



Department of Administrative Services Milwaukee County

INFORMATIONAL REPORT

TO: Chairman Theodore Lipscomb, Sr.

FROM: Teig Whaley-Smith, Director of Administrative Services

RE: Informational Request 17-706

DATE: October 9, 2017

I. Background

The Milwaukee County Comptroller's five year forecast estimated that the 2018 structural deficit to be approximately \$31 Million. The County Executive's 2018 Recommended budget closed this gap by reducing expenses through efficiencies, and finding dedicated revenue. This meant that there would be no significant service cuts.

Chairman Lipscomb has requested the following:

File 17-706

From the Milwaukee County Board of Supervisors, requesting a written informational report from ALL County departments and divisions, regarding the 2018 Annual County Budget, which includes recommendations for expenditure reductions that yield net savings totaling 2 percent and 5 percent of tax levy, sales tax, or other flexible revenue sources that minimize the loss of other outside revenue or critical services, as well as suggest new revenues beyond what is included in the recommended budget.

This request is essentially duplicative of the Recommended Budget itself, which includes dedicated revenue (i.e. Vehicle Registration Fee), and extensive expenditure reductions without cutting critical services. Cutting an additional 2 – 5% will result in serious critical service cuts.

For reference purposes 2% of "tax levy, sales tax, or other flexible revenue sources is \$8,019,441.50" and 5% is \$20,048,603. If this \$20 amount were assigned pro-rata to each

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branch of government, the Administration's portion would be approximately \$7 million and the remainder of cuts would have to come from other elected branches.

Several departments are statutorily required, such as the Courts, District Attorney, certain Mental Health Services, and many more. Consequently, only Non-Statutory programs have been included in this report. Several departments also have multi-year contractual responsibilities which cannot be breached. Consequently, only Non-Contractual programs have been included in this report. Several departments do not receive Tax Levy (i.e. Airport, Zoo). Consequently, only Tax Levy Departments are included in this report. Also, this report only covers departments that report to the County Executive. Other elected officials received the same request via file 17-706 and may be reporting separately.

II. Non-Statutory, Non-Contractual, Tax Levy Based Expenses

The Non-Statutory, Non-Contractual, Tax Levy Based Expenses of the Administration are included in the attached table, and summarized below. Neither the County Executive, nor the Department recommend the following changes. This is a list of Non-Statutory, Non-Contractual, Tax Levy Based Expenses to meet Chairman Lipscomb's request for "expenditure reductions that yield net savings totaling 2 percent and 5 percent of tax levy, sales tax, or other flexible revenue sources...." (File 17-706). The 2018 Budget took nearly 48 weeks to produce. Chairman Lipscomb's request related to file 17-706 was received on Tuesday, October 3, 2017, with a response required for the morning of Monday, October 9, 2017. Consequently, with only 3 business days to respond to such a request, neither the DAS-PSB office, nor the Department, can guarantee the exact amount of cost savings, or that other unintended consequences may result. The following org units have not been included because they are either (a) Non-Administration Departments, (b) provide services that are statutorily required, or (c) do not include Tax Levy support: 1000 County Board, 1011 County Executive, 1020 Office of Government Affairs, 1130 Corporation Counsel, 1151 DAS-IMSD, FMD, Procurement, OPD, Risk Management, PSB, CBO, 2000 Combined Court Services, 2430 Child Support Services, 3090 Treasurer, 3270 Clerk, 3400 Register of Deeds, 3700 Comptroller, 4000 Sheriff, 4500 District Attorney, 5800 - DOT- Fleet, Airport, 9500 Zoo.

a. 1021 Office of Veterans Affairs

i. Needy Veterans Fund (\$40,000).

Although the Office of Veteran's Affairs is statutorily required, the office provides the service of a Needy Veterans Fund. This fund provides limited emergency financial aid to veterans and their families, including aid for emergency loss of income, emergency travel, burial of indigent veterans, and security deposit for homeless veterans moving into independent living.

b. 1090 Office of African American Affairs

i. Eliminate Funding for Sherman & Moody Park Initiatives (\$46,000)

In 2017, the County funded Pepp Nation to provide services to Youth in Sherman Park and Moody Park. The 2018 Budget assumes this programing, or something similar will continue.

ii. Eliminate Remainder of OAAA Programming (\$588,484)

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OAAA is already achieving results and providing critical programming. OAAA, however, is not statutorily required like the Courts, District Attorney and other statutory programming.

c. 1140 Department of HR

i. Eliminate Wellness Program (\$398,092)

The Wellness Program provides critical programming that reduces overall county costs related to health care, including: Health Assessment Screening and Coaching, \$50 reduction in monthly premium for participants, Wellness Centers, Gym Reimbursement, and Employee Assistance Program (i.e. around the clock hotline for everyday issues or more serious stressful issues). The Wellness Program, however, is not statutorily required like the Courts, District Attorney and other statutory programming.

ii. Eliminate Diversity and Inclusion Program (\$70,650)

This position was added by the 2017 Recommended Budget, but unfunded by the 2018 Adopted Budget. Funding has again been included for this important initiative in the 2018 Recommended Budget. The Diversity and Inclusion Program, however, is not statutorily required like the Courts, District Attorney and other statutory programming.

iii. Eliminate Tuition Reimbursement (\$200,000)

The tuition reimbursement program allows employees to receive \$2,500 per year to seek out learning opportunities that enhance their skills and provide career development. The Tuition Reimbursement Program, however, is not statutorily required like the Courts, District Attorney and other statutory programming.

d. 1151 Department of Administrative Services

i. Eliminate Uplift MKE Workforce Development Initiative (\$250,000)

Uplift MKE has placed 83 Milwaukee County Residents from the highest unemployment zipcodes in to jobs with an average wage of \$14.93 per hour. Uplift MKE, however, is not statutorily required like the Courts, District Attorney and other statutory programming.

ii. Eliminate Community Memberships (\$84,005)

The Economic Development Department supports several community organizations that provide important Workforce and economic development related services to the County, including Milwaukee Area Workforce Funders Alliance, ACTS Housing, Visit Milwaukee, M7, Biz Starts, East Wisconsin RR Cooperative and many more. These memberships, however, are not statutorily required like the Courts, District Attorney and other statutory programming.

iii. Eliminate Revolving Loan Program (\$275,000)

There is currently \$275,000 in the unused portion of the CBDP Revolving Loan Program that could be used as a one-time expenditure reduction.

iv. Eliminate County Reporting (\$230,160)

Contracting with Targeted Enterprises (i.e. woman and minority businesses) is a critical service, but is only statutorily required for Federal and State Contracts. If

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only Federal and State Contracts were monitored, there would be a 57% staff reduction in CBDP

e. 1900 Cultural Contributions

i. CAMPAC Funding (\$407,825)

Currently the County contributes \$407,825 to the Fund for the Arts, which is not statutorily required like the Courts, District Attorney and other statutory programming.

ii. Federated Library System Funding (\$66,650)

Currently the County contributes \$66,650 to the Federated Library System, which is not statutorily required like the Courts, District Attorney and other statutory programming.

iii. CAVT Funding (\$225,108)

Currently the County contributes \$225,108 to the Charles Allis Villa Terrace Museum, which is not statutorily required like the Courts, District Attorney and other statutory programming.

f. 4300 House of Corrections

i. Increase Cost of Inmate Calls (\$481,000)

For 2018, the House of Corrections is budgeted to charge \$.21 per minute for inmate calls which is consistent with historical averages. This charge could be increased to \$.28 per minute under the federal guidelines.

ii. Increase Commissary Prices by 5% (\$20,000)

If Commissary Prices charged to inmates were increased by 5% it would generate \$20,000 in additional revenues.

iii. Increase Daily Rates (\$45,000)

The current daily fee, set by ordinance, is \$24/day (Huber and EM) or \$5/day (unemployed inmates supervised on the EM Program). If the rates were increased to \$25 and \$10 per day, respectively, the County could collect about \$45,000 more in revenue.

g. 4800 OEM

i. Eliminate Training for Paramedics Cadets at MATC (\$77,750)

The cost of the MATC cadet paramedic training to the City of Milwaukee is allowable because LINE 70 of the EMS Agreement states, "County reserves the right to limit class enrollment and change or cancel class scheduling based on resources to include budget and staff." Paramedic training is not statutorily required like the Courts, District Attorney and other statutory programming.

h. 4900 Medical Examiner

i. Eliminate Staff related to Opioid Crisis (\$230,160)

The amount of staff in the Medical Examiner's office is not statutorily specified. Eliminating positions would have a significant impact on the Medical Examiner's ability to respond to the Opioid Crisis, but are technically allowed.

ii. Eliminate Equipment related to Opioid Crisis (\$390,000)

The amount of equipment in the Medical Examiner's office is not statutorily specified. Eliminating equipment would have a significant impact on the

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i. 5800 Department of Transportation

i. Eliminate Trash Pick Up (\$20,505)

If trash was not picked up from County Highways and medians, which is not statutorily required, the county could save \$20,505. This would mean that trash would be mowed over causing a debris problem.

ii. Reduce Mowing Operations (\$30,758)

If mowing operations were reduced by 20%, the County could save \$30,758. This is likely a service level that is below public expectations.

iii. Eliminate and Reduce MCTS Routes (\$2,000,000)

MCTS operations are critical to Milwaukee County residents, however, they are not statutorily required. The following would result in a \$2,000,000 savings. Route 42U and 52 eliminated, Reductions to Routes 276, 219, 223, 17, 88, 50, RR1, RR2, RR3, 87, 85, 89, 44, 46, 48

iv. Eliminate Go Pass (\$1,900,000)

Eliminating the Go Pass would save approximately \$1,900,000 from the MCTS budget. This is in addition to the savings of \$100,000 listed in Department of Aging budget for administration of the Go Pass.

j. 7900 Department of Aging

i. Elimination of Senior Center Programming (\$1,100,000)

The 2018 Recommended Budget includes \$1,100,000 in programming for the Senior Centers in Clinton Rose Park, Hart Park, McGovern Park, Washington Park and Wilson Park.

ii. Elimination of Senior Center Facilities (100,000)

The 2018 Recommended Budget includes \$100,000 in facilities costs for the Senior Centers in Clinton Rose Park, Hart Park, McGovern Park, Washington Park and Wilson Park.

iii. Elimination of GO Pass Administration

The 2018 Recommended Budget includes \$100,000 in the department of Aging budget for the administration of the GO Pass.

k. 8000 DHHS

The Department of Health and Human Services provides several important programs that are not statutorily required, which include the following:

Eliminate Emergency Shelter Payments	\$	300,000.00
Eliminate IDAP/Burials	\$	660,000.00
Eliminate 211 Impact	\$	338,162.00
Eliminate Thurgood Marshall Case Mgmt	\$	300,000.00
Eliminate Homeless Shelters Funding	\$	718,881.00

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Eliminate My Home Case Management	\$ 260,000.00
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I. 9000 Parks

The Department of Parks, Recreation and Culture provides several important programs that are not statutorily required, which include the following:

Eliminate Outdoor Deepwell Pools (all 8 locations)	\$ 600,000.00
Eliminate Indoor Pools (Pulaski, Noyes)	\$ 400,000.00
Eliminate Aquatic Centers (Schulz)	\$ 230,000.00
Eliminate Aquatic Centers (Pelican)	\$ 77,000.00
Eliminate Wading Pools	\$ 393,714.00
Eliminate Community Centers (Kozy, MLK)	\$ 380,795.00
Eliminate Mitchell Park Conservatory (Domes)	\$ 323,516.00
Eliminate Boerner Botanical Gardens	\$ 242,333.00
Eliminate Wehr Nature Center	\$ 431,927.00
Eliminate Summer Parks Concert Series	\$ 78,400.00

m. 9910 UWEX (\$399,679)

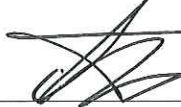
The 2018 Recommended Budget includes \$399,679 of funding for the UW Wisconsin – Extension programming.

n. 1950 Fringe

There are several benefits to employees that are critical to recruitment and retention of County Employees, however, are not statutorily required.

Eliminate Flexible Spending Account Funding	\$ 981,325.00
Eliminate Opt Out Payments for Health Coverage	\$ 127,500.00
Eliminate 1% Cost of Living Increase	\$ 873,650.00
Eliminate Other Salary Increases (i.e. Equity Adjustments)	\$ 340,000.00
Eliminate Flu Shot	\$ 22,950.00
Eliminate Employee Bus Pass Funding	\$ 317,020.00
Eliminate Vision Insurance	\$ 68,000.00
Increase Employee's Health Care premiums by 15%	\$ 995,548.00
Increase Employee's Dental Premiums by 33%	\$ 475,677.00
Subtotal Fringe Benefit Non-Statutory, Non-Contractual, Tax Levy Supported Expenses	<u>\$ 4,201,670.00</u>

Respectfully Submitted



Teig Whaley-Smith, DAS Director

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Information Regarding Expense Reducitions and Revenue Increases related to Milwaukee County Board File 17-706

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Neither the County Executive, nor the Department Heads, recommend the following changes. This is a list of Non-Statutory, Non-Contractual, Tax Levy Based Expenses and Revenues to meet Chairman Lipscomb's request for "expenditure reductions that yield net savings totaling 2 percent and 5 percent of tax levy, sales tax, or other flexible revenue sources" (File 17-706)

<u>Org</u>	<u>Department</u>	<u>Non-Statutory, Non-Contractual, Tax-Levy Based Programming</u>	<u>Cost</u>
1021	Office of Veterans Affairs	Eliminate Needy Veterans Fund	\$ 40,000.00
1090	OAA	Eliminate Funding for Sherman & Moody Park Initiatives	\$ 46,000.00
		Eliminate Remainder of OAA Programming	\$ 588,484.00
1140	Department of HR	Eliminate Wellness Program	\$ 398,092.00
		Eliminate Diversity & Inclusion Program	\$ 70,650.00
		Eliminate Tuition Reimbursement	\$ 200,000.00
1151	DAS-Economic Development	Eliminate Uplift Milwaukee Workforce Development Initiative	\$ 250,000.00
		Eliminate Community Supporting Memberships	\$ 84,005.00
	DAS-Community Business Development Partners	Eliminate Revolving Loan Program	\$ 275,000.00
		Eliminate Reporting on County Projects (e.g. State and Federal reporting only) (i.e. Staff reduction by 57%)	\$ 263,000.00
1900	Cultural Contributions	Eliminate CAMPAC Funding	\$ 407,825.00
		Eliminate Federated Library System Funding	\$ 66,650.00
		Eliminate Charles Allis Villa Terrace Funding	\$ 225,108.00
4300	House of Corrections	Increase cost of inmate calls from \$.21 - \$.28 per minute	\$ 481,000.00
		Increase inmate Commissary Prices by 5%	\$ 20,000.00
		Increase Huber/Daily fee from \$24/\$5 to \$25/\$10	\$ 45,000.00
4800	OEM	Eliminate Training for Paramedics Cadets at MATC	\$ 77,750.00
4900	Medical Examiner	Eliminate Staff related to Opioid Crisis	\$ 230,160.00
		Eliminate Equipment related to Opioid Crisis	\$ 390,000.00
5800	DOT - Highway	Eliminate Trash Pick Up in Medians and Special Events	\$ 20,505.00
		Reduce Mowing operations by 20%	\$ 30,758.00
		Route 42U and 52 eliminated , Reductions to Routes 276, 219, 223, 17, 88,	
	DOT - MCTS	50, RR1, RR2, RR3, 87, 85, 89, 44, 46, 48	\$ 2,000,000.00
		Eliminate Go Pass	\$ 1,900,000.00
7900	Aging	Eliminate Senior Center - Programming	\$ 1,100,000.00
		Eliminate Senior Center - Facilities	\$ 100,000.00
		Eliminate Go Pass Administration	\$ 100,000.00
8000	DHHS	Eliminate Emergency Shelter Payments	\$ 300,000.00
		Eliminate IDAP/Burials	\$ 660,000.00
		Eliminate 211 Impact	\$ 338,162.00
		Eliminate Thurgood Marshall Case Mgmt	\$ 300,000.00
		Eliminate Homeless Shelters Funding	\$ 718,881.00
		Eliminate My Home Case Management	\$ 260,000.00
9000	Parks	Eliminate Outdoor Deepwell Pools (all 8 locations)	\$ 600,000.00
		Eliminate Indoor Pools (Pulaski, Noyes)	\$ 400,000.00
		Eliminate Aquatic Centers (Schulz)	\$ 230,000.00
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		Eliminate Community Centers (Kozy, MLK)	\$ 380,795.00
		Eliminate Mitchell Park Conservatory (Domes)	\$ 323,516.00
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		Eliminate Summer Parks Concert Series	\$ 78,400.00

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9910	UWEX	Eliminate UWEX Funding	\$ 399,679.00
		Subtotal Administration Departments Non-Statutory, Non-Contractual, Tax Levy Supported Programming	<u>\$ 15,544,394.00</u>
1950	Fringe	Eliminate Flexible Spending Account Funding	\$ 981,325.00
		Eliminate Opt Out Payments for Health Coverage	\$ 127,500.00
		Eliminate 1% Cost of Living Increase	\$ 873,650.00
		Eliminate Other Salary Increases (i.e. Equity Adjustments)	\$ 340,000.00
		Eliminate Flu Shot	\$ 22,950.00
		Eliminate Employee Bus Pass Funding	\$ 317,020.00
		Eliminate Vision Insurance	\$ 68,000.00
		Increase Employee's Health Care premiums by 15%	\$ 995,548.00
		Increase Employee's Dental Premiums by 33%	<u>\$ 475,677.00</u>
		Subtotal Fringe Benefit Non-Statutory, Non-Contractual, Tax Levy Supported Expenses	<u>\$ 4,201,670.00</u>
		Total Administration Departments and Fringe Benefit Non-Statutory, Non-Contractual, Tax Levy Supported Expenditures	<u>\$ 19,746,064.00</u>
		<u>Reference Numbers</u>	
		2% of "tax levy, sales tax, or other flexible revenue sources"	\$ 8,019,441.50
		5% of "tax levy, sales tax, or other flexible revenue sources"	\$ 20,048,603.75

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