

Community Organizations



Parks, Culture, Recreation, Green Space and Waterways



Labor Unions



Elected Officials



Students' Transportation



Human Services



Religious Leaders



Business Community



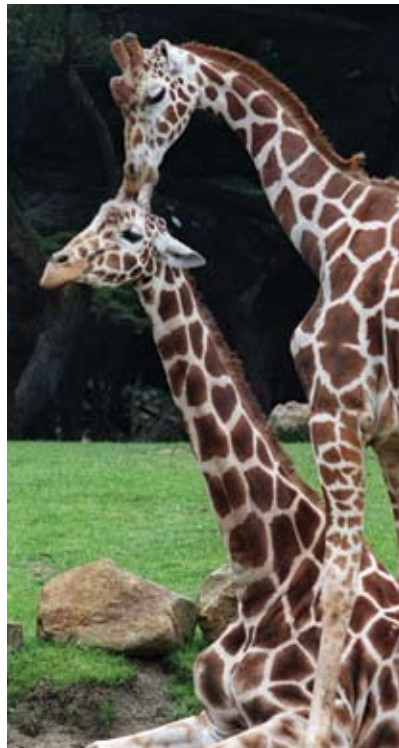
Neighborhood Groups



Saving MILWAUKEE COUNTY

ALLIANCE TO PROTECT
THE PUBLIC GOOD

*Preserving quality services,
conserving public resources*



SAVING

MILWAUKEE COUNTY

An alternative analysis of
Milwaukee County budget issues

Produced by the Alliance to Protect the Public Good —

A consortium of environmental, human service, labor, religious and civic groups committed to preserving quality services and conserving public resources.

September 2006

EXECUTIVE SUMMARY

Milwaukee County public structures are essential for residents of nineteen municipalities.

These services include such important basics as bus transportation, parks, courts, veterans' programs, highway maintenance, senior centers, the Domes, the Zoo, assistance for the poor and vital record-keeping. They ensure order, safety and support for families in Bayside, Brown Deer, Cudahy, Fox Point, Franklin, Glendale, Greendale, Greenfield, Hales Corners, Milwaukee, Oak Creek, River Hills, Shorewood, South Milwaukee, St. Francis, Wauwatosa, West Allis, West Milwaukee and Whitefish Bay.

But Milwaukee County, like counties across Wisconsin, is facing a financial crisis as the revenue from state aid and local taxes is insufficient to maintain the programs now in operations. Drastic cuts are being considered, cuts which would eliminate vital services and reduce the quality of life.

This summer, a coalition of environmental, social service, civic, faith-based and labor organizations was created to protect essential services, conserve county resources and support effective management to ensure the long-term stability of Milwaukee County. This coalition is the Alliance to Protect the Public Good.

Recently, the Greater Milwaukee Committee (GMC), a group of business and civic leaders, urged in its examination of County finances that "Milwaukee County must get on the track of a steady balanced budget that provides growth in high quality services." The Alliance supports this position and is proposing the following short-term and long-term strategies.

SHORT-TERM PROPOSALS

The following actions will directly reduce any anticipated deficit for the 2007 budget:

- 1. Surplus:** Use the \$4.7 million surplus from 2005 and any 2006 surpluses.
- 2. Pensions:** Increase payment to the pension fund to \$40 million instead of \$59 million.
- 3. Other post-employment benefits:** Fund other post-employment benefits as much as required by new rules from the Governmental Accounting Standards Board, which saves \$14.5 million.
- 4. Health care:** Both the GMC report and AFSCME District Council 48 have said health-care savings of more than \$10 million are possible.
- 5. Property tax:** Limit the total tax increase to \$9.5 million (or 4.1%). On a house worth \$180,000, this would cost only \$31 a year.
- 6. General Assistance Medical Program (GAMP):** Pressure the local hospital community into additional support for GAMP, which provides medical care for the working poor.
- 7. Increased efficiencies:** Implement employee efficiency proposals.

TOTAL POTENTIAL SAVINGS = \$62 million

Parks: Postpone decisions on major governance change until the County has passed a sound 2007 budget, to ensure adequate time for planning and analysis.

LONG-TERM PROPOSALS

The following are first steps toward restoring long-term financial stability:

- 1. Mass transit:** Work with the business community on a regional approach to mass transit.
- 2. Sales tax:** Seek state authority to raise the County sales as a potential revenue source.
- 3. State aid:** Work with leaders of other counties to push for increased state support for mandated programs.
- 4. Coordination of services:** Coordinate certain services with other local governments.
- 5. Employee benefits methodology:** Costs for retiree benefits should be handled as a separate category, rather than apportioned on the current workforce.
- 6. Pension bonds:** Seek a change in state law to allow the County to sell 30-year bonds to pay off pension debt.
- 7. Sale of property:** Develop an overall policy for selling or leasing unneeded and/or underused non-parkland assets.

AFSCME EFFICIENCY SURVEY

To help solve the budget crisis, AFSCME (the union for most County employees) members distributed a survey to workers in a number of County departments, asking for cost-saving ideas that would not reduce the quality of services.

The resulting recommendations fall into six broad categories:

- 1. Streamline application and renewal forms.**
- 2. Coordinate staff planning among departments to identify how to move workers across departments as needed.**
- 3. Centralize and coordinate purchasing/leasing across departments to ensure lowest possible prices and most efficient use of products.**
- 4. Simplify and standardize program procedures.**
- 5. Develop more efficient transportation systems.**
- 6. Be more efficient in using and maintaining physical facilities and property.**

CONCLUSION

During this period of economic uncertainty and rapid social change, the stable institutions created through County government play a crucial role in protecting the quality of life, ensuring support for families in need and providing opportunities for everyone to share the natural, cultural and educational resources built by earlier generations. Although the County faces financial challenges, these do not require leaders to dismember effective public structures.

The Alliance to Protect the Public Good believes that diverse interests can unite their concerns in order to resolve short-term issues so that services and programs are preserved. And the Alliance believes these diverse groups — business, labor, social-service providers, environmental advocates, religious congregations and civic groups — can continue working together for long-term solutions to make Milwaukee County thrive in the 21st century.

INTRODUCTION

Milwaukee County public structures are central to our community life— such as bus transportation, parks, crime prevention, courts, veterans’ programs, highway maintenance, senior centers, the Domes, the Zoo, assistance for the poor, record-keeping on information such as marriage, property, birth and death, as well as many other essential programs.

This remarkable system is also a point of contact and coordination among the nineteen municipalities in the County: Bayside, Brown Deer, Cudahy, Fox Point, Franklin, Glendale, Greendale, Greenfield, Hales Corners, Milwaukee, Oak Creek, River Hills, Shorewood, South Milwaukee, St. Francis, Wauwatosa, West Allis, West Milwaukee and Whitefish Bay.

If budget proposals on Milwaukee County Executive Scott Walker’s desk are put in place, there would be devastating consequences for many of these structures: swimming pools, park maintenance, the scope and cost of bus transportation, cultural assets, and a wide range of services for area residents including the elderly, children, persons with disabilities, and working families.

The Alliance to Protect the Public Good—a coalition of environmental, social service, civic, faith-based and labor organizations—is working to strengthen the County systems, conserve community resources and protect the values of good management and long-term investment in programs that serve the common good.

Milwaukee is not alone in facing fiscal crisis. Counties and municipalities across Wisconsin are struggling with financial shortfalls due in large part to the failure of the state and federal governments to adequately fund the wide range of necessary programs mandated by law. This kind of crisis generates many responses. The Wisconsin Counties Association, for example, is looking at reforming state aid, including providing local governments with more tools to generate revenue, such as sales tax. The Association is working to find solutions that improve that capacity of counties to meet citizen needs and contribute to economic growth. For the past several years, however, Milwaukee has responded to the fiscal crisis by cutting back critical programs and services. This has reduced the quality of life in many parts of the county and exacerbated the factors that prevent stronger economic and social development.

The Alliance supports the Greater Milwaukee Committee (GMC) recommendation that “Milwaukee County must get on the track of a steady balanced budget that provides growth in high quality services,” as stated by that group of business and civic leaders in its recent report on the County’s fiscal crisis. As the GMC report says: “While budget restructuring is daunting, it is doable.”

Dealing with this crisis requires both short-term and long-term strategies. This working paper by the Alliance expands upon the GMC recommendations with additional steps that can be inserted immediately into the 2007 budget, to mitigate the need for cuts in important services. In addition, the paper outlines other steps to be taken as soon as possible that will bring benefits in later years.

SHORT-TERM PROPOSALS

The following actions will directly reduce anticipated deficits in the 2007 budget:

- 1. Surplus:** Use the \$4.7 million surplus from 2005 that was just discovered this July, as well as any 2006 surplus. (+ \$4.7 million)
- 2. Pensions:** Increase payment to the pension fund to \$40 million, up from this year's \$27.4 million. Some County officials want a \$59 million payment. A more realistic \$40 million payment would be a big increase, but would avoid \$19 million in program cuts. (+ \$19 million)
- 3. Other post-employment benefits:** Fund other post-employment benefits as much as required by new rules from the Governmental Accounting Standards Board, but no more. Along with a technical change in the Behavioral Health Division's accounting status, this could cut in half a projected expense of more than \$29 million. (+ \$14.5 million)
- 4. Health care:** Both the GMC report and AFSCME District Council 48 (the union group representing most County employees) have said health-care savings of more than \$10 million are possible. While the exact amount depends on details involving union contracts, local and federal laws, and insurers, it is clear that money-saving changes are within reach. Create purchasing pools as large as possible to obtain lower insurance rates. (+ \$10 million)
- 5. Property tax:** Use the County's maximum authority to collect property taxes. State law limits the total tax increase to \$9.5 million (or 4.1%). On a house worth \$180,000 (the average home-selling price in Milwaukee County this year), this is a boost of only \$31 a year (or \$2.60 per month). (+ \$9.5 million)
- 6. General Assistance Medical Program (GAMP):** Pressure the local hospital community into additional support for GAMP, which provides medical care for the working poor. Soaring hospital rates are a major cause of the big increases in the cost of County employees' health insurance, so the industry should bear some of the cost of this program, which is budgeted to cost the County over \$12 million. (+ \$3 million)
- 7. Increased efficiencies:** Listen to the advice of County employees for ways to increase efficiency in County operations. As summarized below in a report on an AFSCME efficiency survey, there are many ways to save money while maintaining or improving quality. (+ \$1.5 million)

Potential deficit reduction: \$62 million

Parks: Some suggest putting the parks into a new, separate branch of government. Others suggest using new sales tax revenue to fund park operations. Some want to sell a park to help pay off County liabilities. Crisis situations are not the time for such big changes. Postpone the decisions, to give the County time to pass a sound 2007 budget and ensure adequate time for planning and analysis.

LONG-TERM PROPOSALS

The following are first steps toward restoring long-term financial stability:

- 1. Mass transit:** Milwaukee may be the only major metropolitan area in the US without a strong regional transit authority. Because so many employers rely on buses to get their workers to the job, the County must work with the business community on a regional approach to mass transit. This will spread the costs more fairly and deliver better service.
- 2. Sales tax:** The County should seek state authority to raise the County sales tax in order to give the County a new tool to be used in a future emergency.
- 3. State aid:** Many County programs are mandated, but not funded, by State government. Milwaukee County officials should work with leaders of other counties to encourage the state to increase its financial support for mandated programs. Close cooperation with the GMC task force may make this easier, since there is overlap in the membership of the GMC group and the special State task force reviewing the County's finances.
- 4. Coordination of services:** Some savings may be possible by coordinating certain services with other local governments. The GMC report outlines a number of steps that can be taken, and also emphasizes that if County jobs are eliminated as a result, displaced employees should have first chance to fill new positions in other branches of government.
- 5. Employee benefits methodology:** The method used in 2007 budget proposals to calculate the cost of benefits is counterproductive. It forces all benefits, including retiree benefits, to be apportioned on the declining current workforce. This forces personnel cuts that are haphazard rather than based on policy and need. Costs for retiree benefits should be handled as a separate category.
- 6. Pension bonds:** It's possible that the County could save money over the long run by replacing its pension liabilities with a Pension Obligation Bond that would allow it to save interest on the amount now owed the pension fund, as the GMC suggests. A necessary first step is seeking a change in state law to allow local governments to incur debt for more than the current maximum of 20 years.
- 7. Sale of property:** As the GMC report suggests, "Milwaukee County needs to develop a coherent, defensible, and widely supported policy for disposing of unneeded and under/unused non-parkland assets. It should develop such a policy promptly." Leasing of some recreational operations may also be useful.



AFSCME EFFICIENCY SURVEY

In numerous private and public organizations, front-line staff, embedded in the work structure, has been effective at finding ways to operate more efficiently while protecting or enhancing quality. Their expertise in their own specific area of work gives them understanding and insight into how to change procedures to save money.

Almost all County programs are staffed by members of AFSCME (American Federation of State, County and Municipal Employees, AFL-CIO). They are committed to the County, to the programs they operate and to the people they serve. To help solve the 2007 budget crisis, AFSCME members distributed a survey to workers in a number of County departments asking for cost-saving ideas that would not reduce the quality of services.

The resulting recommendations fall into six broad categories:

1. Paperwork
2. Personnel
3. Purchasing
4. Procedures
5. Transportation
6. Facilities

1. PAPERWORK

Reduce paperwork and eliminate obsolete forms.

Recommendations:

- Many standard forms are obsolete and should be discarded, along with other unused supply materials.
- Reduce waste of paper products with redundancy in paperwork and photocopying of booklets.
- Save cost of paper, printing, mailing, scanning and computer space and staff time.
- In Nursing Home unit, streamline the "Review Process" by using one-page renewal form that was used in the past.

Implementation:

For each department, compile all forms to identify key informational elements needed and merge the questions onto one form which can be stored in a central file as well as duplicated and filed for various uses.

2. PERSONNEL

Use current staff with greater flexibility.

Recommendations:

- Move summer workers from parks to highways and the airport where they can assist with snow removal during the winter.
- Where staff from different areas work with the same clients, have personnel visit clients together to do reviews, saving paperwork, phone calls and worry.
- Don't use outside consultants for tasks County employees can do, such as hiring a consulting firm to find a building for the Behavioral Health Division to move into.
- Change staffing patterns to cut down on excessive overtime.
- Keep adequate staff so things don't have to be rescheduled, redone or corrected, all of which are more costly than trying to save on a few salaries.
- Allow older employees to work reduced hours without penalty. Place these workers in mentoring and/or trouble-shooting positions. This will save money by not having to train as many new workers in a short time because of baby-boomer retirements. It will also maintain quality by avoiding a staggering loss of experienced personnel.
- Case workers could be assigned one group home or agency, rather than several workers assigned to a single one-to-six-bed group home. This will reduce time and travel costs.
- In departments with client caseloads (such as Economic Support, Child Care, Child Support), have bilingual workers handle non-English speaking clients to end the reliance on expensive translation services.

3. PURCHASING

Make more cost-effective purchasing decisions.

Recommendations:

- Centralize and coordinate purchasing/leasing across departments to ensure lowest possible prices and most efficient use of products. There is not enough bulk purchasing.
- Eliminate "price agreements" and negotiate for more competitive prices.
- Lease larger, specialized equipment and have employees rated on all different pieces to save maintenance costs.
- Use smaller vehicles instead of trucks and full-size autos to save on gas costs.
- Use more cost-effective vendors.
- Closely monitor supplies used in each department to decrease ordering more items than needed. All departments should have designated people to order and inventory. Have more oversight of requisitioned supplies.

PURCHASING, continued

Implementation:

Compile annual supply needs across departments. Identify cheapest effective products and negotiate bulk purchasing. Process payment through one office and coordinate distribution and monitoring of products on a monthly basis.

4. PROCEDURES

Streamline procedures.

Recommendations:

- The Title 19 verification information should be sent to a designated person, for example, the home visitor who originally told clients what was needed. Too much verification information is getting lost and as a result, human service workers have to call and pick up the verification again.
- Develop a standard policy and procedure manual for each division of Health and Human Services, especially Disabilities Services, to eliminate duplication and unclear activities.
- Direct deposit of mileage checks instead of paper checks.

5. TRANSPORTATION

Lower transportation costs

Recommendations:

- Change transportation tickets system used to pay for Milwaukee County to a swipe-card system. This could eliminate paying for unauthorized trips. It also could save money on postage costs to mail the tickets.
- Review specialized-transportation services, to identify clients who can use cheaper services for most of their travel.
- Change the transportation payments from a billing system to a contract in order to control cost.

6. FACILITIES

Be more efficient in using and maintaining physical facilities and property.

Recommendations:

- Fix areas in disrepair before they get completely out of control. This would decrease the cost of the repair.
- Invest in laptop computers for caseworkers so they can complete assessments in the community rather than doing paper-and-pencil versions and then returning to the office to do it over again on old, slow computers.

CONCLUSION

Despite a sustained national campaign to disparage and dismantle governmental operations, the vast majority of people acknowledge the need for and value of the wide array of public structures established and maintained over the past century. As Joan Fitzgerald, President of the Colorado State Senate, stated in a recent speech: “Do we want people carrying asphalt around to fill the potholes they see on the road? Should we tell them to set aside a spare room for some drug dealer, because we can’t afford prisons? Do we want some guy in his basement teaching medical students? We need a strong public sector to take care of our collective business.”

Milwaukee County was built over generations to ensure safety, order and opportunity for all citizens as well as a way for neighboring communities to cooperate around significant services.

We are now the caretakers of this structural heritage and it is our turn to protect resources and programs for our children and grandchildren. This is not a partisan issue, this is a community challenge — how to best manage this County so diverse needs are met in an efficient and effective manner.

The Alliance to Protect the Public Good is a citizen-based effort to ensure that the residents of this county are well-informed on the issues at stake, the various choices possible and the impact of these decisions. In addition, the Alliance is committed to engaging diverse constituencies in a cooperative manner to make their voice heard — and attended to. Our first goal is that business, labor, social service providers, environmental advocates, religious congregations and civic groups combine to resolve short-term issues so that services and programs are preserved. Our second goal is that these diverse groups continue planning and working toward long-term solutions that guarantee a better life for generations to come.





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Preserving quality services, conserving public resources

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