

(1A001)

Org Unit No: 1800-1993, 1800-1995 (New), and 4000
Org. Name: Non-Departmental Revenues – State Shared Taxes,
Milwaukee Bucks Sports Arena (New), Office of the Sheriff, DAS-IMSD,
And Office of the Comptroller
Date: October 26, 2015

AMENDMENT TO THE COUNTY EXECUTIVE'S 2016 RECOMMENDED BUDGET

By Supervisors Lipscomb, Sr., Johnson, Jr., Schmitt, Broderick, and Jursik

Amend Org. Unit No. 1800 – State Shared Taxes as follows:

NON-DEPARTMENTAL REVENUE SUMMARY				
Org	2014 Actual	2015 Budget	2016 Budget	Budget Change
1901 Unclaimed Money	\$ 0	\$ 1,250,000	\$ 0	\$ (1,250,000)
1933 Land Sales	0	0	0	0
1937 Potawatomi Allocation	3,793,642	4,026,477	4,084,628	58,151
1993 State Shared Taxes	31,198,534	31,163,647	27,229,789 31,229,789	(3,933,858) 66,142
1994 State Exempt Computer Aid	3,807,631	4,182,667	4,182,667	0
<u>1995 Milwaukee Bucks Sports Arena</u>	<u>0</u>	<u>0</u>	<u>(4,000,000)</u>	<u>(4,000,000)</u>
1996 County Sales Tax Revenue*	69,752,141	68,970,000	72,584,100	3,614,100
1998 Surplus from Prior Years	0	5,000,000	5,000,000	0
1999 Other Misc. Revenue	835,816	2,278,000	3,300,000	1,022,000
TOTAL NON-DEPT. REVENUES	\$ 109,387,764	\$ 116,870,791	\$ 116,381,184	\$ (489,607)

State Shared Taxes: Represents payment from the State under the County and Municipal Aid payment program. The base payment is given to each County on a per capita basis. The Utility Payment compensates local governments for costs incurred in providing services to tax exempt public utilities. Wisconsin State Statute 48.561(3) requires the Wisconsin Department of Administration to reallocate \$20,101,300 from Milwaukee County's shared revenue allocation to the Wisconsin Child Welfare Program. State Shared Revenues to the County are projected to decrease due to the contribution of \$4,000,000 toward the Milwaukee Sports Arena as outlined in 2015 ~~Senate Bill~~ Wisconsin Act 60 ("Act 60").

In development of Act 60, the County Executive committed Milwaukee County taxpayers to contribute \$4 million per year for the next twenty years for a total payment of \$80 million. No separate approvals were sought or required from the County Board of Supervisors and/or through a binding referendum of voters. The State will collect the \$4

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million annual payment, beginning in 2016 and ending in 2035, by reducing the State Shared Revenues otherwise paid to Milwaukee County. To acknowledge this long-term funding commitment, and to not fill the revenue loss through the use of county reserves or cuts to public safety or other critical services, additional tax levy will be required to fund the obligation to build the Milwaukee Sports Arena.

	2014	2014	2015	2016
<u>STATISTICAL SUPPORTING DATA</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Base Payment	\$ 47,234,632	\$ 47,026,480	\$ 47,023,962	47,023,962
Utility Payment	4,065,202	4,065,202	4,240,985	<u>4,307,127</u>
Subtotal State Shared Taxes	\$ 51,299,834	\$ 51,091,682	\$ 51,264,947	51,331,089
State Child Welfare Reallocation	(20,101,300)	(20,101,300)	(20,101,300)	(20,101,300)
Milwaukee Arena Allocation <u>(See Org. 1995)</u>				<u>(4,000,000)</u>
Total State Shared Taxes	\$ 31,198,534	\$30,990,382	\$31,163,647	\$27,229,789
				<u>\$31,229,789</u>

Amend Org. Unit No. 1800 – Non-Departmental Revenues to create a new Account, Org. 1800-1995 Milwaukee Bucks Sports Arena as follows:

Milwaukee Bucks Sports Arena

2015 Wisconsin Act 60 was enacted August 12, 2015, relating to constructing a sports and entertainment arena and related facilities. The legislation’s intent is to ensure the Milwaukee Bucks of the NBA remain located in Milwaukee County. In development of Act 60, the County Executive committed Milwaukee County taxpayers to contribute \$4 million per year for the next twenty years for a total payment of \$80 million. No separate approvals were sought or required from the County Board of Supervisors and/or through a binding referendum of voters. The State will collect the \$4 million annual payment, beginning in 2016 and ending in 2035, by reducing the State Shared Revenues otherwise paid to Milwaukee County. (See Org. Unit 1993-State Shared Taxes above.) To acknowledge this long-term funding commitment, and to not fill the revenue loss through the use of county reserves or cuts to public safety or other critical services, additional tax levy will be required to fund the obligation to build the Milwaukee Sports Arena.

This non-departmental account is created to make it clear that the residents of Milwaukee County are making a significant contribution to the construction of the new Sports Arena and the future of the Milwaukee Bucks as a local NBA franchise. It is the

policy of Milwaukee County that this non-departmental account be included in each annual budget until the County's financial commitment is satisfied.

Amend Org. Unit No. 4000 – Office of the Sheriff as follows:

- Reduce the expenditure lump sum reduction in Account 8495 by \$4,000,000.

Amend the Office of the Sheriff narrative language on page 175 as follows:

2016 Budget Summary

The 2016 Budget for the Office of the Sheriff is provided as a “lump sum” amount to acknowledge the Sheriff’s constitutional and statutory authority to deploy resources as the Office sees fit. It is expected that the Office of the Sheriff will manage its staffing and expenditures within this allocated amount. ~~The Comptroller shall have responsibility to ensure that the Sheriff complies with this expenditure authority, as approved by the County Board and County Executive.~~ The Sheriff is also encouraged to share data on his Office’s activity and performance in order to help shape future allocations to the department.

Amend Org. Unit No. 1151 – Department of Administrative Services-Information Management Services Division as follows:

~~* = 2016 Budgets for all objects are charged back to departments in the amount included in the recommended budget. Not all objects were charged back to departments in 2015 Budget. There is no net increase to the County Budget as a result of this action.~~

Amend Org. Unit No. 3700 – Office of the Comptroller as follows:

The Comptroller shall convene a Workgroup to study the current crosscharge formulas and process and recommend changes to the methodology prior to the introduction of the 2017 Recommended Budget. It is the policy goal of Milwaukee County to reduce the use of crosscharges to: 1) simplify the budgeting process, 2) still retain outside revenues wherever possible, and 3) provide accurate information on the cost to provide programs and services. The Comptroller shall also review the methodologies used for the 2016 Budget to determine if an equitable distribution was used for fringe charges throughout the County. Based on federal and state audit guidelines, the Comptroller will allocate actual costs based on a fair and reasonable distribution.

This amendment would increase the tax levy by \$4,000,000.

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Org. No.	Department (or Capital Project)	Expenditure	Revenue (or Bonds*)	Tax Levy
1800-1993	Non-Departmental Revenues – State Shared Taxes	\$0	\$4,000,000	(\$4,000,000)
1800-1995 (New)	Non-Departmental Revenues- Milwaukee Bucks Sports Arena	\$0	(\$4,000,000)	\$4,000,000
4000	Office of the Sheriff	\$4,000,000	\$0	\$4,000,000
1151	DAS-IMSD	\$0	\$0	\$0
3700	Office of the Comptroller	\$0	\$0	\$0
TOTALS:		\$4,000,000	\$0	\$4,000,000

If approved, the Adopted Budget narrative shall be modified as needed to reflect this amendment.

FINANCE, PERSONNEL AND AUDIT COMMITTEE ROLL CALL		
	AYES	NOES
Haas	X	
Mayo, Sr.	X	
Romo West	X	
Jursik	X	
Weddle	X	
Moore Omokunde	X	
Co-Chair Johnson, Jr.	X	
Co-Chair Schmitt	X	
TOTALS:	8	0

APPROVED 8-0