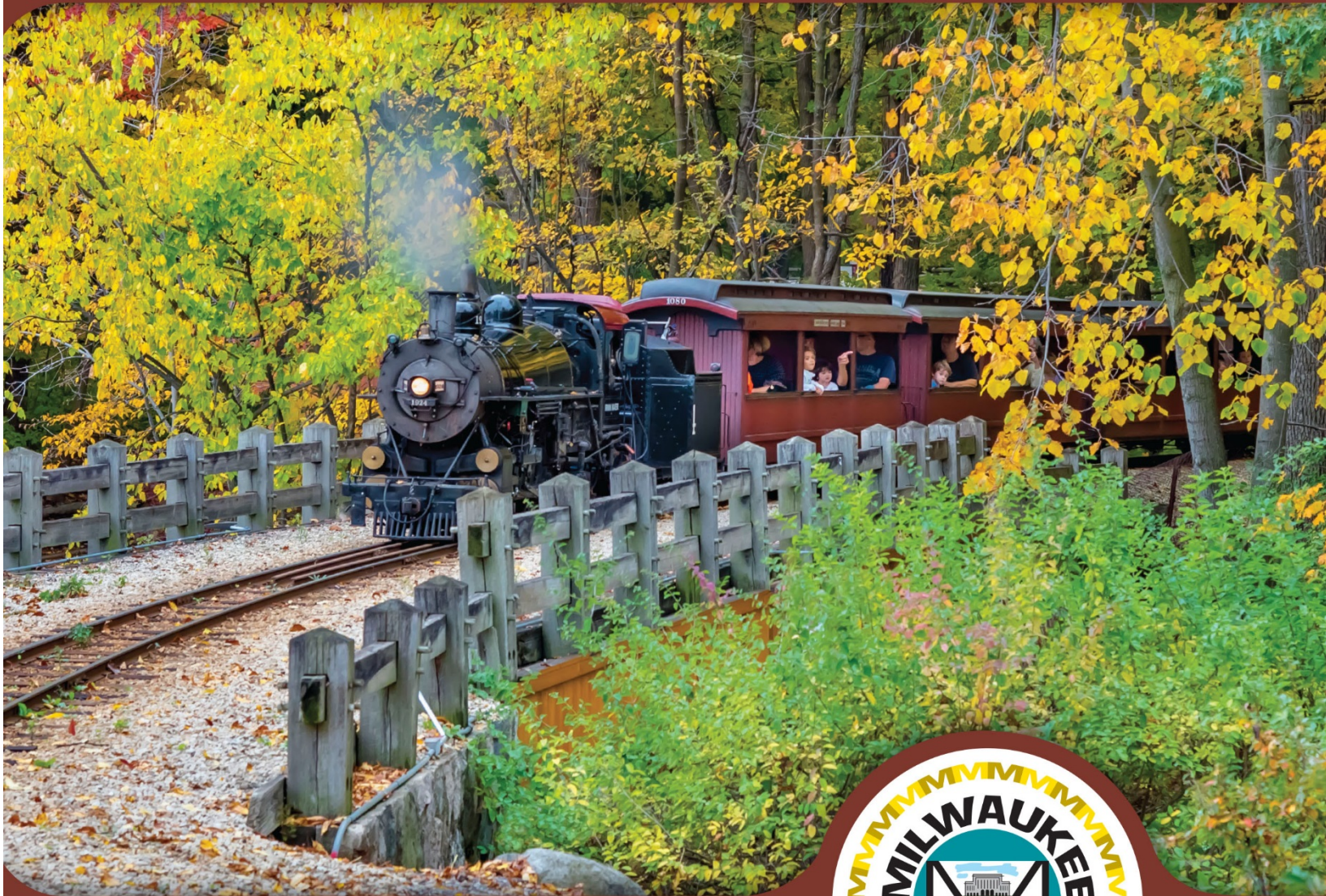


# OVERVIEW OF THE MILWAUKEE COUNTY 2019 RECOMMENDED BUDGET



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## COUNTY OF MILWAUKEE INTER-OFFICE COMMUNICATION

DATE : October 5, 2018  
FROM : Comptroller Research Services Staff  
SUBJECT: **Overview of County Executive's 2019 Recommended Budget**

Attached is the Comptroller Research Services Staff's overview of the County Executive's 2019 Recommended Budget. This overview consists of the following four sections:

1. Section 1 is a **General Overview** of the Recommended Budget
2. Section 2 shows **Tax Levy Changes** for each Organizational Unit, comparing the 2019 Recommended Budget with the 2018 Adopted Budget.
3. Section 3 provides a summary of **Major Changes**, proposed by the County Executive in the 2019 Recommended Budget.
4. Section 4 is the **Capital Improvements** section, which summarizes the capital improvement projects proposed by the County Executive.

This overview serves as an initial analysis to highlight major policy and budget changes proposed by the County Executive and is intended to assist interested parties in their understanding of the budget. The Committee on Finance and Audit will begin its formal review of all budgets as a full committee beginning October 8<sup>th</sup> at 9:00 a.m.

Please note that although changes in departmental appropriations and revenues are generally clear, the corresponding impact on programs and services is not always apparent.

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# SECTION 1—GENERAL OVERVIEW

## SUMMARY ANALYSIS

The months leading up to the 2019 Recommended Budget have been dramatically different than the adoption and implementation of the 2018 Recommended Budget. Last year the County Executive proposed a \$30 increase in the vehicle registration fee (VRF) which was rejected by the County Board. Instead, the Board took steps to adopt a budget without the new VRF revenue and included \$3.7 million in unspecified across-the-board spending cuts – the impact of which were debated through the spring. A renewed spirit of cooperation amongst policymakers has emerged since the early summer as the prospect of another challenging budget loomed with the general consensus that the County has few alternatives to meet its ongoing budget and growing deferred maintenance needs.

During the unveiling of the County Executive’s 2019 Recommended Budget at a recent Committee of the Whole, County Supervisors passed a resolution to establish a “Fair Deal for Milwaukee Workgroup” (File No. 18-751) “to identify viable solutions that work for both the State of Wisconsin and Milwaukee County in furtherance of their shared prosperity.” The County Executive pledged to sign the resolution upon adoption so recommendations can be developed in time for the next state budget cycle. The cooperative nature signals that the County Board and County Executive may be moving closer to having a shared legislative agenda to secure resources for Milwaukee County.

The VRF, a point of contention during the budget debate last year, remains unchanged at \$30. An advisory referendum in 2017 resulted in overwhelming opposition to a \$60 VRF, although there are no other alternatives for County policymakers to raise such significant revenues without State legislative action. The desire, it would appear, is to pursue a more comprehensive reform of the County’s revenue challenges.

While it was widely signaled that the County Executive would not increase the VRF to balance the 2019 budget, it may be somewhat of a welcome surprise that the steps taken to close the budget shortfall, estimated at \$22.4 million, are less drastic than one might expect. Aided by lower healthcare and pension costs, modest contributions from reserves, and squeezing departmental budgets without noticeably impacting programs and services, the 2019 Recommended Budget is largely a status quo budget. This assessment about the proposed budget, as well as the need to obtain a new “fair deal” with the State, was stated by the County Executive in his budget message: “While this budget provides only a temporary stopgap, the partnerships the County has developed have well positioned us to seek changes with the State.”

The risk, of course, is that the State-County funding relationship is not reformed before the 2020 Budget. The County will be forced to grapple with another budget gap of \$20 million or more and a seemingly insurmountable backlog of deferred maintenance (especially in the Parks) and large building projects such as a new criminal courthouse or Medical Examiner’s Office on the horizon.

The dialogue and information sharing between the County Executive’s Administration and the County Board on the development of the 2019 Recommended Budget is evidenced by the two budget updates (File No. 18-24) provided to the Committee on Finance and Audit in July and September. This rare look as the budget took shape afforded Supervisors an

opportunity for input, along with numerous public budget hearings held by the County Executive throughout the County.

The County has made considerable progress to reduce its structural deficit, but the challenge becomes greater each passing year as it will be more difficult to wring additional savings out of employee wage and fringe benefit costs or departmental budgets without significant cuts to programs and services. Options still available to the County to bridge the structural deficit are service limitations, continued deferral of maintenance, and proposing further increases to charges for services. As policymakers consider the budget, they should carefully review which programs and services should be eliminated or reduced in the future if additional revenues do not materialize. With DHHS-BHD tax levy controlled by the County Executive and Mental Health Board, the remaining tax levy is heavy with public safety (e.g. jails) and mandated programs and services that may be difficult to reduce. The “discretionary” tax levy is dominated with quality of life programming, such as Parks, Zoo, and cultural institutions which are highly valued by the public.

While the 2019 Recommended Budget may not include any hot-button issues such as a proposed increase in the VRF, or proposals to charge for parking at the lakefront or County parkways, policymakers will want to focus on several initiatives recommended by the County Executive, that are outlined later in this section, including:

- The use of \$7.6 million from Reserves and “one-time” funds to help balance the operating budget. (See page 11)
- Projects related to the Milwaukee Regional Medical Center (MRMC), such as Bus Rapid Transit, Forensic Science Center, Water Utility, and future disposition of the Behavior Health Complex. (See page 12 and Section 4 for more information)
- Transit route reductions and targeted fare increases to maintain most transit services. (See Section 3)
- The County’s efforts to begin building a Secure Residential Care Center for Children and Youth (SRCCCY) after the passage of Wisconsin Act 185 in 2017. (See Section 3)

## THE ANNUAL BUDGET GAP

Policymakers are aware of the annual budget gap as detailed each year in the five-year fiscal forecast provided by the Office of the Comptroller. While the forecast is an estimate of the projected budget gap, the true gap is discovered in preparing the annual budget. The budget gap for 2019, as calculated by the Department of Administrative Services – Performance, Budget and Strategy (DAS-PSB), and reviewed by the Office of the Comptroller, is approximately \$22.4 million. In the chart provided by DAS-PSB below, major changes to expenditures and revenues that were utilized to close the gap should assist policymakers in understanding how the spending plan for next year was assembled. Please note that the list below is not meant to be a complete list of all expenditure/revenue changes, but rather some of the key ones that helped shape the Recommended Budget. Many of the departmental budget savings (shown as a \$13.9 million savings below) are outlined in Section 3 – Major Changes.

## 2019 Budget Gap Drivers

(Amounts in millions)

<u>Item</u>	<u>Amount</u>
<b>Starting Budget Gap</b>	
Operating Budget Gap	\$17.0
Capital Cash Financing Gap	<u>\$5.4</u>
<b>Total Estimated Budget Gap</b>	<b>\$22.4</b>
<b>Closing the Budget Gap - Major Adjustments</b>	
<b>Tax Levy Savings</b>	
New Online Sales Tax Collections	(\$1.7)
Investment (non-pension) Revenue Increase	(\$1.5)
Use of BHD Reserves	(\$2.0)
Use of Debt Service Reserve	(\$3.9)
Law Enforcement Grant (for 911 calls)	(\$0.5)
Unallocated Contingency Reduction	(\$1.0)
Departmental Tax Levy Savings	(\$13.9)
<b>Tax Levy Costs</b>	
MRMC & Water Utility Land Sale Tax Levy Impact	\$0.8
Fire Charge (County Grounds) Uncollectable	\$0.9
New Positions (\$0.2) & IMSD Business Intelligence (\$0.3)	<u>\$0.5</u>
<b>Total Adjustments</b>	<b>\$22.4</b>

Note: These are major changes and do not reflect all budget changes.

### FIVE-YEAR FINANCIAL FORECAST

In September 2018, the Comptroller issued an annual report regarding the County's five-year financial forecast. The goal of the State-mandated report is to develop a consensus of the County's fiscal status and future outlook as well as help promote a more data-driven decision-making process that comports with the forecast. The report indicated that the County faced an *estimated* structural deficit (shortfall) of \$21.8 million for 2019 with the gap growing to \$79.8 million in 2023 if no permanent fixes were made. In summary, the County's expenditures are growing faster (2.3 percent) than the anticipated revenue (0.9 percent) available to pay for them.

To the extent that the County makes permanent fixes, as opposed to using *one-time* expenditure or revenue changes, the following year's structural deficit will be reduced. For example, if permanent fixes solve the 2019 projected shortfall, then the projected shortfall for 2020 would be \$10.5 million, not the \$33.9 million that is currently projected.

Policymakers should keep in mind the type of fixes that are made to annual budgets (one-time or permanent) with an eye on the challenges that lay in the years ahead so that thoughtful planning can be made to address the projected shortfalls. The 2019 Recommended Budget addresses a significant portion of the budget shortfall by making departmental expenditure cuts, which will make it more difficult in subsequent budgets to close the structural deficit because the reductions are likely to be permanent. The use of reserves or other "one-time" funds will make the budget gap even more challenging in future years.

## USE OF DEBT SERVICE RESERVE FUND

The 2019 Recommended Budget proposes to use \$3.85 million from the Debt Service Reserve (DSR) to balance the budget. The *projected* balance in the Debt Service Reserve at the end of 2018 will be \$27.4 million. It should be noted that contributions from the Debt Service Reserve reduce tax levy funding requirements. The County earmarks sales tax revenues to pay debt service costs, so surplus sales tax revenues can be used to cash-finance capital projects and then to offset the general operating budget. The use of reserves is considered a "one-time" use of funds and does not reduce the County's structural deficit for future years. The chart below outlines the recent history of the Debt Service Reserve and the projected impact on using \$3.85 million in 2018 to fund the budget.

**Debt Service Reserve Recent Activity & Projection**

		<b>Outflows</b>	<b>Inflows</b>
Balance As of December 31, 2016			\$44,481,241
	2017		
2017 Budget Contribution	Budget	(\$6,750,000)	
Kinnickinnic Parkway (Lake Park Ravine)	17-117	(\$430,000)	
Clarke Square Pavilion	17-375	(\$91,145)	
Unspent Bonds Transfers to Capital Projects	17-483	(\$1,853,468)	
Bid Premium/Surplus Bond Transfer - Refunding Bond Contribution	17-662	(\$713,100)	
Bond Sale Surplus Bonds/Net Premium	17-198		\$2,406,067
Carryover Surplus Bonds	18-311		\$3,689,420
Projected Balance as of December 31, 2017			\$40,739,015
	2018		
2018 Budget Contribution	Budget	(\$6,554,710)	
Carryover Adjustment	18-311	(\$16,719)	
Oak Creek Parkway	18-282	(\$1,074,992)	
Zoo New Entry Complex	18-311	(\$325,000)	
Carryover Bond Reallocation- Reduce 2018 Bond Issuances	18-398	(\$2,397,471)	
Carryover Bond Reallocation- Apply Funds Towards 2018 Refundings	18-398	(\$773,331)	
Carryover Bond Reallocation- Cathedral Square Playground	18-398	(\$185,000)	
Carryover Bond Reallocation- Menomonee River Streambank	18-398	(\$35,000)	
Unspent Bonds to Reduce 2018 Issuances	18-210	(\$1,463,796)	
Bid Premium/Surplus Bonds - Apply funds towards 2018 Refunding	18-517	(\$533,467)	
Projected Balance as of December 31, 2018			\$27,379,529
2019 CEX Rec Budget Contribution		(\$3,854,104)	
Projected Balance as of December 31, 2019			\$23,525,425



## BUDGET FISCAL SYNOPSIS

The 2019 Budget calls for total expenditures of \$1,187,626,700, an increase of \$38,665,214, or 3.37 percent, compared to the 2018 Adopted County Budget. The recommended property tax levy is \$294,128,329, an increase of \$1,300,000 or 0.44 percent, from the 2018 levy. The recommended tax levy is comprised of two components: debt service levy of \$34,510,437 and operating levy of \$259,617,892. The recommended tax levy is \$295,102 under the estimated tax levy cap, and perhaps as much as \$951,040 under if other factors are considered. (See Tax Levy Cap below)

The Recommended Budget allocates \$124,444,736 in expenditures for capital improvements with \$31.2 million for the airport and \$93.2 million for general government. General obligation bonding is \$43.6 million and is approximately \$7,000 under the self-imposed bonding cap.

## TAX LEVY CAP

The Office of the Comptroller recently issued a memo outlining the estimated tax levy limits for 2019. The calculations have been updated to reflect the County Executive's 2019 Recommended Budget. The estimated tax levy limit for 2019 is an increase of \$1,595,102 or 0.54 percent. The County Executive is recommending a tax levy of \$294,128,329, which is an increase of \$1,300,000 or 0.44 percent. This amount is \$295,102 under the tax levy limit.

In addition to the \$1,595,102 tax levy increase limit noted above, an additional \$655,938 is available under the carryforward provision in Wis. Stat. 66.0602 (3)(fm). Claiming the carryforward requires approval by a 2/3 majority vote of the governing body, and the amount of general obligation debt outstanding in the year the carryforward is claimed must be less than the amount of general debt outstanding in the prior year. Adding the carryover amount to the 2019 amount above, the total amount available is \$2,251,040, or 0.77 percent.

New for 2019, the County must reduce its levy to reflect the receipt of Personal Property Aid, which is anticipated to be \$1,616,781. The net impact of the Personal Property Aid revenue and the levy limit decrease is \$0.

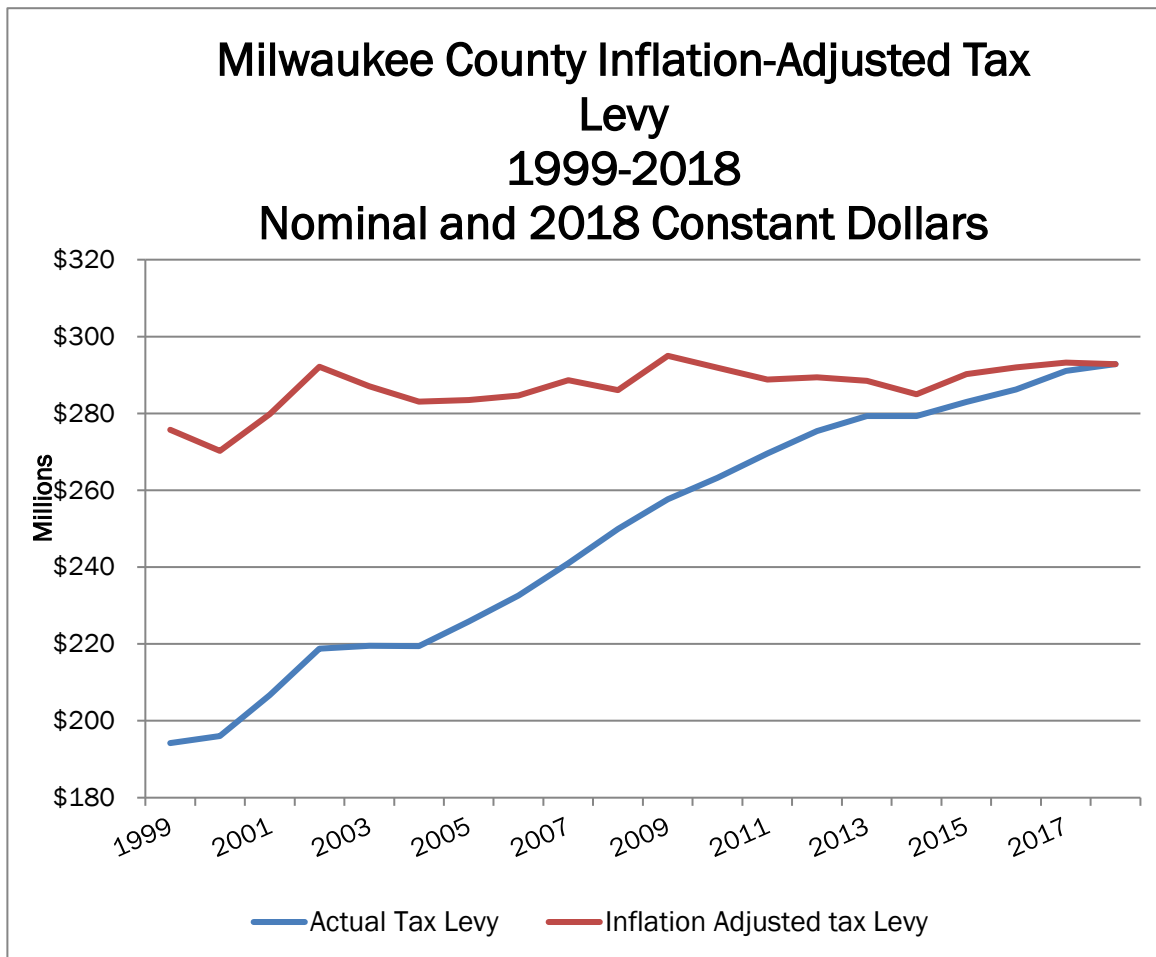
In addition to this limit, the County may separately levy for its County-wide Emergency Medical Services (EMS) program. The 2019 Recommended Budget includes tax levy of \$2,651,209 for Emergency Medical Services. In the 2018 Budget, the County used \$3,022,140 of the EMS exclusion by levying separately for this item. Since the proposed levy for EMS is \$370,931 below the amount excluded last year, the County must reduce its allowable levy by the same amount. In past years the County operated with the understanding that the amount levied for the Federated Library System (\$66,650) was also excluded from the allowable tax levy limit. The Department of Revenue has informed the County that the exemption is only available to counties with a population less than 750,000.

The levy limit will change as modifications are made throughout the budget process. Most significantly, the 2018 bond sales that have occurred in September and will occur in October will impact the levy limit by changing the required debt service amounts for the

2018 bonds. The changes may reduce the 2019 principal and interest amounts, which would reduce the County's levy limit. Since the County is very close to its 2019 levy limit, an amendment may be necessary to reduce the debt service budget amounts should the actual debt service amounts be less than what is included in the 2019 Recommended Budget. The Office of the Comptroller will provide the updated 2019 debt service amounts after the final sales occur.

[Tax Levy History](#)

The average increase in the County property tax levy since 1999 is 2.2 percent per year. Through 2018<sup>1</sup>, the average annual inflation since 1999 has been 1.9 percent. The following chart shows the changes in the tax levy from 1999 through 2018 as adjusted for inflation:



**BUDGET NARRATIVE CHANGES**

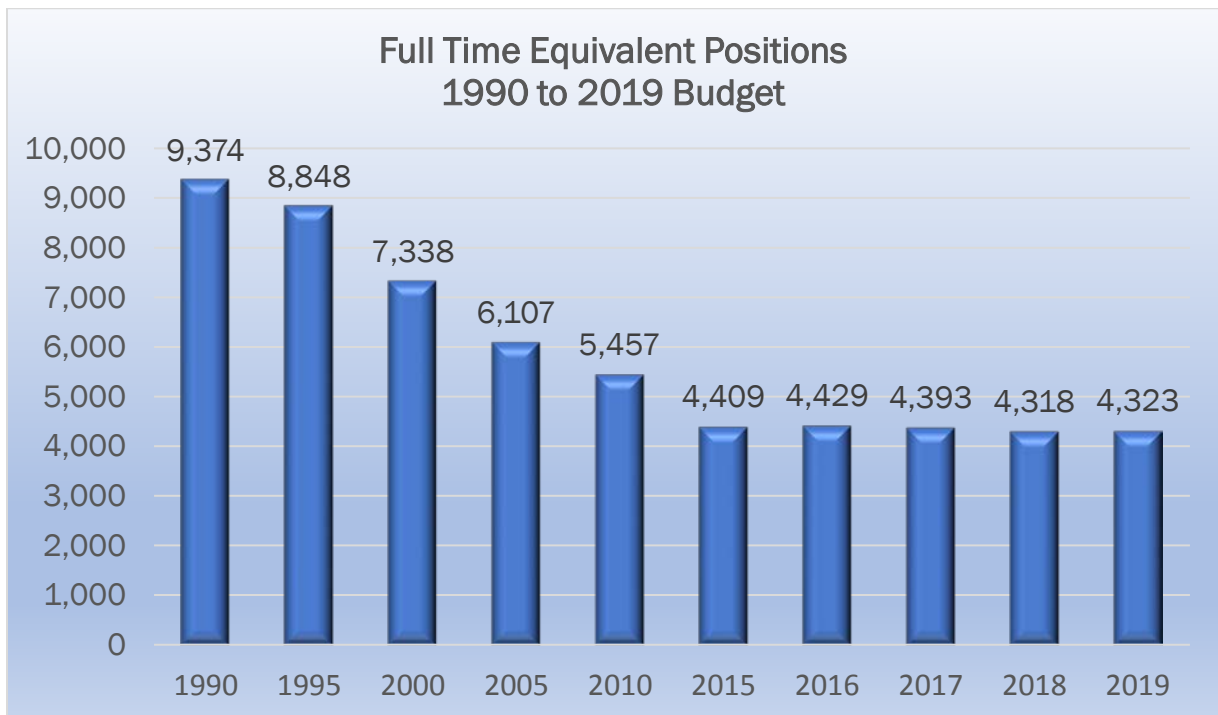
The format of the 2019 Recommended Budget has changed to include more narrative related to departmental changes, but position summary tables have been removed. The tables provide information on the number of each type of position and any changes for the subsequent year based on current year actions or new proposals. The Administration

<sup>1</sup> The 2018 inflation figure is based on annualizing the CPI-U figure based on data through June 30, 2018.

provided a series of personnel related reports that provide this information in even greater detail but are separate from the budget narrative document.

## FUNDED FULL-TIME POSITIONS

The 2019 Recommended Budget includes 4,322.5 funded FTEs, an increase of 4.9 from the 2018 Adopted Budget. The FTE count is net of position creations, abolishments, and unfunding. The Department of Administrative Services reported to Research Services staff that besides a few positions “at-risk” of layoff due to grant funding expiration, two filled Assistant Administrative positions in DHHS are scheduled to be abolished. Several positions in the DHHS – Behavioral Health Division may be “at-risk” as well, most notably the conversion of 75 Certified Nursing Assistant positions to Advanced Nurse Prescribers. The chart below provides a historical summary of the number of FTEs within the County since 1990.



## MAJOR INITIATIVES

### Use of Reserves and One-Time Funds

The 2019 recommended budget uses some reserve funds and “one-time” funds to mitigate the need to make deeper cuts to programs and services. These include:

- \$3.9 million from the Debt Service Reserve (DSR). This reflects a reduction of \$2.7 million from the \$6.6 million draw from the DSR in the 2018 adopted budget.
- \$2 million from the Department of Health and Human Services – Behavioral Health Division’s (DHHS-BHD) operational reserve to reduce the amount of tax levy required to operate the division in 2019.

- \$1.7 million used by Milwaukee County Transit System, including \$1.15 million reduction in anticipated Workers Compensation and Injury Damages liability and \$561,355 reduction in the reserve for unredeemed (paper) tickets.

Although the contribution from the Debt Service Reserve is less than in 2018, the DSR is typically funded through annual surpluses that exceed the expected surplus of \$5 million. However, the County did not achieve a surplus exceeding \$5 million in 2017, so no funds were transferred to the Debt Service Reserve. It is projected that the DSR will have a balance of \$23.5 million at the end of 2019. The DSR's balance at the end of 2016 was \$44.5 million. For DHHS-BHD, the County Executive and Mental Health Board establish the tax levy for mental health services. The reserves established by state statute for BHD have been growing (see chart on page 53) due to annual surpluses. The use of one-time funds for Transit include a more aggressive estimate for their Worker's Compensation claims for next year. This liability is based on actuarial guidance of actual claims. The use of \$561,355 in reserves for unredeemed paper tickets empties most of that reserve as the Transit System has migrated to M-Card for electronic ticketing.

### Projects Related to the Milwaukee Regional Medical Center (MRMC)

There are a few initiatives in the budget that are directly or partially related to the six partners of the Milwaukee Regional Medical Center (MRMC), whose members include:

- The Blood Center of Wisconsin
- Curative Care
- Children's Hospital of Wisconsin
- Froedtert and the Medical College of Wisconsin
- Medical College of Wisconsin
- Milwaukee County Behavioral Health

These include Capital Improvement Projects WT083 - Bus Rapid Transit, WC214 - Forensic Science Center – Phase 1, and the sale of portions of the Mental Health Complex. It is understood that the Administration will be soon furnishing reports to the County Board providing more information related to the interconnectedness of these projects as it relates to financing and infrastructure improvements.

### Employee Compensation and Fringe Benefits

Perhaps the greatest challenge for County Executives in recent decades is management of rising active and retired employee fringe benefit costs while ensuring take-home pay remains competitive enough to fill vacancies with qualified personnel. The key to the 2019 Recommended Budget's avoidance of even deeper cuts to programs and services were pension and health tax levy costs, which *decreased* by approximately \$1 million compared to the 2018 Adopted Budget. The factors allowing for this adjustment include a projected surplus in health care for 2018 (allowing the base costs for 2019 to be lowered) and pension funding requirements that are essentially flat due to higher than expected investment returns in 2017. The health and dental care budget for 2019 assumes a five percent increase in medical costs and a 10 percent expense increase in pharmaceutical costs based on the 2018 *projected actual* costs.

The 2019 Recommended Budget includes modest pay raises of less than the rate of inflation, funds to correct pay equity issues and to recognize excellent performance, and

monies to increase correctional officer pay mid-year to help recruit and retain staff. The budget funds the one percent raise authorized in mid-2018 for most employees for all of 2019. In addition, the 2019 Budget includes a proposed one percent raise for employees effective on the June 16, 2019 Pay Period. On top of the one percent raise, departmental budgets include \$1.6 million to adjust salary for performance based increases, equity increases, market adjustments, reallocations, and retention based increases. This amount reflects the annualized amount of the \$400,000 provided in the fourth quarter of 2018 to departments. In addition to the \$1.6 million in merit pay funding, another appropriation of \$1.5 million is provided to departments for salary adjustments beginning mid-year 2019. The goal is to use these monies primarily for equity adjustments, although a formal policy has yet to be adopted.

A proposed new compensation system to migrate from the pay “step” model to a pay range with no steps has been a topic of discussion, but no changes have been adopted. No monies are provided for “step” increases under the current pay structure, although some employees may be advanced to a higher step in the range if they qualify for an equity (or other type of compensation increase noted above) adjustment with the funds provided above. The chart below outlines the merit pay monies provided to departments for 2018 and proposed for 2019. Finally, \$500,000 is allocated to the House of Correction (\$250,000) and the Sheriff (\$250,000) for midyear correctional officer pay increases. The specific wage increase proposal for correctional officers has not been finalized. According to data provided by the Department of Human Resources, annual turnover rates for correctional officers has averaged 27 to 32 percent between 2016 and 2018.

<u>Org. #</u>	<u>Name</u>	<u>2018 Adopted</u>	<u>2019 CEX REC.</u>
1000	County Board	\$0	\$0
1011	County Executive - General Office	\$1,335	\$10,680
1021	County Executive - Veterans Service	\$254	\$2,032
1020	County Executive Office of IGR	\$354	\$2,832
1090	Office on African American Affairs	\$639	\$5,112
1120	Personnel Review Board	\$411	\$3,288
1130	Corporation Counsel	\$3,765	\$30,120
1140	Department of Human Resources	\$8,170	\$65,360
1150	DAS - Risk Management	\$1,148	\$9,184
1151	DAS - Fiscal Affairs	\$28,427	\$227,416
1160	DAS - Information Management Services	\$8,029	\$64,232
2000	Combined Court Related Operations	\$34,180	\$273,440
2900	Alternatives to Incarceration	\$317	\$2,536
2430	Department of Child Support Services	\$15,659	\$125,272
4000	Office of the Sheriff	\$40,698	\$325,584
4300	House of Correction	\$36,177	\$289,416
4500	District Attorney	\$17,234	\$137,872
4800	Emergency Management	\$6,943	\$55,544
4900	Medical Examiner	\$5,659	\$45,272
3010	Election Commission	\$432	\$3,456
3090	County Treasurer	\$800	\$6,400
3270	County Clerk	\$1,338	\$10,704
3400	Register of Deeds	\$2,567	\$20,536
3700	Office of the Comptroller	\$8,556	\$68,448
5040	Airport	\$27,980	\$223,840
5070	DTPW - Transportation Services	\$0	\$0
5100	Highway Maintenance	\$16,034	\$128,272
5300	Fleet Management	\$3,846	\$30,768
5800	Transportation Director's Office	\$1,634	\$13,072
6300	DHHS - Behavioral Health Division	\$39,761	\$360,548
7900	Department on Aging	\$9,480	\$75,840
8000	Dept of Health & Human Services	\$36,804	\$130,371
9000	Department of Parks, Recreation & Culture	\$26,829	\$214,632
9500	Zoological Department	\$14,440	\$114,536
9910	UW Extension	\$100	\$2,274
	<b>TOTALS:</b>	<b>\$400,000</b>	<b>\$3,078,889</b>

The pension contribution for most employees remains at 6.5 percent of pay, while public safety contributions are subject to collective bargaining, but are expected to rise to 9.5 percent. The employee monthly healthcare and dental premiums contributions remain unchanged as shown in the chart below. In-network deductibles remain unchanged, as well as office visit co-pays. Out-of-network deductibles are increased by \$250 for each of the four tiers as these were not changed when the in-network deductibles increased in 2018. This change will save approximately \$30,000. One other change is an increase of \$300, from \$200, to \$500 for emergency room (ER) visit co-pays. This co-pay is waived if the patient is admitted to the hospital, the same as 2018. This change is expected to change participant behavior and help reduce ongoing costs.

Dental benefits are proposed to be consolidated into one plan under Delta Dental, the Preferred Provider Option (PPO) and eliminate the contract with Care Plus which operates the Dental Maintenance Option (DMO) using Dental Associates. According to the Employee Benefits Director, Dental Associates has recently become a preferred provider under the PPO and there is no need to purchase an insured dental option. The County is self-insured under the PPO plan like most of its employee medical coverage. Where there are differences in benefit coverages, the PPO would change to provide benefits that are most generous to the employee. It is estimated that 99 percent of participants would not have to disrupt their current dental provider to participate in the consolidated dental plan. The consolidation of the two dental plans into one does not have a budgetary impact.

The flexible spending account (FSA) contribution is retained in the Recommended Budget as the County would match a participant's contribution \$1 to \$1 up to a maximum of \$1,000. Therefore, if a participant contributed \$1,000 to their FSA, the County would match \$1,000 for a total of \$2,000 to pay eligible medical expenses. The chart on the following page outlines the proposed healthcare benefits for 2019.

2019 Recommended Budget  
**Summary of Benefits Changes**

High-level Summary of Medical Plan Coverage:

	2018 Plan	2019 Plan
<b>In Network Annual Deductible</b>	Single: \$1,250 EE + Child(ren) \$1,500 EE + Spouse \$2,250 EE + Family \$2,500	Single: \$1,250 EE + Child(ren) \$1,500 EE + Spouse \$2,250 EE + Family \$2,500
<b>Office Visits</b>	\$30 Copay/\$40 Specialist	\$30 Copay/\$40 Specialist
<b>Inpatient Hospital</b>	20% Coinsurance	20% Coinsurance
<b>Outpatient Surgery</b>	20% Coinsurance	20% Coinsurance
<b>Emergency Room</b>	\$200 Copay	<b>\$500 Copay</b>
<b>Preventive Services</b>	100% Coverage	100% Coverage
<b>Medical Out-of-Pocket Maximum</b>	In Network: \$3,000 Single \$6,000 Family	In Network: \$3,000 Single \$6,000 Family
<b>Pharmacy Copay</b>	<b>Retail</b> Tier 1: \$10 Tier 2: \$30 Tier 3: \$50  <b>Mail Order</b> Tier 1: \$25 Tier 2: \$75 Tier 3: \$125	<b>Retail</b> Tier 1: \$10 Tier 2: \$30 Tier 3: \$50  <b>Mail Order</b> Tier 1: \$25 Tier 2: \$75 Tier 3: \$125
<b>Pharmacy Out-of-Pocket Maximum</b>	Single: \$2,000 Family: \$4,000	Single: \$2,000 Family: \$4,000

**Dental Plan Coverage:** Consolidate into one.  
 PPO Plan (No DMO) with same benefits as 2018.  
 PPO benefits, where applicable, will be increased to match DMO coverages.

**Wellness Plan:** No change from 2018.

**Flexible Spending Accounts:** The County will match employee contributions \$1 to \$1 up to a maximum of \$1,000. Same as 2018.



**Life Insurance:** No change from 2018.

**Sick, Vacation, Holiday:** No change from 2018.

**Active Employee Monthly Premiums Contributions:**

Monthly Employee Medical Premium Contributions				
	2018 Base Premium	2019 Base Premium	2018 with Wellness Credit	2019 with Wellness Credit
<b>Single</b>	\$138	\$138	\$97	\$97
<b>EE + Child(ren)</b>	\$193	\$193	\$143	\$143
<b>EE + Spouse</b>	\$276	\$276	\$226	\$226
<b>Family</b>	\$304	\$304	\$254	\$254
Monthly Employee Dental Premium Contributions				
	Delta Dental (traditional plan)		Dental Associates (DMO)	
	2018	2019	2018	2019
<b>Single</b>	\$25	\$25	\$20	n/a
<b>EE + Child(ren)</b>	\$50	\$50	\$45	n/a
<b>EE + Spouse</b>	\$50	\$50	\$45	n/a
<b>Family</b>	\$50	\$50	\$45	n/a

- Premium deductions will be taken from all 26 pay periods.
- Premium rates will vary for public safety employees.

**CAPITAL IMPROVEMENTS PROGRAM**

The Recommended Budget allocates \$124.4 million in expenditures for capital improvements, with \$31.2 million for the airport and \$93.2 million for general government. These expenditures will require \$79.9 million to be partly financed with: \$43.6 million in general obligation bonds, \$10.8 million in sales tax revenues (cash), and \$24.8 million in Airport Passenger Facility Charges (PFC)/Airport Reserve revenues. See the financing chart below. The 2019 Recommended Capital Improvements Program allocates funding for 52 new projects; 16 airport and 36 non-airport projects.

Notable non-airport projects include \$31 million in expenditures for Bus Rapid Transit (BRT) to complete the \$53.5 million project, \$13.4 million for the Underwater Hippo Exhibit at the Zoo, \$6.9 to complete the Enterprise Platform Modernization project, and \$13.4 million to purchase 27 forty-foot replacement buses. Major Airport projects include physical access control system upgrades (\$5.5 million), terminal building roof and skylight replacement (\$3.6 million), and ticketing area remodeling (\$3.5 million). An appropriation of \$940,262 in sales tax revenues are provided for Phase 1 of the Forensic Science Center for the Medical Examiner to co-locate near the Medical College of Wisconsin (MCW) in leased space to be built by MCW. It should be pointed out that Phase 2 of the Forensic Science Center project is currently on the five-year plan in 2020 with a cost of \$23.8 million.

No revenues anticipated from the existing \$30 County Vehicle Registration Fee are used to help cash finance capital improvement projects. (These revenues are used to offset eligible transportation expenses in the operating budget). Excluding Airport projects, cash financing accounts for \$11.5 million of the \$55.1 in County Capital commitments, or 21

percent. This exceeds the County’s goal of 20 percent cash financing of capital improvement projects.

A summary of the financing of the 2019 Capital Improvement Program is as follows:

<b>CAPITAL FINANCING SUMMARY</b>			
	<b>Non-Airport</b>	<b>Airport</b>	<b>Combined</b>
<b>Total Number of Projects</b>	36	16	52
<b>Total Expenditures</b>	\$93,247,097	\$31,197,639	\$124,444,736
<b>Total Reimbursement Revenues</b>	<u>\$24,533,952</u>	<u>\$6,444,165</u>	<u>\$30,978,117</u>
<b>Net County Financing</b>	<b>\$55,095,566</b>	<b>\$24,753,474</b>	<b>\$79,849,040</b>
<i>Financed as follows:</i>			
General Obligation Bonds	\$43,619,074	\$0	\$43,619,074
Property Tax Levy	\$125,000	\$0	\$125,000
Sales Tax Revenue (cash financing)	\$10,781,492	\$0	\$10,781,492
Misc. Revenue (computer reserve)	\$570,000	\$0	\$570,000
Vehicle Registration Fee	\$0	\$0	\$0
PFC Backed Airport Bonds	\$0	\$0	\$0
Passenger Facility Charges (PFC)	\$0	\$11,565,775	\$11,565,775
Airport Capital Improvements Reserve	<u>\$0</u>	<u>\$13,187,699</u>	<u>\$13,187,699</u>
<b>Total Financing</b>	<b>\$55,095,566</b>	<b>\$24,753,474</b>	<b>\$79,849,040</b>

### Capital Improvements Committee

The 2013 Adopted Budget included the creation of the Capital Improvement Committee (CIC) to help analyze and rank requested capital improvement projects and develop a five-year plan for capital expenditures. The CIC is comprised of County elected officials, staff, and representatives from local municipalities. The recommendations are not binding on the County Executive or County Board but help develop a capital improvement project approval process that is based on in-depth analysis and quantifiable scoring.

At its meeting on August 30, 2018, the CIC approved a recommended five-year Capital Improvement Plan (CIP) to the County Executive and County Board of Supervisors. A summary of that plan, including differences to the 2019 Recommended Capital Improvements Plan, can be found at the end of Section 4.

### BONDING LIMITS

In 2003, the County Board adopted a change in the County’s debt management goal in conjunction with the major debt restructuring to restrict future borrowing. In effect, this policy limited 2005-2007 borrowing to an increase of no more than \$1 million over the

previous year's corporate purpose bond amount. In addition, the corporate purpose bond amount for 2008 would be set at a not-to-exceed amount of \$30 million, and future not-to-exceed amounts would increase by 3 percent over the previous year's bond amount. Due to the accelerated capital program in 2009 and 2010 to take advantage of lower interest rates through the Federal Stimulus' Build America Bond program, no additional bonding authority was available in 2011 and 2012 under the County's self-imposed limits.

The self-imposed bonding limit for 2019 is \$43,625,968. A total of \$43,619,074 of general obligation bonding is included in the 2019 Recommended Capital Improvements Budget, or \$6,894 under the limit.

Remaining sections of this Overview present a more detailed explanation of tax levy changes, major budget changes, and capital improvement projects.

## SECTION 2—TAX LEVY CHANGES

<u>Unit</u>	<u>Org. Name</u>	<u>2018 Adopted</u>	<u>2019 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
<b>DEPARTMENTAL</b>					
<i><b>Legislative &amp; Executive</b></i>					
1000	County Board	\$1,155,522	\$1,176,513	\$20,991	1.82%
1011	County Exec. - General Office	\$571,298	\$822,139	\$250,841	43.91%
1020	County Exec. - Intergovernmental Relations	\$221,870	\$229,582	\$7,712	3.48%
1021	County Exec. - Veterans Service	\$197,023	\$187,304	\$(9,719)	-4.93%
<i>Legislative &amp; Executive Subtotal</i>		\$2,145,713	\$2,415,538	\$269,825	12.58%
<i><b>Staff Agencies</b></i>					
1090	Office on African American Affairs*	\$629,694	\$749,633	\$119,939	19.05%
1120	Personnel Review Brd /Civil Service Comm	\$278,478	\$274,681	\$(3,797)	-1.36%
1130	Corporation Counsel	\$867,430	\$946,454	\$79,024	9.11%
1140	Human Resources	\$3,819,398	\$3,980,123	\$160,725	4.21%
<i>Staff Agencies Subtotal</i>		\$5,595,000	\$5,950,891	\$355,891	6.36%
<i><b>Staff Agencies-Consolidated DAS</b></i>					
1019	DAS - Office For Persons with Disabilities	\$524,359	\$526,966	\$2,607	0.50%
1150	DAS - Risk Management	\$11,532,936	\$11,565,137	\$32,201	0.28%
1185B	DAS - Fiscal Affairs	\$722,378	\$1,428,264	\$705,886	97.72%
1186B	DAS- Performance, Strategy & Budget	\$656,800	\$827,698	\$170,898	26.02%
1152	DAS - Procurement Division	\$607,331	\$587,074	\$(20,257)	-3.34%
1040	DAS - Community Business Dev. Partners	\$577,934	\$559,524	\$(18,410)	-3.19%
1160	DAS - Information Mgt Services Division	\$13,006,676	\$12,908,006	\$(98,670)	-0.76%
1168B	DAS-IMSD Central Purchases	\$7,598,056	\$7,491,055	\$(107,001)	-1.41%
1192	DAS - Economic Development	\$704,375	\$494,137	\$(210,238)	-29.85%
7990	DAS- Department of Family Care	-	-	-	0.00%
5500	DAS - Water Utility	-	-	-	0.00%
5700	DAS - Facilities Management	\$11,641,477	\$12,342,577	\$701,100	6.02%
<i>Consolidated DAS Subtotal</i>		\$47,572,322	\$48,730,438	\$1,158,116	2.43%

**General Government**

3010	Election Commission	\$554,978	\$450,507	\$(104,471)	-18.82%
3090	County Treasurer	\$(5,200,827)	\$(6,419,908)	\$(1,219,081)	-23.44%
3270	County Clerk	\$255,095	\$327,405	\$72,310	28.35%
3400	Register of Deeds	\$(2,973,013)	\$(3,160,994)	\$(187,981)	-6.32%
3700	Office of the Comptroller	\$3,900,659	\$4,084,798	\$184,139	4.72%

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*General Government Subtotal*                    \$ (3,463,108)      \$ (4,718,192)                    \$ (1,255,084)                    36.24%

**Courts & Judiciary**

2000	Combined Court Related Operations	\$15,093,884	\$16,673,857	\$1,579,973	10.47%
2900	Courts - Pre-Trial Services	\$4,549,972	\$4,553,631	\$3,659	0.08%
2430	Department of Child Support Services	\$2,097,273	\$1,983,897	\$(113,376)	-5.41%

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*Courts & Judiciary Subtotal*                    \$ 21,741,129      \$ 23,211,385                    \$ 1,470,256                    6.76%

**Public Safety**

4000	Office of the Sheriff	\$32,820,000	\$34,942,892	\$2,122,892	6.47%
4300	House of Correction	\$37,209,062	\$37,972,952	\$763,890	2.05%
4500	District Attorney	\$5,839,835	\$6,210,626	\$370,791	6.35%
4800	Emergency Management	\$5,969,796	\$5,959,104	\$(10,692)	-0.18%
4900	Medical Examiner	\$1,351,561	\$1,350,489	\$(1,072)	-0.08%

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*Public Safety Subtotal*                    \$ 83,190,254      \$ 86,436,063                    \$ 3,245,809                    3.90%

**Public Works and Transportation**

5040	DOT - Airport	-	-	-	0.00%
5070	DTPW - Transportation Services	-	\$278,641	\$278,641	100.00%
5100	DOT - Highway Maintenance	\$(74,808)	-	\$74,808	-100.00%
5300	DOT - Fleet Maintenance	\$(1,032,976)	\$(716,024)	\$316,952	30.68%
5600	Milwaukee County Transit/Paratransit Sys.	\$9,929,566	\$8,750,977	\$(1,178,589)	-11.87%
5800	DOT - Director's Office	\$(6,901)	-	\$6,901	0.00%

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*Public Works and Transportation Subtotal*                    \$ 8,814,881      \$ 8,313,594                    \$ (501,287)                    -5.69%

**Health and Human Services**

6300	DHHS - Behavioral Health Division	\$58,636,816	\$57,131,392	\$(1,505,424)	-2.57%
7900	Department on Aging	\$1,851,028	\$2,701,840	\$850,812	45.96%
8000	Dept. of Health and Human Services	\$11,020,949	\$31,018,935	\$19,997,986	181.45%

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*Health & Human Services Subtotal*                    \$ 71,508,793      \$ 90,852,167                    \$ 19,343,374                    27.05%

**Recreation & Culture**

9000	Parks, Recreation and Culture	\$12,495,689	\$15,702,484	\$3,206,795	25.66%
9500	Zoological Dept.	\$(829,064)	\$(665,022)	\$164,042	-19.79%
9910	University Extension Service	\$395,834	\$349,318	\$(46,516)	-11.75%

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<i>Recreation &amp; Culture Subtotal</i>		\$12,062,459	\$15,386,780	\$3,324,321	27.56%
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**Cultural Contributions**

1908	Milwaukee Cty. Historical Society	\$258,105	\$258,105	-	0.00%
1914	War Memorial Center	\$486,000	\$486,000	-	0.00%
1915	Villa Terrace/Charles Allis Museums	\$225,108	\$225,108	-	0.00%
1916	Marcus Center for the Performing Arts	\$850,000	\$800,000	\$(50,000)	-5.88%
1917	Milwaukee Art Museum	\$1,290,000	\$1,290,000	-	100.00%
1900	Federated Library System	\$66,650	\$66,650	-	0.00%
1900	Fund for the Arts	\$407,825	\$407,825	-	0.00%
9700	Public Museum	\$3,500,000	\$3,500,000	-	0.00%

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<i>Cultural Contributions Subtotal</i>		\$7,083,688	\$7,033,688	\$(50,000)	-0.71%
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**Debt Service**

9960	General County Debt Service	\$30,671,593	\$34,510,437	\$3,838,844	12.52%
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<i>Debt Service Subtotal</i>		\$30,671,593	\$34,510,437	\$3,838,844	12.52%
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**Capital Improvements**

	Capital Improvements - Exp 1200-1876	\$250,000	\$125,000	\$(125,000)	-50.00%
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*\*Allocated from County Sales Tax Revenue*

<i>Capital Improvements Subtotal</i>		\$250,000	\$125,000	\$(125,000)	-50.00%
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**NON-DEPARTMENTAL****Revenues**

1901	Unclaimed Money	-	\$(1,250,000)	\$(1,250,000)	100%
1902	State Personal Property Aid	-	\$(1,616,781)	\$(1,616,781)	100%
1933	Land Sales	-	\$(4,307,378)	\$(4,307,378)	0.00%
1937	Potawatomi Allocation	\$4,184,628	\$862,000	\$5,046,628	120.60%
1993	State Shared Taxes	\$(31,259,289)	\$(31,259,289)	-	0.00%
1994	State Exempt Computer Aid	\$(5,008,256)	\$(5,108,421)	\$(100,165)	2.00%
1995	Milwaukee Bucks Sports Arena	\$4,000,000	\$4,000,000	-	
1996	County Sales Tax Revenue	\$(70,881,788)	\$(68,014,546)	\$2,867,242	4.05%
1998	Surplus from Prior Year	\$(5,000,000)	\$(4,798,000)	\$202,000	4.04%
1999	Other Misc. Revenue	\$(100,000)	\$(25,000)	\$75,000	75.00%

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<i>Non Departmental Revenues Subtotal</i>		\$(112,433,961)	\$(111,517,415)	\$916,546	0.82%
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**Expenditures**

1913	Civil Air Patrol	\$11,000	\$11,500	\$500	4.55%
1921	Human Resource and Payroll System	\$1,968,000	\$1,905,975	\$(62,025)	-3.15%
1930	Internal Service Abatement	-	-	-	0.00%
1935	Charges to Other County Depts.	\$(6,095,572)	\$(7,014,501)	\$(918,929)	-15.08%
1945	Appropriation - Contingencies	\$7,424,732	\$5,000,000	\$(2,424,732)	-32.66%
1950	Employee Fringe Benefits	\$124,332,215	-	#####	100.00%
1951	Centralized Active Fringe	-	\$98,426,807	\$98,426,807	
1961	Litigation Reserve Account	\$526,899	\$526,899	-	0.00%
1971	Centralized Crosscharges	\$(8,510,522)	\$(8,056,377)	\$454,145	100.00%
1972	Wage and Benefit Modification	\$1,751,600	-	\$(1,751,600)	-100.00%
1975	Law Enforcement Grants	\$501,288	-	\$(501,288)	-100.00%
1985	Capital Outlay/Depreciation Contra	\$(3,837,674)	\$(3,419,547)	\$418,127	10.90%
1987	Debt Issue Expense	-	-	-	0.00%

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<i>Non Departmental Expenditures Subtotal</i>		\$118,071,966	\$87,380,756	\$(30,691,210)	25.99%
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**Expendable Trust Funds**

700	BHD Expendable Trust Fund	\$17,600	\$17,200	\$(400)	100.00%
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<i>Expendable Trust Funds Subtotal</i>		\$17,600	\$17,200	\$(400)	100.00%
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<b>GRAND TOTAL DEBT SERVICE</b>		\$30,671,593	\$34,510,437	\$3,838,844	12.52%
<b>GRAND TOTAL OPERATING PURPOSE</b>		\$374,590,697	\$371,135,308	\$(3,455,389)	-0.92%
<b>GRAND TOTAL REVENUES</b>		\$(112,433,961)	\$(111,517,415)	\$916,546	0.82%
<b>GRAND TOTAL</b>		\$292,828,329	\$294,128,329	\$1,300,000	0.44%

## SECTION 3—MAJOR CHANGES

### LEGISLATIVE & EXECUTIVE

#### 1000 County Board of Supervisors

Under 2013 Wisconsin Act 14, expenditures for the County Board are limited to a maximum of 0.4 percent of the County levy, with limited exceptions for other expenses. With the County Executive's proposed increase in the tax levy, the Act 14 cap is \$1,176,513. The amount in the 2018 Budget is at this cap. For each additional \$1,000,000 in the levy, the cap for Board expenditures increases an additional \$4,000.

#### 1011 County Executive—General Office

The County Executive – General Office budget for 2019 maintains nine FTE positions. The 2018 Adopted Budget included a vacancy and turnover (salary reduction) of approximately \$203,000. This reduction resulted in funding of only 73.5 percent of authorized positions. For 2019, the vacancy and turnover is eliminated to provide full funding for all nine positions.

#### 1020 County Executive—Office of Government Affairs

This office represents the interests of Milwaukee County at all levels of government and with nonprofits and the private sector. The office is authorized to have two positions although one is unfunded for 2019. Funds are included in contractual services to procure services for a second position.

#### 1021 County Executive—Veteran's Services

Service and staffing levels remain the same in 2019. The Veterans' Services Department will have access to data on service members returning from active duties via the State of Wisconsin's Database on Service Members. This will allow Veterans' Services greater access to notify service members of their potential eligibility for veteran's benefits.

The Needy Veteran's Fund is reduced from \$40,000 to \$30,000 to reflect actual spending. The Needy Veteran's Fund provides emergency financial aid to veterans and their families for housing, security deposits for homeless veterans moving into independent living, and burial assistance for indigent veterans.



## GENERAL GOVERNMENT FUNCTION

### 3090 Office of the County Treasurer

The 2019 Recommended Budget for the County Treasurer includes 8.50 budgeted positions, the same as the 2018 Adopted Budget.

Total revenue increases by \$1,261,361 primarily due to an anticipated increase of \$1.8 million in investment revenues. The return on investment is projected to increase to 1.9 percent from 1.29 percent. Expenditures for outside investment consulting services remains at \$300,000.

A process change included in the 2017 Recommended Budget was to discontinue the budgeting of interest earnings revenue in individual capital improvement budgets. Instead, the Comptroller will process an administrative appropriation transfer to adjust the Earnings on Investments budget and the individual capital budgets based on actual earnings and unspent bond amounts. This will also be shown in the presentation of projects in the Capital Improvements Budget.

### 3270 Office of the County Clerk & Election Commission

Staffing and service levels remain the same in the County Clerk's office for 2019. Revenues are expected to decrease due to the elimination of Domestic Partnerships in the State of Wisconsin. As a result, the Clerk's office will not process Domestic Partnership Declarations.

\$15,000 is budgeted in 2019 to continue the opt-in program that notifies citizens, via text-messaging and/or e-mail, of upcoming elections. There are two elections scheduled for 2019: the Spring Primary and the Spring General.

### 3400 Office of the Register of Deeds

The 2019 budget maintains service levels. There are no major changes to Vital Statistics, Document Examination, Cashier Services, and Tax Listing program areas. The department abolished one supervisor position in Document Indexing and transferred one GIS Analyst position to the Land Information Office (LIO) in the Department of Administrative Services (DAS). As a result of this change, along with the improvement of document indexing efficiencies and an increase in real estate transfer fee revenue, the department reports a savings of \$187,000. In 2014 the Land Records Modernization Service area was transferred to DAS and one position remained with Register of Deeds (ROD) that was crosscharged to DAS. That service area is eliminated from ROD in 2019.

### 3700 Office of the Comptroller

The Office of the Comptroller was created in 2012 in accordance with State Statute 59.255. The elected Comptroller maintains Milwaukee County's accounting books, monitors and reports on budget versus actual fiscal results, prepares annual financial reports of the government, and analyzes proposals for the use of County funds. The

Comptroller serves as the County's Chief Financial Officer and therefore administers the payroll functions as well.

The 2019 Recommended Budget creates two Senior Accountant positions offset with the abolishment of one Accountant position. One of the new positions is needed to manage Governmental Accounting Standards Board (GASB) requirements.

## ADMINISTRATIVE FUNCTION

### 1090 Office on African American Affairs

The Office of African American Affairs (OAAA) was established in 2016 (File No. 15-636) to address racial inequalities in Milwaukee by working with County departments and community stakeholders. The department is working toward improving equitable services and the promotion of equal opportunities for African Americans.

The recommended budget for 2019 has an effective tax levy of \$749,633 and maintains all existing positions. Expenditures for 2019 increase by \$120,000 due to an increase of commodities and service charges, which include building office rental, contractual services, and travel costs.

In 2019 the department will work on developing a racial equity plan that includes countywide racial equity training. The OAAA reports that the data and feedback it receives from the racial equity trainings will be used to implement a “best practices” racial equity plan that can be utilized countywide for budgetary, legislative, and operational decisions and needs.

### 1120 Personnel Review Board, Civil Service Commission, and Ethics Board

Staffing and service levels remain the same. The Ethics Board is partnering with IMSD to continue working on the online filing system for Statements of Economic Interest (SEI's). The Board projects the electronic filing process will be easier for required filers and increase the ratio of SEI's filed versus those required filers who fail to file.

### 1130 Corporation Counsel

The staffing level for 2019 remains unchanged. In addition, OCC reduced its operating costs by \$68,000 based on actual experience. This included a reduction in legal fees budgeted for departments in need of outside legal counsel.

### 1140 Department of Human Resources

The 2019 Recommended Budget for the Department of Human Resources creates one new position of Recruitment Representative and funds two additional positions in Retirement Plan Services that were authorized earlier in 2018 (File No. 18-138). Funds are also provided for the cost to reclass seven positions, which occurred in 2018. One position each of Coordinator Diversity and Inclusion and Outward Facing Recruiter are abolished to help offset the cost of the position actions. Overall, the “effective” tax levy support for Human Resources increases by \$35,669 to \$3,207,719.

### Agency 115—Department of Administrative Services (DAS)

The Department of Administrative Services (DAS) previously presented the various divisions as separate organizational units. Beginning in 2015, the Budget placed each of

these organizational units under Agency 115. A listing of the divisions under DAS includes:

- Community Business Development Partners (Org. 1040)
- Procurement (Org. 1152)
- IMSD Central Purchases (Org. 1168)
- Fiscal Affairs (Org. 1185)
- Administrative Group (Org. 1186) (DAS Central Business Office)
- Economic Development Real Estate Services (Org. 1192)
- Facilities Management (Org. 5700)
- Water Distribution System (Org. 5500)
- Risk Management (Org. 1150)
- (Note: Office for Persons with Disabilities (Org. 1019) moved to Facilities Management)

## 1156/1186 DAS—Administration and Business Office

The 2019 Budget will be the fourth year since a new DAS Business Office (Central Business Office “CBO”) was created to assist the other DAS Divisions and provide a more seamless and consolidated view of the department. The CBO will focus on web site administration as one Digital Coordinator position is created to handle duties previously provided by contracted services.

## 1152 DAS—Procurement Division

The Procurement Division remains at eight FTE positions in 2019. The Division will focus on the implementation of a new procurement module as part of the Enterprise Resource Planning (ERP) project.

## 1040 DAS—Community Business Development Partners

This office administers the County’s Targeted, Small and Disadvantaged Business Enterprise (TBE/DBE) programs pursuant to federal regulations and county ordinances. In 2019 the CBBDP division intends to use the County’s new Enterprise Resource Planning (ERP) software and Business 2 Government Now (B2G Now) to streamline reporting and analysis of TBE/DBE participation. CBBDP will meet with various County departments to establish realistic goals for departments’ contracts for TBE/DBE participation.

For 2019, the budget continues to fund seven FTE, but makes some cuts in departmental accounts.

## 1185 DAS—Fiscal Affairs

Fiscal Affairs includes ten positions in the Office of Performance, Strategy and Budget (DAS-PSB). DAS-PSB focuses on long-range fiscal service, strategic development and budget development. The focus in 2019 will be the implementation of a new countywide Enterprise Resource Program (ERP) to help consolidate fiscal and human resource programs, including the replacement of Advantage, the County’s fiscal system. This will also include a replacement for the BRASS budgeting application. Two positions are

transferred from other divisions and a Continuous Improvement Manager is funded at a net cost of \$99,168.

## 1160 DAS—Information Management Services Division

The DAS-IMSD Division is part of the combined DAS department with portions of its budget in the General Fund, while the remainder is an Internal Service Fund. Services provided to the Behavioral Health Division are still directly charged. Overall, tax levy decreases by approximately \$101,000 to \$13.3 million. A reduction of almost \$700,000 in debt and depreciation allows IMSD to cover other departmental costs, including a \$458,559 increase in outside professional services and funding for six previously unfunded positions. A total of \$1.3 million in new investment in IMSD is highlighted for 2019, including an offset by increased cross charges to other departments and debt and depreciation savings.

DAS-IMSD will continue to assist in the deployment of a new Enterprise Resource Planning (ERP) system that will allow for the discontinuation of the Mainframe and focusing on risk mitigation by using hosted services.

It should be noted that capital funding was pared back for the telephone and voice mail replacement last year but provided in the 2019 Recommended Capital Improvement Budget. Other capital improvement projects include the ERP (\$6.9 million) and Phase 1 of the Computer Replacement initiative to migrate out of Windows 7.

## 5700 DAS—Facilities Management

### Director's Office

Manages the Department of Administrative Service's Facilities Management Division (DAS-FMD). 2019 changes include:

- The Office's expenditures of \$146,266 in 2019 are entirely cross-charged to other units of DAS-FMD and the Water Utility.
- One FTE Administrative Assistant is moved to Facilities Operations & Maintenance.

### Architecture & Engineering

This division plans, designs, and monitors various County projects including at General Mitchell International Airport, civil engineering projects, and surveying. In 2019 the division will strive to improve efficiencies and outcomes.

### Environmental Services

Provides technical expertise toward making County projects environmentally sustainable. Since 2018, this division ensures County departments comply with local, state, and federal environmental planning requirements.

Before 2017 this division reviewed all capital and significant maintenance projects for energy efficiency and sustainability.

### Office of Sustainability

One FTE Energy Efficiency Program Manager position will be created in 2019 for this division. In 2019, the Office of Sustainability will do the following for County projects:

- Reduce energy costs
- Reduce greenhouse gas emissions
- Improve solid waste tracking
- Improve solid waste diversion rate
- Promote sustainable design and construction

### Facilities Operations & Maintenance

This division manages the County's properties at the Courthouse Complex, the Office of the Medical Examiner, the Coggs Human Services Center, the Children's Adolescent Treatment Center, the Vel Philips Justice Center, and Facilities West. Changes in 2019 include:

- Rolling out the countywide computerized maintenance management system, CityWorks
- The division will begin removing its operations from the County Grounds as the County prepares for land sales to Milwaukee Regional Medical Center members
- One FTE Administrative Assistant position is moved from the Office of the Director

## 5500 DAS—Water Distribution System

The County has been continuing negotiations with the Milwaukee Regional Medical Center and City of Wauwatosa regarding the sale of the Water Utility. The administration anticipates transfer of ownership between the fourth quarter of 2018 and first quarter of 2019.

The 2019 Recommended Budget subsequently plans on increasing the tax levy toward the Water Utility by approximately \$773,285. \$370,000 is from ceasing cross charges and \$450,000 is from lost revenue gained from Milwaukee Regional Medical Center tenants. However, the levy would decrease by around \$47,015 due to a reduction in maintenance and utility costs that will be borne by Medical Center members.

## 1150 DAS—Risk Management

DAS-Risk Management is an internal service fund that charges its expenses to other County departments. Risk Management is moving towards a centralized safety management model to oversee safety programs, policies and claims investigation. In 2019, the division will be pushing a subrogation process to help recover all third-party monies owed to the County due to accidents, claims, and losses. The overall budget is similar to the 2018 Adopted spending plan.

## 1191 DAS—Economic Development/Real Estate Services

The Economic Development Division manages economic development initiatives and real estate services, both leasing County properties and selling properties primarily seized via tax foreclosure. In the 2019 budget DAS-ED will cease funding Employ Milwaukee, but will maintain membership in several organizations, monitor compliance on real estate and redevelopment projects, follow the County’s partnership programs, collaborate with the other County services wherever possible, and negotiate the sale of Milwaukee Regional Medical Complex (MRMC) land while also finding a new home for the Offices of the Medical Examiner and Emergency Management. Milwaukee County may lose \$50,000 in cell tower revenue with the sale of the land at the MRMC. Negotiations are ongoing, but the revenue is included in DAS-ED’s 2019 Budget.

### Milwaukee County’s Partnership Programs:

- **Milwaukee Economic Development Corporation (MEDC)**—Small business loans
- **Property Assessed Clean Energy (PACE)**—Finance for water and energy efficiency and for renewable energy sources
- **Near West Side Partners**—Economic Development Grants

Milwaukee County Dues Paid via Department of Economic Development	
Organization	Dues
East Wisconsin RR Co.	\$25,000
Visit Milwaukee	\$25,000
Milwaukee Workforce Funding Alliance	\$10,000
Milwaukee 7	\$10,000
ACTS Housing	\$5,000
International Economic Development Council (IEDC)	\$2,000
Wisconsin Economic Development Association (WEDA)	\$2,000
BizStarts	\$2,000
CEOs for Cities	\$1,500
Wisconsin Policy Forum	\$1,155
Urban Economic Development Association of Wisconsin (UEDA)	\$350
<b>TOTAL</b>	<b>\$84,005</b>

## 1151 DAS—Office for Persons with Disabilities Division

Wil-O-Way rental fees will increase during both peak season (May-September) and non-peak season (October-April) per four-hour rental as outlined in the tables below:

Four Hour Rental Peak Season (May through September)			
Rental Type	2018 Fee	2019 Proposed Fee	Total Increase
Milwaukee County Residents	\$365	\$440	\$75
Non-Milwaukee County Residents	\$465	\$550	\$85
Disability Related Organizations	\$245	\$300	\$55
Wil-O-Way Key Card Member	\$245	\$300	\$55
Additional Hours	\$95	\$110	\$15

Four Hour Rental Non-Peak Season (October through April)			
Rental Type	2018 Fee	2019 Proposed Fee	Total Increase
Milwaukee County Residents	\$305	\$360	\$55
Non-Milwaukee County Residents	\$410	\$475	\$65
Disability Related Organizations	\$210	\$250	\$40
Wil-O-Way Key Card Member	\$210	\$250	\$40
Additional Hours	\$80	\$90	\$10

In addition, the budget anticipates a decrease in both revenues and expenses as a result of administrative changes with the Easter Seals Summer Camp. Under a mutually agreed upon arrangement, the department will no longer receive payment for summer camp fees from Easter Seals and the County will no longer reimburse Easter Seals for transportation. Department staffing levels remain unchanged in 2019.

## 1151 DAS—Department of Family Care

From 2000 until September 1, 2016, Milwaukee County operated the Department of Family Care (now operating as My Choice Family Care “MCFC”), which administered long-term care and support services to adults with disabilities and frail elderly persons through the State of Wisconsin Family Care program. A change to State legislation occurred in the State of Wisconsin 2015-17 Biennial Budget, which required that any entity providing the Family Care benefit must be an Integrated Health Agency (IHA). No mechanism existed under Wisconsin state law for a unit of County government to obtain an HMO license. For that reason, the County approved a request from the Director of Family Care to transfer MCFC to a non-profit corporation that MCFC could pursue HMO licensure and apply to be an IHA. On September 1, 2016, MCFC completed its transition from a department of Milwaukee County government to a private, not-for-profit company. The temporary staffing agreement between the county and My Choice Family Care (MCFC) to house the remaining county employees has expired. The program was designed for County employees who chose to stay with the County instead of joining MCFC. The program was officially discontinued in 2018.



# COURTS AND JUDICIARY

## 2000 Combined Court Related Operations

The Combined Court Related Operations includes the Chief Judge along with the Family Court Commissioner, Register in Probate, and County-funded State Court Services/Clerk Circuit Court, which were formerly three separate divisions. In addition, the Chief Judge is responsible for the judicial functions of 47 Circuit Courts within the District that includes 10 program areas: General Administration, Criminal, Children’s Court, Civil Court, Family Court, Probate Administration and Court, Family Drug Treatment division, Permanency Plan Review division and Self-Help Services.

The 2019 Recommended Budget reflects a cost to continue spending plan. File No. 18-487 approved the abolishment of five FTE Senior Clerical Assistants and two FTE Court Coordinator Positions. It also approved the creation of five FTE Deputy Court Clerks and one FTE Administrative Assistant position. These positions are reflected in the 2019 Recommended Budget.

The courts will continue with a phased approach for the continuation of furniture upgrades in court rooms that are in poor condition. The budget includes \$200,000 for such upgrades.

The following contracts would be approved through the 2019 Budget.

CONTRACTS		
DESCRIPTION	VENDOR	AMOUNT
Legal Resources Center	State of Wisconsin	\$174,829
Foreclosure and Eviction Mediations	Metro Milwaukee Foreclosure	\$100,000
<b>Total</b>		<b>\$274,829</b>

## 2900 Courts—Pretrial Services

The 2019 operating budget is a cost to continue and maintains all existing staffing and service levels. The pretrial programs went through a competitive Request for Proposal in 2016 for three-year contracts. The contracting period is from January 1, 2017 through December 31, 2019 contingent upon approval by the County Board. The selected service providers will operate in alignment with the department’s mission and provide exceptional services to the courts.

The following contracts would be approved through the 2019 Budget.

CONTRACTS		
DESCRIPTION	VENDOR	AMOUNT
Universal Screening and Release Planning	Justice Point	\$1,330,343
Treatment Alternatives and Diversion (TAD)	Justice Point	\$433,851
Repeat Intoxicated Driver Intervention	Justice Point	\$377,886
SCRAM	Wisconsin Community Services	\$117,759
Pre-Trial Drug Testing	Wisconsin Community Services	\$177,886
Pre-Trial Supervision	Justice Point	\$1,441,688
Pre-Trial GPS Supervision	Justice Point	\$324,139
Early Interventions Central Liaison Unit	Justice Point	\$305,349
Bureau of Justice Assistance - JRI Grant	Justice Point	\$221,604
Trauma Informed Care	Justice Point	\$56,462
Cognitive Behavioral Programming	Justice Point	\$141,756
<b>Total</b>		<b>\$4,928,723</b>

In 2014 with surplus funds the Pretrial services division began development work on a software system that tracks preliminary results of activities and measures performance data. Development of this software is anticipated to be completed by the end of 2018, but preliminary data is provided in the “2017 Universal Screening and Pretrial Services Performance Measures and Outcomes Report”. In addition, in 2018 the department initiated a process to evaluate pretrial programs and the Public Safety Assessment on a qualitative and quantitative level. The results are expected in late 2018 and will determine program function and resource allocation.

In 2018 the Treatment Alternatives and Diversion (TAD) program received grant funding in the amount of \$507,975 that included a match of \$126,994. In addition, the Early Interventions Unit Central Liaison Unit received the Justice Reinvestment Initiative Grant in the amount of \$221,604 for 18 months.

## 2430 Department of Child Support Services

The budget reflects an increase in expenditures of about \$400,000 and revenue increase of \$500,000. In addition, 2.5 FTE positions are unfunded, but Child Support anticipates no impact to existing service and strategic initiatives.

In 2017, Child Support Services (CSS) set a record in the areas of current support and arrears collection. This allowed CSS to move up from fourth place to second place in the nation. CSS maintains this spot due to its increased performance and large caseload as compared to similar counties throughout the nation.

Zone Intensive Program Services (ZIPS) was implemented in 2016 and will continue through 2019. The ZIPS program is a pilot project that utilizes best practices to reach participants in the high poverty 53206 zip code. The team consists of 16 staff who manage

approximately 6,300 cases collectively. CSS reports ZIPS has exceeded its goal for the first three quarters of operations and will continue.

## PUBLIC SAFETY

### 4000 Office of the Sheriff

The 2019 Recommended Budget for the Sheriff's Office includes a slight increase in expenditures of nearly \$1.8 million and slight decrease in revenues of \$311,000 which results in an increase of \$2.2 million to the effective tax levy compared to 2018.

Several factors contribute to the increase of expenditures for 2019. Expenditures in Administration, Expressway Patrol, Park/Tactical Enforcement and Specialized Units are expected to rise due to salary increases from collective bargaining in File No. 17-811 and approval by the County Board in File No. 18-375. An allocation of \$300,000 will be used for equity and merit increases plus \$200,000 to be used to increase Correctional Officers' salaries based on market conditions. FTEs positions will increase by 10.3 to reflect maximized overtime expenditures of which \$500,000 is allocated for. In addition, the Department creates an Administrative Assistant position for 2019. Expenditures in the county jail are anticipated to increase as staff from other program areas are expected to transfer to the jail. Also, medical and dental co-pays for inmates are expected decrease from \$20 to \$7.50 to match fees charged at the House of Corrections.

Revenues are likely to decrease in 2019 by approximately \$300,000 based on projections. A decrease is expected in the Training Academy and Expressway Patrol Units. The Training Academy is anticipating a reduction in class revenue due to a decrease of crosscharges to other areas for this program unit, however this programming area has no impact on the tax levy and remains \$0. Revenue in the Expressway Patrol Unit is expected to decline because revenue from the State of Wisconsin Department of Transportation Mitigation is anticipating less Sheriff presence in construction zones.

In July of 2018, the Parks/TEA Unit began a test trial with body cameras. The trial will end in 2019 and a decision will need to be made as to whether to expand cameras to additional divisions or discontinue usage. \$94,800 is allocated for service and storage of the cameras for 2019.

### 4300 House of Correction

The House of Correction's (HOC) effective tax levy increases by \$628,797 for a total tax levy of \$37,772,417. HOC anticipates revenues to increase by approximately \$930,000 due to a new contract with the Department of Corrections (DOC) to house state inmates. In addition, revenues for inmate programming is expected to increase due to a rise in Huber and Electronic Monitoring participation.

Expenditures are expected to rise nearly \$1.2 million compared to 2018 due to compensation increases for Corrections Officers including merit awards and budgeted overtime totaling close to \$500,000. In addition, expenditures for commodities and services are expected to increase by approximately \$655,000.

In 2018 inmate medical and mental health services were provided by Armor Correctional Health Services to fulfill the requirements of the Christiansen Consent Decree. HOC has been working with the County Procurement Office and Sheriff's Office on a Request for

Proposal (RFP). HOC plans to submit a recommendation from the RFP process to the County Board later in 2018.

In 2019, HOC will continue services at the Day Reporting Center and the Benedict Center that allows inmates and individuals under deferred prosecution agreements the opportunity to partake in educational classes to obtain a GED. This includes AODA treatment services as well as job training services. HOC will also continue its work with Employ Milwaukee to develop a long-term plan to ensure services continue beyond the Department of Labor funding for HOC’s American Job Center program.

The following contracts will continue.

CONTRACTS (CONTINUING)		
DESCRIPTION	VENDOR	AMOUNT
Food Service Contract*	ARAMARK Correctional LLC	\$3,510,000
Day Reporting Center	Wisconsin Community Services	\$784,463
Reentry Programming	Benedict Center	\$198,045
Total		\$4,492,508

*\*Estimated, as the amount is variable based on Average Daily Population/number of inmate meals served.*

### 4500 Office of the District Attorney

The 2019 Recommended Budget represents a cost to continue. The tax levy for 2019 increases by \$370,792 to compensate equity salary and merit increases. In addition, the increased tax levy represents a decrease in vacancy and turnover. One additional position of Investigator is added for 2019, offset with grant revenue.

In 2019 the DA’s office is expected to receive revenue from state grants totaling \$3,584,895 an increase of \$34,250 compared to 2018. The DA’s office also anticipates revenue from federal grants totaling \$1,463,765, a decrease of \$12,650 compared to 2018.

The position of Crisis Assessment Team Investigator was approved by the County Board in File No. 17-320 to respond to emergency calls of County residents suffering mental health crises. During the first five months of the year they responded to a total of 126 calls. For 2019 this position will be funded for the entire year with offsetting revenue from the courts. If additional funding cannot be obtained from the MacArthur Grant to extend funding beyond 2019 the Investigator position will be eliminated without any tax levy effect.

### 4800 Office of Emergency Management

The 2019 Recommended Budget reflects an overall decrease in effective tax levy of \$5,615 as compared to 2018. The budget does not anticipate any major positions or staff changes in 2019.

OEM services will increase its paramedic services by providing services to the Deer District, home of the new Fiserv Forum and Plaza. In addition, OEM will continue providing services

to the Milwaukee Admirals, the Milwaukee County Zoo, the Panther Arena, and the Medical College of Wisconsin, as well as other special events throughout the County.

In 2019, OEM is expected to achieve a significant public safety milestone as they begin disconnecting the legacy analog communications system that has been in use for the past 15 years. The analog system will be replaced with a digital system called OASIS. OASIS stands for Organization of Affiliated Secure Interoperable RF Systems. The OASIS network meets the national standard for security, which will bring all 18 participating communities within the county into full compliance with federal communications standards, and an additional 52 user agencies. The City of Milwaukee remains the only community outside the OASIS radio environment. The OASIS intergovernmental agreement establishes a graduated fee-for-service usage based on a per month, per radio charge for public safety users. Additional monies collected in 2019 will contribute to the OASIS Capital Improvement Fund of which the OASIS Governance Board has sole authority over for use towards the replacement of public safety radio in years to come.

Phase II of Capital Project W030301, Public Safety Data Interoperability, also known as CAD2CAD is expected to be operational. As a result, this will be the final year that the County issues the \$125,000 subsidy to local fire departments for municipal paramedic transport volumes. Phase II involves the development of an intelligent hub that will connect twelve 9-1-1 public safety answering points to the county. Participants in this CAD data sharing include municipal fire departments, with hope that municipal police departments join the project prior to its close-out.

Finally, in 2019 OEM will continue efforts with North Shore community leaders to develop and publish a Comprehensive Emergency Management Plan for all seven communities. Area municipalities will find benefit in mutual aid and shared resources through one inclusive plan, saving monies and increasing response times during a crisis. Upon successful publication OEM will focus on another publication towards the County's south-side for 2020.

## 4900 Medical Examiner

The 2019 Recommended Budget has an effective tax levy decrease of \$11,867, which represents both an increase in expenditures and revenues. The Medical Examiner's Office reports an increase in revenues of \$190,000 as a result of projected referral autopsies rising by approximately 30 percent as well as a one-time grant from the Department of Justice to offset costs of the Forensic Fellowship Program.

The 2019 Recommended Budget increases personal expenditures due to the reclassification of an Assistant Medical Examiner to the position of Deputy Medical Examiner. Also, an additional Forensic Investigator position is included in the budget as workload is projected to increase along with cremation investigations. Operation expenditures increase for the continuation of the Forensic Fellowship Program, in addition to the contract with Dr. Schneider for continuing services of the oversight Forensic Laboratory at a cost of \$75,000. In addition, the Medical Examiner has contracted with a body transportation service effective January 1, 2019 to transport bodies as the House of Correction Staff will discontinue this service on December 31, 2018. Other expenditure increases reflect inflationary costs for supplies, warranty, and transcription costs.

# TRANSPORTATION

## 5040 DOT—Airport—General Mitchell International Airport

### General Mitchell International Airport

General Mitchell International Airport (GMIA) is an economic development tool to market Metropolitan Milwaukee to companies looking to expand their business while also serving as a local source of employment for hundreds and a convenience to area residents looking to travel. GMIA's operations budget is paid for entirely through passenger and airline fees. Any airport surplus or deficit has no impact on the County's budget.

#### 2019 Revenue Enhancements

GMIA anticipates realizing \$1.4 million more in budgeted revenue for a total of \$30.4 million in parking revenue. A \$1 increase in the parking rate was implemented for a partial year during 2018. The 2019 Budget will see a full year's revenue effect from the prior rate change. This uptick in revenue is also the result of the anticipated implementation during 2018 of a valet parking program.

GMIA anticipates an increase of \$500,000 in car rental revenue from \$10.5 million to \$11 million based on current trends.

#### Expenditure Increases

Line Item	Expenditure Increase
2018 Abatement Removal	\$447,399
Legacy Fringe Benefits	\$592,001
County Budgeted Cross Charges	\$571,891

#### Multiyear Contracts

Multiyear contracts with multiyear expenditures require County Board approval.

Contract	Term (Years)	Cost Per Year	Beginning Year
GMIA & LJT Wildlife Mitigation	3	\$170,000	2019
Background Check Processes	5	~\$175,000	2019
GMIA Security Camera System Operating & Maintenance	3.5	2019: \$170,000 Post-2019: \$340,000	2019

### Staffing Changes – Creations

Position	Duties	Number FTEs
Air Service Analyst	Research & analyze industry, secure new flights	1
Marketing & Advertising Coordinator	Promote awareness of flight destinations	1
Aviation Analyst	Noise mitigation compliance	1
Database Administrator	Manage & Streamline increasing amount of data	1
Properties Specialist	Authorized in 2018, technical correction	1

### Staffing Changes - Eliminations

One vacant Assistant Facilities Supervisor and 11 vacant Maintenance Worker Assistant positions will be eliminated. A third party custodial service will provide the service these positions provided during third shift hours. GMIA had difficulty staffing these positions and had a high attrition rate.

## Milwaukee Regional Business Park

The Milwaukee Regional Business Park is the area of GMIA formerly occupied by the 440<sup>th</sup> Air Reserve Base in Milwaukee at South Howell Avenue and East College Avenue. In 2018 GMIA demolished four vacant buildings and two more will be demolished in 2019. In 2020 the business park will have 55 buildings on 102 acres. GMIA is actively working toward increasing the occupancy rate of the business park which was 75.5 percent in 2017 and is budgeted for 83.6 percent in 2019.

The airline subsidy for the business park will increase from \$369,579 to \$739,265. In late 2017, SkyWest made a substantial investment by purchasing the former Midwest hangars located on Air Cargo Way, vacating its rented space within the MKE Business Park. While the vacated space within the MKE Business Park is being actively marketed for leasing, rental income is budgeted for a partial year in 2019.

## Lawrence J. Timmerman Airport (LJT)

LJT is a “general aviation reliever” in industry terms, meaning it provides services for private and recreational aviation which otherwise would need to be provided at GMIA. LJT’s operations are likewise subsidized by the GMIA airlines.

Activity at LJT has increased due to the acquisition of a new fixed-base operator, i.e., operating contractor. Increased activity reduces airline subsidies. LJT is undergoing a master planning process which began halfway through 2018. Airline subsidies will increase slightly by \$64,295 to \$412,643.



## 5083 DOT—Transportation Services

Transportation Services was formerly a section of the 5100-Highway Maintenance Division, and is now a separate division. Transportation Services and Highway Maintenance were two separate sections under the Division of Highway Operations. While intended for full merger, it became apparent over the years that the missions of these sections were too distinct from each other.

Transportation Services and Highway Maintenance will become separate divisions, which is reflective of the current reporting structure. This will also allow MCDOT to better monitor the Transportation Services' budget and performance. Transportation Services plans, designs, and builds road and bridge capital projects for Milwaukee County.

## 5100 DOT—Highway Maintenance

Highway Maintenance repairs, maintains, and plows County Trunk Highways and the freeways under the direction of WisDOT. The most significant change is that the Transportation Services section of Highway Maintenance has been spun off as its own division to better monitor its budgetary and performance goals. One Dispatch Clerk Seasonal (0.5 FTE) is abolished and a Dispatch Clerk (1.0 FTE) is created for dispatching during the winter and clerical support year-round.

## 5300 DOT—Fleet Management

Fleet Management purchases and maintains the County's stock of vehicles and works with departments to minimize inactivity of vehicles and equipment. In 2019 Fleet Management will eliminate a 0.5 FTE seasonal iron worker position without any reduction in service. Expenditures increased by \$922,213.

Personnel Fringe Benefits	~\$207,000
Personnel Costs	~\$73,000
Debt Servicing	~281,000
Capital Outlay	~\$95,000
Net Cross Charges	~\$260,000

## 5600 DOT—Transit—Fixed Route

### General

The Milwaukee County Transit System (MCTS) has two major initiatives called the East-West Bus Rapid Transit (BRT) and MCTS Next which are designed to improve service, and increase ridership and revenue. However, as costs rise faster than revenues and policymakers have not raised additional revenue nor secured a stable funding source, MCTS has been faced with balancing the budget in part by raising select fares while modifying and cutting some routes. Despite the challenges faced by MCTS, an audit prepared for the Wisconsin Department of Transportation by SRF Consulting Group found MCTS as “an efficient transit system with dedicated employees that is hampered by inadequate capital and operations funding.”

For 2019 only:

- The transit budget will receive a \$1 million increase over 2018 in federal Section 5307 funds due to fewer dollars spent in 2017 than originally intended
- MCTS will reduce the Workers' Compensation and Injury Damages Reserve by \$1,150,000 assuming lower liability expenses

Major Initiative: MCTS Next

MCTS Next is a program MCTS is undertaking to improve service by increasing frequency and reducing the time it takes for passengers to arrive at their destinations. Presently 60 percent of MCTS routes are low frequency and 40 percent are high frequency, the latter meaning buses arrive at bus stops every 15 minutes or less. MCTS would reverse that ratio so 60 to 70 percent of MCTS routes would be high frequency with shorter wait times.

An important aspect of this is to decrease the number of stops which would involve slightly longer walks to the bus stop for some. The tradeoff is passengers would arrive at their destinations faster. More stops increase the time spent merging in and out of traffic, waiting for people to load and unload, and subsequently being caught at red lights. An online video explains this concept at this footnote.<sup>2</sup>


Working toward accomplishing this program, MCTS has engaged on an ongoing basis with riders and stakeholders to gather community input and ensure quality transit service.

**BENEFITS OF REDESIGNING ROUTES**

<b>FREQUENCY:</b> Buses come more often	<b>SPEED:</b> Shorter travel times
<b>TRANSFERS:</b> Less waiting when transferring between routes	<b>ACCESS:</b> More residents will have access to high frequency routes

**What is High Frequency?**

High frequency buses arrive every 15 minutes (or better)



Major Initiative: MCTS' East-West Bus Rapid Transit (BRT)

Like MCTS Next, the MCTS' proposed East-West Bus Rapid Transit project (BRT) would feature improved speed and frequency of service. The East-West BRT follows the principals of MCTS Next but will differ where most bus routes will continue to share the roads with other automobiles in what is called "mixed traffic." The BRT on the other hand, will operate in its own "dedicated right-of-way" in over 50 percent of the nine-mile route between Downtown Milwaukee through to the Milwaukee Regional Medical Center (MRMC) and the Watertown Plank Road Park and Ride. Buses traveling in "dedicated rights-of-way" are less likely to be delayed by other vehicular traffic, increase road safety for pedestrians, and will operate with traffic signal priority. Other features of the BRT include off-board fare payment machines, level-boarding which eases the ability for elderly and disabled individuals to embark and disembark, and hybrid and/or electric buses which reduce emissions and improve fuel efficiency.

In 2019, it is anticipated the County would spend \$31 million with \$7.08 million in general obligation bonds, \$4.511 million from the Milwaukee Regional Medical Center for

<sup>2</sup> "Bus Stop Balancing," <<https://vimeo.com/240382367>>.

reconstruction of the campus roadway and transit station, and \$19.4 million from the Federal Transit Administration's (FTA) Capital Investment Grant (CIG) fund. MCTS submitted its amended application on September 9, 2018 and expects to receive federal approval between March and August 2019. Implementation of the BRT would begin upon federal approval in 2019 and revenue service is expected in 2020.

However, there is some concern the CIG dollars may not become available. In GAO-18-462, the independent and nonpartisan federal Government Accountability Office found in May 2018 the FTA was not following Congressional mandates pertaining to the distribution of CIG dollars. The FTA leadership attempted to eliminate the CIG in the proposed Fiscal Year 2019 federal budget. Transportation and planning news outlets reported over the summer and this fall of a growing backlog of transportation projects across the country due to an apparent 'foot-dragging' by the FTA.

Policymakers will need to ponder whether there is a risk to the County of making substantial taxpayer investment without federal follow-through. Yet, in practice the FTA like other federal entities do not take kindly to local delays and any County delays could threaten federal funding of the BRT and any future grant funding consideration. To mitigate risk to the County, construction activity related to the BRT would not occur until receipt of the funding agreement. FTA would at that time be legally bound to reimburse the County for all eligible expenses. To date, MCTS has been timely with all FTA requests and procedures specific to the project to prevent undue delay.

## **BRT Timeline**

**May 2016:** County Board approves \$2.19 million for preliminary BRT project development.

**September 23, 2016:** The United States Department of Transportation grants approval for Milwaukee County to begin project development in pursuit of BRT funding. Project development allows for a portion of expenditure for engineering, design, and environmental review to be federally reimbursable.

**December 12, 2016:** University of Wisconsin-Milwaukee urban planning graduate students release a study suggesting positive economic and social benefits to an east-west BRT concept.

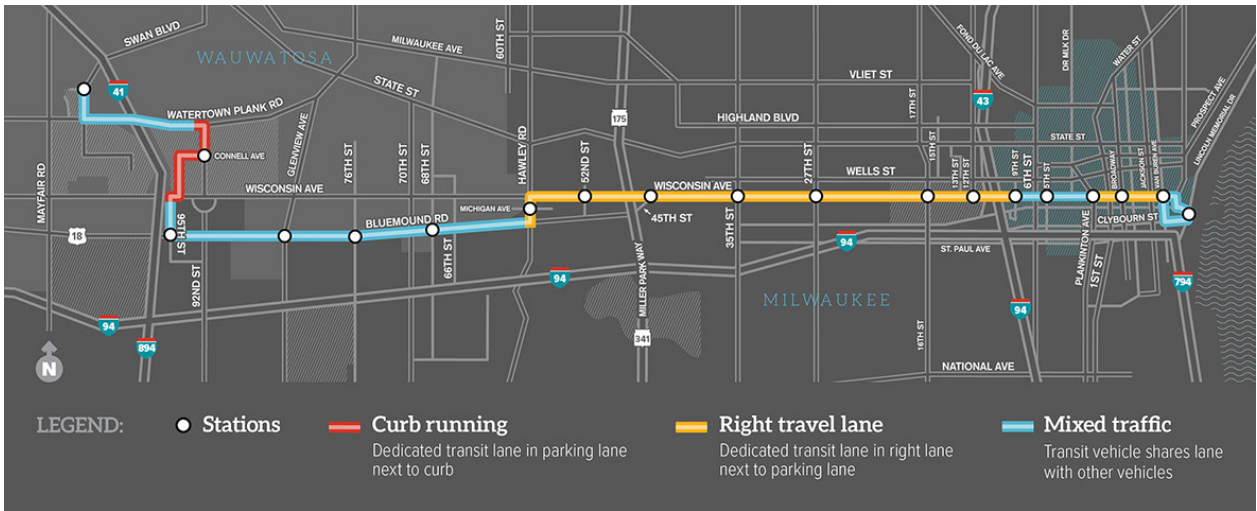
**June-September, 2017:** BRT conducted community outreach at various events and held open houses at Marquette University High School and the Zoofari center.

**September 9, 2018:** MCTS submits its updated application for federal BRT funding.

**October-November, 2018:** Completion of federally required environmental review and receipt of the FTA's Finding of No Significant Impact (FONSI) approval.

**March-August, 2019:** Anticipated Federal Transit Administration funding approval.

**December 2019:** Purchase of new buses, modification of roads, and installation of BRT bus stations would largely be complete.



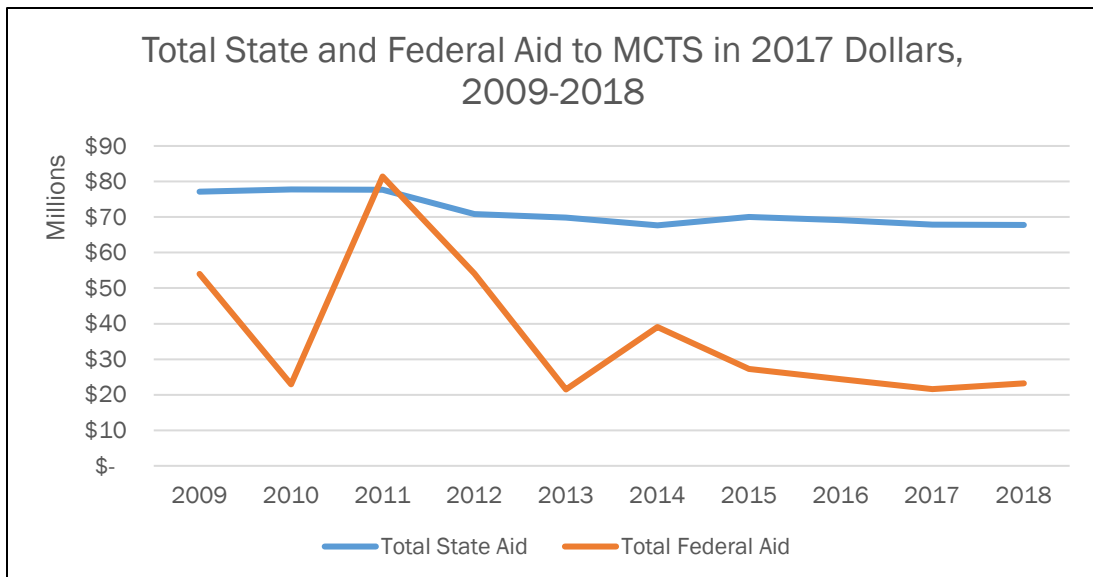
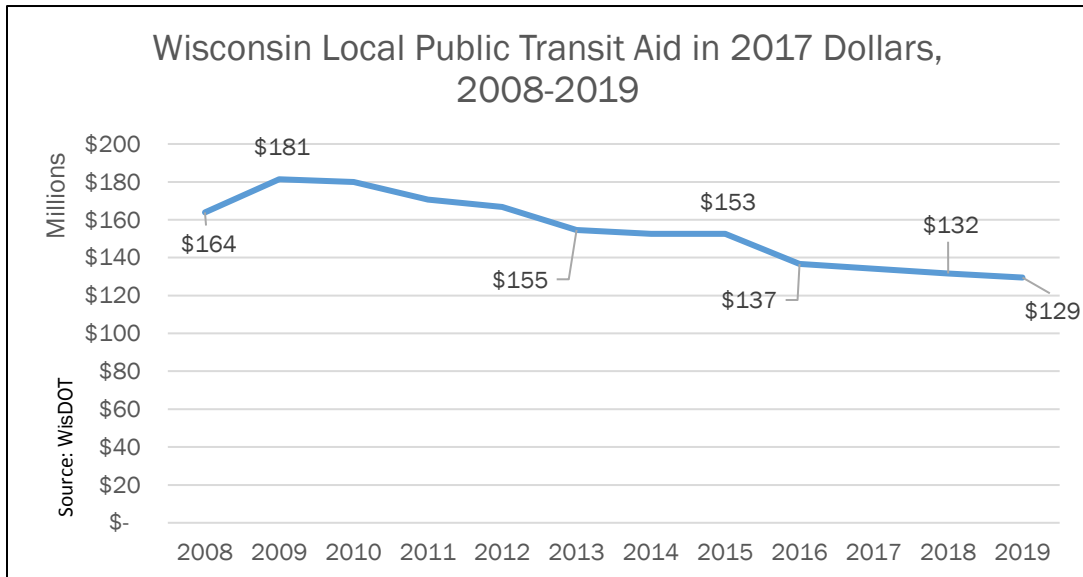
## A Revenue Possibility for Transit: The County Vehicle Registration Fee (VRF)

The County Executive's 2019 Recommended Budget does not propose raising the VRF. However, it deserves mention as it is perhaps the only significant revenue tool available to the County.

### Recent History of the VRF in Wisconsin

Despite being on the books for 50 years, in 2011 only four local governments collected a VRF. As of August 2018, that number has increased to 28 local governments while Madison has considered implementing a \$17 VRF for the city's next budget cycle and the city of La Crosse and La Crosse County have respectively considered adding a \$25 and \$56 VRF.

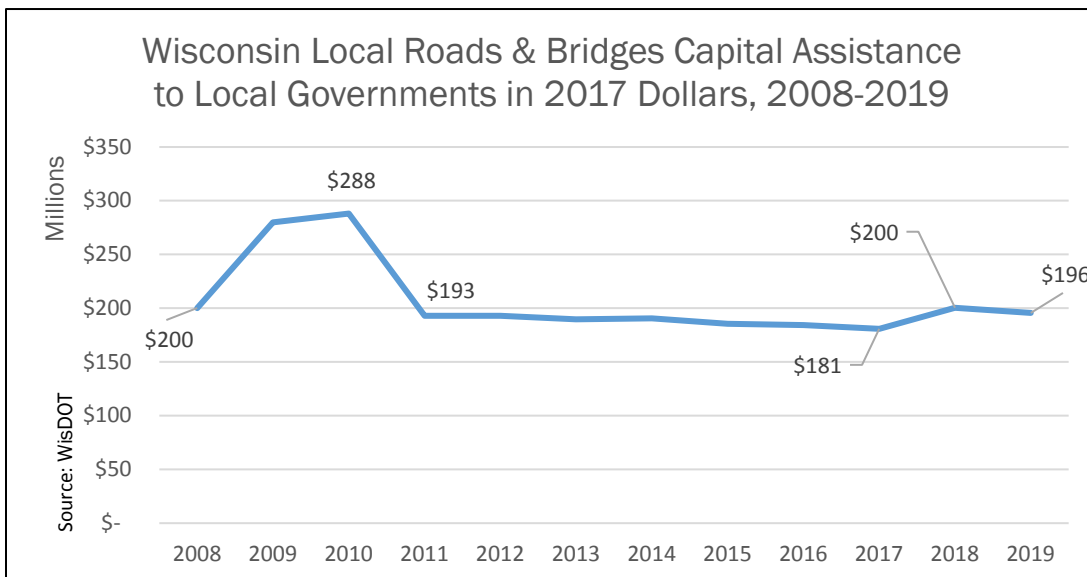
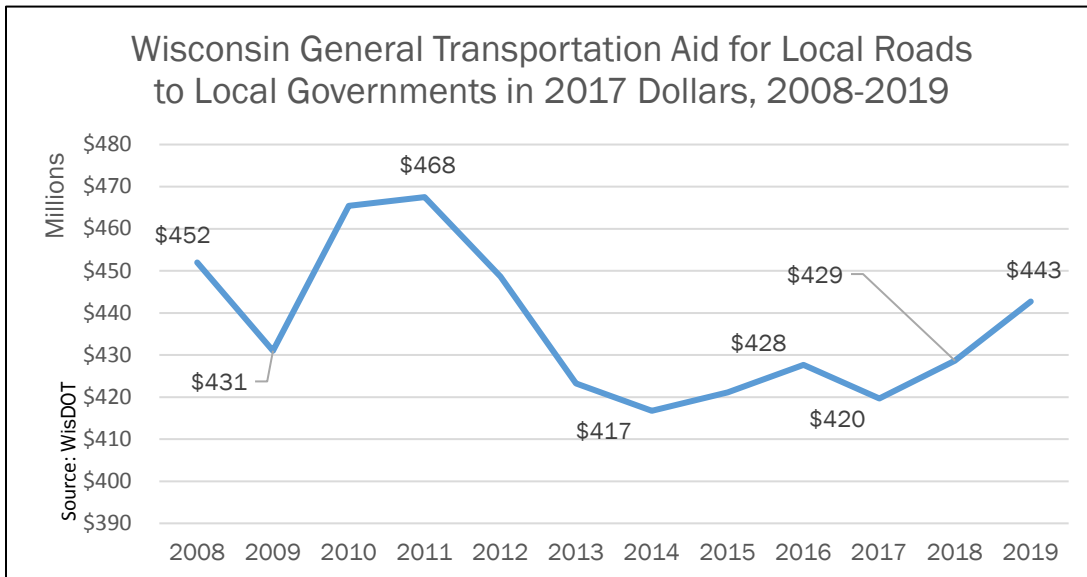
Why the sudden increase in VRF revenues and the number of local governments levying them? Adjusted for inflation, state aid for roads has declined by nearly \$50 million as of 2017. This is due in part because the gas tax has not increased since 2006.



Likewise, for public transit, state overall funding assistance for transit operations in Wisconsin has declined by 33% since 2009. For Milwaukee County, it has declined by 12% when adjusted for inflation. That has left local governments to fill the gap on road and public transit spending.

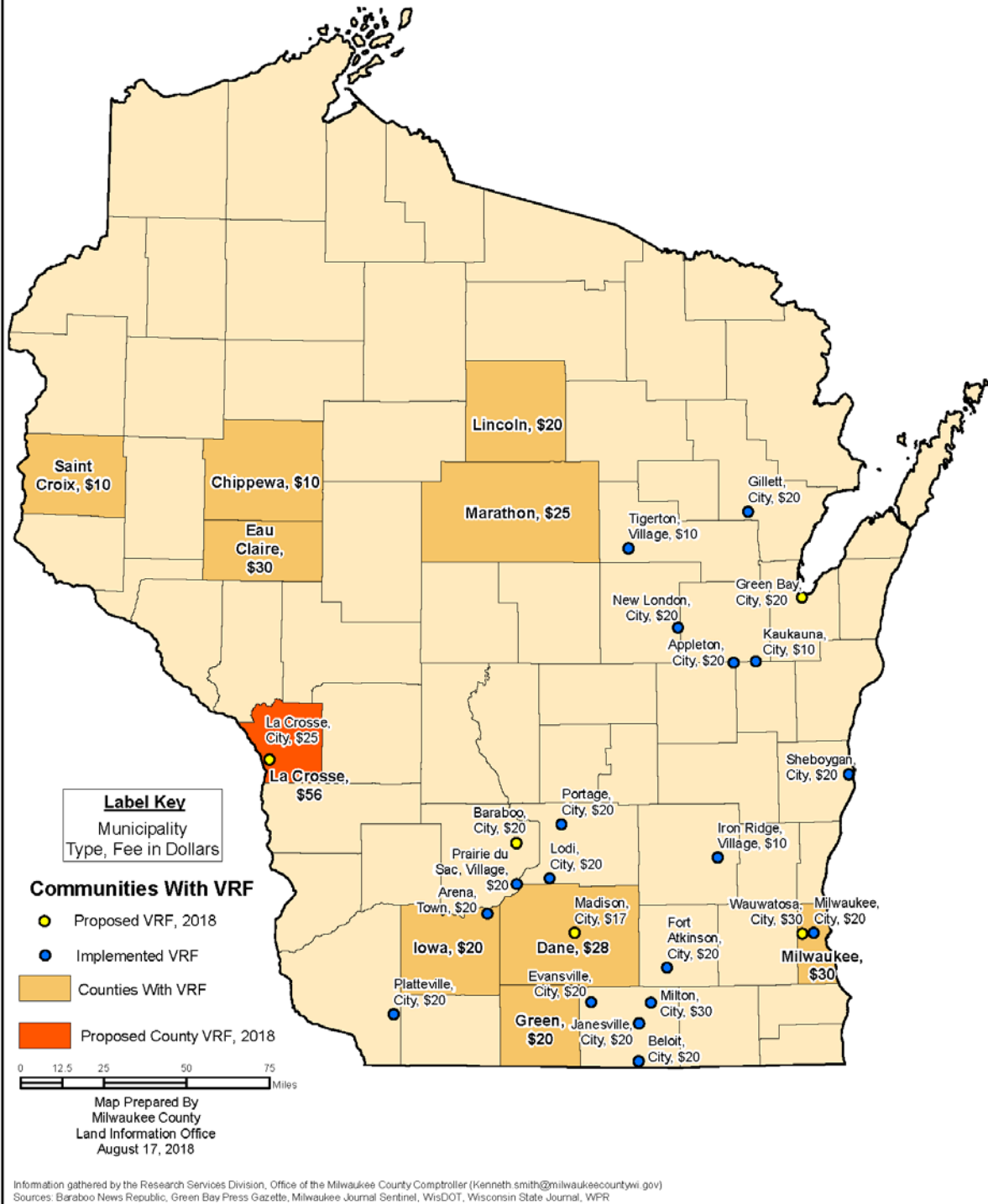
At the same time Milwaukee County's ability to finance transportation operations, infrastructure, and mass transit from general revenue have been Milwaukee County's budget has been constrained by ongoing inflationary pressures due primarily to healthcare costs rising beyond the rate of inflation and added pension obligations as more county workers retire. Many local governments have opted to at least partially fill their budgetary gaps with VRF revenue. In 2018, five municipalities and one county have proposed VRFs.

However, in response some state legislators have sought to curtail the County's use of VRF by outright eliminating it or requiring the VRF undergo a binding referendum.



# State of Wisconsin

## Communities Implementing a Supplemental Registration Fee (2018)

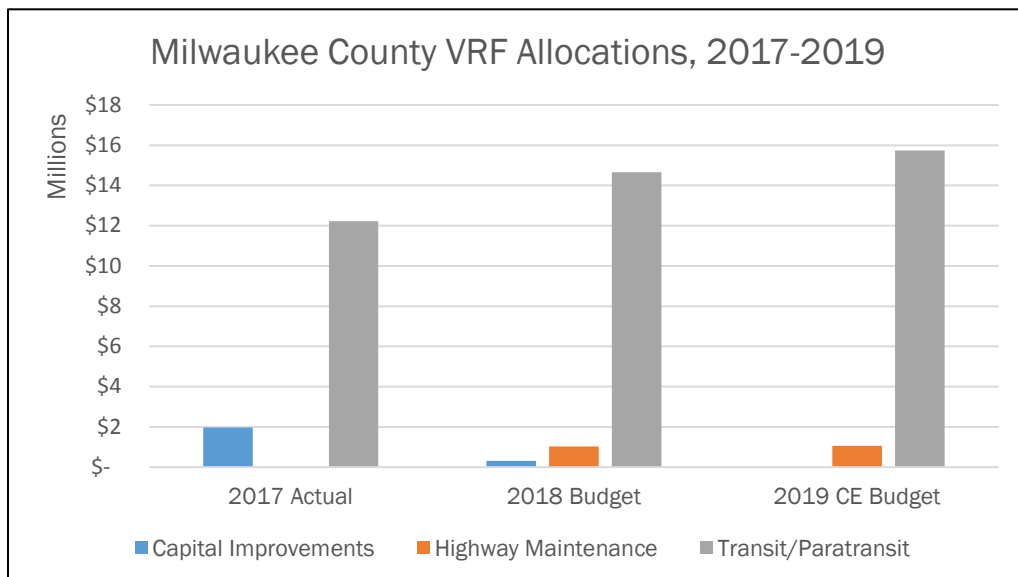
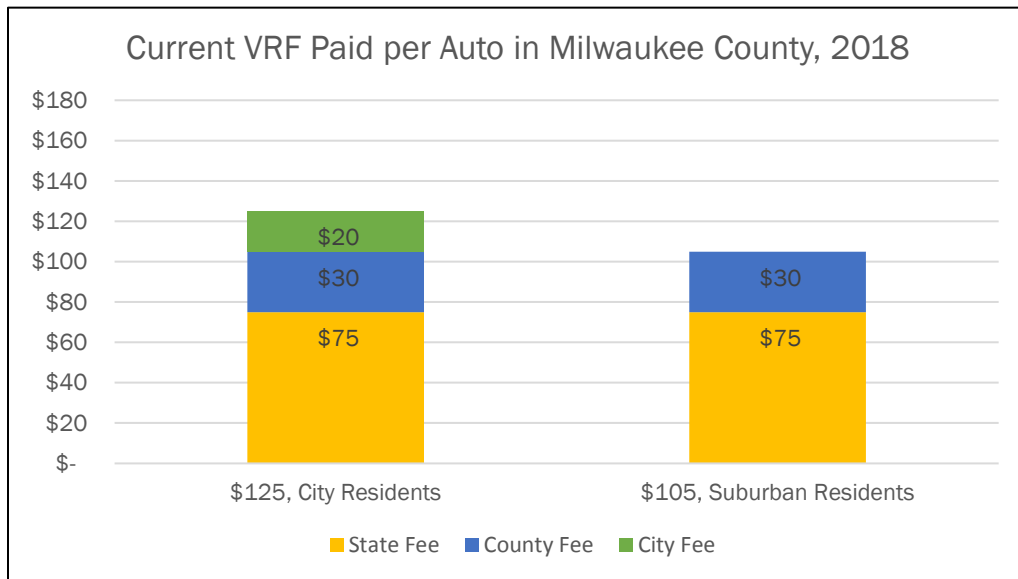


The VRF in Milwaukee County

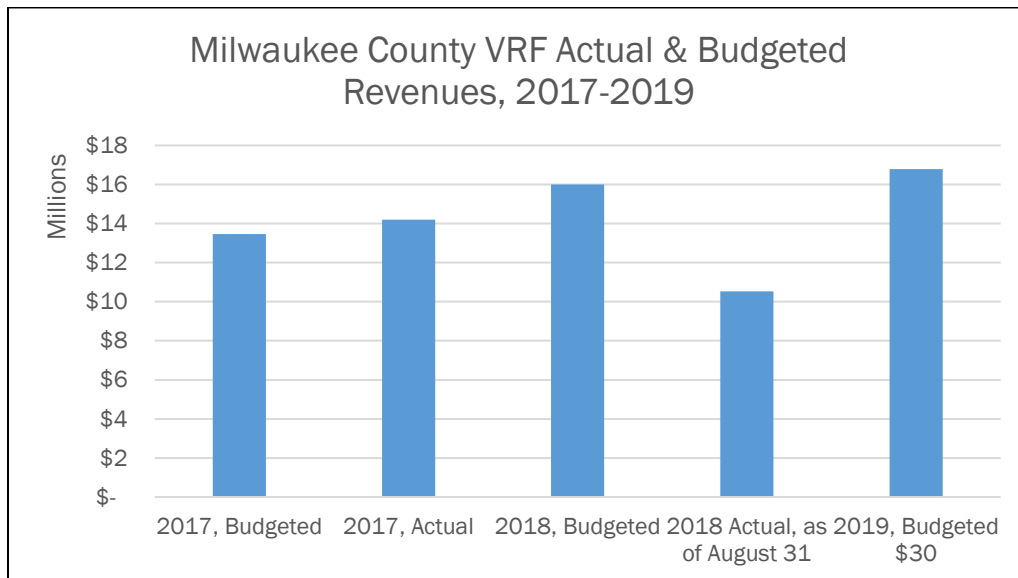
Adoption of a VRF in Milwaukee County began in 2016 when the County Executive proposed a \$60 VRF for the 2017 Budget. In the Adopted 2017 Budget the County Board halved the proposal to \$30 and initiated a Spring 2018 nonbinding referendum for the electorate to advise Milwaukee County on raising the VRF to \$60. The question posed was, “Do you support County Executive Chris Abele’s proposal for a \$60 Vehicle Registration Fee (wheel tax) to provide designated funding for transit and transportation-related projects?” Overwhelmingly, 72% of the electorate rejected raising the VRF and no further action has been taken at the County level.

In 2017 the County raised just over \$14 million from the VRF and at the time of this writing the County had raised just over \$10.5 million in 2018 and is projected to collect around \$16 million. The County Executive has budgeted nearly \$16.8 million in VRF revenue for 2019 assuming no fee increase.

Should policymakers consider raising the VRF, every \$5 fee increase is estimated to yield an additional \$2.8 million of revenue to offset transportation-related expenditures.







Fare Increases

The County Executive would raise fares by a dollar as indicated in the chart below. If the County Board wishes to remain current prices, the un-gained additional revenue would have to be found elsewhere through increases in County revenues, decreases in expenditures elsewhere, or a combination thereof.

Transit Pass	2018 Fare	2019 Proposed Fare	Estimated Additional Revenue, 2019
GO Pass	\$1/Day	\$2/Day	\$400,000
New Freedom Pass	\$1/Day	\$2/Day	
Student 5-Day Pass	\$16.50/Week	\$17.50/Week	\$60,000

GO PASS History

**October-November 2014:** 2015 Adopted Budget creates the Growing Opportunities Program (GO Pass), providing free fixed route bus service to persons aged 65 or older and persons with disabilities.

**October-November 2016:** The 2017 Adopted Budget modified the GO Pass as follows:

1. \$5 issuance fee per GO Pass subject to three-year renewal
2. GO Pass users must pay \$1 per day
3. Institution of income eligibility requirements

**June 26, 2017:** All changes in the 2017 Adopted Budget are fully implemented.

**2019 Recommended Budget:** The County Executive proposes raising the GO Pass from \$1 to \$2 total per day.

## 2019 Route Changes

The 2019 Executive Budget calls for several modifications and eliminations of routes due to fiscal constraints. The modifications fall on freeway flyers. The County Executive proposes eliminating MCTS' remaining AM/PM routes.

<b>Modified Routes</b>	43	44	46	48	49
<b>Eliminated Routes</b>	50	85	87	88	89

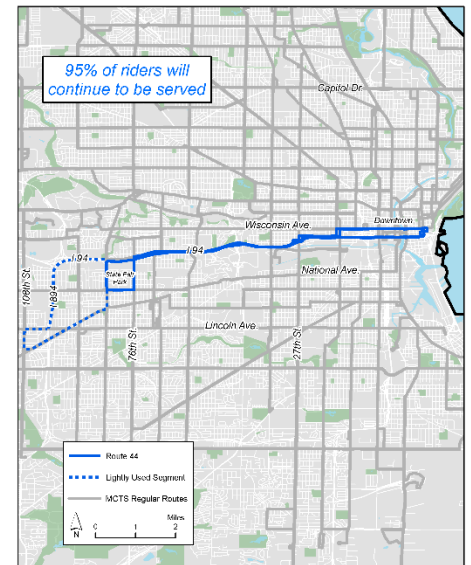
### 2019 Modified Routes – Freeway Flyers 43, 44, 46, 48, 49

Approximately 95 percent of riders per route will not be affected. The modifications to the Freeway Flyer routes are supplemental areas near the park-and-ride lots which extend the route without serving many riders.

### 2019 Eliminated Routes: 50, 87, 87, 88, 89

These routes carry much fewer passengers than regular routes and only operate for two hours in the morning and afternoon. These routes run parallel to existing routes which mostly stop right in front of or under a quarter-mile from the schools. Only one school is a half-mile walk. Planned service termination will occur at the end of June 2019.

2019 Budget - Service Efficiency Improvements  
Route 44 - Removal of Lightly Used Segment



Estimated Costs to Continue Service			
Route	2019	2020*	2021*
50	\$20,231	\$41,271	\$42,097
85	\$18,940	\$38,638	\$39,410
87	\$12,553	\$25,608	\$26,120
88	\$20,143	\$41,092	\$41,914
89	\$17,376	\$35,447	\$36,156
<b>TOTAL</b>	<b>\$89,243</b>	<b>\$182,056</b>	<b>\$185,697</b>

\*These years would necessitate the capital costs of five buses for a total estimated cost of \$2,481,480 for bus purchases in addition to the listed operating costs

## 5600 DOT—Transit—Paratransit

MCTS expects ridership in 2019 to decline by two percent but costs and expenditures will remain relatively the same. MCTS annually applies for federal Section 5310 funding to cover paratransit costs.

## 5800 DOT—Director

The Director's Office oversees all County Department of Transportation divisions as well as GMIA, LJT, and MCTS. The 2019 proposed budget offers no staffing or service changes to the MCDOT Director's Office.

## HEALTH AND HUMAN SERVICES

### 6300 Milwaukee County Mental Health Board—Behavioral Health Division

The Wisconsin State Legislature created the Milwaukee County Mental Health Board (MHB) with the passage of Wisconsin Act 203 in 2013, removing the Behavioral Health Division from the purview of the Milwaukee County Board of Supervisors. The MHB is governed by a group of mental health professionals. They are tasked with the operational governance of the Behavioral Health Division, which includes all program and service functions related to mental health.

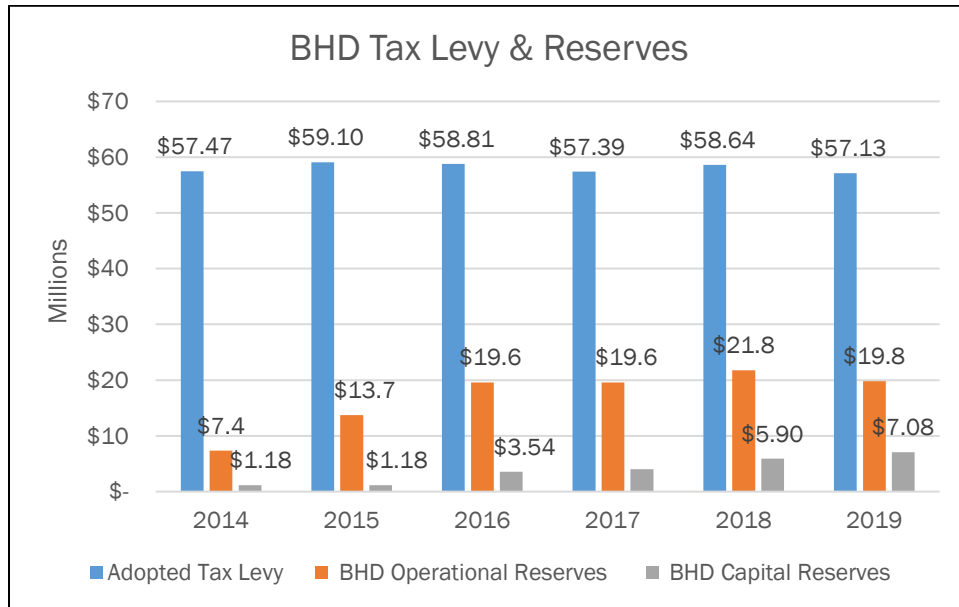
Per State statute, the County Board “shall incorporate into the budget for Milwaukee County” the “tax levy amount as proposed by the County Executive.” State statute mandates that the MHB may neither propose a tax levy that is less than \$53 million, nor more than \$65 million. The total expenditures decrease by \$6.7 million and revenues decrease by \$5.2 million for a net tax levy decrease of \$1.5 million. The total tax levy is \$57,131,392.

Major changes or initiatives include:

- Use of \$2 million in funding from BHD’s operational reserve is budgeted for 2019.
- A reduction of 27 FTE positions, including 17 FTE positions in Management and Support Services at approximately \$1.3 million in personnel savings, which is offset by \$1 million in increased legacy healthcare and pension costs and \$300,000 for merit raises.
- A decrease of inpatient expenditures and revenues is due to decline of the average daily census population, which is partially offset by increases in Disproportionate Share Hospital (DSH) and state abatement funds.
- Psychiatric Crisis ER/Observation unit reflects a revenue reduction of \$800,000 to reflect actual trends. The unit also will implement new positions of Psychiatric Technicians (Psych Techs) into the inpatient area of BHD. The Psych Techs will assume some of the CNA functions such as group activities as well as decrease the need for outside security for a savings of about \$800,000.
- \$1.5 million increase in spending for AODA continuing services of which \$500,000 in tax levy is budgeted.
- A decrease in enrollment for Wraparound is expected as less children are being admitted into both the juvenile justice and Child Welfare system.
- Enrollment in REACH (Reaching, Engaging and Assisting Children) and CCS (Comprehensive Community Services) for both adults and children is anticipated to increase as new referral sources have been identified. The target enrollment for REACH is projected to be 550, which is a decrease from the 2018 targeted budget and an increase from the 2017 Budget, however the department reports 550 is more realistic given current trends. CSS enrollment expects an increase from 100 to 280 by the end of 2019.

Under Wisconsin Statute § 51.41(4)(d), the Treasurer must hold any funds that have not been spent or encumbered by the MHB in a mental health reserve fund. Any funds over \$10 million “may be used at any time for any mental health, function, program, or service in Milwaukee County.” Additionally, Wisconsin Statute § 46.18(13) requires an annual cash reserve contribution of two percent of original cost or appraised value of buildings of

“existing mental health infirmity structures and equipment.” The chart below details the adopted levy, operational reserves, and capital reserves for BHD.



## 7900 Department on Aging

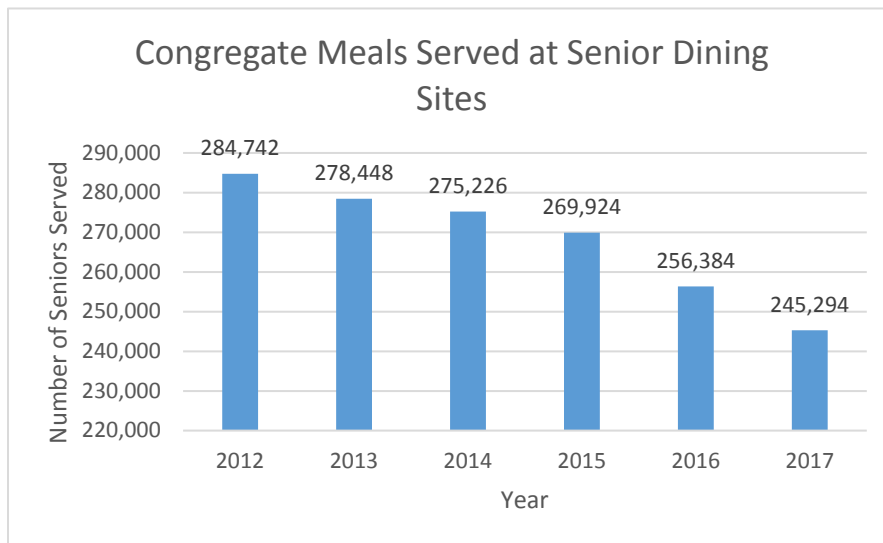
In 2019, the Department anticipates the following major changes in revenues: Increases in federal reimbursement in Aging Resource Services \$572,000, Medicare Improvements for Patients and Providers Act (MIPPA) \$54,000, and State Health Insurance Program (SHIP) \$35,750. These increases are offset by decreases in the following grants: Dementia Innovation (\$45,000) and Dementia Care Specialist African American Communities (\$85,195).

The 2019 Budget continues to fund two FTE Service Support Specialist positions to assist with the Growing Opportunities Program (GO PASS). However, the department can only fund one full-time Dementia Care Specialist for the first two months of 2019 due to elimination of grant funding. The 2019 Recommended Budget for the Department of Aging focuses on streamlining services to provide greater impact to the seniors of Milwaukee County that utilizes the Department’s programs and services. To improve operational efficiencies the department has made personnel changes in the administration area. The vacant Administrative Assistant Fiscal has been reclassified to an Accounting Assistant, the Accountant III position has been abolished and an Accounting Supervisor position has been created. The department made these changes to enhance its financial and reporting operations.

The Area Agency on Aging (AAA) plans to further collaborate with UW-Madison to develop a Help Care Connect program which will provide family caregivers new technology to enhance their caregiving abilities. The Department reports that the program has not been approved yet for implementation, but if approved AAA will be a part of the testing phase to implement the services in Milwaukee. AAA will partner with the North and South Shore Health Departments, Greendale Health Department, North Shore Fire Department, City of Milwaukee Health Department, and South Side Health Center to expand both its Living Well with Chronic Conditions and Healthy Living with Diabetes programs. In addition, the

department will continue to research cost effective programming options for seniors at a funding level that is sustainable.

In 2019, the Senior Meal Program has an increase in revenue budgeted due to a greater need for meals for 2019. As shown in the graph below, the department is experiencing a decline in congregate dinners year-over-year. To increase participation at congregate meal sites, the department is revamping the program to serve meals at different times of the day at select locations. The Department reports that dinners are currently being served supper at the Elks Club and a new congregate site at the Milwaukee LGBT Community Center will serve meals once a month. The department plans to enter a contractual relationship with area managed care organizations, to expand the reach of home delivered meals to seniors.



The five County-owned senior center maintenance funds increase by \$31,000. Additionally, in 2019, two County-owned senior centers, Washington Park and Wilson Park, are funded for HVAC and chiller system replacement. The senior centers will continue operations 5 days a week and funding for senior programming will remain unchanged from 2018 at \$1,122,867.

## 8000 Department of Health and Human Services

Expenditures increase by \$22.5 million primarily due to the allocation of \$19.5 million in fringe benefit costs, which were centrally budgeted in 2018. In addition, the budget reduces positions by 5.4 FTE.

Operational costs for 2019 are expected to increase by \$3.1 million. Of this amount, \$2.2 million is allocated specifically for the Residential Care Center in the Division of Youth and Family Services (DYFS). This is a change for DHHS, as previously these expenditures were incorporated in BHD-Milwaukee Wraparound and then cross charged back to DYFS. This expenditure is now included in the DHHS contractual services budget. As a result, both net cross charges and abatements decrease by \$113,772.

Revenues are anticipated to increase by a net of \$2.5 million due to \$1.4 million in state revenue for the Children's Long-Term Care Support Program. In addition, the department

expects revenue of \$400,000 from the Department of Housing and Urban Development as well as \$700,000 in both state and federal funding to operate the Disability Resource Center and Department of Youth and Family Services Residential Care Center.

\$198,000 is included for the ongoing maintenance of the case management system which began implementation in 2017 to consolidate and manage several sources of customer's information across DHHS including BHD. The vendor will continue development, software configuration and fine tuning. The total estimated cost is \$5.5 million of which \$3.5 million was included in the 2017, 2018 and 2019 budgets. The remaining \$2 million will be allocated across the 2020 and 2021 budgets.

### *Division of Youth and Family Services*

In 2017, the State Legislature adopted Wisconsin Act 185 which calls for the closure of Lincoln Hills and Copper Lake Schools by January 1, 2021 and the transfer of responsibility for certain adjudicated youth to counties. Under Act 185, DOC maintains supervision over juveniles with adult court sentences and youth in the Serious Juvenile Offender Program (SJOP), but the supervision of youth under other correctional placements is now transferred to the counties.

The act authorizes \$80 million in state bonding for the construction and expansion of the new facilities with only \$40 million of the total bonding available statewide to fund Secure Residential Care Centers for Children and Youth (SRCCCY). The Division of Youth and Family Services (DYFS) and Facilities Management have been working collaboratively to identify options in the development of the new Secure Residential Care Centers for SRCCCYs.

In 2018, DYFS initiated multiple workgroups to gather information related to the facility development including programming, community engagement and estimated cost. The focus of these workgroups is to inform the grant proposal which is due by March 31, 2019 and is required by the State to receive funding for the construction of a SRCCCY. Under Act 185, the State will pay 95 percent of the design and construction costs of a SRCCCY for male youth with counties supporting the remaining 5 percent. For female youth, the State pays 100 percent of the design and construction costs. The Department has engaged an outside architect for initial planning and has requested County Board approval for the creation of a capital project to be funded through a \$3 million operating surplus (File No. 18-633) in 2018 due to the receipt of additional State Youth Aids revenue. The project is intended to pay for the initial planning and design as well as the county's five percent portion of the construction costs.

Over the next few months, the department will be working to identify the estimated construction cost of the SRCCCY as well as the ongoing operating impact. Currently, DYFS receives approximately \$36 million in Youth Aids funding which supports DYFS staff, juvenile justice programming and State charges for Milwaukee County youth placed at Lincoln Hills and Copper Lake. The State Department of Corrections (DOC) charges a daily rate currently set at \$397 to counties for youth placed in state institutions. In its 2019-2021 budget, the DOC is proposing a rate hike of nearly 30 percent over the biennium. Balancing this rate hike as well as the long-term operating impact of a new SRCCCY is a significant challenge for DHHS,

For 2019, the current Youth Detention Center anticipates utilizing a staffing plan of six pods as the average daily census has shown a steady decline. In the past additional

Correctional Officers were included in previous budgets due to the census count. Now that the census has trended downward only 70 FTE COs are needed to support the current census. To maintain flexibility in hiring if the census increases, the budget retains all 74 FTE positions.

DFYS community based programming operates two alternatives to detention programs: the Alternative Sanctions Program and Evening Report Center, which has been combined into one unique program, Alternative Sanctions Program. The new program is more efficient and allows youths to stay in the community. As a result of the programs being combined DFYS contracts decreases by \$235,185. In addition, DYFS was able to decrease its level 2 contracts programming by \$622,000 as program usage declined. However, the program still provides exceptional care and community safety.

The DFYS residential care center in partnership with the Behavioral Health Division (BHD) Wraparound Program has contracted with Wisconsin Community Services to operate a Type II Residential Care Center expected to open in fall 2018. DYFS will contract with Norris School District to operate the education program for the center. The targeted youth for this program are those considered to be at a high risk of recidivism and at risk of being placed in custody of DOC. The new partnership will allow more youth to remain in the community. The facility can house up to 24 youths at a total cost of \$3.6 million for the year 2019. The costs for this program will be offset with revenue from Medicaid and the Department of Education. 65 percent of the population is anticipated to be filled with youth that are Wraparound eligible of which Medicaid revenues will be used for.

Total revenues for DYFS will increase by approximately \$700,00 as a result of the Residential Care Center. Of that amount \$300,000 is expected from Medicaid for those youths in the Wraparound Program. Also, DYFS expects \$200,000 in revenue from the Department of Education. The remaining \$200,000 is a projected increase revenue from the Youth State Aids Contract.

#### *Disability Services Division (DSD)*

The Birth to 3 Program has been restructured to maximize services for 2019 due to limited and stagnant state funding. 80 percent of the funding for the Birth to 3 Program comes from the state and the remaining funding comes from county resources. The program costs about \$5.4 million to operate and DHHS must commit nearly \$2.3 million per federal maintenance of effort requirement.

The restructured Birth to 3 Program will now consist of a team-based coaching model. The team will be comprised of family members, care providers, and a primary coach. The program will focus on building the child's strengths and interests in his/her natural environment as well as support the child's learning and development. The team will empower and support the parents to encourage the child's development. To assist with this new approach, DHHS has collaborated with the Combined Community Services Board to host listening sessions to gauge feedback from families to improve quality and satisfaction. DHHS will prepare a Request for Proposal (RFP) for 2019 services.

The Children's Long Term Support Waiver (CLTS) anticipates an increase in both revenues and expenditures by \$1.4 million. Based on projected enrollments from 2018, the number of children anticipated for services for 2019 will increase by 68 percent, compared to 2016. The rise in enrollment is due to the transition of children from the Children's Community Options Program (CCOP) into the CLTS waiver. To maximize waiver monies



CCOP dollars are used as a match to draw down federal revenue by 59 percent. This funding structure is utilized to allow families to receive more services such as therapy services.

The Disability Resource Center (DRC) also anticipates additional Medical Assistance revenue match of \$200,000 as the state notified DHHS that certain activities performed by DRC and Aging Disability Resource Center (ADRC) are eligible for a higher MA revenue percentage. This will increase the revenue match from 49 percent to a potential 55 percent match.

### Housing Division

In 2018 the Housing Division launched the Housing Opportunities and Minimizing Evictions for Stabilization (HOMES) program to combat the eviction crisis in the county. The program works with tenants and landlords to prevent evictions. Tenants are provided access to both legal services and monetary assistance. Landlords are provided with educational resources. To assist with this new endeavor, in 2018 the Housing Division added a Housing Stabilization Assistant position that handles the coordination of referrals from Legal Action and 211 Impact. Also, in 2018 a Real Estate Project Manager position was created to oversee the financial stability of the HOMES program and assist in the co-development of real estate opportunities to generate additional revenue. In 2019, \$300,000 is included in the budget to support real estate development, the HOMES program and additional housing initiatives.

The 2019 Recommended Budget includes a reduction to the housing contract in the amount of \$180,000 as the supported apartment program has been eliminated, as well as a service contract for Mercy Housing costing \$20,000. The Mercy Housing contact has been eliminated because it lacks project-based units for the homeless as planned at Greenwich Apartment. Due to these reductions, the Housing Division will shift focus to a continuation of best practices and continued investment in Housing First for the assistance of permanent supportive housing.

The Housing Division has begun partnering with HMOs to assist them with new housing navigation services. With this new initiative, HMOs will pay rental assistance for their members with high utilization costs. In addition, Housing Division is subject to reimbursement for its support staff as part of this partnership. The two Community Support Intervention Specialists who staff these positions were approved by the County Board in 2018. These positions are subject to funding availability from the HMOs.

Emergency shelter care funding budget for 2019 is \$718,000 which is the same as the 2017 and 2018 budget.

# RECREATION AND CULTURE

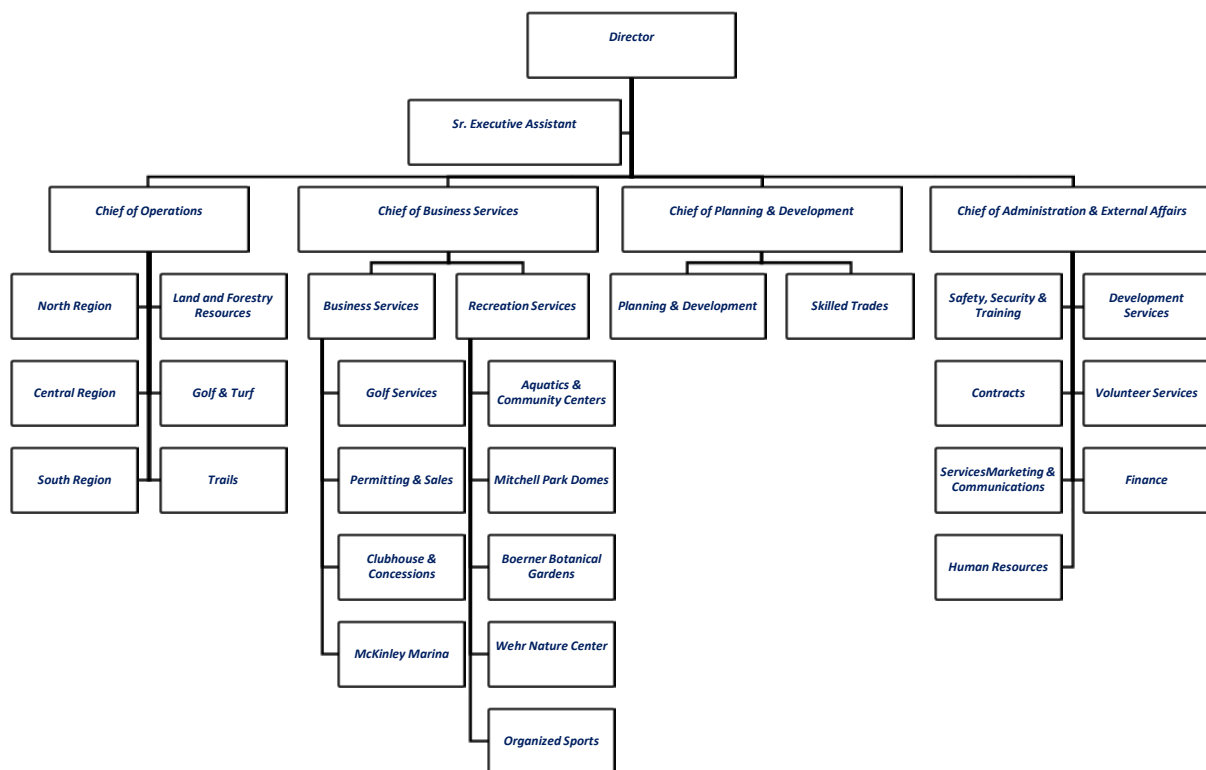
## 9000 Department of Parks, Recreation and Culture (DPRC)

### General Overview

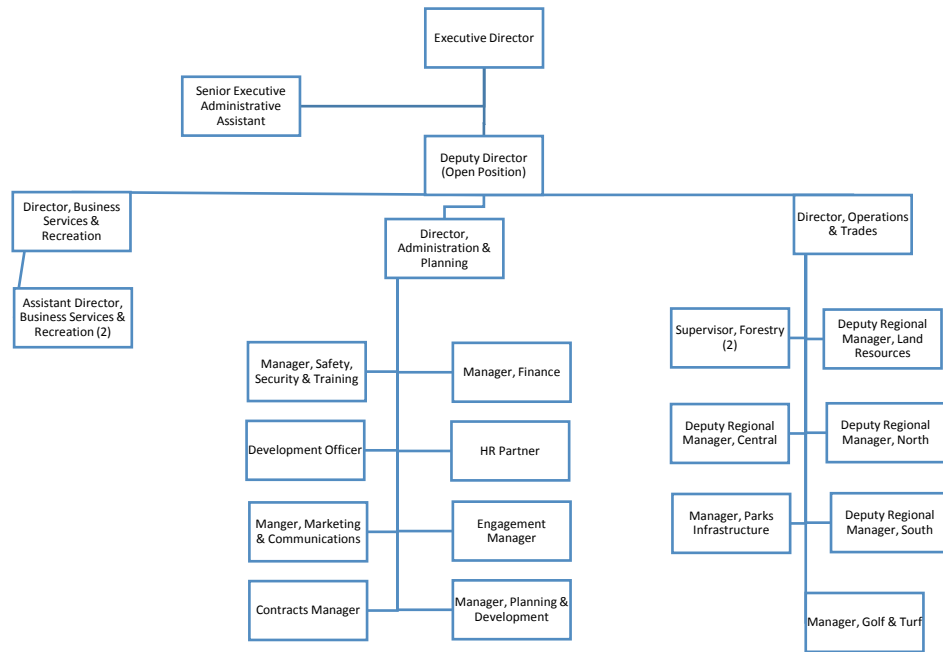
#### Organizational Changes

The 2019 Recommended Budget outlines a new organizational structure for the Parks Department. The 2018 Budget organized 14 program areas into four main divisions: Administration, Park Operations, Planning & Development, and Business Services. To increase efficiency and better manage resources, the four main divisions will be streamlined into three: Planning & Administration, Operations & Trades, and Business Services. The former Planning & Development division, and its two primary branches, includes about six staff members and is moved to the Administration area. The “trades” program area and its approximately 30 staff members is moved to Operations and renamed Operations & Trades. The funding for the Chief of Planning position will be reallocated to a new Deputy Director position and the Chief of Planning position, along with the Planning & Development area, will be dissolved. The Department is currently in the process of hiring a Deputy Director for 2019. The below charts illustrate the efforts to create a more streamlined reporting structure and work process efficiency.

### 2018 Organizational Structure



## 2019 Organizational Structure



### Deferred Maintenance

In September 2018, the Wisconsin Policy Forum published a new report in their series on local government infrastructure in the metro Milwaukee area, titled *Delay of the Game: An analysis of repair and replacement needs for Milwaukee County’s parks, recreational facilities and cultural institutions*. Examining buildings, paved areas, and overall condition of county-owned cultural assets, the report ultimately concludes that there are serious deficits in maintenance and capital project planning throughout the County Parks, Recreation and Cultural system.

Due to both significant repair and replacement needs and limited funding options, there are limitations as to the practical solutions for certain assets. While some institutions have found success in soliciting private donations and charging fees, like the Milwaukee County Zoo, others have been able to sustain themselves by moving towards independence from the County, like the Milwaukee Public Museum. These options are available for some, but not all cultural assets throughout the County.

The greatest challenge is solving for buildings, parks, and paved areas. Several buildings and parkways have severe capital needs in addition to their routine maintenance. Both the Milwaukee County Horticultural Conservatory (the “Domes”) and Milwaukee Public Museum are planning for extensive repairs or structural replacements in the next few years, while still undergoing large maintenance projects on their existing facilities.

Paved assets are also in great need for reconstruction. The report estimates that 73 percent of parkways should be considered for reconstruction within the next decade. Reconstruction of parkways is a major undertaking. The 2019 Capital Budget includes two projects that address parkway reconstruction, but the list of capital parkway projects far exceeds its replacement schedule. For smaller cultural institutions, like the Charles Allis and Villa Terrace museums, there is still great need for capital support, but not the same amount of public support that a high-profile attraction generates.

Self-imposed bonding caps limit the amount of debt the County can accrue year-to-year.

The Wisconsin Policy Forum acknowledges the difficulties with simply raising the debt limits to fund requested capital projects. However, they argue that, because of the rate of deterioration throughout the system and the backlog of projects, there might be fewer practical solutions to consider. As time goes on, assets will continue to require routine maintenance and capital projects will continue to grow. Reassessing the policy for general obligation bonding in some form is one solution that the County might consider in order to address deferred maintenance concerns in the County Parks system. Although the Wisconsin Policy Forum released this report, the issues they raise are not new or unknown to County officials and leaders. The County does need to address these concerns and begin planning for the funding of maintenance and capital projects soon.

### Staffing Arrangements

In order to comply with federal labor laws, the Parks Department began transitioning several seasonal positions to full-time positions in 2017 and will continue to remedy these concerns in 2019. New federal labor laws indicate that any employee averaging 30 hours per week is considered full-time. The nature of seasonal work, and the existence of “super seasonal” employees, can result in meeting this benchmark. A report issued by a former Parks Director in 2017 (File No. 17-129) comprehensively explains the basis for these conversions and which positions are typically slated for conversion. As a result, the 2019 Budget Summary table lists that the Parks Department will see a reduction of 11 seasonal positions and an increase of nearly 22 FTE positions. These new positions include: two Park Maintenance Worker Assistants, four Park Maintenance Workers, two Food Service Operators, two Marketing Assistants, two Office Assistants, one Head Lifeguard and one Park Ranger.

<u>Seasonal Workers</u>	<u>Hours</u>	<u>FTE</u>
2015	490,330	235.74
2016	529,298	254.47
2017	516,732	248.43
2018 (Projected)	499,407	240.10
2019 (Projected)	476,944	229.30

The Parks Department relies on seasonal employees to address many day-to-day concerns: cutting grass in the warmer months, plowing snow in the winter, and maintaining landscaping, among many other requests. Although the 2019 Budget is expected to include fewer seasonal hours than year’s prior, the transition to FTE positions ensures that there are not significant delays to service or maintenance requests. Funding for personnel, both seasonal and full-time, was not decreased in the 2019 Recommended Budget.

## Anticipated Revenues

### Park Fees

The 2019 Recommended Budget includes fee increases for several amenities and special event rentals, including dog exercise areas, golf and aquatics admissions, marina slip rentals, and horticulture. In order to comply with the directed 1.1 percent decrease in expenditures, the Department is instituting several small fee increases in order to avoid closing facilities and reducing services. The most notable changes are increases for dog

exercise areas, aquatics admissions and season passes, and some golf admissions. A two percent increase was instituted for all marina slip rentals at McKinley Marina. McKinley Marina slip rentals are increased every other year at a rate of two percent.

The Parks Department operates a robust and popular rental system, utilized frequently for group meeting spaces or special events. Facilities such as the Domes or South Shore Pavilion are particularly popular rentals for weddings. Rental fees at the Domes were increased for wedding-only rentals, whereas South Shore Pavilion rental fees increased for high-demand times (Thursday-Sunday and holidays) regardless of event type. Photography permits for several locations increased (by no more than \$20 at any single facility) to offset high-demand.

Many admissions prices were kept at their 2018 rates except for Boerner Botanical Gardens non-resident rates. Prior to 2019, there were no admission rate differences for resident and non-residents. The 2019 Budget includes a non-resident fee of \$7.50 and \$5.50 for adults and children, respectively. Resident fees remained the same at \$6.50 and \$4.50 for adults and children, respectively.

The below chart illustrates the anticipated revenues for several amenities and services throughout the County Parks system. Note that some categories are general estimates of revenues from admissions, whereas some are specific breakouts of revenue from the difference between the 2018 fee and 2019 increased fee.

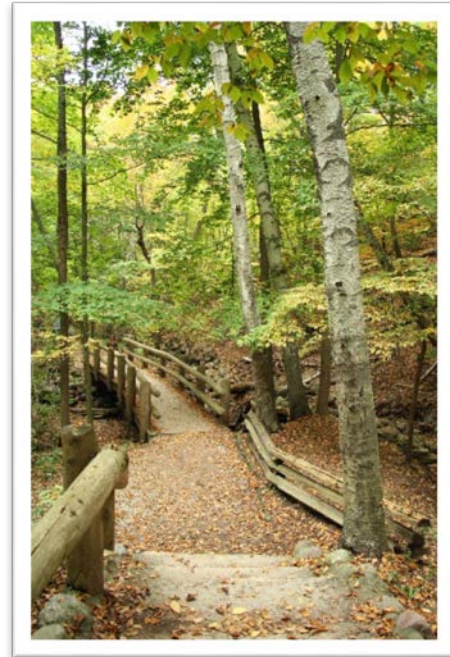
Anticipated Revenue	Category
\$140,000	Disc Golf & Dog Permit Fees (rate increases & compliance)
\$12,000	Golf Fees
\$35,000	Skate Rental and Extended Hours/Season
\$7,000	Increased Parking Fee for July 3 <sup>rd</sup>
\$50,000	Camping
\$7,000	Rental Rate Increases/Picnic Permits and South Shore Pavilion
\$34,000	Slip Rental Rate Increases
\$1,000	Aquatics Rate Increases
\$10,000	Boerner Botanical Gardens Admission Rate Increases

### China Lights

Changes to the China Lights event at Boerner Botanical Gardens will also generate new revenue for the Parks Department. For the past two years, profit from the event was directed to the Park People, a general Milwaukee County Parks friends group, for appropriation in the Garden Fund and general improvements to the Botanical Gardens facility. Beginning in 2018, proceeds from China Lights will go directly to the Parks Department. Based on historic ticket sales data and sponsorships, the Parks Department estimates at least \$200,000 in revenue from the China Lights event in 2019, depending upon weather conditions.

## Camping

The Parks Department will explore opportunities to provide recreational vehicle and tent camping in targeted areas throughout the Parks system. An estimated \$50,000 in revenue is expected to come from the program, including rental and parking fees. Milwaukee County Ordinance 47.25 prohibits sleeping, camping or lodging in any County parks, except for those designated for such purposes. Currently, there are no locations designated for camping. The Parks Department will work with the Board of Supervisors to identify which locations will be designated for camping by the end of 2018 so as to begin planning and developing the specifics of the program in 2019. Revenue will come from campsite rentals and other fees. As the Parks Department finalizes its POS system upgrade, rentals and reservations for picnic areas, athletic fields, special events permits, golf, and others will be handled online and it is expected that campsite reservations will also move to this online platform.



## Enforcement Opportunities

In 2019, a conversion from seasonal to full-time will create a new Park Ranger position. The Parks Department anticipates an increase of \$71,000 in enforcement revenues. The revenues will offset the creation of the position at \$35,000 for a net revenue of \$36,000. Enforcement opportunities will include regular and special event parking, as well as fee compliance.

## Marketing and Partnerships

Due to partnerships with Journeyhouse and the City of Greenfield to maintain Baran and Kulwicki Parks, respectively, the Parks Department anticipates a \$50,000 reduction in operating costs.

In 2019, the Parks Department will focus on identifying potential new sponsorship opportunities with the goal of generating an additional \$50,000 in revenue. Current sponsorships include food and beverage partnerships for permanent and traveling beer gardens and concessions, and special events, like China Lights. The Business Services area of the Parks Department will continue to pursue opportunities to partner with local organizations and businesses to improve amenities and services, while also providing needed revenue for its programming.

The Marketing and Communications team will also be tasked with generating \$50,000 in revenue through the sales of print advertising. The Parks Department will increase sales of advertising space to sponsors in different publications, including the concert schedules and rental guides.

### Parks Amenities Matching Fund

In 2018, no new funding was appropriated to the Parks Amenities Matching Fund (PAMF). Remaining funds were redirected to projects throughout the year or lapsed to the bottom line. No funding is appropriated to the Parks Amenities Matching Fund for 2019.

## Continuing Initiatives

### Mitchell Park Domes

Although not directly addressed in the 2019 Recommended Budget, the Domes are expected to undergo major changes in the next year. The Milwaukee County Task Force on the Mitchell Park Conservatory Domes (“the Domes Taskforce”), created through File No. 16-200 in 2016, has been meeting consistently for the past year and a half. The first two phases of the project have been completed and the Task Force is expected to make a recommendation to the Board of Supervisors in the first quarter of 2019, following the completion of two engineering studies. However, the Task Force has narrowed in on two distinct options. One option would preserve the existing domes structure, but would address deferred maintenance and includes targeted investments into programming, rentals, and other attraction options. The second option would include all aspects of the previous option, but would restructure the show dome into an “EcoDome Destination Attraction”. This option would require new exhibits, programming, and enhancements—all with an ecological, conservatory focus. While the Task Force has centered on these two options, other major concerns are apparent.

As was described in the Wisconsin Policy Forum report, funding will be a major issue for addressing the current deferred maintenance at the Domes. The past several years have seen small fixes to the most major problems, but there are serious improvements that need to be made. Ongoing engineering studies will reveal the extent of the facility’s deterioration. Major overhaul of the facility, not including deferred maintenance, will require outside funding in some form. The issue of governance has been raised to address financial and practical concerns for moving forward with the Domes. The Task Force continues to work to answer these questions and it is expected that they will address these concerns when they make their recommendation to the Board of Supervisors in 2019. There is no dedicated funding source to begin pursuing any options in the 2019 Budget, but it is a major financial concern that must be addressed as discussions on the future of the Parks Department progress and the future of the Domes comes to a head in the next year.

## 9500 Zoological Department (Zoo)

### Revenue Opportunities

#### Admission Fee Increase

The 2019 Budget includes an admission fee increase of \$0.75 for all rates beginning April 1, 2019. Last year, admission rates increased by \$1.25. The \$0.75 increase is expected to generate \$416,910 in additional revenue, which includes an increase of \$100,000 due to the 50/50 membership revenue split with the Zoological Society. The 50/50 membership split comes from the sale of zoo passes through the Zoological Society. The Zoo receives 50 percent of all zoo pass membership sales in direct cash support.



### [Animal Experience Program](#)

The Zoo is instituting a new Animal Experience Program, giving guests the ability to book a “Chat with a Zookeeper” or “Curator Tour”. These two programs, also offered for birthday parties and events, are expected to result in \$121,500 in revenue. The cost of administering the program is \$61,652, which includes the cost of creating a new Zookeeper position, for a net revenue of \$59,848.

### [Staffing](#)

Similar to the Parks Department, the Zoo is converting several positions from seasonal to full-time. The 2019 Budget Summary includes the addition of 32.2 FTE positions and the removal of 26 seasonal positions. The following positions are slated for conversion: three Custodial Workers, eight Grounds Workers, two Visitor Services Specialists, two Heritage Farm Attendants, and one Assistant Zoo Maintenance Worker.

The Zoo also created or funded several other positions. As mentioned in the previous section, one full-time Zookeeper position was added and funding was offset by anticipated revenues from the Animal Experience Program. Tax levy funded a full-time Security Coordinator position and a part-time Social Media Specialist. The 2019 Capital Budget includes renovations to the Hippopotamus Exhibit and is expected to open in spring of 2020. The complexity of new additions to the exhibit requires a Life Support Technician, which is funded through an Endowment held by the Zoological Society. The position is funded for only seven months in 2019 due to the timeline of construction on the project.

### [Attendance](#)

The 2019 Budget includes a 26,500 increase in attendance due to the phase one opening of the Adventure Africa exhibit, a Brick Dinos Exhibit (see File No. 18-512) and the Animal Experience Program. However, at the September 2018 meeting of the Finance & Audit Committee, the Zoo reported a revenue deficit of \$756,624 for 2018, as well as an attendance deficit of 79,330 (File No. 18-593). Adverse weather conditions in April, May, and June greatly impacted the ability of the Zoo to operate certain amenities and impacted attendance during key times, like spring break. The projected attendance increase of 26,500 is based on anticipated attendance in the 2018 Budget. Due to the deficit reported in late 2018, it is unclear whether the Zoo still expects attendance to increase beyond the anticipated 2018 attendance.

## **9910 UW-Extension**

Effective tax levy support in 2019 for UW-Extension decreases by \$46,516 from 2018. Due to an office move from the County Grounds to a non-County facility in June 2018, operating expenses were reduced, resulting in the reduction of tax levy support. There is no change in anticipated revenues for 2019. A one-time merit raise resulted in a single step increase, culminating in a \$6,519 increase for personnel costs. The merit raise is offset by savings due to the decrease in operating expenses.



## 1900 Consolidated Non-Departmental Cultural Contributions

The County's cultural agencies are consolidated into Organizational Unit 1900, which consists of the Milwaukee County Fund for the Arts (CAMPAC), the Milwaukee County Historical Society, the Milwaukee County Federated Library System, the Marcus Center for the Performing Arts, the Milwaukee Public Museum, the Charles Allis/Villa Terrace Museums, the War Memorial Center, and the Milwaukee Art Museum.

### ***Strategic Program Area 1: Milwaukee County Fund for the Arts***

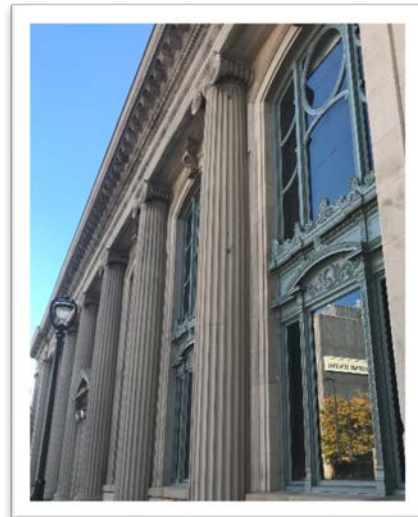
The County's contribution to the Milwaukee County Fund for the Arts (CAMPAC) remains unchanged from the previous year at \$407,825 in tax levy support for 2019.

CAMPAC funding is allocated among three program areas:

1. *Matching Grants*, which leverage outside dollars to sustain the County's arts organizations.
2. *Community Cultural Events*, which are targeted to serve minority and underserved communities.
3. *Administrative Services*, which is administered by a consultant and is funded at less than 4 percent of the overall Budget.

### ***Strategic Program Area 2: Milwaukee County Historical Society***

The County's contribution to the Historical Society remains at the 2018 levels of \$258,105 in tax levy support for 2019. Major capital improvement projects to repair the exterior cornices of the Historical Society building were completed in 2018. Attendance rates were effected for 2018, but are expected to be restored to normal levels in 2019. Event rentals could still be impacted for 2019 due to the long-range booking window. In 2019, the Historical Society will continue to improve record retention and storage projects that began in 2018, which was funded through the 2018 Adopted Budget (see File No. 18-550).



### ***Strategic Program Area 3: Federated Library System***

Tax levy support remains at \$66,650 for the County's contribution to the Federal Library System in 2019. This will be used to offset program costs.

### ***Strategic Program Area 4: Marcus Center for the Performing Arts***

The County's contribution to the Marcus Center for the Performing Arts decreases by \$50,000 to \$800,000 in tax levy for 2019. This amount represents the requested reduction in tax levy support from recent years' levels and is consistent with the support levels outlined in the Marcus Center's contribution agreement with the County, which was finalized in March 2016.

### ***Strategic Program Area 5: Milwaukee Public Museum***

There is no change in the County's 2019 contribution of \$3.5 million to the Milwaukee Public Museum from the 2018 allocation. Per the amended Lease and Management Agreement (LMA) executed in 2013 between Milwaukee County and the Milwaukee Public

Museum, Milwaukee County commits to the following Operating and Capital Budget funding levels:

- 2014-2017: \$3,500,000 annually
- 2018-2019: \$3,350,000 annually
- 2020-2021: \$3,200,000 annually
- 2022: \$3,000,000 annually

If the Milwaukee Public Museum received at least \$5 million in cash and donor commitments for capital spending related to the Site and Building by December 31, 2017, the Base Level Funding will increase to a total of \$3.5 million each year from 2018 to 2020. In a report to the Board of Supervisors in July 2018, the Milwaukee Public Museum sought to revise two aspects of the LMA that would restore the funding to \$3.5 million. They asked to waive the requirement that they raise at least \$5 million by December 31, 2017 and that their Endowment maintain at least \$2 million in unrestricted net assets from donors. Because the organization has decided to relocate in the next few years, they are asking for an extension on the fundraising deadline so as to reflect their new goals of raising money for the new facility and only carrying out the most necessary maintenance projects on the current facility. The Museum's bank has lowered the requirements of unrestricted net assets to \$1.5 million and they asked the County to lower their requirement to match the bank. The Board of Supervisors approved these changes to the LMA and funding for 2019 will remain at the \$3.5 million level.

***Strategic Program Area 6: Charles Allis/Villa Terrace Art Museums***

In 2019, the County's contribution to the Charles Allis/Villa Terrace Art Museums remains at the 2018 level of \$225,108 in tax levy. Work approved by the Board of Supervisors in 2015 on the Charles Allis Art Museum's façade was completed in 2018. The organization anticipates needing to continue work on this project due to underfunding.

***Strategic Program Area 7: War Memorial Center***

The 2019 tax levy contribution to the War Memorial Center remains unchanged from the 2018 levels for a total of \$486,000. Per the 2013 Lease and Management Agreement, County tax levy contributions for the War Memorial Center will remain at this funding level annually through 2023.

***Strategic Program Area 8: Milwaukee Art Museum***

The 2019 County contribution to the Milwaukee Art Museum remains unchanged from the 2018 levels, with expenditures of \$1,290,000 in tax levy. This amount reflects the results of the arbitration settlement from the sale of the O'Donnell Park parking structure to the Milwaukee Art Museum (File No. 16-229). A \$190,000 appropriation will continue to be included in this Operating Budget through 2026, in accordance with the terms of the settlement. This expenditure is in addition to the County tax levy contributions for the Milwaukee Art Museum that continue at the annual funding level as determined by the 2013 Lease and Management Agreement through 2023.

## DEBT SERVICE

### 9960 General County Debt Service

The property tax levy for the General Debt Service Fund Budget increases by \$3,838,844 due to \$446,682 more in expenditures and a \$3,392,162 decrease in revenue.

#### Debt Service Expenditures

Total principal and interest expenses increase by \$648,122 from \$87,926,814 to \$88,574,936. This amount also includes \$33,257,478 for debt service costs for pension obligation notes issued in 2009 and 2013.

#### Debt Service Revenues

The 2018 Recommended Budget includes a Contribution from the Debt Service Reserve (DSR) of \$3,854,104, a decrease of \$2,700,606 from the \$6,554,710 budgeted in 2018. As of October 1, 2018, the projected year end DSR balance is \$27.4 million. The projected balance would drop to \$23.5 million at the end of 2019 with the planned contribution from the DSR to support the 2019 budget. As part of the 2014 Budget, the County adopted Financial Policies, which sought to build and maintain a minimum balance of \$10 million in the DSR.

Doyle Hospital Sale Revenues increase \$500,000 to \$9 million for 2019 based on the 2018 projected payment. Based on the sale agreement between Milwaukee County and Froedtert Hospital, the County receives annual payments over 25 years beginning in 1996 and ending in 2020.

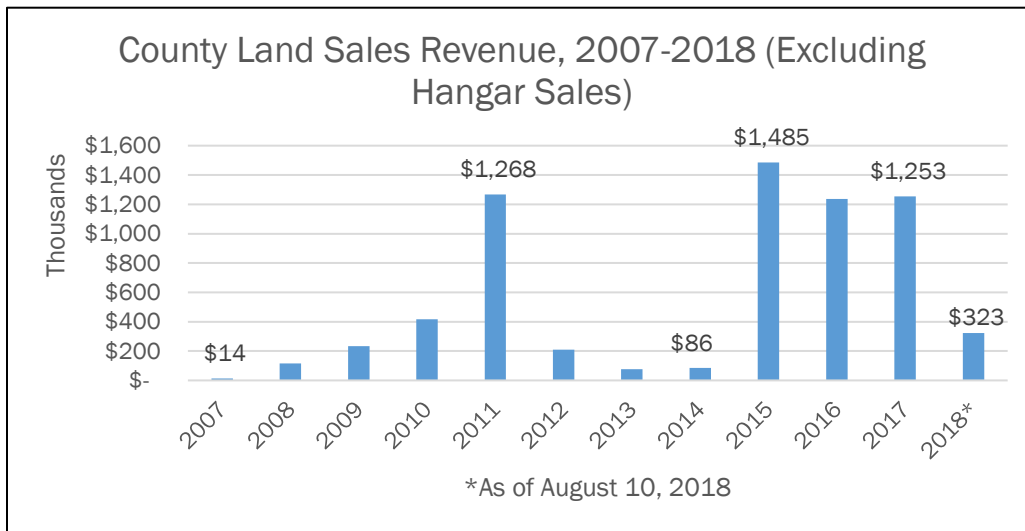
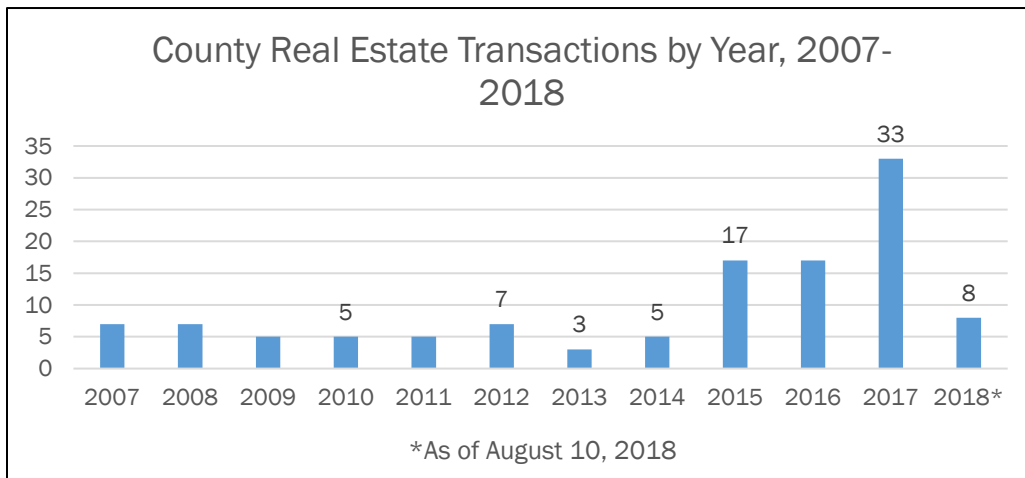
# NON-DEPARTMENTAL REVENUES

## 1901 Unclaimed Money

Unclaimed Money is budgeted at \$1,250,000, an increase of \$1,250,000 from the amount budgeted in 2018. Every other year unclaimed funds are forfeited and recognized by the County. This revenue represents payments to vendors and individuals that go unclaimed.

## 1933 Land Sales

As noted in File No. 17-204 and pursuant to Chapter 6.03(4) of the Milwaukee County Ordinances, net County land sales from tax-foreclosed properties go to the Treasurer to pay for unpaid property taxes, special assessments, or any other fee whose failure-to-pay led to the foreclosure. Land sales are managed by DAS-Economic Development/Real Estate.



## 1937 Potawatomi Revenue Allocation

An agreement between the Forest County Potawatomi Tribe and both the City and County of Milwaukee specifies that Potawatomi shall contribute an annual payment of 1.5 percent of the annual Class III Net Win from Potawatomi Bingo Casino for every 12-month period, beginning on July 1, 1999. Potawatomi also pays the City of Milwaukee the same amount.

The 2019 Recommended Budget includes \$4,307,378 in Potawatomi Revenue, an increase of \$122,750 from the 2018 Adopted Budget. This includes an allocation to DHHS in the amount of \$1,488,523. The DHHS allocation amount remains unchanged from the 2018 levels, and is appropriated to the following areas:

### Behavior Health Division (Org. 6300)

- \$337,203 to support the Community Services Section programs.
- \$500,000 to support Alcohol and Other Drug Abuse (AODA) treatment through the Non-Temporary Assistance to Needy Families (TANF) AODA Voucher System.

### Department of Health and Human Services (Org. 8000)

- \$350,000 to increase the revenue in the Birth-to-Three program to avoid an anticipated Federal revenue reduction.
- \$201,320 to support programs within the Delinquency and Court Services Division.
- \$100,000 is appropriated for case management services for homeless and disabled veterans.

## 1993 State Shared Taxes

State Shared Taxes (Shared Revenue) remains at \$31,259,266 for 2019. In 2016, the County absorbed a \$3,933,858 reduction in shared revenue primarily due to a \$4 million annual contribution the County is making toward the Milwaukee Sports Arena as outlined in 2015 Wisconsin Act 60. The \$4 million annual contribution will last for 20 years, beginning in 2016 and ending in 2035. (See *Org. Unit 1995 – Milwaukee Bucks Sports Arena below*) The State previously modified the shared revenue formula so that the previous year's base, plus the utility payment, determines the budgeted amount. The components previously used to calculate the County's shared revenue payment; aidable revenues, county mandate relief and maximum-minimum adjustment have been discontinued. Only the utility aid component is used to calculate adjustments to the shared revenue payment.

Gross shared revenue payments are approximately \$51.3 million, with \$20.1 million intercepted by the State for the Child Welfare reallocation, for the twenty-first consecutive year. (County Community Aids are also reduced by \$38.8 million, for a total reallocation of \$58.9 million to the State Bureau of Milwaukee Child Welfare). The Milwaukee Sports Arena contribution of \$4 million annually from 2016-2035 also reduces the actual amount of shared revenue received by the County.

## 1994 State Exempt Computer Aid

State Exempt Computer Aid is budgeted at \$5,108,421, an increase of \$100,165 from the 2018 amount. This State aid payment originated in the 2000 Budget as an offset to

a State-enacted property tax exemption on business computers which went into effect that year. The annual payment was previously based on the equalized value of exempt computers, Milwaukee County equalized value (excluding TID) and the property tax levy. The formula was changed in the 2017-19 State Budget and replaced with a flat increase of 1.47 percent in 2018 and a percentage equal to inflation thereafter.

## 1995 Milwaukee Bucks Sports Arena

This non-departmental revenue account was established in the 2016 Adopted Budget to reflect the County's annual contribution of \$4 million to the new arena for 20 years, from 2016 through 2035. The State collects the County's contribution by reducing its Shared Revenue payments to the County by \$4 million each year. To better highlight the commitment Milwaukee County is making to the new Bucks Sports Arena, Org. Unit 1995 was established in the 2016 Adopted Budget to reflect a *negative* revenue of \$4 million that, coupled with the shared revenue payment budgeted in Org. 1993, would reflect the County's anticipated receipts. The \$4 million shared revenue decrement is continued in 2019 and presented in the Milwaukee Bucks Sports Arena account.

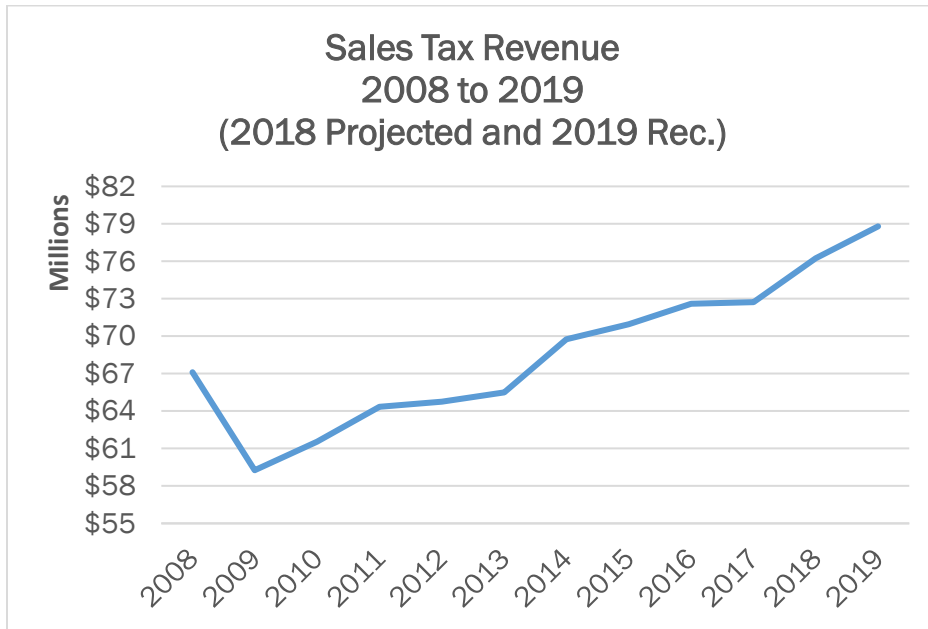
## 1996 County Sales Tax Revenue

Total County sales tax receipts are projected to increase by \$3,069,632 from \$75.7 million in 2018 to \$78.8 million in 2019. The 2019 recommendation reflects a 4.1 percent increase from the 2018 budgeted amount.

The Comptroller, based on an analysis dated September 7, 2018, projects 2018 sales tax collections will be \$500,000 more than the \$75.7 million budget. One factor contributing to the increased budget for 2019 is the *South Dakota v. Wayfair Inc.* U.S. Supreme Court decision which allows for collection on out of state purchases beginning October 1, 2018. This is estimated to provide Milwaukee County an additional \$1.7 million per year.

A total of \$34.5 million in net sales tax revenue is earmarked for debt service costs and \$10.8 million is dedicated to cash finance capital improvement projects. Net County sales tax revenue is projected to exceed debt service/cash financing costs by \$33.5 million, an decrease of approximately \$6.7 million from 2018. (Primarily due to a \$6 million increase in sales tax to finance capital improvement projects) These monies are therefore available as revenues to offset general operating fund expenses. The Sales and Use Tax Ordinance, Section 22.04, was amended to allow 'surplus' sales tax revenue to cash-finance capital improvement projects, prepay outstanding bonds, fund employee benefit cost increases or supplement the Appropriation for Contingencies.

The chart below provides a history of sales tax collections in Milwaukee County from 2007 Actual through 2018 Projected and the 2019 Recommended amount.



### 1998 Surplus (or Deficit) From Prior Year

The 2017 adjusted surplus applied to the 2019 budget is \$4,798,000, a decrease of \$202,000 from the 2018 amount. Therefore, there is a \$202,000 tax levy impact. This account is required by State law to ensure that year-end surplus and deficit amounts are reconciled from two-years prior.

### 1999 Miscellaneous Revenue

Other miscellaneous revenue is budgeted at \$25,000, a decrease of \$75,000 from 2018. Revenue of \$7,700 is expected due to the closure of Tax Increment Financing (TIF) district #16 in the City of Milwaukee. Other miscellaneous revenue is primarily due to cancellation of uncashed County checks and Jury Fee revenue from employees on Jury Duty.

### 1991 Property Taxes

Property tax revenue is budgeted at \$294,128,329, an increase of \$1,300,000, or 0.44 percent, from the 2018 Adopted Budget. (See Section 1 for tax levy limit discussion.)

# NON-DEPARTMENTAL EXPENDITURES

## 1950 Employee Fringe Benefits

Flat employee fringe benefit costs for 2019 are a key reason the Recommended Budget avoids deeper cuts to programs and services. These costs are primarily driven by healthcare and pension benefits provided to active and retired employees. Gross health and dental costs<sup>3</sup> decrease by \$953,277 to \$111.7 million based primarily on experience. Additionally, gross pension costs<sup>4</sup> increase \$290,022 to \$107.1 million. Higher than anticipated investment returns in 2017 have helped reduce the required contribution for the plan's unfunded liability.

### Employee/Retiree Health Care

There are only few proposed changes to employee/retiree health and dental benefits. Moreover, monthly premiums, in-network deductibles, and office visit co-payments remain the same as 2018. (See the chart in Section 1)

The most significant change is the consolidation of the two dental plans into one option for employees. The County currently provides a point-of-service (PPO) plan administered by Delta Dental of Wisconsin and a Dental Maintenance Organization (DMO) administered by Dental Associates (Care Plus). Beginning in 2019, the DMO option would be discontinued as Delta Dental now covers Dental Associates. According to the Employee Benefits Manager, the "best" coverage from each plan would be provided to employees in the PPO plan. There are no budgeted savings from this initiative, but it will be easier to administer one dental plan according to the Employee Benefits Director.

Two other notable changes include a co-pay increase of \$300, from \$200 to \$500, for an emergency room (ER) visit. The charge is waived if the patient is admitted to the hospital. This change is aimed to discourage costly ER visits and is expected to save approximately \$250,000 per year, although the savings were not included in the 2019 Recommended Budget. Based on 2017 data, 2,115 visits to the ER resulted in 383 admissions to the hospital. Therefore, approximately 82 percent of the ER visits result in a co-pay to the participant. The second change is adding \$250 to the annual deductible for out-of-network medical services. These deductibles were increased \$250 in 2018, the same as the in-network deductibles, but are designed to be twice the amount. This change is budgeted to save \$30,000.

The County's success in moderating the growth in healthcare costs the past few years has contributed significantly to the County's ability to positively "bend the curve" on the five-year fiscal forecasts for employee benefits. Based on 2017 actual results, it appeared that all the savings in employee health care costs had been wrung out by rising costs and more aggressive budgeting. The 2018 projected surplus of \$5 million in employee fringe benefits, however, has allowed the 2019 Recommended Budget to be built on a lower base amount.

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<sup>3</sup> Gross health care costs are before employee and retiree premium payments, other minor program revenues, and departmental revenue offsets (e.g. Airport) and do not reflect the net tax levy costs.

<sup>4</sup> Gross pension costs are before employee and state contributions and departmental revenue offsets and do not reflect net tax levy costs.



It should be noted that the provisions of the health care benefits are specified in Milwaukee County General Ordinances Sections 17.14(7) & 17.14(8). The recommended changes to the plan were not accompanied by a proposed ordinance modification, although past changes have been codified in the ordinances after budget adoption, typically in December.

### *Flexible Spending Account (FSA) Contribution*

The Recommended Budget retains the FSA contribution made to employees at the current amount. The Recommended Budget maintains the employer match of a \$1 to \$1 match up to a maximum employer contribution of \$1,000. Therefore, if the employee contributed \$1,000, the County would provide \$1,000 for a total of \$2,000 for eligible FSA expenses.

### **Pension**

*Retirement System Contribution-OBRA* account is used to separately budget for OBRA benefit contributions. This amount decreases \$58,000 to \$311,000. This pension plan covers seasonal and certain temporary employees who do not elect to enroll in the ERS.

*Doyme Pension Contribution* – This account reflects costs for employees that were former employees of Doyme Hospital that remained working for United Regional Medical Services (URMS) as former workers of the County’s laboratory and radiology units. The contribution for 2019 increases \$529,000, from \$531,000 to \$1,060,000 due to funding requirements.

*Retirement System Contribution* account includes a decrease of \$180,968, from \$105,883,456 to \$105,702,488. The pension contribution includes a normal cost contribution of \$19,619,000, an unfunded actuarial accrued liability payment of \$52,826,000, and debt service costs on the pension obligation notes of \$33,257,478. The decrease is primarily due to a \$411,000 decrease in the unfunded actuarial liability due to higher than anticipated investment returns in 2017.

Beginning in 2011, most employees (except law enforcement and firefighters who were exempted under state law) began contributing one-half of the actuarially required amount toward pension costs. Deputy Sheriffs were later added as part of a new labor agreement. For 2019, the employee pension contribution rates for general employees remain at 6.5 percent. Public safety employees’ contribution rates are subject to collective bargaining, but are estimated to rise to 9.5 percent from 8.3 percent. The contribution amounts are recalculated each year by the county’s actuary.

### **Wage and Step Increases**

The Recommended Budget includes funding in departmental budgets to provide full-year funding of the one percent raise given to employees in mid-2018 and provide a one percent general raise to most employees beginning with Pay Period 14 June 16, 2019. In addition, departmental budgets include a total of \$3,078,889 to provide funds for performance based increases, equity increases, market adjustments, reallocations, and retention based increases. In 2018, \$400,000 of funding was provided for these adjustments in the fourth quarter. Therefore, \$1.6 million of the \$3.1 million provided is to provide full-year funding for the 2018 adjustments. The remaining funds, \$1.5 million, are anticipated to be awarded after midyear 2019. The full year costs of these funds in 2020, if awarded, would be \$3 million.

A new County Compensation System has been sought by the Administration in the past few years to replace the current wage “step system.” No specific proposal is included in the 2019 Recommended Budget. It should be noted that disagreements over employee compensation authority issues between the County Executive and County Board have not yet been resolved despite an appeals court ruling earlier in 2018. No funds are included for step increases. Most employees have not been given step increases since 2013 or earlier.

## 1945 Appropriation for Contingencies

The Recommended Budget includes \$5 million, a decrease of \$2,424,732 from the amount provided in 2018. However, the 2018 Budget included \$1.4 million of “one-time” appropriations that were removed from departmental budgets and placed into the Appropriation for Contingencies.

The policy related to any unanticipated one-time revenues received during the year was modified for 2019. The *current (2018)* policy in the Fiscal Management Policies section states:

*Land Sales & Other One-Time Revenues It is the general policy of Milwaukee County that significant one-time revenues be utilized for one-time projects or acquisitions and shall not be used to offset ongoing operating costs of County Government. The policy shall be consistent with File Number 11-145, developed by the Long-Range Strategic Planning Steering Committee.*

*Large, unanticipated one-time revenues not related to grants, insurance proceeds, or other previously- identified projects or uses shall be utilized as follows:*

*Land sale revenue accounts for the sale of County land as authorized by state statute. As in previous years, \$400,000 is budgeted in Real Estate Services to cover its operating expenditures. This represents the first \$400,000 of unallocated land sales and is historically realized through the sale of foreclosed properties and other miscellaneous land.*

*If the revenue is from a county asset that is being sold and the asset has outstanding debt, the County will use the proceeds to decrease the outstanding debt and pay all associated costs of defeasance.*

*If the Office of the Comptroller is projecting a countywide deficit at the time funds are received, the Office of Performance, Strategy and Budget may recommend that all or part of the proceeds be deposited into the Appropriation for Contingencies.*

*The next \$1,000,000 from land sales will be directed to job programs and economic development initiatives as identified by the Milwaukee County Office of African American Affairs.*

*The remaining balance shall be utilized as follows:*

*Twenty-five percent (25%) shall be made available for economic development projects funded through the Economic Development Fund consistent with File Number 11-601.*

*Twenty-five percent (25%) shall be made available to departments on a competitive basis via the Milwaukee County Innovation Fund. The Innovation Fund is managed and allocations distributed using the process established in File Number 13- 756. Departments that receive funds issue an informational report to the County Executive and the relevant policy oversight committee no more than six months after funding is made available.*

*Fifty percent (50%) shall be deposited into the Appropriation for Contingencies.*

The proposed new policy for 2019 on the use of Land Sales and Other One-Time revenues states:

*It is the general policy of Milwaukee County that significant one-time revenues be utilized for one-time projects or acquisitions and shall not be used to offset ongoing operating costs of County Government. The policy shall be consistent with File Number 11-145, developed by the Long- Range Strategic Planning Steering Committee.*

*Large, unanticipated one-time revenues not related to grants, insurance proceeds, or other previously-identified projects or uses shall be allocated in accordance with established policies on one-time revenues and Chapter 6 of the Milwaukee County Code of Ordinances as amended through File Number 17-204.*

It should be noted that the MCGO Chapter 6 changes contained in File No. 17-204 relates to the proceeds of tax foreclosure properties. File No. 11-145 (Found in CLIC under RES 11-220) adopts these policies related to the sale of land assets:

*BE IT FURTHER RESOLVED, that the Milwaukee County Board of Supervisors hereby supports the following policies related to the sale of land assets:*

- Use land sales proceeds for one-time projects or acquisitions as opposed to using land sales to offset on-going operating costs of county government*
- Budget use of land sale proceeds upon actual receipt as opposed to prospective planning for anticipated sales proceeds that, historically, are subject to significant delays or modifications.*

The proposed new policy recognizes the changes made in MCGO Chapter 6, which conflicts with the current policy regarding proceeds from the sale of tax foreclosed properties. Policymakers may wish to better understand the flow of proceeds from the sale of assets not related to tax foreclosures under the proposed new policy.

## 1930 Offset to Internal Service Charges

This budget includes offsets to charges by internal service fund departments and cross-charging departments so those budgets are not overstated. In 2019, expenditure offsets are equal to revenue offsets for a zero property tax levy impact.

## 1935 Charges to Other County Organization Units

This budget reflects the offset to Central Service costs allocated to departments to show the full cost of operating a department. The Central Service Allocation amounts for 2019 are based upon the 2019 Cost Allocation Plan, which uses 2017 actual costs as its basis. The Office of the Comptroller calculates the amounts of the Central Service Allocation.

## 1921 Human Resources and Payroll System

The non-departmental account established in 2006 for the implementation of the contracted Ceridian system continues. Operational costs of \$1.9 million are included for 2019, a decrease of \$62,025. This includes \$1.7 million for Ceridian Services and \$205,407 for Learning Management System software, Onbase, salary survey and recruiting software. Transit employees use the Ceridian benefits system, which is reimbursed by MCTS. For 2019, the tax levy remains in this account as the cross charge to user departments has been discontinued.

## 1975 Law Enforcement Grants

The Law Enforcement Grant provides funding for the Milwaukee Police Department's support of 911 calls throughout the City of Milwaukee. There are no funds budgeted in 2019 for this program as the memorandum of understanding with the City of Milwaukee has expired and no successor agreement has been agreed to.

## 1961 Litigation Reserve

The 2019 recommended budget for litigation reserve increases to \$526,899 from \$500,000 due to actual expenses increasing. This has no impact on the tax levy from 2018 to 2019 as money was previously budgeted from a settlement payment in 2018 which is now available to fund other unanticipated legal expenses.

## 1985 Capital Outlay/Depreciation Contra

This account is a budgetary device used to provide for proper accounting of capital outlays in Proprietary Fund departments (i.e. Enterprise and Internal Service Fund departments) and depreciation. There is no county-wide tax levy impact from this account.

## 1913 Civil Air Patrol

The civil air patrol is an educational program for youth and adults focused on aeronautics and provides public service to the County and region. The CAP uses a County-owned hangar at Lawrence J. Timmerman Airport where the County covers the utility costs.

The County Executive proposes increasing the CAP's appropriation by \$500 for facility maintenance supplies at the hangar.

## 1972 Wages and Benefits Modifications

No funds are included in this non departmental account for 2019. In 2018, monies were allocated to cover potential increases in salary for members of the Milwaukee County Deputy Sheriff's Association (MDSA). Funds for the general one percent wage increase for most employees, equity adjustments and potential other wage adjustments (i.e. correctional officers) are included in departmental accounts.

## SECTION 4—CAPITAL IMPROVEMENTS BUDGET

### Highways (WH)

WH01008     **Reconstruct CTH “N” South 92<sup>nd</sup> Street**  
Expenditure: \$3,700,000  
Revenue Reimbursement: \$1,203,000  
Net County Commitment: \$2,497,000

The project modernizes 1.5 miles of aged road while improving drainage and usability for pedestrians and cyclists. In 2018, the County financed design of reconstruction for \$275,000 in general obligation bonds. State funding expires on June 30, 2021 and work therefore must begin in 2019 or they will forfeit state funding. The County net commitment is financed with general obligation bonds.

WH09201     **S. 76<sup>th</sup> St. & W. Layton Ave. Adapt Signal System**  
Expenditure: \$440,000  
Revenue Reimbursement: \$340,000  
Net County Commitment: \$100,000

The County will spend \$100,000 of sales tax revenue while utilizing \$340,000 of federal aid which requires project completion and reimbursement by June 30, 2020. If construction does not begin in 2019, the County will forfeit its state aid.

WH09501     **W. Rawson Ave.—S. 27<sup>th</sup> St. to S. 20<sup>th</sup> St.**  
Expenditure: \$460,000  
Revenue Reimbursement: \$360,000  
Net County Commitment: \$100,000

For 2019, this multi-year project would finish design and land acquisition for 0.4 miles of W. Rawson Ave. to modernize that road section and improve usability for pedestrians and cyclists. The project is financed with \$360,000 in federal aid and \$100,000 of general obligation bonds.

WH11001     **W. Beloit Rd. (CTH T)—S. 124<sup>th</sup> St. to S. Wollmer Rd.**  
Expenditure: \$125,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$125,000

This multiyear, 1.4-mile road repair and modernization project will ultimately cost \$3,675,000. Of which, \$807,992 will be from state aids due to expire on June 30, 2023. For 2019 the County will expend \$125,000 in general obligation bonds on this project for the design phase.

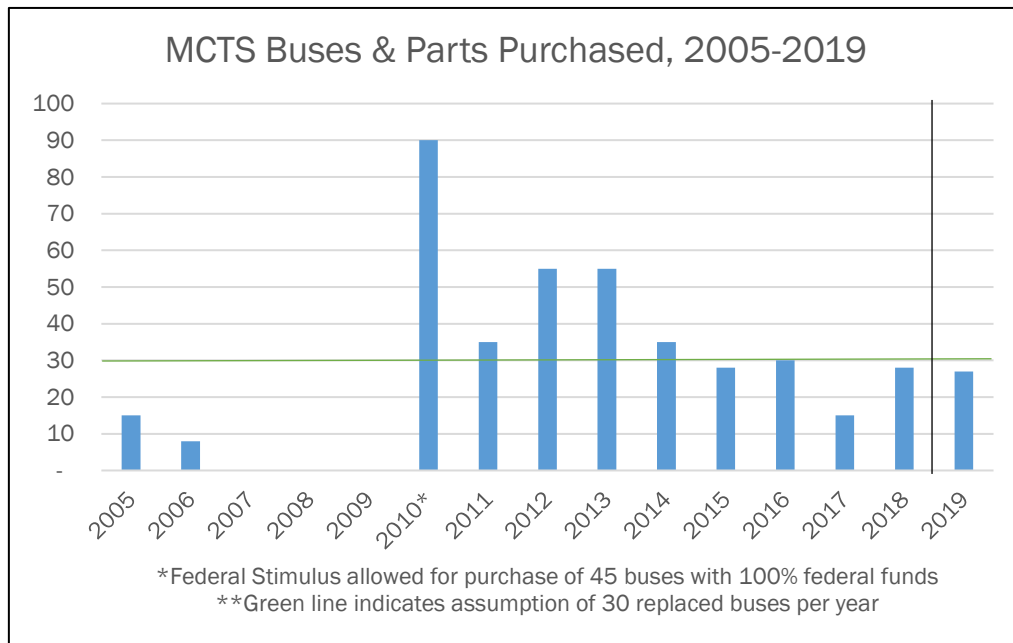
WH11101 **W. Forest Home Ave. (CTH 00)—Hi View Dr. to S. North Cape Rd. RCNDTNG**  
 Expenditure: \$200,000  
 Revenue Reimbursement: \$0  
 Net County Commitment: \$200,000

This multi-year, two-mile project will modernize two miles of W. Forest Home Ave. The project will ultimately cost \$4,880,000 with \$1,531,354 in state aid. State funding will expire on June 30, 2023. In 2019 the County will expend \$125,000 in general obligation bonds for project design.

WH24001 **W. Rawson (CTH BB) USH 45 to Hawthorne Ln.**  
 Expenditure: \$450,000  
 Revenue Reimbursement: \$0  
 Net County Commitment: \$450,000

This multiyear project will modernize a 1.2-mile segment of W. Rawson Ave. The project will ultimately cost \$2,850,000 with \$793,000 reimbursed from the state. In 2019 the County will expend \$450,000 in general obligation bonds for design work. If design does not occur in 2019, work will not begin in 2020, which will cause forfeiture of state funding that expires on June 30, 2021.

## Mass Transit (WT)



Year	Buses + Parts Purchased	Cost	Cost per Bus (2017 Dollars)	Notes
2005	15	\$4,290,000	\$359,867.55	
2006	8	\$2,600,000	\$396,100.61	
2007	-	-	-	
2008	-	-	-	
2009	-	-	-	
2010*	90	\$32,793,750	\$410,547.36	Federal Stimulus
2011	35	\$12,801,600	\$399,513.95	
2012	55	\$20,537,275	\$399,405.05	
2013	55	\$21,999,450	\$421,595.30	
2014	35	\$13,958,000	\$413,341.37	
2015	28	\$12,902,372	\$476,779.70	
2016	30	\$14,264,460	\$485,707.42	
2017	15	\$7,194,075	\$479,605.00	
2018	28	\$13,241,872	\$472,924.00	
2019	27	\$13,365,000	\$495,000.00	

**WT07901 Replace MCTS Fleet Maintenance Roof**

Expenditure: \$530,467  
Revenue Reimbursement: \$0  
Net County Commitment: \$530,467

The useful life of the facility's roof has expired and is prone to leaks. Patching is no longer sufficient to avoid leaks. This multiyear project will include planning and design in 2019 to the cost of \$530,467 in general obligation bonds. An additional \$4,150,791 is scheduled in 2020 for project completion.

**WT08301 Bus Rapid Transit (BRT)**

Expenditure: \$31,000,000  
Revenue Reimbursement: \$23,911,000  
Net County Commitment: \$7,089,000

The BRT is a major multiyear initiative sponsored by MCTS and the County which will occur primarily on Wisconsin and Bluemound Avenues. It essentially will create a bus line with the advantages of a train, having its own street right-of-way for 53 percent of the route, level-boarding at stations, and fare payment prior to boarding. These features will reduce route times with the intention of creating greater convenience for passengers while connecting the Milwaukee Regional Medical Center (MRMC) with Downtown Milwaukee, two major destinations and employment centers.



In 2017 Milwaukee County authorized the expenditure of \$21,225,000 for outreach, design, and construction, primarily with \$18 million in federal funds, but also \$1,968,487 in VRF revenue, and \$1,256,513 in general obligation bonds.

For 2019, the County would provide expenditure authority for an additional \$31,000,000 with \$7,089,000 in general obligation bonds, \$4,511,000 in capital investment from the MRMC, and \$19,400,000 from the Federal Transit Administration's (FTA) Capital Investment Grant (CIG) fund.

Expenditure authority demonstrates Milwaukee County's commitment to the project for award consideration to the FTA.

However, the CIG dollars may be in jeopardy. In GAO-18-462, the independent and nonpartisan federal Government Accountability Office found in May 2018 the FTA is not following Congressional mandates pertaining to the distribution of CIG dollars, apparently at the best of the Trump Administration which attempted to eliminate the CIG in the proposed Fiscal Year 2019 federal budget. Transportation and planning news outlets reported over the summer of a growing backlog of transportation projects across the country due to an apparent 'foot-dragging' by the FTA. MCTS submitted its amended application on September 9 and expects to receive federal approval between March and August 2019.

To mitigate risk to the County, construction activity related to BRT would not occur until receipt of the FTA's funding agreement. The FTA would at that time be legally bounded to reimburse the County for all eligible expenses. To date, MCTS has been timely with all FTA requests and procedures specific to the project to prevent undue delay.

**WT08601      Replace Employee Parking Lot & Lighting at Fond du Lac (FDL) Garage**  
Expenditure: \$1,068,690  
Revenue Reimbursement: \$854,952  
Net County Commitment: \$213,738

No repaving has occurred at the FDL parking lot for over 30 years and is pothole-prone. MCTS has repaired potholes at \$5,000 annually which only sufficient for a year. The project would also install energy-efficient LED lights in the lot to reduce long-term energy costs.

Of the \$1,068,690, \$854,952 will receive federal reimbursement from the FTA Section 5307 fund. The County would pay the remaining \$213,738 with general obligation bonds.

**WT10701      Bus Lift Replacement 1-4 (Maintenance Facility)**  
Expenditure: \$897,458  
Revenue Reimbursement: \$0  
Net County Commitment: \$897,458

The MCTS Hillside Fleet Maintenance Facility installed 28 hydraulic bus maintenance lifts in the 1980s. All are nearing the end of their useful life, eight presently do not work. This project would replace four. MCTS expects more lifts to fail sooner rather than later due to their age.

The County would use general obligation bonds for the entire \$897,458.

WT12101

**Bus Replacement Program—2019**

Expenditure: \$13,400,000

Revenue Reimbursement: \$2,376,000

Net County Commitment: \$11,024,000

Due to routine wear and tear, MCTS assumes it will replace 30 buses every year at the end of their useful lives. This project would replace 27 forty-foot buses. Of the \$13.4 million appropriation, the federal government would reimburse the County \$2,376,000 with Congestion Mitigation and Air Quality Improvement (CMAQ) and Section 5339 dollars. The County would pay for the remainder with \$11,024,000 in general obligation bonds.

However, County Board File No. 18-640, adopted September 20, 2018, authorized the Department of Transportation (“MCDOT”) to apply for the transit capital assistance program (“VW Grant Program”). As a condition of the program, award recipients would receive a reduction of 75 percent of the actual award amount amortized over a 10-year period. The MCDOT has submitted a grant application to provide the local share for the 28 eligible buses (\$10,850,915) in the 2018 Adopted Capital Improvements Budget and the local share for the 21 eligible buses (\$10,395,000) that are included in the 2019 Recommended Capital Improvements Budget. File No. 18-640 authorized the Department of Administrative and the Office of the Comptroller to perform an administrative transfer to exchange the funds based on the actual VW Grant Program funds that may be received.

The fiscal analysis included in File No. 18-640 estimated net present value savings of \$6.9 million from 2019 to 2035 based on financing the eligible buses with VW Grant Program funds rather than issuing general obligation bonds. To achieve the estimated savings identified in File No. 18-640, the bonds originally assumed to be issued for eligible bus replacements would *not* be able to finance other capital projects. If the bonds were instead issued for other capital projects the estimated savings would not be achieved and additional property tax levy would be required.

## Airport (WA)

General Mitchell International Airport (GMIA) and Lawrence J. Timmerman Airport (LJT) are the two airports Milwaukee County manages. The funding for the Airport capital program derives from a combination of state and federal grant dollars. Passenger Facility Charge fees (PFCs) assessed on passengers, and Airport reserves funded predominantly from concessions and car rental revenues. Below is a brief description of the funding accounts generally in order of size:

1. **Airline Improvement Program (AIP)** – This fund is generally used for airfield or airside improvements subject to Federal Aviation Administration (FAA) approval. AIP projects are typically paid for 75/12.5/12.5 percent by the federal, state, and local governments respectively. There are two types of AIP funding categories:
  - i. Entitlement – Formula-based according to airport size, traffic, and related variables
  - ii. Discretionary – Competitively allocated based on funding availability
2. **State Block Grant** – This is the primary funding source for eligible projects related to LJT and is administered by the state of Wisconsin as a block grant. LJT projects sometimes can also receive primarily state funding with local share participation varying by project.
3. **Passenger Facility Charges (PFC)** – Every enplaning, or departing, passenger pays a \$4.50 fee which goes into the PFC fund. PFC dollars are spent subject to FAA approval. PFC funds can be used toward the local matching portion of AIP projects, but can also be used for standalone projects. Pursuant to federal guidelines, PFC funds may be used in general for projects which do one of the following:
  - i. Enhance the safety, security, or capacity of the airport
  - ii. Reduce airport noise
  - iii. Increase air carrier competition
4. **Airport Development Fund (ADF)** – The dollars in this fund derive from the master lease agreement which governs the operating relationship between the signatory air carriers and GMIA. Under the terms of the present 2015-2020 lease agreement, GMIA may maintain a fund of up to \$15 million based on collecting 10 percent of all parking and concession revenue. ADF funds can be used as the local matching portion for some projects or for standalone projects that may not otherwise qualify for funding through AIP or PFC dollars.
5. **ADF-D Fund** – As an offshoot of ADF, a provision in the 2015-2020 GMIA master lease allows for the airport to fund up to \$4 million of projects in the ADF-D account, the cost of which gets funded from depreciation expenses charged to and reimbursed through the airlines.
6. **Capital Improvement Reserve Account (CIRA)** – This fund is often used as a local matching source for capital projects at LJT, the general aviation reliever airport to GMIA. CIRA has also been used for other projects at GMIA like parking. The CIRA portion of projects is funded from depreciation expenses charged to the airlines.

7. **Customer Facility Charges (CFCs)** – The funds in the CFC account derive from a \$0.50 per day per vehicle fee incurred on vehicles rented from the rental car companies operating at GMIA. GMIA uses these funds to address maintenance and construction needs and improvements of the car rental facilities in the parking garage.

WA21101      **General Mitchell International Airport (GMIA)—Physical Access Control System Upgrade**  
Expenditure: \$5,462,471  
Revenue Reimbursement: \$0  
Net County Commitment: \$5,462,471

GMIA would replace its physical access control system which is over 17 years old, becoming costlier to maintain, and is obsolete relative to newer technology available. The County will spend \$5,462,471 in passenger facility charge (PFC) funds.

WA26301      **GMIA Howell Tunnel Rehabilitation**  
Expenditure: \$2,663,768  
Revenue Reimbursement: \$2,330,797  
Net County Commitment: \$332,971

The Howell Avenue tunnel over which resides the Runway 7R-25L and Taxiway A, first constructed in 1964, is due for repairs based on a 2016 structural inspection and evaluation. Repairs would prolong the useful life of the tunnel at least another 20 years. If repairs do not occur, the safety and integrity of the tunnel would degrade much faster and prompt a costlier project sooner.

Pending grant approvals, GMIA would receive \$1,997,826 in Federal Aviation Administration (FAA) Airport Investment Program (AIP) dollars, \$332,971 from Wisconsin, and the remaining \$332,971 would come from PFC funds.

WA26401      **GMIA Taxiways E & F Pavement Rehabilitation**  
Expenditure: \$3,046,403  
Revenue Reimbursement: \$2,665,602  
Net County Commitment: \$380,801

This project would replace and modernize Taxiway F between Taxiway Z and Runway 19R pursuant to a 2016 Wisconsin Department of Transportation Bureau of Aeronautics finding that further degradation of the taxiway could lead to chunks of pavement entering and damaging aircraft engines.

Pending grant approvals, the AIP would provide \$2,284,802, and Wisconsin would grant \$380,800. GMIA would pay for the remaining \$380,801 with PFC dollars.

- WA26701 GMIA Taxiway P Pavement Rehabilitation**  
 Expenditure: \$300,629  
 Revenue Reimbursement: \$240,503  
 Net County Commitment: \$60,126
- In 2016 the Wisconsin Department of Transportation Bureau of Aeronautics found Taxiway P from Taxiway B to the north end of pavement to have a Pavement Condition Index of 31 out of 100, 100 being the best quality. Should the taxiway continue to degrade, airplane engines could be subject to possible damage from sucking in chunks of pavement
- Pending grant approval, GMIA would receive \$240,503 from the state and would use \$60,126 in PFC dollars.
- WA26801 GMIA Terminal Building Roof & Skylight Replacement**  
 Expenditure: \$3,644,881  
 Revenue Reimbursement: \$0  
 Net County Commitment: \$3,644,881
- The roof and skylight system original to the main terminal constructed in 1984 has been increasingly prone to leakages during storm episodes in the past five years. A 2017 survey recommended replacement as the 30+ year old roof has reached the end of its useful lifespan.
- GMIA would spend the entire \$3,644,881 using ADF dollars.
- WA26901 GMIA—Terminal Fire Alarm System Replacement**  
 Expenditure: \$939,350  
 Revenue Reimbursement: \$0  
 Net County Commitment: \$939,350
- GMIA would replace and modernize the fire alarm system in use throughout the terminal and concourses. It was installed in 2003 and as of late has been increasingly prone to malfunctions including false alarms audible to the public.
- This multiyear project would involve \$939,350 of PFC cash in 2019 for design work, and the remaining \$7,350,574 in 2020 for project installation and completion.
- WA27001 GMIA Ticketing Area Remodeling**  
 Expenditure: \$3,459,081  
 Revenue Reimbursement: \$0  
 Net County Commitment: \$3,459,081
- GMIA would renovate the ticketing area original to the building's construction in 1985. GMIA intends to make the space more

aesthetically pleasing for passengers by allowing more natural light into the area. GMIA would also replace the carpeting with more durable and easier to clean hard floors, reducing maintenance costs. A more aesthetically pleasing ticketing area may improve travelers' perceptions of GMIA and Milwaukee which could improve patronage and tourism. GMIA would spend \$3,459,081 with ADF dollars.

WA27101 **GMIA Replacement Jet Bridges—2019**  
Expenditure: \$2,280,056  
Revenue Reimbursement: \$0  
Net County Commitment: \$2,280,056

GMIA would replace three passenger loading bridges (PLBs) D48, D41, and D45. These PLBs, which connect the planes with airport concourses, have been deemed to be at the end of their useful lives. Funding would come from \$2,280,056 in PFC cash.

WA27201 **GMIA—Parking Access & Revenue Control System Replacement**  
Expenditure: \$2,939,606  
Revenue Reimbursement: \$0  
Net County Commitment: \$2,939,606

The system responsible for generating parking revenue, GMIA's largest revenue source, was installed in 2004 and is no longer supported by the manufacturer. Some component parts are no longer available on the market. GMIA would replace its current system with a modern one. Funding would come from GMIA's CIRA and CFC funds.

WA27301 **GMIA Parking Structure Façade Rehabilitation**  
Expenditure: \$335,571  
Revenue Reimbursement: \$0  
Net County Commitment: \$335,571

The GMIA parking structure is composed of three parking structures built together in phases in 1977, 1989, and 2000. Reports from 2010 and 2012 indicate the condition of localized areas of the façade have substantially deteriorated. These repairs would prolong the life of the façades and deter potential structural failure for at least the next 20 years. The \$335,571 will come from the ADF fund.

WA27401 **GMIA Parking Structure Storm Water Pipe Replacement**  
Expenditure: \$888,199  
Revenue Reimbursement: \$0  
Net County Commitment: \$888,199

The storm water drainage infrastructure original to the GMIA parking garage has declined to the point where it no longer properly channels water away. GMIA reports water leaking into interior pavement and

sometimes on parked automobiles. The \$888,199 would come from the ADF fund.

**WA27501 GMIA Parking Structure Expansion Joint Replacement**

Expenditure: \$734,053

Revenue Reimbursement: \$0

Net County Commitment: \$734,053

As the GMIA parking structure is composed of three combined structures built in 1977, 1989, and 2000, joints are required to keep the structures together. Structural evaluations in 2011 and 2016 determined several joints needed replacing and some repair. GMIA estimates the joints will last at least 15 years. GMIA would spend \$734,053 from the CIRA and CFC funds.

**WA27601 LJT Support Pavement Rehabilitation—2019**

Expenditure: \$797,981

Revenue Reimbursement: \$638,385

Net County Commitment: \$159,596

The WisDOT Bureau of Aeronautics determined in 2016 that pavement at LJT scored a pavement condition index rating of 25 out of 100 indicating significantly distressed paving. Further deterioration could yield chunks of pavement detrimentally being sucked into airplane engines.

\$638,385 in state grants would pay for a majority of the \$797,981 project with the remainder paid for with CIRA dollars.

**WA27701 LJT Taxiway Pavement Rehabilitation—2019**

Expenditure: \$598,820

Revenue Reimbursement: \$568,878

Net County Commitment: \$29,942

The WisDOT Bureau of Aeronautics ascertained in 2016 found taxiways C, D, D1, D2, and B having a pavement condition index of 42 out of 100, suggesting the need for repair. Further degradation, particularly on the taxiway, could lead to chunks of pavement vacuumed into aircraft engines.

Federal and state grants would cover \$568,878 of the \$598,820 cost, with CIRA dollars covering the remaining \$29,942.

**WA27801 GMIA Heavy Equipment Replacement—2019**

Expenditure: \$2,110,000

Revenue Reimbursement: \$0

Net County Commitment: \$2,110,000

GMIA would replace two aged plow trucks and purchase two rotary plows for snow removal. These scheduled purchases are to avoid any delays due to breakdowns when snow removal becomes necessary. PFC dollars would cover the entire \$2,110,000 cost.

**WA27901 GMIA Employee Parking Lot Pavement Rehabilitation**

Expenditure: \$996,770  
Revenue Reimbursement: \$0  
Net County Commitment: \$996,770

GMIA would use \$996,770 in ADF dollars to repair the employee parking section of the garage constructed in 2000.

## Environmental Services (WV)

**WV04601 Warnimont Park Gun Club Remediation**

Expenditure: \$241,017  
Revenue Reimbursement: \$0  
Net County Commitment: \$241,017 to be financed by Sales Tax Revenue.

Funding is budgeted in 2019 for the investigation and remediation of soil contamination in Warnimont Park at the Cudahy Sportsmans Club per the instruction of the State of Wisconsin Department of Natural Resources. The State is requiring this project in order to comply with State environmental regulations. The project will entail removal of the contaminants, which includes addressing any direct contact with contaminated soil and prevention of future surface water contamination.

**WV04901 County-wide Sanitary Sewer Repairs—2019**

Expenditure: \$149,998  
Revenue Reimbursement: \$0  
Net County Commitment: \$149,998 to be financed by Sales Tax Revenue.

Funding is budgeted for an annual inspection of the County's sanitary sewer system. As a result of a 2006 agreement with the State Attorney General's Office, the County inspects the sanitary sewer system every five years. The inspection agreement is the result of a 2004 Notice of Violation/Notice of Claim from the State of Wisconsin Department of Natural Resources for inadequate sewer conditions. In order to meet this deadline, the County inspects 20 percent of the sewer system on an annual basis.

The scope of this annual inspection includes addressing deficiencies from the 2017 and 2018 inspections. The expected projects could include manhole reconstruction, pipe-related work, grouting, root cutting and partial or complete replacements.



## Parks (WP)

WP05046     **Lincoln Park Baseball Lighting**  
Expenditure: \$42,885  
Revenue Reimbursement: \$0  
Net County Commitment: \$42,885 to be financed by general obligation bonds.

Funding is provided to plan and design for a new exterior lighting system at the Henry Aaron Field Baseball Diamond at Lincoln Park. The full scope and completion of this project is phased through 2020. In 2015 and 2016, the Parks department removed several of the existing lights due to safety concerns. Installation of new lighting, including new WE Energies electrical service, will occur in 2020 and will allow the Parks Department to offer more scheduling availability at the field.

WP49801     **Underwood Creek Parkway Replacement**  
Expenditure: \$133,663  
Revenue Reimbursement: \$0  
Net County Commitment: \$133,663 to be financed by general obligation bonds.

Funding is provided to plan and design for replacement of a section of Underwood Creek Parkway between Bluemound Road and 119<sup>th</sup> Street. It has been routinely patched for approximately 10 years. The segment is 0.41 miles in length and is rated 36 out of 100. The Parks department uses a modified version of PASER to visually inspect all paved assets. A rating in the range of 0-40 indicates reconstruction as soon as possible. Ratings above 40 are given a timeline by which reconstruction will be necessary.

The scope of this project is phased through 2020 when reconstruction of the road will take place. In 2019, the department will plan for new asphalt and stone base, LED lighting, concrete curbs and gutters, drainage and storm sewers, and potential utility replacement.

WP53801     **Root River Parkway Reconstruction—Root River Parkway to 92<sup>nd</sup> St. and Parking Lot**  
Expenditure: \$153,142  
Revenue Reimbursement: \$0  
Net County Commitment: \$153,142 to be financed by general obligation bonds.

Funding is provided to plan and design for replacement of a section of Root River Parkway. The segment connects to recreational facilities located in Whitnall Park and carries the Oak Leaf Trail. The 2018 visual assessment of the segment was rated 24 out of 100, indicating reconstruction as soon as possible.

The scope of this project is phased through 2020 when reconstruction of the road will take place. In 2019, the department will assess opportunities for road widening and reconstruction of the Whitnall Park Beer Garden parking lot. Consideration will also be made for storm water management, green infrastructure, and natural areas restoration. The department will work in conjunction with the municipality for replacement of municipal utilities.

**WP49801      **McCarty Electrical Service Replacement****

Expenditure: \$1,016,540

Revenue Reimbursement: \$0

Net County Commitment: \$1,016,540 to be financed by general obligation bonds.

Funding is provided for the final phase of the replacement of the McCarty Park electrical system. The scope of the project includes replacing high voltage feeders and upgrading the electrical system to address critical safety needs.

The 2018 budget appropriated \$118,574 for basic planning and design.

## Milwaukee Public Museum (WM)

**WM03701      **MPM Dome Planetarium Roof Replacement****

Expenditure: \$873,554

Revenue Reimbursement: \$0

Net County Commitment: \$873,554 to be financed by general obligation bonds.

Funding is provided to replace the roofs of the planetarium and the connecting atriums following employee reports of visible water stains on the theater projector's screens and down the interior walls of the planetarium. Inspection of the roof revealed visible cracks and general deterioration. The scope of the project includes removal of the old roofs and installation of new roofs made with similar but longer-lasting materials.

## Milwaukee County Zoo (WZ)

**WZ11801      **Hippopotamus Exhibit Renovation****

Expenditure: \$13,435,936

Revenue Reimbursement: \$0

Net County Commitment: \$4,329,357 to be financed by general obligation bonds and \$9,106,579 to be financed by gifts and cash contributions.

Funding is budgeted in 2019 for the renovation of the existing hippopotamus exhibit in order to facilitate modern zoological practices. The renovations will include a 70,000 gallon above/below-water exhibit, a 3,000 square foot beach, an under-roof educational public viewing space,

an outdoor public plaza with a play area, and a recirculation water filter system. Of the funding for this project, \$778,125 is appropriated for basic planning and design. The construction and implementation of this project will not begin until the Zoological funding, including private donations, is committed and verified. This phase of the project shall not proceed until the Zoological funding (including any private contributions) is committed and verified and all necessary agreements have been executed.

## Health and Human Services (WS)

**WS11701 Wilson Park Senior Center Chiller Replacement**  
Expenditure: \$288,066  
Revenue Reimbursement:  
Net County Commitment: \$288,066 to be financed by general obligation bonds.

Funding is budgeted in 2019 for installation of a new air cooled chiller. The existing water chiller exceeds its life expectancy and fails to maintain building temperature, proper humidity and ventilation levels. Replacement of this unit is critical as it serves as a cooling site during extreme heat waves in the summer months. In addition, this facility serves as a congregate meal site for the Senior Dining Program and as the dispatch site for the Meals on Wheels Program.

**WS12001 Washington Senior Center Ventilator, Unit Heat, Chiller**  
Expenditure: \$413,450  
Revenue Reimbursement:  
Net County Commitment: \$413,450 to be financed by general obligation bonds.

Funding is budgeted in 2019 for replacement of the existing HVAC System with new roof top air handling units (RTUs). The current ventilators and unit heaters are beyond life expectancy and unreliable. The building temperature, humidity level, and ventilation are difficult to maintain. The controls are laborious and expensive to repair. It is recommended that the controls be replaced with direct digital controls (DDC) that are more modernized, and energy efficient with nominal maintenance costs. The water chiller is in dire need of replacement and fails to function properly, resulting in humidity, temperature and ventilation complications. The new chiller will reduce operating and maintenance costs as it is more energy efficient and will have minimal environmental impact.

## Courthouse Complex (WC)

**WC19101 CH Complex Improvements—CJF Caulking Phase 1**  
Expenditure: \$765,528  
Revenue Reimbursement: \$0  
Net County Commitment: \$765,528

Replacing the roof of the 1992 Criminal Justice Facility has halted until exterior sealant joints adjoining the limestone and concrete panels to the building are replaced. The sealant joints have sufficiently degraded that they allow water infiltration into the building's wall, exacerbating the building's exterior physical condition. The work would replace the sealant joints and then allow the roof replacement to resume, the latter may require additional funding in 2020.

The County would use \$765,528 of sales tax revenue to cover the project cost.

**WC19301 Coggs Basement Ceiling & Parking Lot Slab Repairs**

Expenditure: \$513,212  
Revenue Reimbursement: \$0  
Net County Commitment: \$513,212

Water from a concrete parking lot and deck above the Coggs basement is causing water leakage into the basement, putting at risk electrical structures critical to the building and shortening the useful life of the deck. Repairs would cost \$513,212 in sales tax revenue.

**WC19901 CH Complex Façade Inspect and Repair Phase 2**

Expenditure: \$1,290,154  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,290,154

A 2016 façade assessment of the courthouse found areas of masonry in need of repair from weathering due to age. In 2017 the County in WC14701 spent \$500,000 for temporary repairs. In 2019 Facilities Management would repair the northern two-thirds of the east elevation and is expecting more work from 2020 to 2022. In 2019 the County would spend \$1,290,154 in sales tax revenue.

**WC21301 Courthouse HVAC Replacement—Phase 1**

Expenditure: \$1,805,575  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,805,575

Continuing work began in 2017, Facilities Management would replace four cooling towers and four condenser water pumps. Replacements would follow American Society of Heating, Refrigerating, and A-C Engineers (ASHRAE) standards for efficiency and sustainability. Work would end in late 2020. Facilities Management anticipates replacing two chillers in 2020/2021, and another two in 2022/2023. The County would use \$1,805,575 in general obligation bonds for this project.

**WC21401 Forensic Science Center—Phase 1**

Expenditure: \$940,262  
Revenue Reimbursement: \$0

Net County Commitment: \$940,262

The current Medical Examiner's Office is functionally obsolete, does not meet present industry or ADA standards, lacks sufficient space, and may lose certification if these issues are not addressed. The Office of Emergency Management would combine its five divisions under one roof in partnership with the Medical College of Wisconsin (MCW) for cost-savings and future collaboration for mutual benefit. In 2019 Facilities Management would spend \$940,262 in sales tax revenue for design work. This would be the first step for Project WC20901, whose construction and relocation costs are anticipated to cost \$23,821,000. It is unclear as to whether these future costs are eligible for general obligation bond financing as the Forensic Science Center is proposed to be owned by MCW and partially leased to the County. The operating lease expenses for the Medical Examiner's Office and the Office of Emergency Management could be substantial. A dedicated funding source for the lease expenses has not been identified. The operating lease expenses may need to be financed by property tax levy.

## House of Correction (WJ)

### WJ10901 HOC North Building (G2) Roof Replacement

Expenditure: \$368,402

Revenue Reimbursement:

Net County Commitment: \$368,402 to be financed by general obligation bonds.

The roof on the House of Correction (HOC) north building was constructed around 1949. The roof has exceeded its life expectancy of 25-35 years and is still in operating condition, but in need of repairs. Approximately 40 percent of the roof has been replaced since installation. Additional repairs need to be completed due to several leaks from the winter season thaw. The scope of this project will include both demolition and removal of the existing built-up roofing and replacement with a hot-applied built up fiber glass with pea gravel surfacing.

## Other Agencies (WO)

### *Department of Administrative Services – Information Management Service Division*

#### WO19301 Asset Protection – Computer Replacement—Phase 1

Expenditure: \$1,633,076

Revenue Reimbursement: \$0

Net County Commitment: \$1,663,076

The County's approximate 3,500 computers use Windows 7 as an operating system and Microsoft will cease supporting the Windows 7 in 2020. In 2019 IMSD would begin replacement purchases of new

desktop and laptop computers and migrate the data from the old to the new. More computer replacements would occur from 2020 to 2023. The County would spend \$570,000 from the Computer Replacement Reserves (Balance Sheet Account 0751) and \$1,063,076 in sales tax receipts.

W021701      **Phone and Voicemail Replacement**  
Expenditure: \$1,765,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,765,000

IMSD reports the County's phone system is long obsolete and may be subject to "catastrophic failure." The system no longer receives manufacturer support and phone system operations would be cheaper with a newer system. In 2019, IMSD would finish updating the Courthouse's system as well as updating the Botanical Gardens, Parks Maintenance, Zoo, Fleet, Parks Administration, Facilities, the Domes, Housing, and the Criminal Justice Facility.

In 2019, IMSD would purchase, contract-out, and install the necessary component for \$1,765,000 in sales tax revenue. In 2020 IMSD would spend another \$1,765,000 in sales tax revenue to complete the work and update the systems at the Coggs and Children's Court buildings.

W06021      **Enterprise Platform Modernization**  
Expenditure: \$6,885,645  
Revenue Reimbursement: \$0  
Net County Commitment: \$6,885,645

IMSD would replace and modernize the Enterprise Resource Planning (ERP) business management software which the County and MCTS depend on for functioning. The software is long-outdated as it is over 30 years old, requires niche expertise to maintain, and the extreme age is increasing maintenance costs. Newer software would allow for savings from lower maintenance costs, efficiencies through better data connectivity.

In 2019, the County would spend \$3,885,645 in sales tax revenue and \$3 million in general obligation bonds to the total of \$6,885,645 to modernize the ERP system for the County's primary financial and human resources functions.

*Department of Transportation – Fleet Management*

W032301      **Fleet General Equipment—2019**  
Expenditure: \$3,702,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$3,702,000

This capital item replaces departments' vehicles and equipment at the end of their useful lives. In 2019 this consists of 30 items all rated of high importance. Purchases are for Highway Maintenance, the District Attorney, the Behavioral-Health Division, Facilities Management, the Medical Examiner, and the Zoo. Fleet Management will include this debt in the County's short-term debt issues. The individual departments pay the principal and interest and must exchange an old vehicle for a replacement. The County would use general obligation bonds for the \$3.7 million.

W032401      **Sherriff Fleet Equipment—2019**  
Expenditure: \$1,042,271  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,042,271

This capital item replaces the Sherriff Department's vehicles and equipment at the end of their useful lives. In 2019 this consists of 20 vehicles and four equipment items all rated of high importance. Fleet Management will include this debt in the County's short-term debt issues. The Sherriff's Department will pay the principal and interest and must exchange an old vehicle for a replacement. The County would use general obligation bonds for the expenditure.

W032501      **House of Correction Fleet Equipment—2019**  
Expenditure: \$150,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$150,000

This capital item replaces the HOC's vehicles and equipment at the end of their useful lives. In 2019 this consists of three vehicles all rated of high importance. Fleet Management will include this debt in the County's short-term debt issues. The HOC will pay the principal and interest and must exchange an old vehicle for a replacement. The County would use general obligation bonds for the expenditure.

W032601      **Fleet Parks Equipment—2019**  
Expenditure: \$2,190,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$2,190,000

This capital item replaces the Parks Department's vehicles and equipment at the end of their useful lives. In 2019 this consists of 52 capital items all rated of high importance. Fleet Management will include this debt in the County's short-term debt issues. The Parks Department will pay the principal and interest and must exchange an old vehicle for a replacement. The County would use general obligation bonds for the expenditure.

*Office of Emergency Management*

W030301     **Public Safety Data Interoperability**  
Expenditure: \$192,600  
Revenue Reimbursement: \$0  
Net County Commitment: \$192,600

This project would allow the OEM to finish a project begun in 2018 to connect the disparate computer-aided dispatch systems across Milwaukee County. Once all the systems are linked, dispatchers will have greater situational awareness of the nearest available fire unit to dispatch for a fire or medical emergency, improving emergency response times.

This has been done pursuant to File No. 16-680 and will include nine Milwaukee County fire departments through 2020. The County would pay for this with \$67,600 in sales tax revenue and \$125,000 from the property tax levy. By project's completion, the County will have spent \$1.23 million.

*Marcus Center for the Performing Arts*

W053201     **Marcus Center Uihlein #4 Elevator Modernization**  
Expenditure: \$983,506  
Revenue Reimbursement: \$0  
Net County Commitment: \$983,506

Pursuant to the County Capital Support Agreement between the Marcus Center and Milwaukee County, as noted in File No. 16-214, the Marcus Center needs to replace the 22 year old Uihlein Hall #4 elevator which was originally installed in 1996 for ADA compliance. This is the last elevator to be modernized at the Marcus Center.

The County would spend \$983,506 in general obligation bonds.



## Items Recommended by the CIC – Not in CEX Recommended Budget

Item #	REQ DEPT	DEPT RANK	Project Number	Project Name	2019 County Financing	CIC Grade	Financing
2	CAVT	2	W052801	Charles Allis Façade Repair	\$1,462,221	B3	CASH
3	CAVT	3	W052901	Charles Allis Roof Replacement (Main House)	\$2,011,035	B3	CASH
6	PARKS	1	WP20301	Kosciuszko Community Center HVAC	\$3,762,880	C2	BOND
9	MCHS	1	W013601	Trimborn Farm Stone Barn Roof	\$432,710	F1	CASH
10	MCHS	2	W013401	Trimborn Farm Bunkhouse Restoration	\$99,547	C1	CASH
12	PARKS	10	WP69501	Washington Park Bridge Replacements	\$100,099	B2	BOND
13	MPM	4	WM02001	MPM VAV Upgrade to AHU 403, AHU 405 & AHU 601	\$477,363	B3	BOND
18	PARKS	3	WP68801	McKinley Parking Lots – Phase 2	\$3,047,651	C1	BOND
21	MPM	4	WM03601	Air Handling Unit Frequency Drive Replacement	\$355,269	C1	BOND
24	MPM	6	WM02101	MPM Upgrade AHU Level Controls to DDC	\$813,479	C2	BOND
44	PARKS	2	WP54601	Parks Bridge Inventory and Assessment	\$123,940	F1	CASH
				<b>Total</b>	<b>\$12,686,194</b>		

## Not in CIC Recommended – In CEX Recommended

Item #	REQ DEPT	DEPT RANK	Project Number	Project Name	2019 County Financing	CIC Grade	Financing
11	DAS-FM-FM	2	WC19901	CH Complex Façade Inspect & Repair – Phase 2	\$1,290,154	B3	CASH
14	DAS-FM-FM	4	WC19301	Coggs Basement Sealing/Parking Lot Slab Repairs	\$513,212	B3	CASH
19	DAS-IMSD	2	W019301	Asset Protection-Computer Replacement-Phase 1 <sup>5</sup>	\$1,633,076	C1	CASH
25	DAS-FM-FM	1	WC19101	CH Complex Improvements-CJF Caulking-Phase 1	\$765,528	C2	CASH
28	DOT-FLEET	1	W032301	Fleet General Equipment-2019 <sup>6</sup>	\$3,702,000	C2	BOND
29	DOT-FLEET	2	W032601	Fleet Parks Equipment-2019 <sup>2</sup>	\$2,190,000	C2	BOND
30	DOT-FLEET	3	W032401	Sheriff Fleet Equipment-2019 <sup>2</sup>	\$1,042,271	C3	BOND
				<b>Total</b>	<b>\$12,739,579</b>		

<sup>5</sup> The 2019 CEX Recommended Budget utilizes \$570,000 from the computer replacement reserve to partially finance the 2019 replacements. The balance of the funding for the project is provided from sales tax.

<sup>6</sup> The Capital Improvements Committee recommended \$3,700,000 for entire Fleet program. The Department of Transportation (DOT) - Fleet Maintenance Division has the discretion to determine the specific allocation for the various categories. The CEX Recommended Capital Budget includes the Fleet program as requested by the DOT - Fleet Maintenance Division.

### Change in CIC Recommended – Not in CEX Recommended<sup>7</sup>

Item #	REQ DEPT	DEPT RANK	Project Number	Project Name	2019 County Financing	CIC Grade	Financing
10	DHHS-BHD	2	WE60301	BHD-Fire Damper Replacement	\$129,043	B2	CASH
11	DHHS-BHD	5	WE06101	BHD-Door Assembly Replacement	\$369,499	B2	CASH
13	DHHS-BHD	1	WE04001	BHD Roof Repair	\$1,647,625	B2	BOND
14	DHHS-BHD	3	WE04101	BHD Air Handling System	\$1,447,418	B3	BOND
20	DHHS-BHD	4	WE06501	Mental Health Complex New Generator	\$1,174,517	C1	BOND
32	FLEET			ALL FLEET Replacement Prioritized by DOT-FLEET <sup>8</sup>	\$3,700,000	C2/C3	BOND
<b>Total</b>					<b>\$8,468,102</b>		

### Changed in CEX Recommended<sup>9</sup>

Item #	REQ DEPT	DEPT RANK	Project Number	Project Name	CIC Recommended Amount	CEX Recommended Amount	Change	CIC Grading	Financing
21	DAS-FM-FM	9	WC21401	Forensic Science Center-Phase 1 <sup>10</sup>		\$940,262		C2	CASH
22	DOT-Transit	2	WT12101	Bus Replacement Program-2019	\$6,700,000	\$11,024,000	\$4,324,000	C1	BOND
<b>Total</b>					<b>\$6,700,000</b>	<b>\$11,024,000</b>	<b>\$4,324,000</b>		

### 2019 Request – Funded Through 2018 Transfer Process

Item #	REQ DEPT	DEPT RANK	Project Number	Project Name	Requested	CIC/CEX Recommended Amount	Change	CIC Grading	Financing
43	PARKS	4	WP53301	Cathedral Square Playground Replacement <sup>11</sup>	\$184,915		(\$184,915)	C1	BOND
<b>Total</b>					<b>\$184,915</b>	<b>\$0</b>	<b>(\$184,915)</b>		

<sup>7</sup> The Capital Improvements Committee recommended that the Revised Report be amended to add a third category of projects “Recommended to be Financed with BHD Reserves” and that all five BHD projects be moved to that category. These projects should be undertaken to the extent necessary, as determined by BHD, to mitigate potential life safety issues and to follow all appropriate rules and regulations. Repairs should be financed to the extent necessary to keep the facility in good working order.

<sup>8</sup> The Capital Improvements Committee recommended \$3,700,000 for the entire Fleet program. The Fleet Maintenance Division has the discretion to determine the specific allocation for the various categories.

<sup>9</sup> The CEX Recommended Capital Budget modified the financing for the Bus Replacement Program-2019 by reducing the Federal reimbursement from \$6,700,000 to \$2,376,000, which increased the Net County Commitment by \$4,324,000 to \$11,024,000. Pursuant to County Board approval (File No. 18-640), the Department of Transportation submitted an application for the State of Wisconsin’s Transit Capital Assistance Grant Program (“VW Settlement Funds”). Any awarded Grant funding replace the County’s 2019 bond financing of the (Grant eligible) bus purchases. Of the 27 buses included in the 2019 Capital Budget, 21 are Grant eligible and six buses are non-eligible (and would still require County funding).

<sup>10</sup> The request for Project WC21401 Forensic Science Center-Phase 1 was \$1,603,338. It was not recommended by the CIC Committee and the CEX Recommended Capital Budget reduced the appropriation to \$940,262.

<sup>11</sup> In 2018, an appropriation transfer was approved to allocate unspent bond proceeds to finance the Cathedral Square Playground Replacement project.

Not in CIC Recommended – Not in CEX Recommended

Item #	REQ DEPT	DEPT RANK	Project Number	Project Name	2019 County Financing	CIC Grade	Financing
12	PARKS	7	WP68901	Wilson Rec. Center-Emergency Exit Doors Replacement	\$201,234	B3	CASH
13	DAS-OPD	1	WO18901	Countywide ADA Repairs-2019	\$569,378	B3	CASH
15	DAS-FM-FM	7	WC14401	CJF Floor Coatings Penthouse	\$325,361	C1	CASH
16	SHERIFF	6	WO17901	MCSO Voice Analytics	\$151,400	C1	CASH
17	ZOO	3	WZ13501	Zoo Aquatic & Reptile Center Structural Repairs	\$36,129	C1	CASH
18	HOC	1	WJ10801	HOC Camera Storage SAN Upgrade	\$279,829	C1	CASH
20	DOT-HWY	9	WH10701	Short Term CTH Rehabilitation-2019	\$500,000	C2	CASH
22	DOT-HWY	7	WH10801	W College Ave (31 <sup>st</sup> /34 <sup>th</sup> ) Box Clvrt/Railing Rprs	\$250,000	C2	CASH
24	CAVT	1	WO24901	Villa Terrace Tile Roof and Wood Soffit Repairs	\$249,811	C2	CASH
26	SHERIFF	1	WO63801	CCFC Camera System-Phase 3	\$631,913	C2	CASH
27	DAS-IMSD	3	WO29901	Asset Protection-Remediation Services-Phase 1	\$1,479,500	C3	CASH
28	MPM	2	WM04001	MPM Analog Camera Replacement with Digital	\$1,120,457	C3	CASH
29	SHERIFF	3	WO28701	Sheriff Arbitrator Replacements-2019	\$318,803	C3	CASH
30	DAS-FM-FM	6	WC20101	Courthouse Piping Repair-Asbestos Abatement-2019	\$200,000	D1	CASH
31	HOC	2	WJ07901	HOC New Parking Outside Secure Perimeter	\$902,714	C3	BOND
31	MPM	5	WM03801	MPM Technology Infrastructure Replacement	\$600,000	D1	CASH
32	PARKS	8	WP67801	Wehr Connection to Municipal Water	\$211,253	D1	CASH
33	PARKS	14	WP55101	Pulaski Park Pavilion Exterior Improvements	\$416,344	D1	CASH
34	SHERIFF	9	WO87901	Training Academy HVAC-Plumbing Replacements	\$429,980	D1	CASH
34	ZOO	2	WZ16001	Zoo Flamingo Café and Admin Bldg Roof Replace	\$628,216	C3	BOND
35	DAS-FM-EE	3	WV04701	Froemming Park Pavilion Water & Sanitary	\$408,368	D1	BOND
35	SHERIFF	7	WO16801	Training Academy HVAC-Plumbing Replacements	\$147,743	D1	CASH
36	PARKS	9	WP32001	North Point Parking Lot	\$171,485	D1	BOND
36	SHERIFF	8	WC14001	CJF Pod 4B Food Chutes	\$160,520	D1	CASH
37	DAS-FM-FM	8	WGO3401	Vel Phillips Courts Sound System	\$292,828	D2	CASH
37	PARKS	11	WP54501	Whitnall Golf Course Irrigation	\$264,700	D1	BOND

38	AGING	4	WS11601	Washington Senior Center Access Lighting	\$136,167	D3	CASH
38	SHERIFF	11	WO20001	Training Academy Parking Lot Replacement	\$1,527,083	D1	BOND
39	AGING	4	WS11601	Washington Senior Center Access Lighting	\$136,167	D3	CASH
39	DOT-HWY	5	WH11001	W Beloit Rd (CTH T)-S 124 <sup>th</sup> St to S Wollmer Rd	\$125,000	F1	BOND
40	DOT-TRANSIT	3	WT10701	Bus Life Replacement 1-4 (Maint Facility)	\$897,458	F1	BOND
40	EMERGENCY MNGT	3	WO26701	Communications Info-Video Wall	\$164,660	D3	CASH
41	HOC	3	WJ10901	HOC North Building (G2) Roof Replacement	\$368,402	F1	BOND
41	PARKS	12	WP54901	Parks Bender Safe Harbor Sedimentation Abatement	\$864,405	D3	CASH
42	SHERIFF	5	WO47001	CJF-Instant Full Body Scan Machine	\$215,000	F3	BOND
42	SHERIFF	10	WC10801	CJF Sally Port Doors Replacement	\$221,471	F1	CASH
43	CAVT	4	WO12401	Charles Allis Window and Door Replacement	\$496,989	F1	CASH
45	DOT-HWY	8	WH11501	Signal Upgrades for Improved Efficiency-Mobility	\$200,000	F1	CASH
46	EMERGENCY MNGT	4	WO27001	700MHz Back-Up Radio System (County)-Phase 1	\$750,500	F1	CASH
47	DAS-FM-FM	5	WC20801	Courthouse Complex Swingspace-Clerk of Courts	\$48,826	F3	CASH
48	DAS-IMSD	5	WO32801	Enterprise Salesforce	\$248,426	F3	CASH
49	DAS-IMSD	6	WO33101	Intranet Upgrades 2 & 3	\$262,290	F3	CASH
50	DAS-OPD	2	WO22701	WOW-Grant Rec Cetr Siding & Window Replacement	\$238,698	F3	CASH
51	DHHS	1	WS10201	Control Center Panel Replacement	\$130,000	F3	CASH
52	EMERGENCY MNGT	2	WO28801	Adaptive Emergency Operations Center	\$135,485	F3	CASH
53	SHERIFF	2	WO29301	Sheriff Foreclosure Sale & Posting Solution	\$147,000	F3	CASH
54	ME	1	WO32701	Kodachrome Slides Digital Conversion	\$237,075	F3	CASH
				<b>Total</b>	<b>\$18,826,395</b>		