

February Bond Rating Agencies, Transparent, 5-year financial forecast

Feb – July Reality Tour, Public understanding of pending financial crisis, GMC Task Force, State Task Force on Milwaukee County Finances

- Services, not employment
- Down payment on a long-term plan

Problem

Fringe Benefits (78% rate)

- Pension
- Health Care (particularly for retirees)
- Sick Leave

State Mandates

- Courts
- Income Maintenance
- Behavior Health
- Disability Services
- Mediation/Arbitration
- Expressway Patrols

2007 Budget – Key Points

Tax Relief: 5th Straight No Property Tax Levy Increase (Ford and GM don't pass on cost to buyer)

Public Safety: Rejected idea of closing CCC, ACC, state contract, DRS; maintain TEU (duplication)

Economic Security: keep all MCTS routes, fuel up/passes up (long-term: RBS; Stone idea); ED (add staff)

Protect Safety Net: BHD (long-term: new location) , Disabilities Services (maintain programs; long-term: FamilyCare), GAMP and EMS (long-term: transition to new system); ESD (staffing/state; long-term: overmatch at \$1.1 million; childcare inspections); CSE (Racine; long-term: state and federal government); Aging (CMO; long-term: transform centers)

Quality of Life: zoo (society, waterpark); arts and culture; Parks (aquatics: annual pass, center/splash pads, lakefront – HOC, adopt a beach), contract out staffing; long-term – district)

Consolidation: Racine CSE, Waukesha/Racine IT (?), Sheriff, EMS, City of Milwaukee

Reaction to state: courts, DA, ESD (not overmatch),

Benefits: POB (not eliminate, but cover our liability), fewer employees (ESD, PMW, skilled trades, house keeping, security, DPW, Fleet parts (not CSP or TCM)); health care (flex accounts)

Outsourcing: ESD, Park Maintenance Workers, housekeeping, security, fleet parts, IMSD

County Board: no changes

Bold Proposals

- BHD
- Aquatics
- Child Care Center Inspections
- Park District
- POB (stabilization fund)

Warning to County Board

Sales Tax

- \$30 million hole in 2007
- No support at state government level
- Pension Tax
- 1991 Resolution promised property tax relief; 1992 to 2002 52% increase
- Poll #s

Raid on Pension Fund Contribution

- Bond Rating (get quotes from agencies)
- Underfunding of System
- Hole in 2008

Future

- Continue to hold the line on tax burden
- Create incentives for more job growth
- Redo health care system as part of contracts
- Reduce impact of retirement benefits; transition to defined contribution system/WRS
- Improve operations and efficiencies through LEAD Six Sigma

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