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Report on county budget cites need for long-term perspective

Analysis points to lack of consensus and action on longstanding fiscal problems

In its annual analysis of the Milwaukee County Executive's budget, the Public Policy Forum cites the county executive's proposed privatization initiatives, issuance of pension obligation bonds, and numerous administrative restructuring initiatives as supporting – at least conceptually – his statement that his budget will embark the county on a path toward long-term sustainability. It also notes, however, that several other elements of the budget, such as continued deferral of the transit crisis and assumed initiation of a major new entitlement program for persons with disabilities, “suggest the journey has barely begun.”

The report also states that because the county has failed to analyze and quantify the depth of its long-term fiscal problems in recent years, it is difficult to determine just where it stands.

“This failure by both branches of government to utilize a realistic and mutually agreed upon assessment of their long-term fiscal challenges is indicative of a county culture that has existed for many years – one that focuses on each budget one year at a time, deferring tough problems

and basic infrastructure needs while long-term liabilities grow, with continued hope but no assurances of increased state aids.”

In order to inject consideration and understanding of the county’s fiscal condition and long-term challenges into budget and policy deliberations, the report suggests the county consider establishing “an independent entity to provide objective long-term fiscal analysis and to review annual revenue estimates recommended by both the county executive and county board for accuracy and realism.”

The report states that establishment of an independent controller similar to that at the City of Milwaukee would be one option, and establishment of an independent fiscal bureau similar to the Legislative Fiscal Bureau at the state would be another.

The Forum report includes analysis of the causes and components of the county’s structural deficit, as well as the county executive’s proposals to privatize certain county functions, issue pension obligation bonds, close the Community Corrections Center, lease or sell General Mitchell International Airport and expand Family Care to individuals with disabilities under the age of 60.

The county budget brief can be downloaded from the Forum's Web site at www.publicpolicyforum.org. An analysis of the 2009 City of Milwaukee budget will be released early next week.

Milwaukee-based Public Policy Forum, established in 1913 as a local government watchdog, is a nonpartisan, nonprofit organization dedicated to enhancing the effectiveness of government and the development of southeastern Wisconsin through objective research of public policy issues.

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