

NON-DEPARTMENTAL DESCRIPTION

The objective of the non-departmental revenue agencies is to properly account for revenue sources that are not under the jurisdiction of any single department. The Department of Administrative Services (DAS) has primary responsibility for budgeting and accounting for these revenues. The Non-Departmental revenue budgets are based on historical trends, current economic data, contract terms, and policy changes at the State and Federal level as appropriate. Prior to 2010 separate narratives were presented for each revenue. For comparison purposes, all non-departmental revenues are included below.

NON-DEPARTMENTAL REVENUE SUMMARY				
Org	2010 Actual	2011 Budget	2012 Budget	Budget Change
1901 Unclaimed Money	\$ 0	\$ 1,100,000	\$ 0	\$ (1,100,000)
1933 Land Sales	3,511,299	0	0	0
1937 Potawatomi Allocation	3,758,001	4,058,477	4,084,441	25,964
1969 Medicare Part D Revenues	2,932,000	3,023,647	3,023,647	0
1991 Property Taxes	264,101,810	269,554,701	269,554,701	0
1992 Earnings on Investments	2,990,814	1,779,839	1,711,411	(68,428)
1993 State Shared Taxes	36,951,906	39,207,108	30,890,224	(8,316,884)
1994 State Exempt Computer Aid	2,817,472	3,572,445	3,572,445	0
1996 County Sales Tax Revenue	61,114,253	64,426,365	64,000,880	(425,485)
1997 Power Plant Revenue	356,880	356,880	0	(356,880)
1998 Surplus from Prior Years	4,144,018	4,144,018	8,179	(4,135,839)
1999 Other Misc. Revenue	932,738	180,000	140,000	(40,000)
TOTAL NON-DEPT. REVENUES	\$ 382,483,079	\$ 391,403,480	\$ 376,985,928	\$ (14,417,552)

Recommended Amounts are based on the following:

- **Unclaimed Money:** Represents payments to vendors and individuals that go unclaimed. The Office of the Treasurer must publish notice of outstanding funds; if no claim is made, all funds plus interest are to be turned over to the General Fund per State Statute 59.66 (2a). The Treasurer advertises unclaimed funds and funds are realized in odd years only.
- **Land Sales:** Accounts for the sale of County land approved by the County Board. As in previous years, \$400,000 is budgeted in Real Estate Services to cover their 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.

Beginning in 2012 any land sale revenue received by the County, above the amount budgeted in Real Estate Services to cover operating expenditures, shall be allocated as described below:

Fifty percent of the land sale revenue shall be allocated to the Debt Service Reserve and will be specifically earmarked for the County's newly created Debt Retirement Program (see Org. Unit 9960 Debt Service).

Fifty percent of the land sale revenue, up to a maximum of \$5,000,000 shall be allocated to the newly created Milwaukee County Economic Development Corporation (MCEDC) for the purposes of providing financing to the Milwaukee County Revolving Loan Fund (MCRLF) and providing financing to a non-profit agency that is actively managed by minority group members and principally serves minority group members. After \$5,000,000 has been deposited into the MCRLF, 100 percent of land sale proceeds above the amount budgeted in Real Estate Services to cover operating expenditures shall be allocated to the Debt Service Reserve and will be specifically earmarked for the Debt Retirement Program.

12 are projected at \$2,441,385 and total general fund earnings are \$1,711,411. Any land sale revenue allocated to the MCEDC for the MCRLF that is not disbursed within eighteen (18) months of its receipt must be returned

COUNTY EXECUTIVE'S 2012 BUDGET

DEPT: Non-Departmental Revenues

UNIT NO. Multiple
FUND: General - 0001

to Milwaukee County and shall be deposited into the Debt Service Reserve and will be specifically earmarked for the County's Debt Retirement Program.

- **Potawatomi Revenues:** Represents payments, based on Class III Net Win during the period July 1, 2011 to June 30, 2012 by the Potawatomi Bingo Casino per contract. The amount is net of allocations to operating departments (see below). The 2011 net win payment (after allocations) was \$3,984,441. The 2012 Budget includes Potawatomi revenue (after allocations) of \$4,084,441. The gross Potawatomi Revenue is flat compared to the actual amount received in 2011.

Allocations to departments total \$1,388,523 and is a decrease of \$100,000 compared to the 2011 Adopted Budget. The decrease of \$100,000 represents a decrease in the allocation to the Department of Health and Human Services (DHHS) for the Safe Alternatives for Youth (SAY) program. The \$100,000 for the SAY program is now being financed by property tax levy in DHHS.

DHHS-Behavioral Health Division (Org. 6300)

An allocation of \$337,203 is budgeted to support the Community Services Section programs.

An allocation of \$500,000 is budgeted 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)

An allocation of \$350,000 is budgeted to increase the level of revenue in the Division's Birth-to-Three program to avoid a reduction in Federal revenue due to non-compliance with the Maintenance of Effort expenditure requirement.

An allocation of \$201,320 is budgeted to support the programs of the Delinquency and Court Services Division.

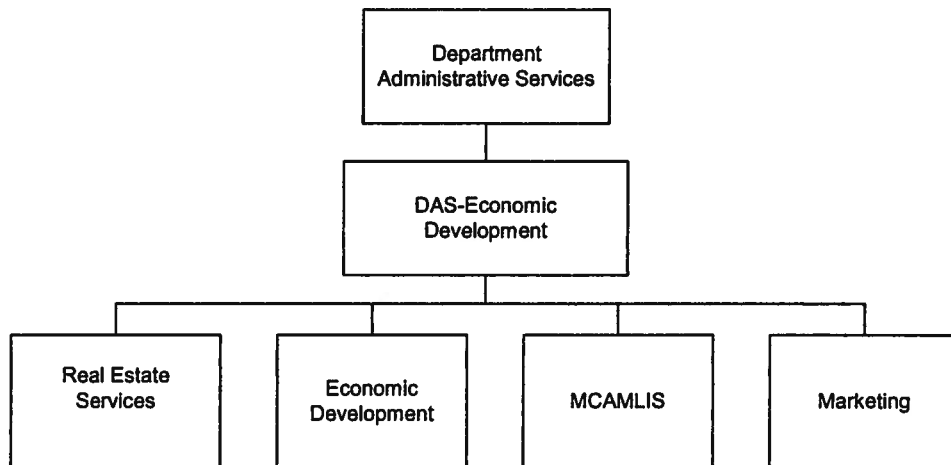
- **Medicare Part D Revenues:** Represents the 28 percent reimbursement from the Federal government under the Medicare Prescription Drug Improvement and Modernization Act of 2003 for eligible retiree prescription drug coverage that the County provides. In the 2010 plan year, 5,404 eligible retirees incurred \$18.1 million in gross prescription drug costs reported to the Centers for Medicare and Medicaid Services.

In the 2011 plan year headcount and utilization appear to be remaining consistent between plan years. The inflationary trend in prescription drug costs will increase the amount of reimbursement under the Medicare program. However, the increased generic co-pays and requirement to utilize mail order for maintenance medications will offset the effect of inflationary trend.

The 2012 Medicare Part D Revenues are estimated to remain flat compared to the 2011 Adopted Budget amount. The 2012 budgeted amount is \$3,023,647.

- **Earnings on Investments:** Represents the County's income earned on the investment of funds not immediately needed as estimated by the County Treasurer. Based on 2010 actual experience, the average daily balance for 2012 is projected at \$427,748,438. Of this amount, the daily cash balances in collateralized bank accounts are projected at \$185,000,000. Last year, earnings were reported at 1.32 percent. With the Federal Reserve rate continuing to hover around zero, earned interest rates for cash holding in 2012 are projected at 0.06 percent, which would yield \$111,000 in interest revenue. The average daily investment balance is projected at \$242,748,438 with an average projected rate of return calculated at 0.96 percent. That would yield \$2,330,385 in earnings on investments. Therefore, the total earnings on all funds in 20

DAS-ECONOMIC DEVELOPMENT (1192)



MISSION

Provide a comprehensive strategy/implementation that includes business and employment expansion and retention within Milwaukee County while working in coordination with all incorporated municipalities and their economic development agents.

Budget Summary		
	2012	2011/2012 Change
Expenditures	2,560,702	867,948
Revenue	2,716,706	528,206
Levy	(156,004)	339,742
FTE's	8.0	1.8

Major Programmatic Changes

- A new Division of DAS-Economic Development is created.
- Real Estate Services, the Economic Development Section, and Milwaukee County Automated Mapping & Land Information System are transferred into the newly created DAS-Economic Development Division (as sections).

OBJECTIVES

- Function as the central point of communication for job development, retention and expansion progress and strategy among civic, regional economic development and non-profit community organizations.
- Leverage County resources and financial position to support job creation and retention through the efforts of staff with a high level of expertise.

DEPARTMENTAL PROGRAM DESCRIPTION

The **Economic Development Section** provides management and oversight of the DAS-ED Division. This section also is responsible for the development and administration of business and job retention/development activities focused within Milwaukee County.

COUNTY EXECUTIVE'S 2012 BUDGET

DEPT: DAS-Economic Development

UNIT NO. 1192
FUND: General - 0001

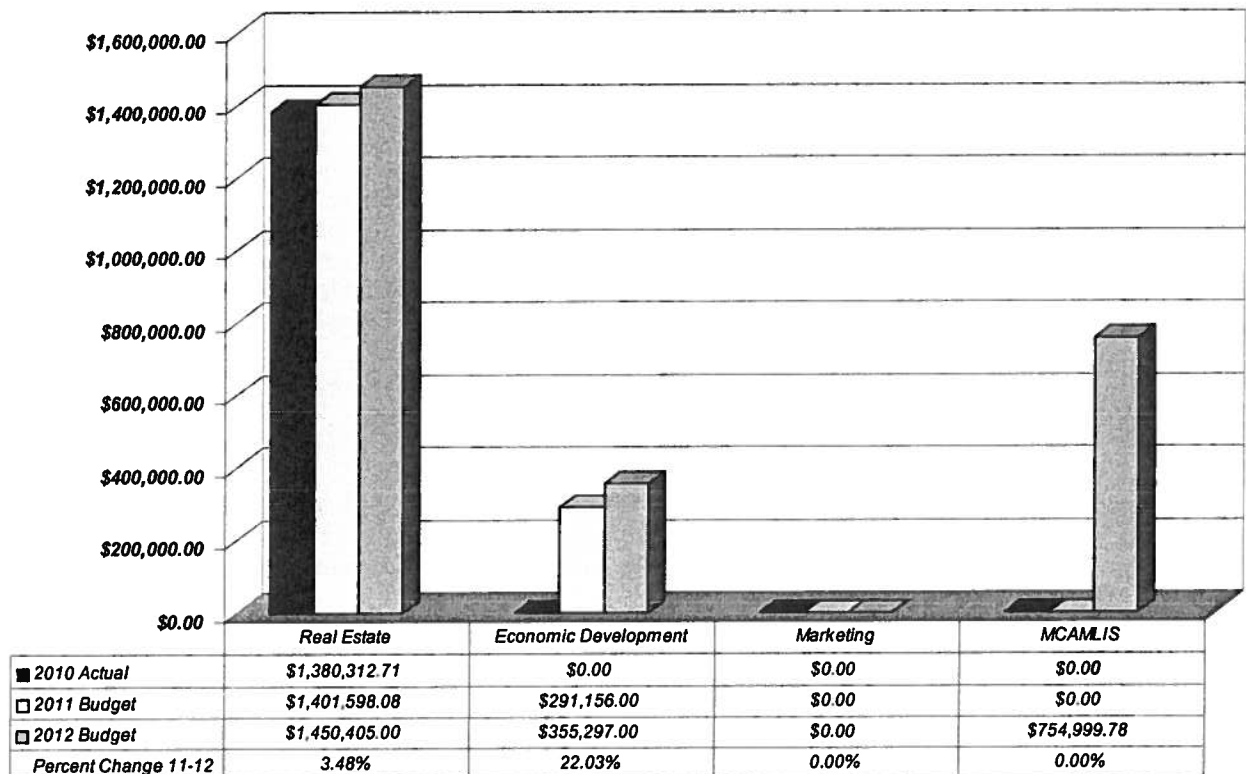
The **Real Estate Services Section** administers the leasing, acquisition and disposition of a wide variety of buildings and vacant property owned by Milwaukee County. The Real Estate Section is specifically responsible for marketing, negotiation and sale of excess County-owned properties, including the property management and disposition of tax delinquent properties acquired by the Milwaukee County Treasurer through the tax foreclosure process.

The Real Estate Services Section establishes and provides the due diligence procedures and standards, which are the sole responsibility of the departments to follow prior to executing lease agreements.

The **Marketing Section** provides for a coordinated and efficient use of County marketing-related resources that actively promotes and improves the marketability of County assets.

The **Milwaukee County Automated Mapping and Land Information System (MCAMLIS) Section** functions as the County's Land Information Office. Pursuant to Section 59.72 of the Wisconsin Statutes and County Board Resolution File 90-707(a), approved on November 8, 1990, MCAMLIS may design, develop and implement a land information system integrating property and ownership records with U.S. Public Land Survey referenced parcel-identified boundary information; prepare boundary-referenced parcel property maps suitable for producing accurate land title or survey boundary line information; and prepare maps with documented accuracy suitable for local planning. Six dollars out of the \$25 recording fee is retained to fund MCAMLIS operations. The \$6 surcharge is only available for expenditures related to MCAMLIS operations and may not be used for any other County purpose.

Expenditures



COUNTY EXECUTIVE'S 2012 BUDGET

DEPT: DAS-Economic Development

UNIT NO. 1192
FUND: General - 0001

2012 BUDGET

Approach and Priorities

- Coordinate efforts to market Milwaukee County to businesses and business organizations.
- Facilitate employment retention and growth.
- Provide assistance to business considering expanding operations in Milwaukee County.

Budget Highlights

Department of Administrative Services - Economic Development (DAS-ED) is a new division within DAS that is responsible for supporting employment and business creation and retention in Milwaukee County. Strategies envisioned include job development, real estate coordination efforts and assistance with local compliance and incentives. DAS-ED will also work closely with economic development agencies in the County to accomplish its mission through supporting existing marketing campaigns and coordinating closer ties and communication between municipal economic development agencies.

Marketing staff will remain budgeted and physically located in their current locations for 2012 but are anticipated to be budgeted and transferred into DAS-ED in 2013. This will provide for a transition period in 2012 allowing DAS-Fiscal, DAS-ED, and marketing staff to develop a structure for the Marketing section.

M7 and VISIT Milwaukee Memberships

\$0

The County's M7 membership payment (\$33,145) and VISIT Milwaukee membership payment (\$25,000) are budgeted in the DAS-ED budget. Both payments are unchanged from the 2011 Adopted Budget for tax levy impact.

Cell Tower Revenue

(\$8,000)

Revenue from cellular tower contracts increases \$8,000 from \$200,000 to \$208,000.

Parking Revenue

\$252,494

Total parking revenue decreases \$252,494, from \$1,580,000 to \$1,327,506. This decrease reflects the current market for parking rentals and the anticipated loss of revenue from expiration of existing parking leases.

Position Changes

\$0

1.0 FTE Geographic Information System Specialist position is created to provide for increased duties and responsibilities relating to on-going and future GIS projects. This position action will result in a personnel expenditure increase of \$78,170. All costs for this position are funded by document recording fee revenues, resulting in no tax levy impact.

MCAMLIS

\$0

MCAMLIS is created as a section under DAS-ED. As a result, MCAMLIS is changed from an internal services fund to a general fund. The transition to a general fund generates various savings for the Division; including elimination of OPEB costs for a savings of \$15,454, and elimination of debt and depreciation costs for a savings of \$1,749. These savings are offset by a reduction in revenue in MCAMLIS of \$17,203 for no levy impact.

COUNTY EXECUTIVE'S 2012 BUDGET

DEPT: DAS-Economic Development

**UNIT NO. 1192
FUND: General - 0001**

BUDGET SUMMARY				
Account Summary	2010 Actual	2011 Budget	2012 Budget	2011/2012 Change
Personal Services (w/o EFB)	\$ 190,546	\$ 276,736	\$ 565,897	\$ 289,161
Employee Fringe Benefits (EFB)	151,359	172,469	305,001	132,532
Services	844,193	1,043,445	1,374,502	331,057
Commodities	776	3,500	15,165	11,665
Other Charges	38,839	50,000	110,318	60,318
Debt & Depreciation	0	0	0	0
Capital Outlay	0	0	20,000	20,000
Capital Contra	0	0	0	0
County Service Charges	154,597	146,604	169,819	23,215
Abatements	0	0	0	0
Total Expenditures	\$ 1,380,310	\$ 1,692,754	\$ 2,560,702	\$ 867,948
Direct Revenue	2,294,561	2,188,500	2,716,706	528,206
State & Federal Revenue	0	0	0	0
Indirect Revenue	0	0	0	0
Total Revenue	\$ 2,294,561	\$ 2,188,500	\$ 2,716,706	\$ 528,206
Direct Total Tax Levy	(914,251)	(495,746)	(156,004)	339,742

PERSONNEL SUMMARY				
	2010 Actual	2011 Budget	2012 Budget	2011/2012 Change
Position Equivalent (Funded)*	8.0	6.2	8.0	1.8
% of Gross Wages Funded	100.0	88.1	100.0	11.9
Overtime (Dollars)	\$ 0	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.0	0.0	0.0	0.0

* For 2010 Actuals, the Position Equivalent is the budgeted amount.

PERSONNEL CHANGES						
Job Title/Classification	Title Code	Action	# of Positions	Total FTE	Division	Cost of Positions (Excluding Fringe Benefits)
Admin Spec - Econ Dev NR	00074	Transfer-In	1	1.0	DAS-ED	\$ 47,858
Real Estate Agent	07330	Transfer-In	1	1.0	DAS-ED	58,104
Mgr of Real Estate Serv	77680	Transfer-In	1	1.0	DAS-ED	78,052
GIS Specialist	10841	Transfer-In	1	1.0	DAS-ED	58,052
GIS Specialist	10841	Create	1	1.0	DAS-ED	52,145
GIS Supervisor	35770	Transfer-In	1	1.0	DAS-ED	72,260
Econ Dev Spec	00789	Transfer-In	1	1.0	DAS-ED	50,584
Econ Dev Dir	80094	Transfer-In	1	1.0	DAS-ED	61,220
					TOTAL	\$ 478,275

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TOTAL						\$ 478,275

The MCEDC may enter into an agreement with an existing economic development agency in order to procure professional services associated with administering the fund. These services will include, but not be limited to, loan underwriting, loan closing, loan servicing, and marketing.

The MCEDC will incorporate a provision into its bylaws that gives Milwaukee County's internal and external auditors the right to annually audit the financial statements and operations of the Milwaukee County Economic Development Corporation and the Milwaukee County Revolving Loan Fund.

Staffing Plan

The Department of Administrative Services – Economic Development Division will be responsible for working with internal and external agencies.

2012 RECOMMENDED CAPITAL IMPROVEMENTS MILWAUKEE COUNTY

WO624 – Revolving Loan Fund

A new capital project is created to contribute funds to the newly created Milwaukee County Economic Development Corporation (MCEDC) of which 80% shall be deposited into a Milwaukee County Revolving Loan Fund and 20% shall be allocated to a non-profit agency actively managed by minority group members and principally serves minority group members. Financing will be provided from anticipated land sale revenue. No allocations will be made until land sale proceeds have been received by Milwaukee County.

The Milwaukee County Department of Administrative Services- Economic Development Division will create a non-profit agency named the Milwaukee County Economic Development Corporation (MCEDC) that will serve to oversee the Milwaukee County Revolving Loan Fund (MCLF).

This non-profit agency will be composed of nine members. One member will be the County Executive or his/her designee, one member will be the County Board Chairman or his/her designee, two members will be appointed by the County Executive, two members will be appointed by the County Board Chairman, and three members will be private business owners. The private business owners will be selected by the County Executive and submitted to the County Board for approval. The terms of each of the appointees excluding the County Executive and County Board Chairman shall be two years.

Financing for the MCEDC will be provided from Milwaukee County land sale revenue. As provided in the County's Land Sale Budget (see the Org, 1800 Non-Departmental Revenue Budget for additional information):

Fifty percent of the land sale revenue, up to a maximum of \$5,000,000 will be allocated to the newly created Milwaukee County Economic Development Corporation (MCEDC) for the purposes of providing financing to the Milwaukee County Revolving Loan Fund (MCRLF) and providing financing to a non-profit agency that is actively managed by minority group members and principally serves minority group members. After \$5,000,000 has been deposited into the MCRLF, 100 percent of land sale proceeds above the amount budgeted in Real Estate Services to cover operating expenditures will be allocated to the Debt Service Reserve and will be specifically earmarked for the Debt Retirement Program.

Of the funds given to the MCEDC 80% must be deposited into the Milwaukee County Revolving Loan Fund and 20% must be given to a non-profit agency that is actively managed by minority group members and principally serves minority group members. Land sale revenue deposited into the MCRLF that is not "loaned out" after a period of 18 months must be returned to Milwaukee County and deposited into the Debt Service Reserve and specifically earmarked for the Debt Retirement Program.

The agency will create a Milwaukee County Revolving Loan Fund that will serve to provide access to a flexible source of capital that can be used in combination with more conventional sources. The fund will help encourage job creation and grow the tax base within Milwaukee County. Eligible uses for the Milwaukee County Revolving Loan Fund will include acquisition of land and buildings, new construction, property improvements, and acquisition of machinery and equipment. Funds will not be used to pay existing debts or pay expenses that were incurred prior to receipt of the loan.

The amount of a loan from the Milwaukee County Revolving Loan Fund may not exceed 50% of the total amount that can be secured from other sources, there will be a 10% minimum equity or collateral requirement, and the term of the loan cannot exceed the term of the private financing. The maximum terms will be 20 years for real estate, 10 years for equipment, and 7 years for working capital.

The interest rate on the loans will be set at between 3%-8% for the term of the loan. Principal and interest payments will be payable back to the Milwaukee County Revolving Loan Fund. Interest from the loans may be used by the MCEDC for internal or external administrative expenses.

2012 RECOMMENDED CAPITAL IMPROVEMENTS MILWAUKEE COUNTY

Project No. WO624	Project Title and Location Milwaukee County Revolving Loan Fund	4789-2012
Requesting Department or Agency Department of Economic Development		Functional Group General Government
Department Priority	Person Completing Form	Date September 29, 2011

Capital Project Cost and Reimbursement Revenue By Year

YEAR	CAPITAL APPROPRIATION	CAPITAL REIMBURSEMENT REVENUE			NET COUNTY COMMITMENT
		FEDERAL	STATE	LOCAL/OTHER	
PRIOR					\$0
2011					\$0
2012	\$0	\$0	\$0		\$0
2013					\$0
2014					\$0
2015					\$0
2016					\$0
SUBSEQUENT					\$0
TOTAL	\$0	\$0	\$0	\$0	\$0

Project Cost Breakdown

PROJECT BY PHASE	PRIOR YEARS PROJECT COST	2012 PROJECT COST	5 YEAR PLAN	TOTAL PROJECT COST
Basic Planning & Design				\$0
Construction & Implementation				\$0
Right-of-Way Acquisition				\$0
Equipment				\$0
Other				\$0
PROJECT EXPENDITURES	PRIOR YEARS PROJECT COST	2012 PROJECT COST	5 YEAR PLAN	TOTAL PROJECT COST
Consultant Fees				\$0
Professional Services				\$0
DPW Charges				\$0
Capitalized Interest				\$0
Park Services				\$0
Disadv. Business Serv.				\$0
Buildings/Structures				\$0
Land/Land Improvements				\$0
Roadway Png & Construction				\$0
Equipment & Furnishings				\$0
Other Expenses				\$0
Total Project Cost		\$0	\$0	\$0

Budget Year Financing

Federal, State and . . .	\$0
Local Aids	
Sale of Capital Assets	
Sales and Use Tax Revenue	
Property Tax Revenue	
Miscellaneous Revenue	
G.O. Bonds and Notes	
Airport Reserve	
Investment Earnings	
PFC Revenue	
Gifts & Cash Contributions	
PFC Bonds	
Total Budget Year Financing	\$0

Cost Estimates Prepared By

DPW Review By

Project Useful Life (Years)

Project Fiscal Status

Prior Year Expenditures	\$0
2010 Expenditures	\$0
2011 Expenditures	\$0
Total Expenditures to Date	\$0
Encumbrances	\$0
Available Balance	\$0

Project Annual Operating Costs

Net Annual Depreciation	
Change in Operating Costs	
Annual Interest Expense	
Change in Annual Costs	
Change in Annual Revenues	
Change in Property Taxes	

Project Schedule

Complete Site Acquisition
Complete Preliminary Plans
Complete Final Plans & Specifications
Begin Construction
Complete Construction
Scheduled Project Closeout