**($129,313,585)**	**($140,310,308)**	**($14,147,349)**	**($0)**	**($283,771,242)**	**($0)**	**($283,771,242)**

NOTE: $6.6 million of "Tax Levy" total are the payments to Debt Service and General Fund from proceeds of the Vehicle Registration Fee.

D. CITY DEBT

EXECUTIVE SUMMARY

MISSION: To equitably finance capital improvements and to manage and control outstanding debt.

OBJECTIVES: Debt management, including monitoring city debt levels and the overlapping debt burden imposed on city residents by other local governments.

STRATEGIES: Stabilizing the debt service property tax levy by developing a comprehensive debt policy for debt capacity and capital financing to reduce the amount of debt issued annually.

Ensure compliance with debt policy by developing a working debt forecast model that analyzes the impact of debt financing in future years.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to deliver services at a competitive cost and improve fiscal capacity. Effective management and debt that stabilizes debt service costs and controls outstanding debt is a key component supporting this goal.

Milwaukee faces many of the issues that affect older Midwestern cities. Aging infrastructure and comparably lower income levels than surrounding areas are among the negative issues facing the city. The city's strength is in its strong financial management, in its sizable fund balances and moderate levels of debt. Overall, the city's capacity to meet its financial obligations remains strong.

The current mix of strengths and negatives results in the city having a high bond rating for general obligation debt. Recently, Fitch Ratings assigned an AA+ rating to city bonds, Moody's Investors Services rated them Aa2, and Standard & Poor's rated them AA Stable. Table 1 details the city's performance on several commonly used debt indicators.

Table 1

City Debt Indicators Relationship to Standard & Poor's Debt Benchmarks

Debt Indicators		S & P Rating
Economic		
Income as Percent of 2000 National Average	76.0%	Low
Market Value Per Capita	$53,583	Moderate
Taxpayer Concentration (Top Ten Taxpayers)	5.0%	Diverse
Financial		
Unreserved Debt Reserve Balance	11.6%	N/A
Unreserved General Fund Balance	7.5%	Adequate
Debt		
Direct Debt Per Capita	$1,241	Moderate
Direct Debt Percent of Market Value	2.3%	Moderate
Debt Maturing Within Ten Years	82.0%	Standard is 50.0%

OVERVIEW

The 2009 debt expenditure needs total $258.7 million, an increase of $102.1 million from 2008. There is an increase of $115 million from the inclusion of revenue anticipation note (RAN) principal. The RAN principle was not reflected in the budget prior to 2009. The remaining debt decreased by $12.9 million because of a reduced level of borrowing in recent years. Table 2 shows expenditures for self-supporting and tax levy supported city debt while Table 3 illustrates the distribution of their funding sources. Highlights of the major changes in city debt expenditures and funding sources follow.

Table 2

CITY DEBT EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Self Supporting Debt					
Brewer MEDC Loan	$1,063,339	$1,063,339	$1,063,339	$0	$0
Delinquent Tax Financing	16,234,663	20,418,502	20,418,502	4,183,839	0
Industrial Land Bank	32,822	28,803	28,803	-4,019	0
MPS Energy Retrofit	130,475	5,125	5,125	-125,350	0
MPS Loans from the State	2,370,256	1,000,224	1,000,224	-1,370,032	0
Parking	2,265,167	1,926,037	1,926,037	-339,130	0
Sewer Maintenance Fund	9,319,003	10,421,333	10,421,333	1,102,330	0
Special Assessments	2,575,084	2,297,220	2,297,220	-277,864	0
Tax Increment Districts	17,572,516	18,356,692	18,356,692	784,176	0
Water Works	3,804,016	2,839,635	2,839,635	-964,381	0
Subtotal	$55,367,341	$58,356,910	$58,356,910	$2,989,569	$0
Tax Levy Debt					
General City	$85,255,795	$70,630,222	$70,630,222	$-14,625,573	$0
RANs City and MPS	12,830,000	126,837,500	125,612,500	112,782,500	-1,225,000
Schools	13,111,271	13,031,484	13,031,484	-79,787	0
Subtotal	$111,197,066	$210,499,206	$209,274,206	$98,077,140	$-1,225,000
Total Debt Needs	$166,564,407	$268,856,116	$267,631,116	$101,066,709	$-1,225,000
Fees and Issuance Costs	$1,040,000	$1,400,000	$1,400,000	$360,000	$0
Deduction for PDAF Prepayment	-7,400,000	-5,000,000	-6,500,000	900,000	-1,500,000
Deduction for Segregated S.A.	-3,571,849	-3,850,301	-3,850,301	-278,452	0
Total	$156,632,558	$261,405,815	$258,680,815	$102,048,257	$-2,725,000

Table 3

CITY DEBT SOURCE OF FUNDS	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Self Supporting Debt					
Brewer MEDC Loan	$1,063,339	$1,063,339	$1,063,339	$0	$0
Delinquent Tax Financing	15,484,663	17,269,003	17,269,003	1,784,340	0
Industrial Land Bank	0	0	0	0	0
MPS Energy Retrofit	130,477	5,125	5,125	-125,352	0
MPS Loans from the State	2,370,255	1,000,224	1,000,224	-1,370,031	0
Parking	2,270,167	1,926,037	1,926,037	-344,130	0
Sewer Maintenance Fund	32,110,000	9,633,333	11,933,333	-20,176,667	2,300,000
Tax Increment Districts	15,805,700	22,869,085	22,869,085	7,063,385	0
Water Works	5,104,016	4,139,635	4,139,635	-964,381	0
Subtotal	$74,338,617	$57,905,781	$60,205,781	$-14,132,836	$2,300,000
General Obligation Debt Financing					
Fees and Issuance Costs	$1,040,000	$1,400,000	$1,400,000	$360,000	$0
Other Revenues	7,052,946	121,341,224	126,451,224	119,398,278	5,110,000
Tax Levy	74,200,995	80,758,810	70,623,810	-3,577,185	-10,135,000
Subtotal	$82,293,941	$203,500,034	$198,475,034	$116,181,093	$-5,025,000
Total Debt Needs	$156,632,558	$261,405,815	$258,680,815	$102,048,257	$-2,725,000

CITY DEBT EXPENDITURES AND SOURCES OF FUNDS

General City (Excluding Schools and Revenue Anticipation Notes): Debt service costs associated with city borrowing for capital improvement projects, not including $115 million of RAN borrowing, will total $70.6 million in 2009, a decrease of $14.6 million from 2008. The property tax levy for debt service is $70.6 million, a decrease of $3.6 million from 2008. The change is due to a transfer of $3.3 million from the general fund from revenues generated from the vehicle registration fee.

Milwaukee Public Schools (MPS): The tax levy debt cost for school borrowing will be $13.0 million in 2009, a decrease of $0.1 million from 2008. Since 1989, the city has provided MPS with $182.3 million in borrowing authority for school improvements.

Tax Incremental Districts (TIDs): The incremental property taxes collected on the value increment portion of the property are used to retire the debt incurred for city funded district improvements. In the 2009 budget, debt service for Tax Incremental Districts is $18.4 million while revenues are $22.9 million.

Delinquent Taxes: The 2009 budget includes $20.4 million to finance delinquent tax borrowing which is $4.2 million greater than 2008. Estimates of sources of funds from the collection of delinquent taxes and interest penalties are $17.3 million in 2009, an increase of $1.8 million from 2008.

Parking Debt: A transfer from the Parking Fund, equivalent to the amount of annual outstanding debt service, entirely offsets parking related debt service costs. In the 2009 debt budget, the Parking Fund provides $1.9 million to finance debt service costs associated with parking capital projects.

Special Assessments: Infrastructure improvements, like repaving streets or alleys, are partially offset by an assessed charge to the abutting property owners for a portion of the project's cost. When taxpayers choose a six year payment option, the city borrows money to finance the project. The 2009 debt budget includes approximately $2.3 million to finance debt service costs associated with special assessment borrowing.

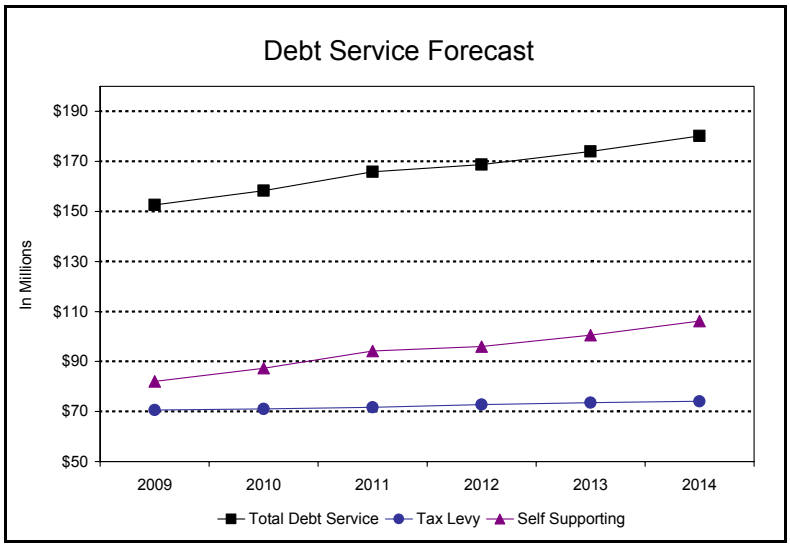
Water Works: The 2009 debt budget includes $2.8 million for Water Works' debt service costs. Debt service costs for Water Works are paid from Water Works' annual earnings.

Sewer Maintenance: Approximately $9.3 million in debt service for 2009 relates to sewer capital projects. Beginning in 2005, a portion of the general obligation debt service related to large diameter sewer projects was supported by the Sewer Maintenance Fund. The Sewer Maintenance Fund made a payment to debt service in 2008 of $9.3 million.

Miller Park Project: The 2009 budget includes $1.1 million in revenue to offset debt service costs related to the Miller Park Stadium Project. This amount reflects an agreement with the Milwaukee Economic Development Corporation (MEDC) and the Southeastern Wisconsin Professional Baseball Park District.

Field Operations Facility Lease Payment: The city has constructed a new facility for the Sewer Maintenance Fund and Water Works at

Figure 1



the Tower Automotive site. An annual rental payment from the Sewer Maintenance Fund and Water Works will fund this project. In 2009, the rental payment is $2.1 million.

Vehicle Registration Revenue: Revenue generated from the vehicle registration fee will be transferred to the debt service fund to retire street related debt. There will be $3.3 million transferred to fund an increased level of street related capital improvement funding.

DEBT TAX LEVY STABILITY

The city has structural budget problems created by limited revenue sources and substantial wage and health care benefits growth, and instability with the debt budget due to past borrowing practices.

A debt stability plan requires a solid capital improvements plan. Limits on the level of borrowing directly influence future debt payments. To stabilize the debt tax levy, borrowing must be lowered to the level of annual debt retirements. The city currently retires $60 million to $65 million in property tax levy supported debt annually.

Under a controlled borrowing approach, the city can reduce its annual increase in the debt service tax levy to a stable level. As shown in Figure 1, the tax levy debt service levels off in 2010 at roughly $71 million. Total debt service will continue to grow at a relatively slow rate to a total of $180.2 million by 2014.

Figure 2

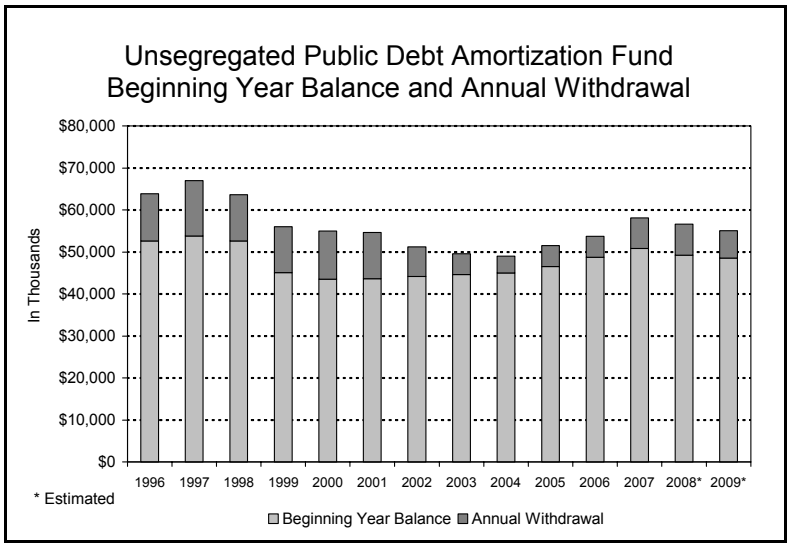
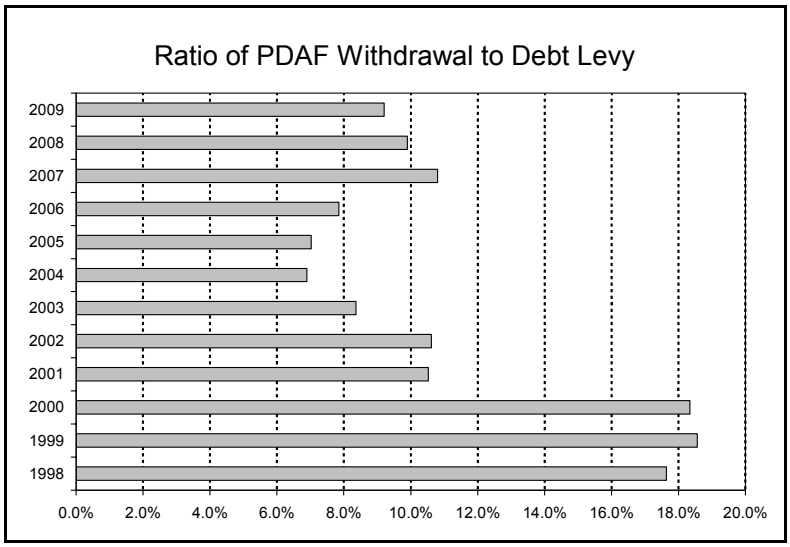


Figure 3



PUBLIC DEBT AMORTIZATION FUND

The Public Debt Commission oversees the use of the Public Debt Amortization Fund (PDAF). The primary sources of revenue for the fund are one-third of earnings on city investments and earnings on the fund's investments.

The PDAF withdrawal for the 2009 budget is $6.5 million. The 2007 fund balance is $50.8 million or $2.1 million more than the 2006 balance of $48.7 million. The annual withdrawal balances the competing goals of reducing the debt service tax levy versus maintaining a sufficient reserve balance. Figure 2 illustrates how the unsegregated balance of the PDAF was drawn down to approximately $43.5 million. Since 2001, the fund balance has grown from a low of $43.5 million to the current balance of $50.8 million.

The 2009 PDAF withdrawal reflects the need to use the fund to control the debt service property tax levy. Figure 3 shows the ratio of the PDAF withdrawal to the debt tax levy. A reasonable 9.2% ratio will exist for 2009 purposes. This level is consistent with recent years.

F. COMMON COUNCIL CONTINGENT FUND

EXECUTIVE SUMMARY

MISSION: To provide budgetary authority and funding to pay for emergencies that may arise during the year for which no express provisions have been made elsewhere in the city's budget.

OBJECTIVES: Allow funding of unauthorized emergency expenditures on a timely basis.

STRATEGIES: Adhere to guidelines and standards in considering requests for withdrawals. Maintain the Fund's integrity as an "emergencies only" source of funds.

SUMMARY OF EXPENDITURES

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Common Council Contingent Fund	$5,500,000	$5,000,000	$6,000,000	$5,000,000	$0	$-1,000,000
TOTAL	$5,500,000	$5,000,000	$6,000,000	$5,000,000	$0	$-1,000,000

SOURCE OF FUNDS

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Property Tax Levy	$5,500,000	$5,000,000	$6,000,000	$5,000,000	$0	$-1,000,000
TOTAL	$5,500,000	$5,000,000	$6,000,000	$5,000,000	$0	$-1,000,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Common Council Contingent Fund provides funding for emergency situations that require expenditures above budget authorizations. Requests must be approved by three-quarters of the Common Council before funds can be used and must meet one of the following criteria:

- Emergency circumstances;
- Obligatory circumstances; or
- Fiscal advantage and/or compliance with fiscal management principles.

Additional established guidelines and standards must be met relative to the Finance and Personnel Committee's review of Contingent Fund requests. The guidelines and standards focus on:

- Timelines and process requirements; and
- Information that must be provided to the Finance and Personnel Committee upon request, including:
  - Statement of action requested, including the account where the Contingent Fund appropriation is needed;
  - Purpose of action, including the impact on program service or activity and program objectives; and
  - A description of the emergency that prompts the request.

Limiting Contingent Fund requests to these criteria forces departments to manage within their allocated budgets and discourages use of the Fund for initiating new projects or programs.

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SPECIAL REVENUE FUNDS

This section of the budget includes funds supported by revenues other than the city property tax levy. Revenues other than the city property tax offset the appropriations in this section. Any property tax levies related to these special revenue funds are provided in other sections of the city's budget.

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
G. Parking Fund	$43,097,438	$50,740,922	$51,488,163	$51,488,163	$747,241	$0
H. Grant and Aid Project Fund	52,803,606	77,028,771	78,597,201	78,370,351	1,341,580	-226,850
I. Economic Development Fund	6,179,845	6,680,101	8,247,523	7,142,523	462,422	-1,105,000
J. Water Works	94,551,527	128,047,700	129,955,627	124,800,475	-3,247,225	-5,155,152
K. Sewer Maintenance Fund	56,085,864	70,112,619	70,604,098	71,250,413	1,137,794	646,315
M. Delinquent County Taxes Fund	12,002,314	10,329,620	15,000,000	15,000,000	4,670,380	0
TOTAL	$264,720,594	$342,939,733	$353,892,612	$348,051,925	$5,112,192	$-5,840,687

G. PARKING FUND

EXECUTIVE SUMMARY

MISSION: To provide clean and safe on- and off-street parking in a manner which integrates parking policies and economic development goals and maintains the financial solvency of the Parking Fund and independence from city tax levy funding.

OBJECTIVES: Direct parking regulation of both on-and off-street activities such as parking structures and lots, towing, storing and disposing of vehicles, parking information desk operations, and the citation processing contract.

STRATEGIES: Continue services that maintain and enhance the financial stability of the Parking Fund including a diverse array of revenue streams.

Explore new technology to improve the efficiency of the city's parking operations.

Continue efforts to enhance citation processing and tow management.

Continue efforts to enhance citation collection and adjudication.

Respond to opportunities that accompany development and redevelopment projects.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	115.75	126.75	126.75	126.75	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	128	129	129	129	0	0
EXPENDITURES						
Salaries and Wages	$4,844,061	$5,098,526	$5,167,442	$5,167,442	$68,916	$0
Fringe Benefits	2,424,999	2,090,396	2,583,721	2,583,721	493,325	0
Operating Expenditures	13,587,234	13,817,000	13,876,000	13,876,000	59,000	0
Equipment	82,112	129,000	180,000	180,000	51,000	0
Special Funds	4,217,406	4,906,000	4,745,000	4,745,000	-161,000	0
Transfer to General Fund	15,800,000	17,000,000	17,000,000	17,000,000	0	0
TOTAL OPERATING	$40,955,812	$43,040,922	$43,552,163	$43,552,163	$511,241	$0
Capital Projects	$2,141,626	$7,700,000	$7,936,000	$7,936,000	$236,000	$0
TOTAL BUDGET	$43,097,438	$50,740,922	$51,488,163	$51,488,163	$747,241	$0

STATEMENT OF REVENUES AND EXPENSES

OPERATING EXPENDITURES						
Structures	$2,880,770	$2,705,000	$2,775,000	$2,775,000	$70,000	$0
Meters	681,928	700,000	737,000	737,000	37,000	0
Permits	98,198	120,000	150,000	150,000	30,000	0
Towing	4,146,324	4,550,986	4,592,000	4,592,000	41,014	0
Lots	263,086	245,000	260,000	260,000	15,000	0
Parking Enforcement	12,020,172	11,953,936	12,398,163	12,398,163	444,227	0
Debt Service	3,189,352	3,500,000	3,300,000	3,300,000	-200,000	0
PILOT	1,028,054	981,000	1,020,000	1,020,000	39,000	0
Administration	847,928	860,000	895,000	895,000	35,000	0
Contingent Fund	0	425,000	425,000	425,000	0	0
Transfer Excess Revenue to General Fund	15,800,000	17,000,000	17,000,000	17,000,000	0	0
TOTAL	$40,955,812	$43,040,922	$43,552,163	$43,552,163	$511,241	$0

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
OPERATING REVENUES						
Structures	$7,100,385	$6,740,813	$7,090,384	$7,090,384	$349,571	$0
Meters	4,088,508	4,122,000	4,055,000	4,055,000	-67,000	0
Permits	2,913,815	2,713,000	2,914,000	2,914,000	201,000	0
Towing	3,991,550	3,050,986	3,800,000	3,800,000	749,014	0
Lots	23,363	20,000	22,000	22,000	2,000	0
Parking Citation Revenue	18,949,885	19,600,000	19,000,000	19,000,000	-600,000	0
Miscellaneous	271,352	275,000	275,000	275,000	0	0
Vehicle Disposal	2,258,743	2,500,000	2,200,000	2,200,000	-300,000	0
Sale of Real Property	269,246	0	0	0	0	0
Withdrawal From Reserves	1,088,965	4,019,123	4,195,779	4,195,779	176,656	0
TOTAL OPERATING	$40,955,812	$43,040,922	$43,552,163	$43,552,163	$511,241	$0
CAPITAL EXPENDITURES						
Structures	$2,141,626	$2,700,000	$7,936,000	$7,936,000	$5,236,000	$0
TOTAL EXPENDITURES	$2,141,626	$2,700,000	$7,936,000	$7,936,000	$5,236,000	$0
CAPITAL FINANCING						
Proceeds from Borrowing	$2,141,626	$2,700,000	$2,936,000	$2,936,000	$236,000	$0
Retained Earnings	0	5,000,000	5,000,000	5,000,000	0	0
Carryover Borrowing (Informational Purposes Only)	(0)	(2,636,369)	(4,098,064)	(4,098,064)	(1,461,695)	(0)
TOTAL FINANCING	$2,141,626	$7,700,000	$7,936,000	$7,936,000	$236,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Parking Fund is an Enterprise Fund administered by the Department of Public Works (DPW). It receives revenues from parking activities, which finance the city's on- and off-street parking expenses. The Parking Fund's responsibilities include managing city owned parking structures and lots, towing, storing and disposing of vehicles, managing parking enforcement, information desk operations, and the citation processing contract. Operating the Parking Fund as an Enterprise Fund allows the city to finance parking activities through parking revenues rather than burdening taxpayers through the property tax. This supports the city's goal of improving fiscal capacity.

The Parking Fund oversees five city owned parking structures; operates and maintains approximately 6,250 parking meters throughout the city; manages approximately 50 metered, leased, and permit parking lots; issues more than 900,000 parking citations each year; tows approximately 36,000 illegally parked and abandoned vehicles per year to the city's Tow Lot; and works with the Police Department to issue approximately 180,000 night parking permits each year. These activities provide convenient, efficient, and cost effective on- and off-street parking for Milwaukee's residents, businesses, and visitors.

Through advancements in technology the Parking Fund has been able to assume increased responsibility for tasks like issuing citations and night parking permits, so the Milwaukee Police Department can reallocate staff efforts to more critical service areas. The number of parking citations issued by the Police Department has decreased 51% during the past five years as the Parking Enforcement Officers in DPW have assumed most citation issuance duties.

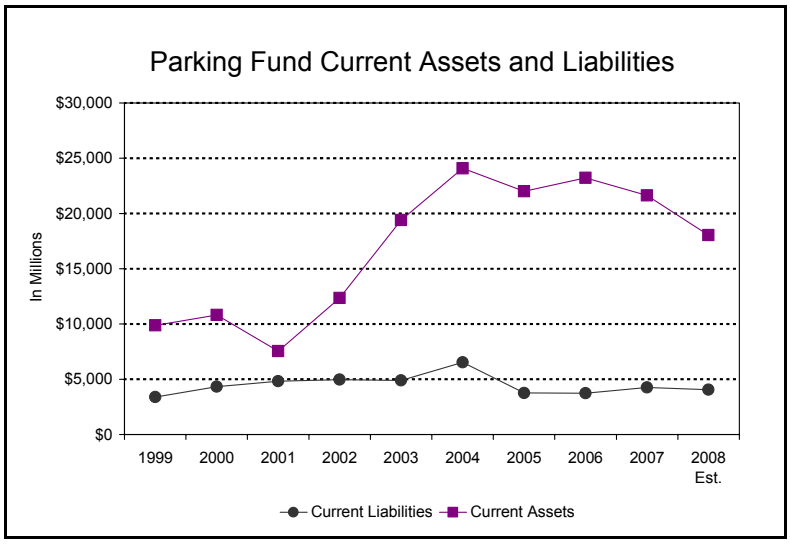
Strategies and Milestones for 2009

Objective:	**Direct parking regulation of both on-and off-street activities such as parking structures and lots, towing, storing and disposing of vehicles, parking information desk operations, and the citation processing contract.**
Strategies	**2009 Milestones**
Continue services that maintain and enhance the financial stability of the Parking Fund including a diverse array of revenue streams.	Maintain a minimum of a 2:1 ratio of assets to liabilities.
Explore new technology to improve the efficiency of the city's parking operations.	Continue installation of multi-space parking meters to complete the third phase of the project for a total of approximately 270 meters.
Continue efforts to enhance citation processing and tow management.	Implement the new citation processing/collection contract with Duncan Solutions that provides for operational efficiencies and lower costs.
Continue efforts to enhance citation collection and adjudication.	Continue to pursue legislation to tow or boot legally and illegally parked vehicles for unpaid citations and to establish a timeframe to adjudicate parking citations.
Respond to opportunities that accompany development and redevelopment projects.	Negotiate and implement lease agreements of city owned parking structures to maximize utilization and revenues.

STRATEGY IMPLEMENTATION

As of December 31, 2007 the Parking Fund had $61.1 million in total assets and $14 million in total liabilities, most of which is for outstanding debt. This represents a 3.4% decrease in assets from 2006 and a slight decrease in year end liabilities. The Fund's assets consist primarily of parking structures and cash reserves. To remain financially viable, the Parking Fund's goal is to maintain a 2:1 ratio of current assets to liabilities. At the end of 2007, the Fund had a 5.1:1 ratio (see Figure 1). Current liabilities have remained relatively constant over the last nine years. However, assets peaked in 2004 and began to decline as withdrawals from the Parking Fund increased.

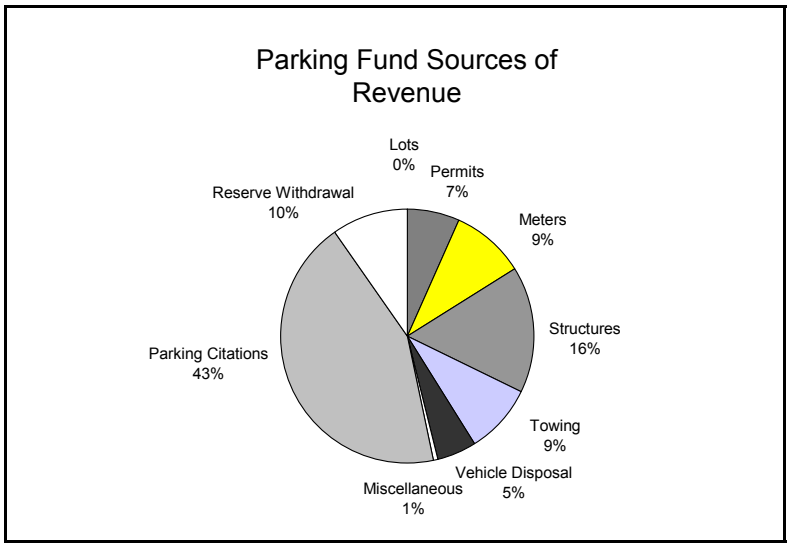
Figure 1



The Fund's strength results from its diverse revenue streams (see Figure 2). This diversity provides financial stability because if one type of revenue underperforms in any given year, it is not as damaging to the Fund. The largest source of parking revenue is citations which generated approximately $19 million in 2007 and will generate similar revenue for 2009.

Technology Enhancements: The Parking Fund continues to pursue technological enhancements that automate parking functions and lead to more efficient and effective parking services. Technology improvements are intended to be user friendly, increase customer payment options, and improve overall customer service.

Figure 2



The multi-space meter project began in 2007, and the first phase of the project included the purchase and installation of 103 electronic multi-space meters to replace approximately 1,100 single space meters in the downtown central business district. The second phase of this project will add 74 meters in 2008 and the third phase will begin in 2009 and include an additional 89 meters. Each meter controls multiple parking spaces and accepts coins, credit and debit card payments. The meters communicate through wireless communications and provide real time information for adjudication, financial management, auditing, monitoring meter uptime and cashbox capacity, malfunctions, and frequency of coin collection.

Customer service kiosks that sell and dispense night parking permits and accept payments for parking citations are installed at Police Stations. The kiosks accept cash, check, or credit cards and electronically dispense parking permits 24 hours a day, 7 days a week. In 2007, over 117,000 permits were sold in these districts through the automated payment centers. In addition, over 34,600 parking citations were paid totaling $853,000. This self-serve technology has significantly reduced Police Department staff workload related to processing parking permits, freeing officers and support staff for crime fighting duties. More permits are sold through the kiosks (66%) than the amount issued manually.

Outstanding Parking Revenue Collection Strategies: DPW takes a proactive approach to increase the collection of unpaid parking citations and outstanding towing and storage fees. Various initiatives have increased the collection of outstanding fees.

- **Tax Revenue Intercept Program (TRIP):** The city began participating in the TRIP Program in 2002. Beginning in 2007, all persons with unpaid parking citation balances exceeding $45 are registered with the Wisconsin Department of Revenue (DOR). In 2007, the city intercepted $2.0 million and through July 2008, $2.8 million has been collected through TRIP.

- **Bundling Vehicle Registration Holds:** In 2007, the DOT modified the Traffic Violation and Registration Program relating to electronic batching of outstanding parking citations. This allowed the city to bundle all overdue citations under one registration hold at a cost of $2.50 per hold. As a result, all outstanding parking citations have to be paid before a vehicle registration hold is released. Citations incurred after the case has been submitted cannot be added to the existing batch. This allows the city to place a hold on all outstanding parking citations, whereby in the past a hold was placed on the oldest citation. This also significantly reduces vehicle registration hold costs.

- **Towing or Booting Legally/Illegally Parked Vehicles:** A recommendation of the Outstanding Debt Task Force to encourage payment of outstanding parking citations is to seek legislation that would allow municipalities to ticket and tow or boot any legally parked vehicle with three or more outstanding parking citations and require the citations to be paid or scheduled to be adjudicated prior to releasing the vehicle.

Under current law, if a vehicle with outstanding citations is legally parked, the city cannot tow or boot the vehicle for unpaid citations. The proposed legislation attempts to encourage violators to adjudicate or pay outstanding parking citations in a timely manner. DPW estimates that there are over 110,800 violators with three or more open citations valued at $33.3 million. Although the legislation was introduced in the 2007/2008 legislative session, it did not make it through the assembly before the session ended. DPW will work for its re-introduction in the 2009-2010 legislative session.

- **Time Limitations for Citation Adjudication:** DPW will pursue legislation in the 2009-2010 legislative session that encourages timely payment of outstanding parking citations by allowing a parking citation to be paid, adjudicated or arranged to be adjudicated within 180 days after issuance. For a violator who does not do any of these things, the legislation would allow the Municipal Court to enter a default judgment without requiring signed acceptance or responsibility by the vehicle owner or violator.

Parking Structure Lease Agreements: DPW negotiated an agreement to lease parking spaces in the Fourth and Highland parking structure. The term of the agreement is 25 years with two extensions totaling 25 years. The agreement provides for a total of 444 spaces to be leased at market rate in 2013.

Citation Processing Contract: The citation processing/collection and cash management/information services contract is in the final stages of negotiation. The contract is a five year agreement with a three-year extension followed by one two-year extension. The contract will provide operational efficiencies at lower costs, while maintaining issuance and collection rates.

OTHER SERVICE AND BUDGET CHANGES

Transfer to the General Fund: The 2009 proposed budget includes a transfer of $17 million to the General Fund which is the same amount budgeted in 2008. In order to maintain this transfer amount, $4.2 million is withdrawn from Parking Fund reserves.

Capital Projects: Funding of $1.3 million is provided to continue the expansion of multi-space parking meters in the downtown areas, $1.1 million is provided for maintenance and repairs to city owned parking structures, and $536,000 is included for expansion of the tow lot office.

2009 Budget by Services (Funding in Millions)

Service	**Parking Regulation**	
Activities:	Parking meter operation and maintenance, parking structure operation and capital management, parking lot management, towing and tow lot management, parking ordinance enforcement, citation processing and collection, and parking permit administration.	
		2009 Projection
Performance Measures:	Asset to liability ratio.	4.00
Funding by Source:	Operating Funds	$43.6
	Capital Budget*	2.9
	Totals	**$46.5**

* Note: Program funding does not include capital improvements funded from the Permanent Reserve Fund.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

H. GRANT AND AID FUND

EXECUTIVE SUMMARY

OBJECTIVES: The Grant and Aid Fund provides expenditure authority for federal, state, and other grants whose proceeds are restricted to operating expenditures for specific purposes. These expenditures are to be made in accordance with the grant and aid process established in city ordinance. Grants support the objectives and strategies of departments.

STRATEGIES: Manage decreases in Community Development Block Grant (CDBG) funding and potential changes in the allowable uses of CDBG funding.

Identify and obtain new grant funding sources.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Grantor Share (Non-City)	$52,803,606	$77,028,771	$78,597,201	$78,370,351	$1,341,580	$-226,850
TOTAL	$52,803,606	$77,028,771	$78,597,201	$78,370,351	$1,341,580	$-226,850

The Grant and Aid Fund is a "parent" account that accumulates grant funds prior to allocation on a project-by-project basis during the fiscal year. In order to expend funds, a Common Council resolution is adopted to authorize a specific project, create a sub-account, and allocate specific funding from the "parent" account. The fund provides expenditure authority for both planned and potential or unanticipated grants.

OTHER SERVICE AND BUDGET CHANGES

The 2009 grant and aid budget of $78.4 million reflects an increase in anticipated grant funding of $1.3 million (1.7%) from the 2008 budget (see Table 1).

Community Development Grants Administration (CDGA): The Community Development Grants Administration anticipates receiving approximately $24.4 million in grant funds. This is a decrease of $2 million or 7.7% from the 2008 budget. Approximately $16 million of this anticipated funding is through the Community Development Block Grant Program (CDBG), a decrease in funding of $1.7 million or 9.6% from the 2008 budget. CDBG funds support neighborhood strategic planning efforts that target the city's federal block grant allocation toward city neighborhood priorities and needs.

The 2009 budget includes a total of $155,000 in CDBG reprogramming funds for the following projects:

- $125,000 for the Drivers Licensure and Employment Project, the same amount of funding recommended in the 2008 budget.
- $30,000 for the City Attorney for legal services.

Other grant reductions include the High Intensity Drug Trafficking Area Project (a decrease of $47,000 or 6.3%) and American Dream Down Payment Initiative (a decrease of $62,580 or 59.6%). These reflect a trend of decreasing federal grant funding.

Department of City Development grant funding increases by $3,000 to $1.24 million, a 0.2% increase. The 2009 budget includes the same grants as last year, but the Arts Board Grant is anticipated to have a small increase.

Fire Department grant funding increases by $245,000 (24.5%) to $1.24 million, primarily as a result of an anticipated increase of $240,000 for the Urban Areas Security Initiative Program, but also a small increase ($10,000) in the Metropolitan Medical Response System Grant.

Table 1

Comparison of Projected Grant Activity (Grantor Share)

Department	2008	2009	Difference
Administration	$26,403,729	$24,367,358	$-2,036,371
City Development	1,237,000	1,240,000	3,000
Fire	1,000,000	1,245,000	245,000
Health	15,521,900	16,748,550	1,226,650
Library	998,619	1,054,800	56,181
Police	10,074,284	12,012,109	1,937,825
Public Works	3,793,239	3,702,534	-90,705
Unanticipated	18,000,000	18,000,000	0
Totals	$77,028,771	$78,370,351	$1,341,580

Health Department grant funding increases by $1.2 million (7.9%) to $16.7 million. This is primarily the result of changes in four grants:

- Healthy Homes Demonstration Grant, funding of $1 million is anticipated for this new grant, although an award decision may not be made until October;
- Women's Infants and Children's Grant, with an anticipated funding increase of $185,000;
- EcoCultural Grant, a new grant with anticipated funding of $150,000; and
- Plain Talk Initiative Grant, with an anticipated funding increase of $100,000.

There are changes, both increases and decreases, in various other Health Department grants.

Library grant funding increases by $56,200 (5.6%) to $1.1 million, primarily the result of a $41,000 increase in the Wisconsin Regional Library for the Blind and Physically Handicapped Grant.

Police Department grant funding increases by $1.9 million (19.2%) to $12 million. Part of this increase is the result of the Bradley Center and Brewers grants, totaling $2 million, which were not recognized in the 2008 budget because of the timing of the grant awards. In addition, the department anticipates several new grants in 2009, including grants for MPS School Security ($375,000) and Wisconsin Internet Crimes Against Children ($85,000).

Department of Public Works grant funding decreases by $90,700 (2.4%) to $3.7 million. While the department anticipates increased funding for the Basic Recycling Grant ($+47,300) and anticipated funding of $85,000 for a new grant to improve the city's storm water quality, the State Department of Natural Resources is not awarding funding for the Recycling Efficiency Incentive Grant. The funding for this grant will instead be used by the DNR to help pay down the state's budget deficit. This grant pays for the city's recycling mailers, e-waste processing and recycling outreach efforts.

Unanticipated grant funding is maintained at $18 million.

Federal Housing and Economic Recovery Act: The Federal Housing and Economic Recovery Act of 2008 is anticipated to provide approximately $12 million in funding to the City of Milwaukee in 2008. Since the grant funding is anticipated for 2008, this will be treated as a 2008 grant. The grant provides assistance for the redevelopment of abandoned and foreclosed homes and residential properties. Allowable activities include purchasing and rehabilitating abandoned and foreclosed homes in order to sell, rent, or redevelop the homes, demolishing blighted structures, and redeveloping demolished or vacant properties. The grant funding is required to be committed within 18 months of receipt of the grant. The Administration will be submitting a detailed proposal for using these funds to the Common Council.

Capital Grant Funding: In addition to operating grants, certain city departments, particularly the Department of Public Works, also receive significant grant funding for capital improvement projects. For information on capital grants, see the *Capital Improvements* section of the *2009 Proposed Plan and Executive Budget Summary*.

I. ECONOMIC DEVELOPMENT FUND

EXECUTIVE SUMMARY

MISSION: The Economic Development Fund provides expenditure authority for economic development purposes, including the Business Improvement District Program.

OBJECTIVES: Promote development in commercial areas.

STRATEGIES: Provide owner financed development.

Work cooperatively with local businesses to improve the appearance of business districts.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Business Improvement Districts	$6,177,838	$6,680,101	$7,142,523	$7,142,523	$462,422	$0
Excess TID Revenue	1,402,381	0	1,105,000	0	0	-1,105,000
TOTAL	$7,580,219	$6,680,101	$8,247,523	$7,142,523	$462,422	$-1,105,000

STRATEGY IMPLEMENTATION

The Economic Development Fund supports the goal of increasing investment and economic vitality throughout the city. The 2009 budget for the Economic Development Fund is $7.1 million. There is no tax levy impact in this fund. Revenue of $7.1 million will be received from BID assessments to finance budgeted expenses.

Business Improvement Districts are special assessment districts created at the petition of local commercial property owners. In accordance with Sec. 66.608 Wis. Stats., the city has established over 40 Business Improvement Districts (BIDs). Each year the BIDs work with the city to develop a plan and budget. This budget becomes the basis for an assessment charged to businesses in the BID area. Because the BIDs do not have taxing authority, the city collects the assessment on their behalf. Through an appropriation in the city budget, the city provides the dollars it collects to the BIDs.

SERVICES

There are 29 active BIDs throughout Milwaukee; each is governed by a local board. Collectively, these BIDs annually raise over $7 million for activities ranging from economic development and administration to streetscaping and public safety. The following is a list of active BIDs for 2009 and their corresponding budgets as well as budget authority for new potential BIDS:

BID #2 (Historic Third Ward) $559,643

BID #3 (RiverWalk) $111,276

BID #4 (Greater Mitchell Street) $148,917

BID #5 (Westown) $103,081

BID #8 (Historic King Drive) $194,256

BID #9 (735 North Water RiverWalk) $21,652

BID #10 (Avenues West) $147,808

BID #11 (Brady Street Business Area) $200,800

BID #13 (Oakland Avenue) $53,500

BID #15 (RiverWalk) $384,286

BID #16 (West North Avenue) $154,977

BID #17 (North 76th and Brown Deer) $53,500

BID #19 (Villard Avenue) $102,036

BID #20 (East North Avenue) $219,573

BID #21 (Downtown Management District) $3,051,758

BID #25 (Riverworks) $198,212

BID #26 (Menomonee Valley) $97,949

BID #27 (Burleigh) $56,354

BID #28 (North Avenue Gateway District) $45,677

BID #29 (Teutonia, Capitol, Atkinson) $78,886

BID #31 (Havenwoods) $171,679

BID #32 (North Avenue Market Place) $80,764

BID #35 (Becher/Kinnickinnic) $6,012

BID #36 (Riverworks II) $38,000

BID #37 (30th Street Industrial Corridor) $178,650

BID #38 (Ceasar Chavez) $27,820

BID #39 (Center Street Market Place) $67,408

BID #40 (Airport Gateway) $344,179

BID #41 (Downer) $43,870

Potential New BIDS $200,000

J. WATER WORKS

EXECUTIVE SUMMARY

MISSION: Provide a safe, reliable, and aesthetically pleasing supply of water at a competitive price.

OBJECTIVES: Repair main breaks within 24 hours 95% of the time.

Achieve 100% compliance with Safe Drinking Water Act standards.

Rank in the top 10 for least expensive water out of the 77 water utilities in the 7 county region.

STRATEGIES: Maintain full staffing for distribution repair crews.

Continue Phase I of the Backup Power Generation project.

Maintain operations of multiple barrier treatment process.

Market Milwaukee water to surrounding communities consistent with the Great Lakes Compact.

Make energy efficiency improvements to the two water treatment facilities and pumping stations.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	305.58	330.59	371.04	329.93	-0.66	-41.11
FTEs - Other	11.65	10.63	12.00	11.89	1.26	-0.11
Total Positions Authorized	346	346	348	348	2	0
EXPENDITURES						
Salaries and Wages	$17,184,284	$18,762,427	$19,422,167	$19,443,871	$681,444	$21,704
Fringe Benefits	7,153,127	6,938,073	7,162,360	7,679,504	741,431	517,144
Operating Expenditures	32,239,094	34,921,500	37,286,000	36,692,000	1,770,500	-594,000
Equipment	1,322,055	1,877,700	1,898,100	1,898,100	20,400	0
Special Funds	5,756,703	5,210,000	5,195,000	5,295,000	85,000	100,000
TOTAL	$63,655,263	$67,709,700	$70,963,627	$71,008,475	$3,298,775	$44,848

CAPITAL BUDGET SUMMARY

CAPITAL BUDGET						
Main Program	$12,094,051	$16,260,000	$16,780,000	$16,780,000	$520,000	$0
Plants and Other	3,391,164	20,509,000	12,916,000	10,316,000	-10,193,000	-2,600,000
TOTAL CAPITAL BUDGET	$15,485,215	$36,769,000	$29,696,000	$27,096,000	$-9,673,000	$-2,600,000
CAPITAL FINANCING						
Retained Earnings	$15,411,049	$23,569,000	$29,296,000	$26,696,000	$3,127,000	$-2,600,000
Bond Issue	0	12,500,000	0	0	-12,500,000	0
Assessments	0	100,000	100,000	100,000	0	0
Developer Financed	74,166	600,000	300,000	300,000	-300,000	0
TOTAL CAPITAL FINANCING	$15,485,215	$36,769,000	$29,696,000	$27,096,000	$-9,673,000	$-2,600,000

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
REVENUES						
Operating	$67,670,886	$69,825,297	$68,212,700	$68,212,700	$-1,612,597	$0
Non-Operating	9,544,932	9,919,000	9,837,000	9,837,000	-82,000	0
Developer Capital and Assessments	74,166	700,000	400,000	400,000	-300,000	0
Bond Issue	0	12,500,000	0	0	-12,500,000	0
Withdrawal From Retained Earnings	1,850,494	11,534,403	22,209,927	19,654,775	8,120,372	-2,555,152
TOTAL REVENUES	$79,140,478	$104,478,700	$100,659,627	$98,104,475	$-6,374,225	$-2,555,152
EXPENDITURE AUTHORIZATIONS						
Operating	$63,655,263	$67,709,700	$70,963,627	$71,008,475	$3,298,775	$44,848
Capital Funding	15,485,215	36,769,000	29,696,000	27,096,000	-9,673,000	-2,600,000
Deposit To Retained Earnings		0	0	0	0	0
TOTAL AUTHORIZATIONS AND DEPOSITS	$79,140,478	$104,478,700	$100,659,627	$98,104,475	$-6,374,225	$-2,555,152

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

A safe, reliable supply of water is critical to a modern economy and economic development. The Great Lakes are the world's largest source of fresh water. Milwaukee's proximity to Lake Michigan gives it an economic advantage over other areas of the country. A sustainable supply of drinking water gives businesses and homeowners confidence that they can locate here and continue to operate for decades to come. Additionally, by greatly reducing the risk of waterborne pathogens, a safe supply of drinking water at a reasonable cost may be the single most important factor in protecting the public's health. Milwaukee's advanced multi-barrier treatment process, which includes ozone disinfection, allows it to provide some of the cleanest water in the country.

The Milwaukee Water Works is a municipally owned water utility regulated by the State of Wisconsin Public Service Commission (PSC) and the Wisconsin Department of Natural Resources. From its Howard Avenue and Linnwood Plants, Water Works pumps and treats more than 41 billion gallons of water annually from Lake Michigan with 35 billion gallons in metered sales. It delivers this water through 1,960 miles of mains to approximately 831,000 customers. In addition to water sales to Milwaukee residents and businesses, Water Works provides wholesale water services to Milwaukee County institutions, eight suburbs, We Energies and provides water and billing services to West Milwaukee. Water Works also provides retail service to three suburbs.

The utility's production structure directly affects water rates. Most costs are "fixed", in that they do not change significantly with the amount of water that is purchased by consumers. Costs for water mains, plant infrastructure, and the staff to support them remain, even as water consumption declines. Water sales continued to decline in 2007, dropping 7.7% from 2005. Since 2000, metered water sales have declined nearly 15%. Consequently, water rates must increase to support the utility's fixed costs. In 2009, the Water Works will likely apply for an inflation based "simplified" rate increase from the PSC.

Figure 1

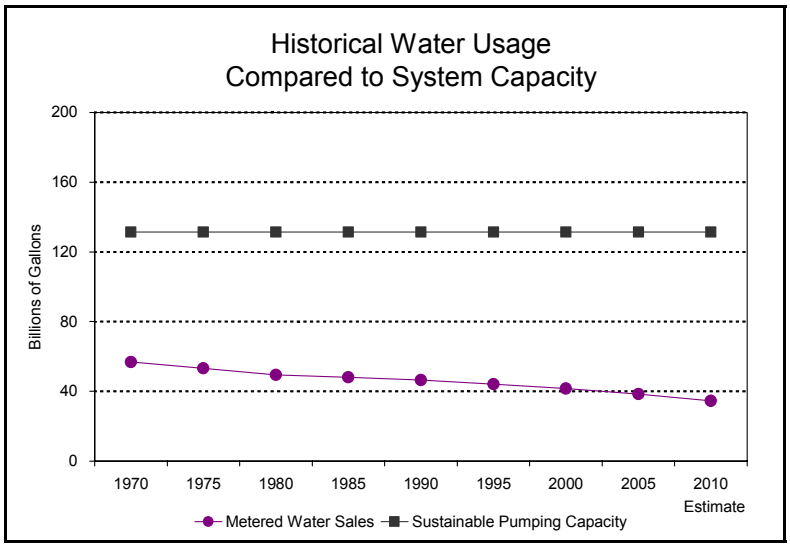


Figure 1 demonstrates how water sales have declined over the last 35 years, while plant pumping capacity has remained constant. The annual treatment capacity is based on the sustainable pumping capacity of 131 billion gallons per year. Plant pumping capacity far outstrips actual usage due to demographic trends in the region. The last water treatment plant was built in 1962 at a time when Milwaukee's population was much higher and expected to grow, and per capita water consumption was much higher due to heavy industries and personal habits. In contrast, in the last 30 years population has declined, many heavy industrial users modified or ceased operations, and consumers increasingly conserve water and use it more efficiently.

Because of these trends, city policymakers have three strategic options, which are not mutually exclusive:

- Regularly raise water rates,
- Sell more water, or
- Optimize operations to reduce cost.

The Administration has already begun to address these strategic challenges within the context of regional water needs. In late 2006, the Mayor convened an Integrated Water Management and Infrastructure Review Workshop. This group evaluated and recommended approaches to integrated water management that optimize Milwaukee's competitive economic advantage while protecting the region's environment. The group recommended that the city wait until the passage of the revised Great Lakes Compact before selling water outside of the Great Lakes basin. Additionally, the group discussed the possible use of intergovernmental agreements, separate from the PSC regulated water sale contracts, as a way to achieve economic development goals when selling water to other communities.

In 2008, Wisconsin passed the Great Lakes Compact, a historic cooperative effort across the Great Lakes states and provinces of Canada to protect and preserve the Great Lakes for generations to come. The Compact outlines criteria by which communities that "straddle" the intercontinental divide would be allowed to use Great Lakes water. New Berlin is one such community. The Eastern one third of New Berlin was already a wholesale customer of the Water Works. The middle third of New Berlin is outside of the intercontinental divide, but is served by the Milwaukee Metropolitan Sewerage District (MMSD). Thus, its wastewater is returned to Lake Michigan. This portion of New Berlin had been served by groundwater, but concerns about radon prompted New Berlin's leadership to consider other alternative water supplies.

Consistent with the Great Lakes Compact and the recommendations of the Integrated Water Infrastructure Review Workshop, the Barrett Administration negotiated a deal to sell water to the middle third of New Berlin, in exchange for not only Water Works revenue, but also an additional $1.5 million intergovernmental agreement, the first of its kind in Milwaukee. The Common Council approved this deal and the $1.5 million of revenue for 2009 reduces the property tax levy for Milwaukee residents. Beginning in late 2010, the agreement is expected to generate more than $680,000 in annual Water Works' revenue from New Berlin, which will mitigate future water rate increases.

Strategies and Milestones for 2009

Objective: Repair main breaks within 24 hours 95% of the time.	
Strategies	**2009 Milestones**
Maintain full staffing for distribution repair crews.	Repair main breaks within 24 hours 95% of the time.
Continue Phase I of the Backup Power Generation project.	Complete design and procurement specification for Riverside pumping stations and begin design of Florist pumping station.
Objective: Achieve 100% compliance with Safe Drinking Water Act standards (Days in compliance/Total days in reporting period).	
Strategies	**2009 Milestones**
Maintain operations of multiple barrier treatment process.	Achieve 730 days in compliance for the two treatment plants.
Objective: Rank in the top 10 for least expensive water out of the 77 water utilities in the 7 county region.	
Strategies	**2009 Milestones**
Market Milwaukee water to surrounding communities consistent with the Great Lakes Compact and Common Council policy.	Complete distribution system improvements to expand water sales to New Berlin by 2010 as approved by the Common Council.
Make energy efficiency improvements to the two water treatment facilities and pumping stations.	Complete HVAC upgrades at treatment plants and the meter shop and report on other energy efficiency projects.

STRATEGY IMPLEMENTATION

In 2007, Water Works repaired 95% of main breaks within 24 hours and the average time that customers were without water was 4.1 hours. Water mains are replaced primarily according to the frequency of main breaks. In 2006, Water Works installed 11.3 miles of water mains, about three miles short of projections. The 2009 proposed budget fully funds the water main program to boost mileage replacements to 14 miles. The 2009 cost per mile of water main installed is lower than the 2008 projection because construction costs are rising and the 2009 budget includes increased funding for more expensive feeder mains.

In 2007, Water Works achieved its goal of providing safe, high quality drinking water. The utility was in near full compliance with the Safe Drinking Water Act 365 days last year. In September 2007, the Water Quality section collected 236 samples for total coliforms, four short of the required 240. The utility met all other requirements. The utility substantiated only two water quality complaints that were attributed to Water Works' activities. Typically, plumbing issues within a customer's building explain most water quality complaints.

OTHER SERVICE AND BUDGET CHANGES

The 2009 proposed budget has no changes to Water Works services. The 2009 proposed budget is the cost to continue existing services.

CAPITAL PROJECTS

The 2009 Water Works capital budget totals $27,096,000. Due to increased capital investment in the utility over the last four years, the Administration will closely monitor the Water Works capital program through the AIM process.

Water Main Replacement Program: In 2009, the Water Main Replacement Program increases to address the problem of an aging distribution system. Funding of $16.8 million will add 14 miles of water mains. This includes $12.9 million for replacement distribution mains, hydrants and valves, $3.5 million for the Feeder Main Program, $300,000 for developer financed mains, and $100,000 for assessable main replacements.

Linnwood Plant Building and Treatment Improvements: The 2009 budget allocates $1.3 million for capital improvements at the Linnwood Facility including security upgrades ($50,000), Engineer's office space renovation ($200,000), wash water line ($500,000), Motor Control Centers ($250,000), valves for ozone bypass ($100,000), and chemical feed upgrade ($200,000).

Howard Plant Building and Treatment Improvements: Funding of $950,000 is allocated for improvements to the Howard Avenue building and treatment facility improvements, including $500,000 for a chemical feed upgrade and $450,000 for other structural and security improvements.

Pump Facility Improvements: The 2009 proposed budget allocates $3.4 million for pump facility improvements as part of a multi-year effort to improve energy efficiency and life expectancy and $2.5 million is included for the Florist Station, including a substation switchgear replacement.

Storage Facility and Meter Repair Shop Improvements: The proposed budget allocates $4.1 million for these projects including the $2 million clearwell roof replacement at the Howard Storage Facility and $1.8 million to paint the Greenfield storage tank.

Backup Power Generation: Following the 2003 blackouts in the Northeastern part of the country, the Water Works commissioned a consultant to study the reliability of their electric power supply. The study was completed in 2006, and a report issued to the Common Council in File 061500. The study examined the risk of a similar blackout occurring in the Milwaukee region, its implications for the Water Works, and measures the utility could take to ensure a reliable supply of water in the event of a blackout. While the probability of a blackout is low, the consequences of not having backup electric power are high. The Water Works is critical to the regional economy and this project will ensure a reliable water supply for fire fighting, sanitation and drinking. Maintaining adequate water pressure in the distribution system during a blackout scenario is also critical to reduce the risk of main breaks and water contamination. Providing backup power at five critical Water Works locations will cost an estimated $24 million over six years. The 2008 budget provided $12.5 million for backup power at the Riverside Pumping Station. The 2009 budget provides $500,000 to design the Florist pumping station system.

2009 Budget by Services (Funding in Millions)

Service	**Water Distribution and Customer Service**	
Activities:	Distribution main design, operation, maintenance and repairs, meter reading, customer accounts, cross connection inspections, and administration.	
		2009 Projection
Performance Measures:	Percentage of main breaks in service within 24 hours.	95.0%
	Miles of mains installed or replaced.	14
	Rank of residential water rate in Southeastern Wisconsin.*	10
Funding by Source:	Capital Budget	$24.3
	Operating Funds	42.8
	Totals	**$67.2**

Service	**Drinking Water Supply and Treatment**	
Activities:	Water pumping, water treatment, water quality monitoring, plant operation and maintenance.	
		2009 Projection
Performance Measures:	Percent compliance with Safe Drinking Water Act standards.	100.0%
	Substantiated water quality complaints.	<5
Funding by Source:	Capital Budget	$2.8
	Operating Budget	28.2
	Totals	**$30.9**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
			Business Section	
			Security Manager	Position reclassification to Salary Grade 7.
-1	-1.00		Business Operations Manager	Reassignment of duties in section to improve customer service.
1	1.00		Customer Service Supervisor	
	-0.71		Various	Miscellaneous adjustment.
			North Plant Section	
1	1.50		Water Plant Laborer	Seasonal staffing needs increased to full time.
	-3.78		Various	Miscellaneous adjustment.
			Engineering Section	
-3	-2.00	-1.00	Civil Engineer III (X)	Reclassification.
3	1.32	1.59	Civil Engineer II (X)	
			Distribution Section	
	0.07	0.67	Various	Miscellaneous adjustment.
			Water Quality Section	
	-1.31		Various	Overtime hours are not represented as FTEs.
			South Plant Section	
1	0.25		Water System Operator (Auxiliary)	To cover temporary vacancy and reduce overtime.
	4.00		Various	
2	**-0.66**	**1.26**	**Totals**	

K. SEWER MAINTENANCE FUND

EXECUTIVE SUMMARY

MISSION: Protect people, property, and the environment from sewage, flooding, erosion, and polluted runoff.

OBJECTIVES: Improve surface water quality by eliminating sanitary sewer overflows while reducing the risk of property damage due to flooding and basement backups.

STRATEGIES: Reduce stormwater infiltration into sanitary sewer basins that the State of Wisconsin and Milwaukee Metropolitan Sewerage District have stipulated for correction.

Modernize the Supervisory Control and Data Acquisition (SCADA) system to reduce the risk of sewer pump malfunctions in the field.

Work with the DNR and other regional partners to develop a cost effective program of best management practices for reducing polluted stormwater runoff.

Continue to develop and implement a Capacity, Management, Operations, and Maintenance (CMOM) Program to govern operations.

BUDGET SUMMARY

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
PERSONNEL						
FTEs - Operations and Maintenance	89.75	113.80	106.54	106.54	-7.26	0.00
FTEs - Other	20.23	25.49	27.60	27.60	2.11	0.00
Total Positions Authorized	189	179	172	172	-7	0
EXPENDITURES						
Salaries and Wages	$4,694,508	$5,388,524	$4,831,447	$4,831,447	$-557,077	$0
Fringe Benefits	2,154,694	2,209,295	2,174,151	2,222,466	13,171	48,315
Operating Expenditures	9,520,506	6,284,000	5,354,000	5,262,000	-1,022,000	-92,000
Equipment	775,763	126,800	175,500	215,500	88,700	40,000
Special Funds	19,437,999	26,154,000	23,969,000	27,269,000	1,115,000	3,300,000
TOTAL	$36,583,470	$40,162,619	$36,504,098	$39,800,413	$-362,206	$3,296,315
Capital Projects	$19,502,394	$29,950,000	$34,100,000	$31,450,000	$1,500,000	$-2,650,000
TOTAL	$56,085,864	$70,112,619	$70,604,098	$71,250,413	$1,137,794	$646,315
REVENUES						
Sewer Maintenance Fee	$23,769,847	$25,382,000	$24,903,574	$26,617,000	$1,235,000	$1,713,426
Stormwater Maintenance Fee	12,771,655	12,600,000	12,770,000	13,622,400	1,022,400	852,400
Charges for Services	1,215,558	768,800	1,250,000	1,200,000	431,200	-50,000
Interest Revenue	413,959	290,000	370,300	370,300	80,300	0
Miscellaneous Revenue	0	5,000	0	0	-5,000	0
Proceeds from Borrowing	19,502,394	27,700,000	31,100,000	28,550,000	850,000	-2,550,000
Retained Earnings						0
(-Deposit/+Withdrawal)	-1,587,549	3,366,819	210,224	890,713	-2,476,106	680,489
TOTAL	$56,085,864	$70,112,619	$70,604,098	$71,250,413	$1,137,794	$646,315

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The regional sewer system is a critical contributor to the Administration's key goal to sustain, enhance and promote Milwaukee's natural environmental assets. The City of Milwaukee maintains a sewer system that transports sanitary sewage to Milwaukee Metropolitan Sewerage District (MMSD) facilities for treatment. By treating our wastewater before returning it to our rivers and Lake Michigan, our sewerage system reduces the risk of waterborne illnesses and protects water quality. The sewer system also plays a key role in protecting property by preventing flooding in the city. Additionally, new state regulations are placing more responsibility on municipalities for reducing pollution in stormwater.

Strategies and Milestones for 2009

Objective: Improve surface water quality by eliminating sanitary sewer overflows while reducing the risk of property damage due to flooding and basement backups.	
Strategies	**2009 Milestones**
Reduce stormwater infiltration into sanitary sewer basins that have been stipulated for correction by the State of Wisconsin and the Milwaukee Metropolitan Sewerage District (MMSD).	Inspect 5000 manholes for leaks and rehabilitate manholes as required by stipulation. Reduce or store excess flow in seven broken sewersheds between 2009 and 2013. Program at least 25% of the 2008 Relief and Relay Sewer Program to Stipulation, MMSD, or Lincoln Creek sewersheds.
Modernize the Supervisory Control And Data Acquisition (SCADA) system to reduce the risk of sewer pump malfunctions in the field.	Complete conversion of SCADA system to transmit on radio waves instead of copper wires to improve the reliability of the system.
Work with the DNR and other regional partners to develop a cost effective program of best management practices for reducing polluted stormwater runoff.	Add bioswales and green infrastructure to Destiny High School parking lot to control stormwater. Develop green infrastructure in the 30th Street Industrial corridor. Convert vegetated median strips into stormwater detention facilities. Identify and prepare sites to construct two wet detention ponds. Install stormwater treatment devices in 16 catch basins. Work with the DNR or state legislature to revise implementation of administrative rule NR 151.13 to allow more cost effective strategies for improving water quality.
Continue to develop and implement a Capacity, Management, Operations, and Maintenance (CMOM) Program to govern operations.	Develop and regularly report on key performance measures for both capital improvements and maintenance activities.

STRATEGY IMPLEMENTATION

The City of Milwaukee maintains 2,446 miles of public sewers, which connect to hundreds of miles of privately owned sewer laterals, the Milwaukee Metropolitan Sewerage District system, and sewer systems of surrounding communities. The integrated nature of the region's systems requires coordinated management strategies across the various stakeholders. Milwaukee's regional sewer system operates much more effectively than other major Great Lakes cities' as measured by the number of annual sewer overflows. However, a variety of mandates to make additional improvements is presenting additional challenges to Milwaukee and municipalities around the state.

The core purpose of a traditional sewer system are to deliver all sanitary sewer flows to treatment plants, eliminate surface flooding, and eliminate the risk of basement backups in homes. However, no sewer system, including Milwaukee's, is perfect. Leaky sewers and private laterals throughout the region, coupled with the increasing frequency of large storms, present enormous challenges. During large storms, when too much stormwater enters the sanitary and combined sewer system it must discharge stormwater and sewage (known as Sanitary System Overflows or SSOs) or basement backups will result.

Due to several occurrences of SSOs in the regional sewer system, the Milwaukee County Circuit Court in 2005 stipulated a variety of actions that 28 regional communities, including Milwaukee, must take to eliminate SSOs. These actions included identifying and correcting leaks in select sewer basins. In 2008, DPW conducted surveys of these sewer basins and inspected 4,605 manholes for leaks. The 2009 capital budget includes $3.7 million to continue these inspections, rehabilitate leaky manholes, and perform corrective actions on sewers to reduce stormwater flow into the sanitary sewer.

In addition to the State Stipulation agreement, MMSD recently completed its 2020 Facilities Plan. This plan also identifies other sewer basins in Milwaukee that require corrective action to reduce the infiltration and inflow (I&I) of stormwater.

June 2008 was the wettest month in Milwaukee's history, with 12.3 inches of rain compared to the June average of 3.6 inches. In 2008, the Mayor's Accountability in Management (AIM) process identified a concentration of sewer backup calls in the Lincoln Creek watershed from these storms. That area of the city received more rain than other parts. The Administration has directed DPW to examine approaches for reducing the risk of basement backups in that area, including targeting its capital relay program in part to that area. This area does have some overlap with the sewersheds identified by MMSD for corrective action. In 2009, at least 25% of the $24 million Relief and Relay Sewer Program is directed to Stipulation, MMSD, and Lincoln Creek sewersheds. The remainder will replace failing sewers throughout the city. Property owners also have an important role in reducing the risk of sewer overflows and basement backups by properly maintaining their sewer laterals.

The city maintains an objective of zero annual sanitary sewer overflows. However, as DPW and MMSD phase in larger system improvements over time, extremely large storms will trigger the system's bypass pumps to discharge effluent from the system to reduce the risk of costly basement backups in residents' homes. The 2009 capital budget includes $450,000 for rehabilitation of five bypass pumps. The capital budget also includes funding to modernize the Supervisory Control And Data Acquisition (SCADA) system to reduce the risk of sewer pump malfunctions in the field. This upgrade will allow SCADA to communicate pump problems to headquarters via radio waves instead of copper wire improve the reliability of the system.

In addition to reducing SSOs and basement backups, Milwaukee is now required under its stormwater permit to reduce polluted stormwater runoff. This unfunded mandate is codified in Wisconsin Administrative Code (NR 151.13). Since the code's adoption, complying with it has become drastically more expensive than originally stated by the Department of Natural Resources. DPW and the Department of Administration will be working with municipalities around the state to modify the DNR rules to make them more cost effective and the compliance timeline more reasonable.

The 2009 Sewer Maintenance Fund includes $2.7 million to fund Best Management Practices (BMPs) to reduce stormwater pollution. This includes $650,000 for "green" infrastructure improvements including adding bioswales to the Destiny High School parking lot, bioretention in the 30th Street Industrial Corridor, and converting vegetated median strips to stormwater treatment facilities. The Destiny High School parking lot was selected because greening the parking lot was identified as a "catalytic project" in DCD's Northwest Side Plan and will provide an opportunity to educate students about stormwater. Unfortunately, under the current DNR framework these types of projects do not receive as much credit to stormwater reduction goals as more traditional methods. The BMPs capital account also includes $2 million for wet detention ponds and other stormwater treatment devices.

In 2008, DPW also took action to eliminate bacteria from storm sewers draining to the Honey Creek. DPW spent approximately $1 million to replace and line sewers in the area. Recent tests taken by the Great Lakes Water Institute have not found bacteria.

FINANCING CHANGES

Stormwater Management Fee: In 2009, the Stormwater Management Fee will increase from $8 per quarter per Equivalent Residential Unit (ERU) to $8.60. All one to four unit residential properties are charged one ERU per quarter. Commercial properties are charged based on their actual estimated impervious surface (one ERU is equivalent to 1,610 square feet of impervious surface).

Sewer Maintenance Fee: In 2008, the rate will increase to $1.12 per one hundred cubic feet of water (CCF). As a result, the average residential bill, including the Stormwater Management Fee, will increase by approximately 8%.

Capital Financing: The Sewer Fund will attempt to use the State of Wisconsin's Clean Water Fund to finance some debt. The Clean Water Fund provides below market interest loans to communities to finance stormwater control projects. General Obligation (GO) debt will finance sewer capital projects that do not qualify for the Clean Water Fund. The Sewer Fund will then make payments to the city to cover the debt service. This financing strategy will save ratepayer's money, as clean water funding and General Obligation bonds have a lower interest rate than revenue bonds, and do not have other "reserve" requirements that increase costs. All 2009 capital appropriations in the Sewer Maintenance Fund are intended to finance projects and related DPW costs and do not include an appropriation for revenue bond reserves. In 2009, the city will cash finance $2.9 million in sewer capital to improve fund sustainability. This cash financing will cover the pump replacement projects, salary and fringe benefits associated with the design and project management of sewer capital projects, and manhole inspection projects.

Debt Fund Transfer: The 2009 proposed budget includes a $9.3 million transfer from the Sewer Maintenance Fund to the Debt Fund for sewer related GO debt service. The debt transfer is partially financed using retained earnings from prior years. Retained earnings will be gradually used over several years to reduce the need to increase sewer rates. In the interim, the Sewer Maintenance Fund will make changes to both revenues and expenditures to ensure the Fund's long term sustainability.

Payment to the General Fund: The Sewer Fund makes an annual payment to the General Fund to finance street sweeping and leaf collection services, provided by the Department of Public Works Operations Division. In 2009, this payment will remain at $5 million.

2009 Budget by Services (Funding in Millions)

Service	**Sewer System Services**	
Activities:	Sewer examinations, sewer cleaning, structure cleaning, structure repair, main repair, booster pump operation and maintenance, engineering and design, permit administration, and street sweeping.	
		2009 Projection
Performance Measures:	Total sewerage system miles.	2,446
	Miles replacement sewers installed.	17.00
	Sanitary sewer overflows.	0.0
	Miles of sanitary and combined sewers cleaned.	381
Funding by Source:	Sewer Maintenance Fund	$39.8
	Capital Budget	31.5
	Totals	**$71.3**

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1	-0.15	-0.85	Engineering Drafting Technician V	Unneeded vacant position.
	-2.25	2.25	Various	Water quality projects moved to capital funding.
-2	-1.90	-0.10	Sewer Laborer I	Efficiency due to more effective sewer cleaning equipment.
-1			Sewer Repair Crew Leader (Auxiliary)	Auxiliary position authority no longer needed.
-2			Sewer Crew Leader I (Auxiliary)	
-1			Sewer Mason (Auxiliary)	
	-2.96	0.81	Various	Experience adjustment.
-7	**-7.26**	**2.11**	**Totals**	

M. COUNTY DELINQUENT TAX FUND

EXECUTIVE SUMMARY

MISSION: Provide appropriation authority to purchase Milwaukee County delinquent property taxes.

OBJECTIVES: Provide a funding mechanism to purchase delinquent county property taxes without affecting the city's tax levy.

STRATEGIES: Return tax delinquent properties to the tax rolls and increase future city revenue.

SUMMARY OF EXPENDITURES

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
Purchase of Delinquent County Taxes	$12,002,314	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0
TOTAL	$12,002,314	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0

SOURCE OF FUNDS

	2007 ACTUAL EXPENDITURES	2008 ADOPTED BUDGET	2009 REQUESTED BUDGET	2009 PROPOSED BUDGET	CHANGE PROPOSED BUDGET VERSUS 2008 ADOPTED	CHANGE PROPOSED BUDGET VERSUS 2009 REQUESTED
County Delinquent Taxes Collected	$12,002,314	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0
TOTAL	$12,002,314	$10,329,620	$15,000,000	$15,000,000	$4,670,380	$0

In accordance with Sec. 74.83 Wis. Stats., the City of Milwaukee is authorized to enter into an agreement with Milwaukee County to purchase county delinquent personal property taxes and real estate tax certificates. The initial agreement was executed on December 18, 1987.

The authority to collect county delinquent property taxes enables the City Treasurer to consolidate the collection of delinquent taxes. Consolidation of the delinquent taxes provides a more efficient and effective tax collection administration by eliminating the burden of duplicate collections by the city and county.

The city purchases the county's delinquent personal property and real estate taxes at the close of the current tax collection period each February. In addition, the city also purchases the county's real estate taxes that become delinquent during the installment collection cycle each month. In effect, the city is acquiring an asset, delinquent county property taxes receivable, and generating revenue by keeping the interest and penalty charges collected on the delinquent taxes outstanding.

This account is the city's mechanism to purchase the county's delinquent property taxes. It is related to other delinquent tax collection efforts in the city debt budget.

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II. PROPOSED BORROWING AUTHORIZATIONS
General Obligation Bonds or Short Term Notes

		Reauthorization of 2008 Authority (1)(2)	New 2009 Authority	Total
A.	**Grants and Aids Projects** Specific purposes not contemplated at the time the budget was adopted			
1.	For public improvements authorized under section 62.11(5) for any of the purposes enumerated in section 67.05(5)(b).			
2.	For harbor improvements authorized under section 30.30.			
3.	For library improvements authorized under section 229.11 and 229.17.			
4.	For convention complex and exposition center improvements authorized under section 229.26.			
5.	For blight elimination, slum clearance, redevelopment, community development and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337 and 66.1105.			
6.	For developing sites for industry and commerce to expand the tax base as authorized under section 66.1101 and 66.1103.			
	Subtotal Grants and Aids Projects (Lines 1 to 6) (3).	$1,076,833	$300,000	$1,376,833
7.	Low interest mortgage loans under section 62.237.			
8.	For blight elimination, slum clearance, redevelopment, community development and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337 and 66.1105.			
9.	Parking lots or other parking facilities.			
10.	Housing public purpose under section 67.12(12).			
	Subtotal Grants and Aids Projects (Lines 7 to 10) (3).	$2,750,000	$400,000	$3,150,000
B.	**Renewal and Development Projects**			
1.	For providing financial assistance to blight elimination, slum clearance, redevelopment and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337 and 66.1105.			
	MEDC Loan Program.			
	Subtotal Renewal and Development Projects.	$14,214,778	$2,686,000	$16,900,778
C.	**Public Improvements**			
1.	Public buildings for housing machinery and equipment.	$40,160,575	$16,311,245	$56,471,820
2.	Harbor improvements.	2,477,146	1,400,000	3,877,146
3.	Parking facility improvements.	4,098,064	2,936,000	7,034,064
4.	Purchase of sites for and construction of engine houses, fire stations reconstruction, remodeling, planning, design and site acquisition.	6,462,564	2,807,500	9,270,064
5.	Police Department facility construction.	7,021,879	6,504,000	13,525,879
6.	Bridge and viaduct.	13,374,956	6,037,000	19,411,956
7.	Sewage disposal, sewer improvement and construction.	3,512,500	0	3,512,500
8.	Street improvements and construction.	32,865,929	25,120,000	57,985,929
9.	Parks and public grounds.	2,542,235	3,267,000	5,809,235
10.	Library improvements authorized under section 229.11 and 229.17.	2,854,190	4,144,000	6,998,190
	Subtotal General Obligation Bonds or Short Term Notes (Sections A through C).	$133,411,649	$71,912,745	$205,324,394
D.	**Contingent Borrowing**			
	Borrowing for a public purpose not contemplated at the time the budget was adopted.			
	Contingent borrowing.	$0	$110,000,000	$110,000,000
	Subtotal General Obligation Bonds or Short Term Notes.	$0	$110,000,000	$110,000,000
E.	**School Board Borrowing**			
1.	School purposes (A).	$2,000,000	$2,000,000	$4,000,000
2.	For school purposes authorized under section 119.498 and/or 66.1333.	0		0
	Subtotal General Obligation Bonds or Short Term Notes.	$2,000,000	$2,000,000	$4,000,000

	Reauthorization of 2008 Authority (1)(2)	New 2009 Authority	Total
F. Borrowing for Special Assessments			
1. To finance public improvements in anticipation of special assessments levied against property.			
2. General city.	$14,147,349	$150,300	$14,297,649
Subtotal General Obligation Bonds or Local Improvements Bonds.	$14,147,349	$150,300	$14,297,649
G. Tax Incremental Districts			
1. For paying project costs in accordance with project plans for Tax Incremental Districts.			
2. For providing financial assistance to urban renewal projects authorized under section 67.05(5)(b).	$140,310,308	$36,268,614	$176,578,922
Subtotal General Obligation Bonds, Short Term Notes or Revenue Bonds.	$140,310,308	$36,268,614	$176,578,922
H. Borrowing for Delinquent Taxes			
To finance general city purposes for anticipated delinquent taxes.	$0	$21,000,000	$21,000,000
Subtotal General Obligation Bonds or Short Term Notes.	$0	$21,000,000	$21,000,000
I. Revenue Anticipation Borrowing			
To borrow in anticipation of revenue in accordance with section 67.12 of the Wisconsin State Statutes.	$0	$350,000,000	$350,000,000
Subtotal General Obligation Bonds or Short Term Notes.	$0	$350,000,000	$350,000,000
J. Water Works Borrowing			
Water Works mortgage revenue bonds or general obligation bonds.	$12,500,000	$0	$12,500,000
Subtotal Revenue Bonds or General Obligation Bonds.	$12,500,000	$0	$12,500,000
K. Sewer Maintenance Fund Borrowing			
Sewer Maintenance Fund revenue bonds or general obligation bonds including prior years.	$57,518,648	$28,550,000	$86,068,648
Subtotal Revenue Bonds or General Obligation Bonds.	$57,518,648	$28,550,000	$86,068,648
Total General Obligation Bonds or Short Term Notes	$359,887,954	$619,881,659	$979,769,613

(1) Reauthorization of Prior Unused Borrowing Authority:

It is the intent of such reauthorization to expressly authorize the issuance and sale of such obligations (either bonds or notes) as set forth in this borrowing section of the budget, for the purposes and amounts enumerated herein. Such carryover borrowing (reauthorization of prior unused borrowing authority) is also reflected in the capital budget for informational purposes but such amounts are excluded from the capital budget totals to avoid duplication.

(2) Bond authorizations included and approved by the Common Council in the preceding municipal budget and further approved by the adoption of a resolution of intent are herein continued and are deemed to be with the same force and effect as though they had been specifically enumerated, both as to purpose and amount in this municipal budget.

(3) The purpose of this borrowing is to provide funds in connection with projects undertaken by the city with federal or other financial assistance. Expenditures shall be made only after adoption of a Common Council resolution adopted in accordance with Common Council Resolution File 66-1893 as amended.

(A) Design plans for any alteration to building exteriors and interiors shall be reviewed and approved by the city.

III. CLARIFICATION OF INTENT

Employee Fringe Benefits

Employee fringe benefit costs are allocated to operating and capital budgets on an estimated basis for informational purposes only. Such estimated expenditures are 100% appropriation offset for operating budgets and 100% revenue offset for the capital budget to avoid any impact on the city's tax levy. Actual fringe benefit costs, such as health care benefits, life insurance, and pensions, are budgeted separately in non-departmental accounts, which are funded from the property tax levy.

The amount included in each departmental (or budgetary control unit) operating budget on the line entitled "Estimated Employee Fringe Benefits" is subject to adjustment by unilateral action of the City Comptroller, during the budget year, if the actual rate charged against salaries paid is at variance with the estimated rate used in calculating the budgeted amount.

Departmental Salary Appropriations

Department net salary and wage appropriations reflect current wage rates and expenditures and are limited to these amounts. Funding of future salary increases from the Wages Supplement Fund will be restricted to wage settlements only. These transfers must be pre-approved by the Budget and Management Director.

Footnotes

Section 18-06-12 of the Milwaukee City Charter states that the adoption of the budget shall be the authority for the expenditure by a department for the purposes therein provided and of the amounts assigned to the department thereby and no further action by the Common Council shall be necessary to authorize any department to make such expenditures. The City Attorney has advised that footnotes contained in the line item budget are informational only and not controlling over expenditures unless a corresponding resolution specifying the footnote's intent is also adopted by the Common Council.

POSITIONS ORDINANCE AND SALARY ORDINANCE

The Positions Ordinance and the Salary Ordinance for the city may be obtained from the City Clerk's Office upon request. They therefore have not been included in this publication.

TAX LEVY TO RATE CONVERSION TABLE

sessed Value Used in Conversion Calculation as of September 15, 2008: $29,385,592,382

Tax Rate Per $1,000 of Assessed Valuation	Levy Change	Levy Change	Tax Rate Per $1,000 of Assessed Valuation
$0.01	$293,856	$5,000	$0.00
$0.05	$1,469,280	$10,000	$0.00
$0.10	$2,938,559	$50,000	$0.00
$0.25	$7,346,398	$100,000	$0.00
$0.50	$14,692,796	$500,000	$0.02
$1.00	$29,385,592	$1,000,000	$0.03

Formula for deriving tax rate per $1,000 of assessed value from known assessed value and levy:

$$\text{TAX RATE} = \frac{\text{TAX LEVY}}{\text{ASSESSED VALUE}/1{,}000}$$

Formula for deriving levy from known rate and assessed value:

TAX LEVY = TAX RATE x (ASSESSED VALUE/1,000)

Formula for deriving assessed value from known rate and levy:

ASSESSED VALUE = (TAX LEVY/TAX RATE) x 1,000

Note: Results are Approximate Due to Rounding