

2023 PROPOSED PLAN AND EXECUTIVE BUDGET SUMMARY

CITY OF MILWAUKEE

STATE OF WISCONSIN

Cavalier Johnson
Mayor

Department of Administration
Budget and Management Division

Sharon Robinson
Administration Director

Nik Kovac
Budget and Management Director

Budget and Management Staff

Thomas Bell
Bill Christianson
Andrea Fowler
Crystal Ivy
Molly King
Mason Lavey
Sarah Osborn
Eric Pearson
Bryan J. Rynders

This budget is dedicated to the memory of Thomas Bell and Mark Nicolini; great mentors and colleagues who passed away in 2022.

GUIDE TO BUDGET DOCUMENTS

PLAN AND BUDGET SUMMARY

A document containing a fiscal summary of the 2023 budget; a budget forecast for Milwaukee; detailed narrative descriptions of each department's mission, services, outcome measures and related activities; and a summary of appropriations by expenditure category. This document is printed annually in Adopted and final form as follows: the *Proposed Plan and Executive Budget Summary* contains the Mayor's Executive Budget as presented to the Common Council for review. The *Plan and Budget Summary* contains the budget as adopted by the Common Council.

BUDGET

The official City of Milwaukee line-item budget provides a listing of all appropriation accounts by department and is published after the final budget adoption.

SIX-YEAR CAPITAL PLAN

A presentation of the city's six year capital program. Includes details on planning, financing, infrastructure, and urban development undertakings involved in the capital plan.

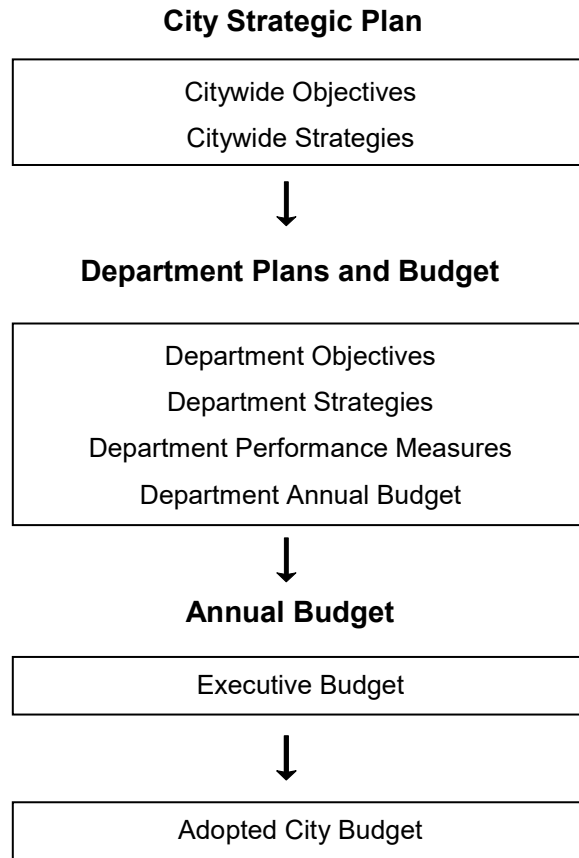
To obtain copies of the: *Proposed Plan and Executive Budget Summary*, *Plan and Budget Summary*, and *Detailed Budget* contact the:

Budget and Management Division
City Hall - Room 603
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3741

or

Visit the Budget and Management website at:
www.city.milwaukee.gov/budget

BUDGET AND PLANNING PROCESS



Calendar Date	Activity
January - March	Departments Prepare Plans, Objectives, and Performance Measures
Mid-March	Departments Receive Budget Request Materials
Early May*	Department Plans and Budget Requests Due
Mid-August	Mayor's Public Hearing on Plans and Budgets
July - September	Mayor's Executive Plan and Budget Review
Late September**	Plan and Budget Submitted to Common Council
October	Legislative Hearings
Early November	Finance and Personnel Committee Budget Amendment Day
Early November ***	Common Council Action on Budget

* Legal Deadline Second Tuesday in May

** Legal Deadline September 28

*** Legal Deadline November 14

ELECTED OFFICIALS

Mayor Cavalier Johnson
City Attorney Tearman Spencer
City Comptroller Aycha Sawa
City Treasurer Spencer Coggs

COMMON COUNCIL

President José G. Pérez

District **Aldersperson**

First Vacant

Second Vacant

Third Vacant

Fourth Robert Bauman

Fifth Nikiya Dodd

Sixth Milele A. Coggs

Seventh Khalif J. Rainey

Eighth JoCasta Zamarripa

Ninth Vacant

Tenth Michael J. Murphy

Eleventh Mark A. Borkowski

Twelfth José G. Pérez

Thirteenth Scott Spiker

Fourteenth Marina Dimitrijevic

Fifteenth Russell W. Stamper, II

MUNICIPAL JUDGES

Branch 1 Valarie A. Hill

Branch 2 Derek C. Mosley

Branch 3 Phil Chavez

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THE VALUE OF MILWAUKEE

Milwaukee is a cohesive, talent rich, diverse, safe and economically vibrant community. It is nationally recognized for its manufacturing, arts, recreation, museums, academic institutions, revitalized lakefront and rivers, beautiful neighborhoods and well-maintained housing.

Milwaukee is the economic hub of the southeast region and entire State of Wisconsin, the “Fresh Coast City” that is rising fast in national stature and prominence. It is a premiere center for advanced manufacturing, fresh water research and development, clean and green technology, health care, biomedical technology and financial services. These core industries spur productivity, innovation, heightened rates of business formation and growth, a strong and growing entrepreneurial climate, and a boost in Milwaukee’s national and global competitiveness. Milwaukee’s dynamic and accessible markets attract people, business and investment in large and increasing numbers, and its transportation system is a gateway for tourism, conventions, commerce, business growth and economic development.

OUR VISION FOR MILWAUKEE

We want Milwaukee to become an even more desirable place to live and work. Our vision is a Milwaukee where opportunity is abundant and accessible to all residents - a Milwaukee where:

- Neighborhoods are safe, healthy, thriving and culturally rich;
- Children are empowered with the tools they need to reach their full potential, including a superior education;
- Residents have equal access to good family supporting jobs and benefits; and
- Our environment and economy support and sustain the quality of life for this generation and the next.

MISSION

The mission of city government is to enhance the safety, prosperity, and quality of life of all of our residents by working directly and through partnerships with our community stakeholders.

City government is dedicated to delivering services at a competitive cost and achieving customer satisfaction and responsiveness to residents. This enables the city to deliver the highest quality services possible to residents and businesses. These services enhance the value of Milwaukee by:

- Building safe and healthy neighborhoods;
- Increasing investment and economic vitality throughout Milwaukee;
- Improving workforce development and connecting more residents to family supporting jobs;
- Helping children succeed, prepare for post-secondary education, and meet their full potential;
- Promoting racial, social and economic equity for all residents; and
- Sustaining, enhancing and promoting Milwaukee’s natural environmental assets.

2023 BUDGET INTRODUCTION

To help build a safer, stronger, and more prosperous city for all Milwaukee residents we must fund core city services, invest in the public health and safety of all Milwaukee neighborhoods, and sustain an interconnected network of infrastructure and utility services.

Of these many demands on our resources, some essential services have dedicated revenue sources which can scale with their costs. The Water Works and the Sewer Maintenance Fund are the two largest examples of such sustainably funded services. Together they account for \$270 million of the \$1.7 billion in this proposed budget.

Both Water and Sewers are funded via dedicated fees that go into enterprise funds kept separate from other city expenditures. (They are sections J and K in the table that immediately follows this summary.)

Most of our other significant expenditures for services rely in part or in whole on discretionary revenue sources. Even those city services that have separate municipal fees - like solid waste, snow and ice, and forestry stormwater - are not fully funded by such fees, and therefore ultimately compete with most other city services for discretionary revenue.

As we make decisions about which services to fund with that revenue, we are guided by the ethical and management principles embodied in this series of questions:

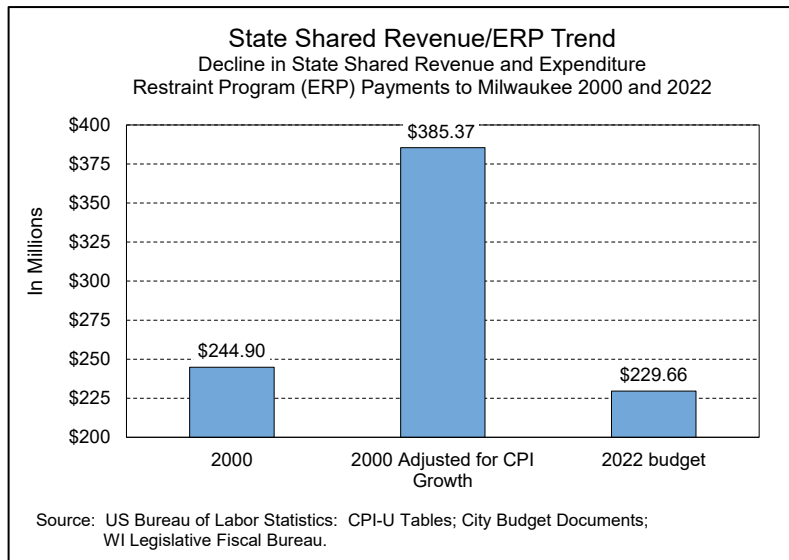
- How essential is the service to the daily life, health, safety, and prosperity of residents?
- Does this service have a disparate impact on some residents more so than others, and if so does that disparity further racial equity or exacerbate existing racial inequities?
- Does the city’s funding of this service leverage outside investments?
- How interconnected is this service with other essential services?

Unfortunately, our ability to fund services, invest in neighborhoods, and sustain infrastructure is severely curtailed by shrinking revenues and increasing expenses.

The Structural Causes of Our Budget Gap

Ever since 1995, when the Wisconsin state government stopped its decades-long tradition of regular increases to the Shared Revenue program, our city revenues have not kept pace with expenses. In 2001, the state formally locked each municipality into the prior century’s nominal level. Then, during three separate biennial budgets - in 2003, 2009, and 2011 - even this frozen level was reduced. This built-in structural deficit has been compounding for more than two decades, and is no longer manageable. Adjusted for inflation, the city receives \$155 million less in Shared Revenue than in 2000.

Figure 1



This Shared Revenue could be more accurately described as “Redistributed Revenue” because it is generated by the sales, income, and excise taxes paid by Milwaukee residents, workers, and visitors. The total amount of money that Milwaukee taxpayers contribute to Shared Revenue exceeds the amount of money that the state “shares” back.

Shared Revenue was once the city’s largest source of revenue but has been outpaced since 2009 by the property tax levy – a source of funding which has roughly kept up with the real value of money, i.e., inflation, over the past two decades.

The cost of our largest department, the Police Department, now exceeds our Shared Revenue by \$78 million, nearly the reverse position of these two accounts in 2000.

Another expense – the employer pension contribution – emerged in 2010 to soon become the second biggest driver of our structural budget gap. This obligation was entirely absorbed by fund investment returns in the prior decades, but became an extremely volatile line item in our general city budget for several years until we implemented a stable five-year contribution formula in 2013. The stabilized annual cost was \$62 million until 2017, and then \$71 million from 2018-2022.

Our current expectation is that this cost will be at least \$100 million in 2023, and could even exceed \$120 million. The exact amount will not be known until the Pension Board finalizes its actuarial and investment assumptions early next year, and this contribution will not be due until January 2024. This higher pension contribution amount is required to be made each year until the 2027 payment is due in January 2028.

The City’s Strategic Response

In 2013, the Budget and Management Division initiated a “3R” budget strategy: Resize, Restructure, and Reinvest. This strategy formalized a budget-balancing approach that had begun as early as 2000 in response to frozen Shared Revenue. In the past two decades our overall city workforce has declined by more than one thousand funded positions, or nearly 15% of our workforce. In recent years that trend has accelerated. We have seven fewer fire engines compared to 2017 and 200 fewer police officers than in 2018.

Figure 2

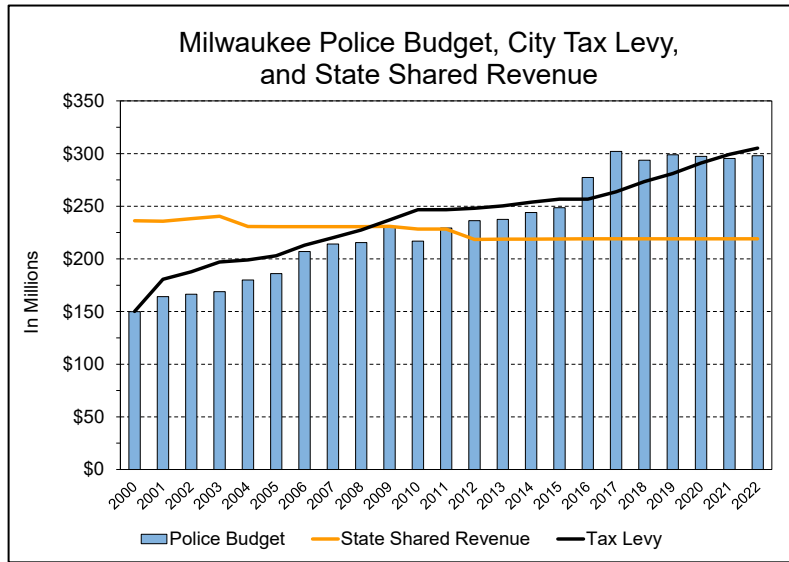


Figure 3



Full Time Equivalents	2000	2022	Change 2000 Minus 2022	Percent Change
Police	2,694	2,560	-134	-5.0%
Fire	1,202	880	-322	-26.8%
Remaining Departments	3,657	3,031	-626	-17.1%
Total	7,553	6,471	-1,082	-14.3%

Given these massive and accelerating reductions in our workforce and the services they deliver, it is difficult to contemplate further cuts. Yet, the current structural realities – frozen revenue from the state, annual inflationary increases in operating costs, more than inflationary increases in annual pension obligations – are forcing us to ask departments to make cuts that may permanently reduce our core service delivery and ability to maintain infrastructure.

Major Changes in the 2023 Budget

2023 budget requests from departments were submitted in May of 2022 and revealed a budget gap of \$151 million. For historical context, in the fifteen years from 2005 until 2019, every total gap from the requested departmental budgets was between \$21 and \$61 million, and then from 2020-22 all three gaps were between \$63 and \$78 million. The largest single driver of that increase was a \$50 million estimated increase in the annual pension obligation. In the 2023 proposed budget, we are closing slightly more than half of that gap with federal American Rescue Plan Act (ARPA) money that will be available in both 2023 and 2024. There were only two strategies remaining to fill the rest of the gap: increasing revenues or decreasing costs.

This proposed budget includes a property tax levy increase of 2%, and an increase in most annual fees of 4%. Combined with other general fee increases, these revenues reduce the gap by \$9.6 million.

The remaining gap could only be filled by cost reductions, which inevitably means personnel cuts and thus service reductions. In June, all departments were asked to propose budget cuts that were both significant and permanent – so that we could begin adjusting to a new multi-year reality of frozen state aid, increased pension costs, and expiring federal ARPA funds by 2025.

This budget proposes a 1% reduction in our sworn police force (a reduction which could nearly double if a federal grant is not awarded later this year), the elimination of one fire apparatus in January and another in July, and major reductions in hours and programming at five of our twelve neighborhood libraries.

Those three departments – police, fire, and libraries – are the three largest departments that rely almost entirely on discretionary funding sources. Every other general city department with an overall budget in excess of \$20 million – Administration, City Development, Health, Neighborhood Services, and Public Works – receives more than half its funding from grants or non-discretionary revenues.

In those three departments (police, fire, and libraries) which are the most scalable - i.e., any cuts in expenditures are not majority offset by losses in associated fee or grant revenue - we are not merely proposing a resizing, but also restructurings and reinvestments.

Both the police and fire departments will be transferring their emergency call taker personnel into the new Department of Emergency Communications. This will create civilian control of our 911 dispatch center, and is part of a larger civilianization trend in both departments. Police crime analysts and Fire COVID specialists will no longer

be sworn, freeing up more front-line personnel to patrol and respond. The Fire Department is also expecting an increase in its recoverable revenue for Ground Emergency Medical Transportation from the state and federal governments, as well as increased costs to subsidize the private ambulances who assist our emergency response to Basic Life Support situations.

The King Drive library will have temporary service reductions in 2023 while a new library is being built – in a partnership with a private developer – on the site of the existing library. The four other branches that will have limited hours and programming in 2023 will all be in close proximity to other branches that are adding staff, with the intent that those librarians will do outreach into the community at senior, youth, and other community centers. In other words, in areas where budget cuts might make it harder for residents to come to the library, the plan is for the library to come to those residents. This is consistent with Milwaukee Public Library’s strategic plan.

In the other departments with significant cost recovery – whether via grants, fees, or penalties – the service reductions in this budget had to be tactically precise so as not to cost us more in revenue than we will save in costs.

Three of the larger such departments illustrate different tactical combinations that can achieve the necessary budget savings.

In the Department of Neighborhood Services, the overall revenues produced by permit fees for property improvements and penalties for property neglect cover all departmental expenses. What this means in the abstract is that if we were to propose the hypothetical elimination of the entire department, this seeming cut would in fact have no positive fiscal effect: We not only would lose the value provided to neighborhoods by attentive construction and property regulation, the city also would not save any money. Instead of this counterproductive outcome, we are proposing a range of changes to the permit fee and violation penalty schedules that will generate more revenue, as well as the elimination of one support position that can be efficiently absorbed by existing staff.

The Health Department identified significant federal, state, and private grant funding to support direct services, reducing the city taxpayers’ levy burden for several programs without reducing their impact on our community. The Health Department’s strategic planning efforts enabled additional levy savings without major service impacts through targeted programmatic shifts. These efforts are ongoing, and the Department expects to identify further levy savings in 2024.

In the Department of Public Works – both the Operations and Infrastructure Divisions – there are budget savings opportunities alongside service delivery challenges which both have the same cause: a more competitive job market especially in the skilled trades is making it more difficult to retain existing expertise and recruit new talent. This high turnover rate is causing a significant gap between our current funded level of workers with our actual level of filled positions. The 2023 budget attempts to achieve a compromise between these two realities (the funded and the actual) which will allow us to register budget savings via fewer funded positions while also enacting strategies to increase our ability to recruit, train, and retain more of the sanitation, forestry, and laborer positions that keep our city clean, healthy, and functional.

In some positions, especially skilled trades, we are achieving the later goal by working with the Department of Employee Relations to reclassify salary ranges that can better compete with what other municipalities and private contractors are offering. We are also proposing an across the board 2% raise for general city employees as well as a 1% longevity increase for workers that have been here at least five years. These proposed changes reflect the reality that if we are going to fund fewer overall positions while asking the remaining employees to do more, we are more likely to achieve an increase in productivity if we can better compete in the job market for the most sought after employees, as well as being able to retain our in-house talent that we have trained.

The 2023 budget includes fewer funded personnel and services, but no anticipated layoffs. Without new revenue sources in the coming years, it is unlikely we can follow our “3R” strategy merely within attritional levels.

The Years Ahead

The significant cuts in this proposed 2023 budget should lower the baseline costs going into the 2024 budget process, but that new baseline is still expected to rise. This increase to our structural deficit will be more accurately projected next year, but year-to-date 2022 is witnessing historical levels of inflation not seen in over a generation. This trend, if it continues, will directly increase our operating and contracting expenses, and indirectly increase our salary expenses.

The 2024 budget will also have to make room for the new five-year pension payment, and then in 2025 the federal ARPA money will expire, increasing the size of that effective budget gap by about \$90 million.

These factors taken together – frozen state revenue, expiring federal grants, historically high inflation, pension costs increasing even beyond that pace – mean that many more difficult decisions will be necessary in the coming years. As we make decisions about which services to reduce and by how much, we will be guided by the sound management principles listed earlier in the third and fourth questions – How interconnected is this service to other essential services? and How much discretionary revenue would it free up if reduced? – as well as by the practical and ethical considerations in the first and second questions – How essential is this service to our daily lives? and Does this service advance our goal of racial equity?

In the introduction to the 2022 budget, it was stated that, “The Office of Equity and Inclusion and the Budget and Management Division have begun to discuss and identify a strategy to incorporate a racial equity analysis in the budget process.” The beginnings of those strategies and analyses are described in many of the departmental summaries in this book.

Those discussions will continue, and we will work with all departments to develop a set of racial equity tools that will guide our future management strategies. These tools will include quantitative and objective metrics, but will also feature a collaborative process of inquiry and discussion that will sometimes be qualitative and subjective. Advancing racial equity will not be achieved with a one-size-fits-all template, but rather is an expression of moral priorities that must be continually revisited and reevaluated. It is a guiding principle for this and future budgets.

2023 PROPOSED BUDGET AND TAX RATE COMPARED TO PRIOR YEAR

Purpose Of Expenditure And Funding Source	2022 Adopted Budget	2023 Proposed Budget	CHANGE 2023 Minus 2022 Adopted	2022 Adopted Budget	2023 Proposed Budget	CHANGE 2023 Minus 2022 Adopted
A. GENERAL CITY PURPOSES						
1. Budget (Expenditure Authority)	\$610,946,167	\$639,535,129	\$28,588,962			
2. Non Tax Levy Funding	525,907,395	551,063,600	25,156,205			
3. Tax Levy Funding	85,038,772	88,471,529	3,432,757	\$2.83	\$2.60	\$-0.23
B. EMPLOYEE RETIREMENT						
1. Budget (Expenditure Authority)	\$152,914,670	\$143,868,851	\$-9,045,819			
2. Non Tax Levy Funding	23,599,952	25,638,180	2,038,228			
3. Tax Levy Funding	129,314,718	118,230,671	-11,084,047	\$4.31	\$3.48	\$-0.83
C. CAPITAL IMPROVEMENTS						
1. Budget (Expenditure Authority)	\$136,675,000	\$163,538,000	\$26,863,000			
2. Non Tax Levy Funding	136,360,000	162,573,000	26,213,000			
3. Tax Levy Funding	315,000	965,000	650,000	\$0.01	\$0.03	\$0.02
D. CITY DEBT						
1. Budget (Expenditure Authority)	\$256,601,818	\$325,083,090	\$68,481,272			
2. Non Tax Levy Funding	171,167,269	226,547,464	55,380,195			
3. Tax Levy Funding	85,434,549	98,535,626	13,101,077	\$2.85	\$2.90	\$0.05
F. CONTINGENT FUND						
1. Budget (Expenditure Authority)	\$5,000,000	\$5,000,000	\$0			
2. Non Tax Levy Funding	0	0	0			
3. Tax Levy Funding	5,000,000	5,000,000	0	\$0.17	\$0.15	\$-0.02
SUBTOTAL (A+B+C+D+F)						
1. Budget (Expenditure Authority)	\$1,162,137,655	\$1,277,025,070	\$114,887,415			
2. Non Tax Levy Funding	\$857,034,616	\$965,822,244	\$108,787,628			
3. Tax Levy Funding	\$305,103,039	\$311,202,826	\$6,099,787	\$10.16	\$9.16	\$-1.01
G. TRANSPORTATION FUND						
1. Budget (Expenditure Authority)	\$41,281,533	\$42,186,125	\$904,592			
2. Non Tax Levy Funding	41,281,533	42,186,125	904,592			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
H. GRANT AND AID FUND						
1. Budget (Expenditure Authority)	\$267,330,723	\$116,841,112	\$-150,489,611			
2. Non Tax Levy Funding	267,330,723	116,841,112	-150,489,611			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
I. ECONOMIC DEVELOPMENT FUND						
1. Budget (Expenditure Authority)	\$13,420,602	\$0	\$-13,420,602			
2. Non Tax Levy Funding	13,420,602	0	-13,420,602			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
J. WATER WORKS						
1. Budget (Expenditure Authority)	\$150,610,741	\$159,756,683	\$9,145,942			
2. Non Tax Levy Funding	150,610,741	159,756,683	9,145,942			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
K. SEWER MAINTENANCE FUND						
1. Budget (Expenditure Authority)	\$112,995,194	\$109,951,203	\$-3,043,991			
2. Non Tax Levy Funding	112,995,194	109,951,203	-3,043,991			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
M. COUNTY DELINQUENT TAXES FUND						
1. Budget (Expenditure Authority)	\$9,000,000	\$9,505,000	\$505,000			
2. Non Tax Levy Funding	9,000,000	9,505,000	505,000			
3. Tax Levy Funding	0	0	0	\$0.00	\$0.00	\$0.00
SUBTOTAL (G+H+I+J+K+M)						
1. Budget (Expenditure Authority)	\$594,638,793	\$438,240,123	\$-156,398,670			
2. Non Tax Levy Funding	\$594,638,793	\$438,240,123	\$-156,398,670			
3. Tax Levy Funding	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
TOTAL (A thru M)						
1. Budget (Expenditure Authority)	\$1,756,776,448	\$1,715,265,193	\$-41,511,255			
2. Non Tax Levy Funding	\$1,451,673,409	\$1,404,062,367	\$-47,611,042			
3. Tax Levy Funding	\$305,103,039	\$311,202,826	\$6,099,787	\$10.16	\$9.16	\$-1.01

Tax Rates and Assessed Value - 2023 rate column is based on an estimated assessed value of: \$33,981,340,340 as of August 30, 2022.

Comparisons by Budget Sections Between 2023 Proposed Budget Versus 2022 Adopted and 2023 Requested Budgets, Revenues, Tax Levies, and Resulting Changes

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
A. General City Purposes					
Appropriations					
Salaries and Wages	\$368,114,473	\$431,064,587	\$358,418,875	\$-9,695,598	\$-72,645,712
Fringe Benefits	170,065,830	198,873,208	163,714,990	-6,350,840	-35,158,218
Operating Expenditures	60,612,222	98,112,526	87,694,686	27,082,464	-10,417,840
Equipment Purchases	7,277,025	9,317,352	6,340,301	-936,724	-2,977,051
Special Funds	25,790,135	37,950,150	32,587,012	6,796,877	-5,363,138
Special Purpose Account Miscellaneous*	18,072,312	20,200,155	19,444,255	1,371,943	-755,900
Workers Compensation Special Purpose Accounts	12,000,000	12,000,000	11,500,000	-500,000	-500,000
Employee Health Care Special Purpose Accounts	119,080,000	124,550,000	123,550,000	4,470,000	-1,000,000
Fringe Benefit Offset	-170,065,830	-198,873,208	-163,714,990	6,350,840	35,158,218
Total Appropriations	\$610,946,167	\$733,194,770	\$639,535,129	\$28,588,962	\$-93,659,641
Funding Sources					
General City Revenues	\$521,907,395	\$522,171,600	\$549,791,600	\$27,884,205	\$27,620,000
Tax Stabilization Fund Withdrawal	4,000,000	0	1,272,000	-2,728,000	1,272,000
Property Tax Levy	85,038,772	211,023,170	88,471,529	3,432,757	-122,551,641
Total Revenues	\$610,946,167	\$733,194,770	\$639,535,129	\$28,588,962	\$-93,659,641
B. Employee Retirement					
Total Appropriations	\$152,914,670	\$174,724,516	\$143,868,851	\$-9,045,819	\$-30,855,665
Funding Sources					
Non-Property Tax Revenue	\$23,599,952	\$25,430,362	\$25,638,180	\$2,038,228	\$207,818
Property Tax Levy	129,314,718	149,294,154	118,230,671	-11,084,047	-31,063,483
Total Revenues	\$152,914,670	\$174,724,516	\$143,868,851	\$-9,045,819	\$-30,855,665
C. Capital Improvements					
Total Capital Improvements Program					
Appropriations	\$136,675,000	\$275,288,000	\$163,538,000	\$26,863,000	\$-111,750,000
Funding Sources					
1. Borrowing (General Obligation)					
a. New	\$84,956,000	\$221,233,000	\$95,573,000	\$10,617,000	\$-125,660,000
2. Borrowing (Tax Incremental Districts)					
a. New	\$25,000,000	\$25,000,000	\$25,000,000	\$0	\$0
3. Special Assessments (Internal Borrowing)					
a. New	\$3,034,000	\$3,470,000	\$3,720,000	\$686,000	\$250,000
4. Cash Financed					
a. From Revenues	\$23,370,000	\$24,220,000	\$38,280,000	\$14,910,000	\$14,060,000
c. From Tax Levy	315,000	1,365,000	965,000	650,000	-400,000
d. Total Cash Financed	23,685,000	25,585,000	39,245,000	15,560,000	13,660,000
Total Revenues (Capital Improvements)	\$136,675,000	\$275,288,000	\$163,538,000	\$26,863,000	\$-111,750,000

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
				2023 Proposed Budget Versus 2022 Adopted	2023 Requested
D. City Debt					
Total Appropriations					
(Includes Borrowing for Milwaukee Public Schools)	\$256,601,818	\$260,958,090	\$325,083,090	\$68,481,272	\$64,125,000
Funding Sources					
Revenues	\$16,147,462	\$14,901,430	\$14,901,430	\$-1,246,032	\$0
TID Increments	25,835,305	22,128,326	22,128,326	-3,706,979	0
Delinquent Tax Revenue	12,884,502	13,892,708	13,892,708	1,008,206	0
Offset and Premium	116,300,000	114,500,000	114,500,000	-1,800,000	0
Transfers In	0	0	61,125,000	61,125,000	61,125,000
Property Tax Levy	85,434,549	95,535,626	98,535,626	13,101,077	3,000,000
Total Revenues	<u>\$256,601,818</u>	<u>\$260,958,090</u>	<u>\$325,083,090</u>	<u>\$68,481,272</u>	<u>\$64,125,000</u>
F. Common Council Contingent Fund					
Total Appropriations	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0
Funding Sources					
Total Revenue (Property Tax Levy)	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0
Subtotals (Items A through F)					
City Budget Appropriations	\$1,162,137,655	\$1,449,165,376	\$1,277,025,070	\$114,887,415	\$-172,140,306
Less: Non-Property Tax Revenues	\$857,034,616	\$986,947,426	\$965,822,244	\$108,787,628	\$-21,125,182
Property Tax Levies	\$305,103,039	\$462,217,950	\$311,202,826	\$6,099,787	\$-151,015,124
Special Revenue Accounts (Items G through M)					
G. Transportation Fund					
Total Appropriations	\$41,281,533	\$42,186,125	\$42,186,125	\$904,592	\$0
Funding Sources					
Current Revenues	\$23,981,533	\$24,776,125	\$24,776,125	\$794,592	\$0
Withdrawal from Reserves	0	0	0	0	0
Citation Revenue and Processing	16,000,000	15,000,000	15,000,000	-1,000,000	0
New Borrowing	1,300,000	2,410,000	2,410,000	1,110,000	0
Total Revenues	<u>\$41,281,533</u>	<u>\$42,186,125</u>	<u>\$42,186,125</u>	<u>\$904,592</u>	<u>\$0</u>
H. Grant and Aid					
Total Appropriations	\$267,330,723	\$116,841,112	\$116,841,112	\$-150,489,611	\$0
Funding Sources					
Grantor Share	\$267,330,723	\$116,841,112	\$116,841,112	\$-150,489,611	\$0
Total Revenues	<u>\$267,330,723</u>	<u>\$116,841,112</u>	<u>\$116,841,112</u>	<u>\$-150,489,611</u>	<u>\$0</u>
I. Economic Development					
Total Appropriations	\$13,420,602	\$0	\$0	\$-13,420,602	\$0
Funding Sources					
BID Assessment/Excess TID Revenue	\$13,420,602	\$0	\$0	\$-13,420,602	\$0
Total Revenues	<u>\$13,420,602</u>	<u>\$0</u>	<u>\$0</u>	<u>\$-13,420,602</u>	<u>\$0</u>
J. Water Works					
Appropriations					
Operating Budget	\$96,617,741	\$101,352,585	\$104,122,383	\$7,504,642	\$2,769,798
Capital Improvements Program	43,060,000	47,010,000	47,010,000	3,950,000	0
Debt Service (Principal and Interest)	10,933,000	8,624,300	8,624,300	-2,308,700	0
Capital Funding from Retained Earnings	0	0	0	0	0
Total Appropriations	<u>\$150,610,741</u>	<u>\$156,986,885</u>	<u>\$159,756,683</u>	<u>\$9,145,942</u>	<u>\$2,769,798</u>

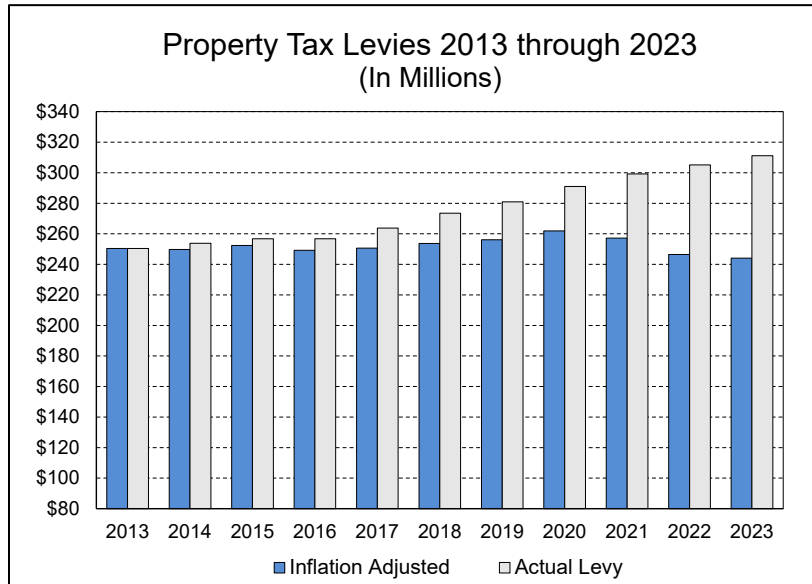
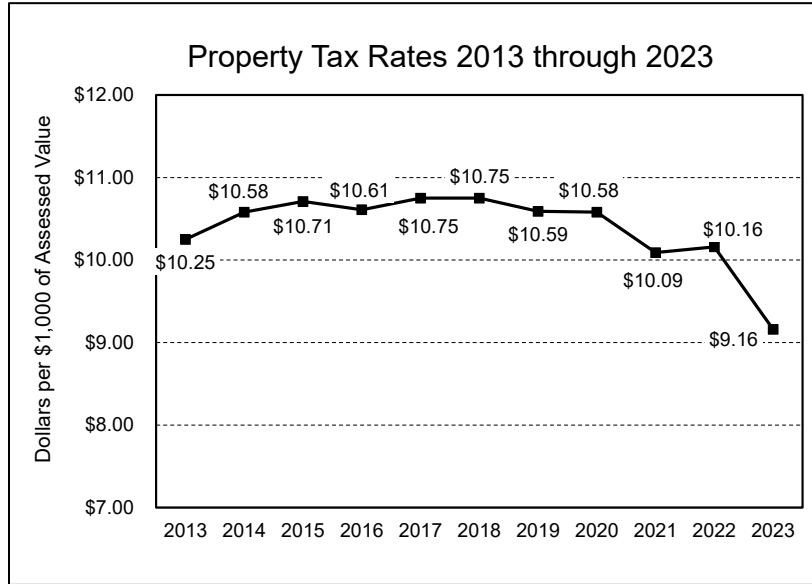
	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
				2022 Adopted	2023 Requested
Funding Sources					
Current Operating Revenues	\$94,033,030	\$93,179,600	\$93,179,600	\$-853,430	\$0
Non-Operating Revenues	13,110,000	13,193,000	13,443,000	333,000	250,000
Proceeds from Borrowing	43,050,000	47,000,000	47,000,000	3,950,000	0
Use of Retained Earnings	417,711	3,614,285	6,134,083	5,716,372	2,519,798
Total Revenues	\$150,610,741	\$156,986,885	\$159,756,683	\$9,145,942	\$2,769,798
K. Sewer Maintenance					
Appropriations					
Operating Budget	\$79,995,194	\$81,431,203	\$81,551,203	\$1,556,009	\$120,000
Capital Improvements Program	33,000,000	28,400,000	28,400,000	-4,600,000	0
Total Appropriations	\$112,995,194	\$109,831,203	\$109,951,203	\$-3,043,991	\$120,000
Funding Sources					
Sewer User Fee	\$32,463,687	\$29,454,141	\$33,762,234	\$1,298,547	\$4,308,093
Storm Water Management Fee	38,682,972	38,202,008	40,230,290	1,547,318	2,028,282
Charges for Services	1,749,000	1,749,000	1,749,000	0	0
Miscellaneous Revenue and Retained Earnings	11,099,535	18,926,054	11,509,679	410,144	-7,416,375
Proceeds from Borrowing	29,000,000	21,500,000	22,700,000	-6,300,000	1,200,000
Total Revenues	\$112,995,194	\$109,831,203	\$109,951,203	\$-3,043,991	\$120,000
M. County Delinquent Taxes					
Appropriations					
Operating Budget	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000
Total Appropriations	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000
Funding Sources					
Operating Revenue	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000
Total Revenues	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000
Subtotals Special Revenue Account Budgets (Items G through M)					
Total Budgets	\$594,638,793	\$435,345,325	\$438,240,123	\$-156,398,670	\$1,205,000
Total Revenues (Non-Property Tax)	\$594,638,793	\$435,345,325	\$438,240,123	\$-156,398,670	\$2,894,798
Grand Totals (Items A through M)					
Budget Appropriations	\$1,756,776,448	\$1,884,510,701	\$1,715,265,193	\$-41,511,255	\$-170,935,306
Less: Non-Property Tax Revenues	\$1,451,673,409	\$1,422,292,751	\$1,404,062,367	\$-47,611,042	\$-19,920,182
Property Tax Levies	\$305,103,039	\$462,217,950	\$311,202,826	\$6,099,787	\$-151,015,124

Note: All adopted budgets for governmental funds are prepared in accordance with the modified accrual basis of accounting, except for the treatment of the fund balance reserved for tax stabilization. For budget purposes, the fund balance reserved for tax stabilization is reflected as other financing sources. However, for accounting purposes it is reflected as part of the overall fund balance.

* The Wages Supplement Fund appropriation for pending labor agreements is shown in this table under "Salaries and Wages" but is budgeted under "Special Purpose Accounts Miscellaneous" in the line item budget.

PROPERTY TAX RATE AND LEVY COMPARISON

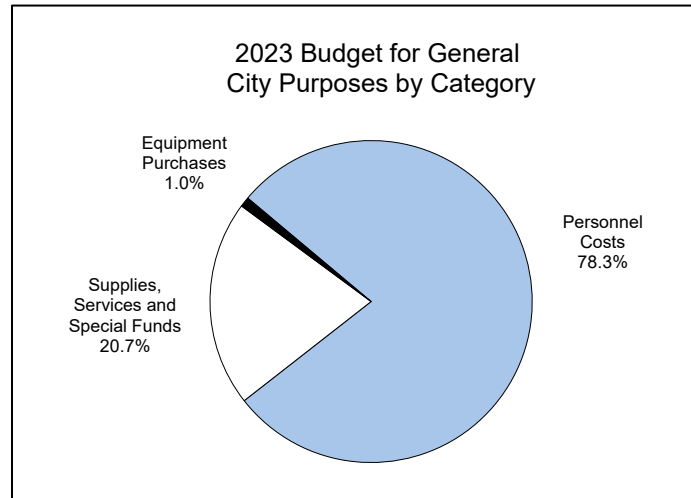
The graphs below show property tax rates and levies for the City of Milwaukee from 2013 through the 2023 budget. The 2023 tax rate of \$9.16 is \$1.00 lower than the 2022 rate of \$10.16. The 2023 tax levy of \$311.2 million is \$6.1 million higher than the 2022 levy. The property tax rate has decreased by \$1.09 from \$10.25 in 2013 to the 2023 rate of \$9.16. During this same period, the actual levy has increased by \$60.8 million while the “real” or inflation adjusted property tax levy has decreased by \$6.3 million.



GENERAL CITY PURPOSES SPENDING

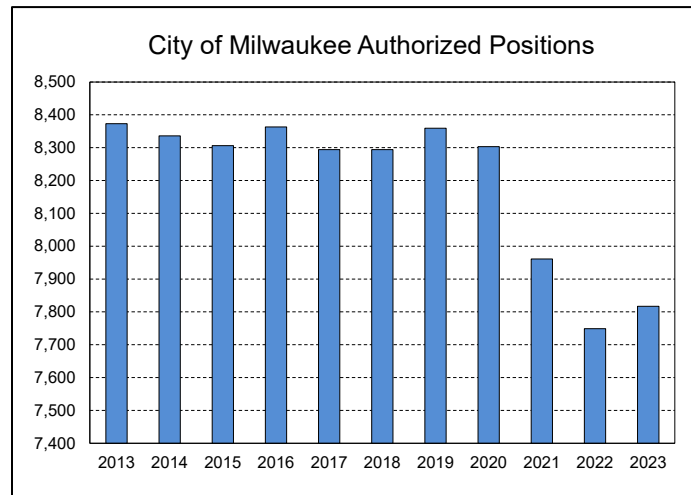
The pie chart below depicts the proportions of general city purposes spending allocated to personnel costs (78.3%), supplies, services, and special funds (20.7%), and equipment purchases (1.0%) in the 2023 budget.

It should be noted that the 2023 budget also funds approximately \$14.3 million (DPW, Fire, Police) of major equipment purchases in the capital budget.



AUTHORIZED POSITIONS

The following bar graph indicates changes in authorized positions from 2013 to 2023. Funding for personnel costs (which include salary and wages) relates directly to the number of positions authorized citywide. Excluding temporary and seasonal staff, the 2023 budget reflects an increase of 68 positions from 2022 levels (7,749 in 2022 to 7,817 in 2023).



CHANGE IN POSITIONS

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
				2023 Proposed Budget Versus 2022 Adopted	2023 Requested
General City Purposes					
Administration, Dept. of	173	184	183	10	-1
Assessor's Office	57	57	58	1	1
City Attorney	65	65	64	-1	-1
City Development, Dept. of	121	124	122	1	-2
City Treasurer	50	50	45	-5	-5
Common Council City Clerk	125	125	125	0	0
Comptroller's Office	59	59	56	-3	-3
Election Commission	2,262	1,138	1,047	-1,215	-91
Emergency Communications, Dept. of	21	27	27	6	0
Employee Relations, Dept. of	83	85	84	1	-1
Fire and Police Commission	33	37	34	1	-3
Fire Department	867	924	909	42	-15
Health Department	385	389	381	-4	-8
Library	348	353	322	-26	-31
Mayor's Office	17	16	16	-1	0
Municipal Court	37	32	37	0	5
Neighborhood Services, Dept. of	285	289	284	-1	-5
Police Department	2,753	2,800	2,804	51	4
Port Milwaukee	35	35	35	0	0
Public Works, Dept. of (Total)	(1,674)	(1,723)	(1,663)	(-11)	(-60)
Administrative Services Division	44	45	44	0	-1
Infrastructure Services Division	815	819	819	4	0
Operations Division	815	859	800	-15	-59
Special Purpose Account	11	11	11	0	0
General City Purposes Total	9,461	8,523	8,307	-1,154	-216
General City Purposes Total *	7,211	7,398	7,273	62	-125
Pensions					
Deferred Compensation	3	3	3	0	0
Employees' Retirement System	57	58	59	2	1
Pensions Total	60	61	62	2	1
Special Revenue Funds					
Transportation Fund	122	122	123	1	1
Sewer Maintenance Fund	160	164	165	5	1
Water Works	437	439	435	-2	-4
Special Revenue Funds Total	719	725	723	4	-2
Subtotal Budgeted Positions	10,240	9,309	9,092	-1,148	-217
Less Temporary Positions	2,491	1,366	1,275	-1,216	-91
Total Budgeted Positions	7,749	7,943	7,817	68	-126

* Does not include Election Commission temporary election workers (2,250 in 2022 and 1,034 in 2023) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS O&M Funded

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
				2023 Proposed Budget Versus 2022 Adopted	2023 Requested
General City Purposes					
Administration, Department of	103.29	109.22	106.37	3.08	-2.85
Assessor's Office	48.00	48.00	49.00	1.00	1.00
City Attorney	59.50	59.50	57.50	-2.00	-2.00
City Development, Dept. of	45.96	49.43	47.43	1.47	-2.00
City Treasurer	30.05	30.08	29.75	-0.30	-0.33
Common Council City Clerk	99.07	99.07	96.07	-3.00	-3.00
Comptroller's Office	44.00	45.00	41.00	-3.00	-4.00
Election Commission *	9.00	9.75	9.75	0.75	0.00
Emergency Communications, Dept. of	11.75	26.20	25.20	13.45	-1.00
Employee Relations, Dept. of	42.91	45.70	43.70	0.79	-2.00
Fire and Police Commission	24.10	28.10	25.10	1.00	-3.00
Fire Department	671.00	852.00	359.50	-311.50	-492.50
Health Department	135.60	195.91	172.36	36.76	-23.55
Library	268.55	290.88	265.23	-3.32	-25.65
Mayor's Office	12.50	13.75	12.75	0.25	-1.00
Municipal Court	33.00	32.00	30.00	-3.00	-2.00
Neighborhood Services, Dept. of	188.88	193.00	187.88	-1.00	-5.12
Police Department	2,377.45	2,617.00	2,467.14	89.69	-149.86
Port Milwaukee	21.00	21.00	21.00	0.00	0.00
Public Works, Department of (Total)	(1,074.14)	(1,118.99)	(1,035.29)	(-38.85)	(-83.70)
Administrative Services Division	34.90	34.90	33.90	-1.00	-1.00
Infrastructure Services Division	349.66	350.51	331.31	-18.35	-19.20
Operations Division	689.58	733.58	670.08	-19.50	-63.50
Special Purpose Accounts	4.33	4.33	4.33	0.00	0.00
General City Purposes Total	5,304.08	5,888.91	5,086.35	-217.73	-802.56
Pensions					
Deferred Compensation	3.00	3.00	3.00	0.00	0.00
Employees' Retirement System	49.00	49.00	51.00	2.00	2.00
Pensions Total	52.00	52.00	54.00	2.00	2.00
Special Revenue Funds					
Transportation Fund	118.00	118.00	119.00	1.00	1.00
Sewer Maintenance Fund	112.05	117.15	115.65	3.60	-1.50
Water Works	401.38	409.63	402.38	1.00	-7.25
Special Revenue Funds Total	631.43	644.78	637.03	5.60	-7.75
Grand Total	5,987.51	6,585.69	5,777.38	-210.13	-808.31

* Election Commission does not include temporary election workers (59.36 FTEs in 2022 and 14.24 FTEs in 2023) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS Non-O&M Funded

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
				2023 Proposed Budget Versus 2022 Adopted	2023 Requested
General City Purposes					
Administration, Department of	36.71	43.79	45.14	8.43	1.35
Assessor's Office	0.00	0.00	0.00	0.00	0.00
City Attorney	2.50	2.50	2.50	0.00	0.00
City Development, Dept. of	45.79	45.32	45.32	-0.47	0.00
City Treasurer	0.00	0.00	0.00	0.00	0.00
Common Council City Clerk	1.40	1.40	1.40	0.00	0.00
Comptroller's Office	8.00	10.00	10.00	2.00	0.00
Election Commission	0.00	0.00	0.00	0.00	0.00
Emergency Communications, Dept. of	0.00	0.00	0.00	0.00	0.00
Employee Relations, Dept. of	17.67	17.67	17.67	0.00	0.00
Fire and Police Commission	0.00	0.00	0.00	0.00	0.00
Fire Department	209.00	37.00	507.00	298.00	470.00
Health Department	191.92	151.20	178.15	-13.77	26.95
Library	29.54	19.92	19.92	-9.62	0.00
Mayor's Office	2.25	0.00	0.00	-2.25	0.00
Municipal Court	0.00	0.00	0.00	0.00	0.00
Neighborhood Services, Dept. of	60.30	60.30	60.30	0.00	0.00
Police Department	183.00	183.00	103.81	-79.19	-79.19
Port Milwaukee	0.00	0.00	0.00	0.00	0.00
Public Works, Department of (Total)	(379.13)	(379.78)	(379.78)	(0.65)	(0.00)
Administrative Services Division	9.10	9.10	9.10	0.00	0.00
Infrastructure Services Division	308.77	309.42	309.42	0.65	0.00
Operations Division	61.26	61.26	61.26	0.00	0.00
Special Purpose Accounts	0.00	0.00	0.00	0.00	0.00
General City Purposes Total	1,167.21	951.88	1,370.99	203.78	419.11
Pensions					
Deferred Compensation	0.00	0.00	0.00	0.00	0.00
Employees' Retirement System	0.00	8.00	0.00	0.00	-8.00
Pensions Total	0.00	8.00	0.00	0.00	-8.00
Special Revenue Funds					
Transportation Fund	0.00	0.00	0.00	0.00	0.00
Sewer Maintenance Fund	25.95	26.35	26.85	0.90	0.50
Water Works	21.54	21.54	21.54	0.00	0.00
Special Revenue Funds Total	47.49	47.89	48.39	0.90	0.50
Grand Total	1,214.70	1,007.77	1,419.38	204.68	411.61

ESTIMATED FULL TIME EQUIVALENTS All Funding Sources

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
				2023 Proposed Budget Versus 2022 Adopted	2023 Requested
General City Purposes					
Administration, Department of	140.00	153.01	151.51	11.51	-1.50
Assessor's Office	48.00	48.00	49.00	1.00	1.00
City Attorney	62.00	62.00	60.00	-2.00	-2.00
City Development, Dept. of	91.75	94.75	92.75	1.00	-2.00
City Treasurer	30.05	30.08	29.75	-0.30	-0.33
Common Council City Clerk	100.47	100.47	97.47	-3.00	-3.00
Comptroller's Office	52.00	55.00	51.00	-1.00	-4.00
Election Commission *	9.00	9.75	9.75	0.75	0.00
Emergency Communications, Dept. of	11.75	26.20	25.20	13.45	-1.00
Employee Relations, Dept. of	60.58	63.37	61.37	0.79	-2.00
Fire and Police Commission	24.10	28.10	25.10	1.00	-3.00
Fire Department	880.00	889.00	866.50	-13.50	-22.50
Health Department	327.52	347.11	350.51	22.99	3.40
Library	298.09	310.80	285.15	-12.94	-25.65
Mayor's Office	14.75	13.75	12.75	-2.00	-1.00
Municipal Court	33.00	32.00	30.00	-3.00	-2.00
Neighborhood Services, Dept. of	249.18	253.30	248.18	-1.00	-5.12
Police Department	2,560.45	2,800.00	2,570.95	10.50	-229.05
Port Milwaukee	21.00	21.00	21.00	0.00	0.00
Public Works, Department of (Total)	(1,453.27)	(1,498.77)	(1,415.07)	(-38.20)	(-83.70)
Administrative Services Division	44.00	44.00	43.00	-1.00	-1.00
Infrastructure Services Division	658.43	659.93	640.73	-17.70	-19.20
Operations Division	750.84	794.84	731.34	-19.50	-63.50
Special Purpose Accounts	4.33	4.33	4.33	0.00	0.00
General City Purposes Total	6,471.29	6,840.79	6,457.34	-13.95	-383.45
Pensions					
Deferred Compensation	3.00	3.00	3.00	0.00	0.00
Employees' Retirement System	49.00	57.00	51.00	2.00	-6.00
Pensions Total	52.00	60.00	54.00	2.00	-6.00
Special Revenue Funds					
Transportation Fund	118.00	118.00	119.00	1.00	1.00
Sewer Maintenance Fund	138.00	143.50	142.50	4.50	-1.00
Water Works	422.92	431.17	423.92	1.00	-7.25
Special Revenue Funds Total	678.92	692.67	685.42	6.50	-7.25
Grand Total	7,202.21	7,593.46	7,196.76	-5.45	-396.70

* Election Commission does not include temporary election workers (59.36 FTEs in 2022 and 14.24 FTEs in 2023) due to staffing fluctuations between election and non-election years.

Comparison of 2023 Proposed Expenditures and Funding Sources with Prior Years by Major Budget Sections and Subsections

Section 1. City Budgets Under Control of the Common Council

	2020 Actual**	2021 Actual**	2022 Adopted Budget	2023 Proposed Budget	Change 2023 Proposed Versus 2022 Adopted
A. General City Purposes					
1. Budgets for General City Purposes					
Administration, Department of	\$13,106,300	\$13,137,036	\$14,845,750	\$16,299,963	\$1,454,213
Assessor's Office	4,624,651	4,360,782	4,508,937	4,455,048	-53,889
City Attorney	7,168,473	7,178,299	7,522,010	7,071,179	-450,831
City Development, Department of	4,686,839	4,994,249	4,503,400	5,045,180	541,780
City Treasurer	3,977,704	3,740,110	3,796,037	3,907,011	110,974
Common Council City Clerk	8,226,898	9,037,331	9,476,225	9,689,900	213,675
Comptroller	4,581,352	4,443,143	4,559,225	4,418,537	-140,688
Election Commission	3,833,641	1,538,317	3,609,350	1,980,569	-1,628,781
Emergency Communications, Department of	0	0	9,215,134	18,408,014	9,192,880
Employee Relations, Department of	3,881,903	4,032,696	4,587,398	5,045,664	458,266
Fire and Police Commission	2,555,014	2,550,788	3,305,238	4,418,365	1,113,127
Fire Department	112,516,232	118,999,571	83,151,348	48,334,973	-34,816,375
Health Department	10,866,562	15,959,155	8,005,882	16,394,174	8,388,292
Library	18,211,708	23,735,868	25,205,587	25,792,779	587,192
Mayor's Office	1,270,251	1,339,613	1,377,686	1,453,616	75,930
Municipal Court	2,747,551	2,668,723	2,919,623	3,132,137	212,514
Neighborhood Services, Department of	18,973,939	18,610,518	17,610,157	19,857,118	2,246,961
Police Department	305,196,636	294,931,982	280,432,042	300,860,638	20,428,596
Port Milwaukee	6,102,083	6,296,980	6,856,288	6,423,600	-432,688
Public Works Department (Total)	(118,477,954)	(130,155,737)	(125,105,764)	(136,081,900)	10,976,136
Administrative Services Division	3,101,750	3,195,140	3,067,269	3,054,004	-13,265
Infrastructure Services Division	36,232,788	39,177,176	38,036,199	42,798,112	4,761,913
Operations Division	79,143,416	87,783,421	84,002,296	90,229,784	6,227,488
Special Purpose Accounts***	136,482,781	144,335,474	160,418,916	164,179,754	3,760,838
Fringe Benefit Offset	-180,000,501	-169,910,737	-170,065,830	-163,714,990	6,350,840
Total Budgets for General City Purposes	\$607,487,971	\$642,135,635	\$610,946,167	\$639,535,129	\$28,588,962
* Does not include grant funding.					
*** Special Purpose Account expenditures do not include wage supplement funding. These funds are reflected in departmental expenditures.					
2. Source of Funds for General City Purposes					
Revenues					
Taxes and Payment in Lieu of Taxes	\$18,321,141	\$21,050,715	\$18,249,000	\$20,489,000	\$2,240,000
Licenses and Permits	13,977,839	17,196,380	16,743,000	17,247,000	504,000
Intergovernmental Revenue	273,421,823	272,837,196	273,451,000	273,039,000	-412,000
Charges for Services	126,076,615	139,355,868	144,666,288	147,824,600	3,158,312
Fines and Forfeitures	2,007,750	2,578,336	2,602,000	3,302,000	700,000
Miscellaneous Revenue	37,297,912	37,002,849	34,299,000	35,890,000	1,591,000
Fringe Benefits	30,377,583	22,378,953	31,897,107	52,000,000	20,102,893
Total Revenues	\$501,480,663	\$512,400,297	\$521,907,395	\$549,791,600	\$27,884,205
Tax Stabilization Fund Withdrawals	\$10,000,000	\$6,500,000	\$4,000,000	\$1,272,000	\$-2,728,000
Property Tax Levy	115,273,570	112,786,102	85,038,772	88,471,529	3,432,757
Total Financing for General City Purposes	\$626,754,233	\$631,686,399	\$610,946,167	\$639,535,129	\$28,588,962

	2020 Actual** Expenditures	2021 Actual** Expenditures	2022 Adopted Budget	2023 Proposed Budget	Change 2023 Proposed Versus 2022 Adopted
B. Employees' Retirement					
1. Budgets for Employees' Retirement					
Firemen's Pension Fund					
Pension Contribution	\$0	\$0	\$0	\$0	\$0
Lump Sum Supplement Contribution	18,000	18,000	18,000	18,000	0
Policemen's Pension Fund					
Pension Contribution	\$77,360	\$58,006	\$55,000	\$24,000	\$-31,000
Lump Sum Supplement Contribution	10,000	10,000	10,000	10,000	0
Employees' Retirement Fund					
Pension Contribution	\$69,848,690	\$70,045,262	\$71,000,000	\$100,000,000	\$29,000,000
Administration	16,061,242	16,278,228	21,387,904	23,383,349	1,995,445
Employers' Share of Employees' Annuity Contribution	0	0	0	0	0
Annuity Contribution Employer's Reserve Fund	8,000,000	8,000,000	40,000,000	0	-40,000,000
Social Security					
Social Security Tax	\$19,270,510	\$18,975,427	\$20,000,000	\$20,000,000	\$0
Former Town of Lake Employees' Retirement Fund					
Pension Contribution	\$0	\$0	\$0	\$0	\$0
Deferred Compensation	289,887	217,247	443,766	433,502	-10,264
Total Budgets for Employees' Retirement	\$113,575,689	\$113,602,170	\$152,914,670	\$143,868,851	\$-9,045,819
2. Source of Funds for Employees' Retirement					
Fringe Benefits Pension	\$1,579,726	\$1,395,387	\$1,648,282	\$1,687,329	\$39,047
Charges to Retirement Fund	15,675,052	15,841,942	21,387,904	23,383,349	1,995,445
Charges to Deferred Compensation	298,880	217,688	443,766	433,502	-10,264
Miscellaneous and Other	115,900	115,925	120,000	134,000	14,000
Reserve Fund	0	0	0	0	0
Property Tax Levy	96,710,343	97,347,853	129,314,718	118,230,671	-11,084,047
Total Financing for Employees' Retirement	\$114,379,901	\$114,918,795	\$152,914,670	\$143,868,851	\$-9,045,819
C. Capital Improvements					
1. Budgets for Capital Improvements					
Special Capital Projects or Purposes	\$198,469	\$760,350	\$8,115,000	\$10,115,000	\$2,000,000
Administration, Department of	1,041,606	1,594,823	1,592,000	2,095,000	503,000
Assessor's Office	48,500	0	0	0	\$0
City Attorney	0	0	0	750,000	\$750,000
City Development, Department of	18,644,376	56,336,468	36,450,000	39,600,000	3,150,000
Common Council City Clerk	24,991	0	0	0	0
Election Commission	469,278	0	0	0	0
Emergency Communications, Department of	0	0	0	789,000	789,000
Fire and Police Commission	147,331	3,113,368	685,000	0	-685,000
Fire Department	3,416,778	3,473,556	1,830,000	3,000,000	1,170,000
Health Department	236,879	624,313	160,000	0	-160,000
Library	1,251,983	1,853,507	664,000	1,600,000	936,000
Municipal Court	0	0	259,000	265,000	6,000
Neighborhood Services, Department of	2,204,814	2,813,601	0	3,200,000	3,200,000
Police Department	5,647,415	5,955,583	7,220,000	17,930,000	10,710,000
Port Milwaukee	427,701	1,049,700	2,812,000	3,319,000	507,000
Public Works, Department of (Total)	(74,109,268)	(71,273,391)	(76,888,000)	(80,875,000)	(3,987,000)
Administration Division	0	0	0	0	0
Infrastructure Services Division	71,469,394	61,002,535	66,318,000	69,058,000	2,740,000

	2020 Actual** Expenditures	2021 Actual** Expenditures	2022 Adopted Budget	2023 Proposed Budget	Change 2023 Proposed Versus 2022 Adopted
Operations Division	2,639,874	10,270,856	10,570,000	11,817,000	1,247,000
Total Budgets for Capital Improvements					
(Other than Transportation, Water Works and Sewer Maint.)	\$107,869,389	\$148,848,660	\$136,675,000	\$163,538,000	\$26,074,000
2. Source of Funds for Capital Improvements					
General Obligation Borrowings					
New Borrowing	\$86,366,863	\$90,019,099	\$84,956,000	\$95,573,000	\$10,617,000
Tax Increment District Public Improvements					
New Borrowing	\$10,214,085	\$45,363,622	\$25,000,000	\$25,000,000	\$0
Anticipated Special Assessments					
New Authorizations	\$2,204,104	\$1,904,739	\$3,034,000	\$3,720,000	\$686,000
Capital Improvement Revenues					
Cash Revenues	\$8,778,446	\$11,239,950	\$23,370,000	\$38,280,000	\$14,910,000
Property Tax Levy	305,891	321,250	315,000	965,000	650,000
Total Financing for Capital Improvements					
(Other than Transportation, Water Works and Sewer Maint.)	\$107,869,389	\$148,848,660	\$136,675,000	\$163,538,000	\$26,863,000
* Does not include School Board expenditures.					
D. City Debt (Including School Purposes)					
1. Budget for City Debt					
Bonded Debt (Principal)	\$292,169,967	\$202,800,882	\$213,594,005	\$276,488,761	\$62,894,756
Bonded Debt (Interest)	45,441,726	48,550,676	47,089,063	50,550,579	3,461,516
Bonded Debt (Fees)	4,424,558	763,514	187,500	187,500	0
Bonded Debt (Issuance Expenses)	1,078,981	899,340	731,250	856,250	125,000
Transfers out	113,979,901	6,983,228	0	0	0
Subtotal	\$457,095,133	\$259,997,640	\$261,601,818	\$328,083,090	\$66,481,272
Less: Prepayment					
Prepayment Deduction (PDAF)	\$-10,500,000	\$-5,000,000	\$-5,000,000	\$-3,000,000	\$2,000,000
Special Assessment	0	0	0	0	0
Total Budget for City Debt	\$446,595,133	\$254,997,640	\$256,601,818	\$325,083,090	\$68,481,272
2. Source of Funds for City Debt					
Revenues	\$18,215,745	\$18,809,753	\$16,147,462	\$14,901,430	\$-1,246,032
TID Increments from Prior Year	39,689,224	35,749,559	25,835,305	22,128,326	-3,706,979
Delinquent Tax Revenues	16,349,760	11,930,076	12,884,502	13,892,708	1,008,206
Offsets and Premium	295,568,813	105,061,752	116,300,000	114,500,000	-1,800,000
Transfers In	0	0	0	61,125,000	61,125,000
Property Tax Levy	73,512,200	83,446,500	85,434,549	98,535,626	13,101,077
Total Financing for City Debt	\$443,335,742	\$254,997,640	\$256,601,818	\$325,083,090	\$68,481,272
F. Common Council Contingent Fund					
1. Budget for Common Council Contingent Fund					
Common Council Contingent Fund	[2,439,483]	[4,983,523]	\$5,000,000	\$5,000,000	\$0
2. Source of Funds for Common Council Contingent Fund					
Property Tax Levy	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$0
* 2020 and 2021 experience shown for informational purposes only.					
Expenditure experience represents transfers and expenditures authorized by resolution.					
Subtotal Budget Authorizations Common Council Controlled Purposes					
(Except Water and Special Revenue Accounts)	\$1,275,528,182	\$1,159,584,105	\$1,162,137,655	\$1,277,025,070	\$114,887,415
Non-Tax Levy	\$1,006,537,261	\$856,549,789	\$857,034,616	\$965,822,244	\$108,787,628
Tax Levy	\$290,802,004	\$298,901,705	\$305,103,039	\$311,202,826	\$6,099,787
Subtotal Financing for (Estimated Revenues) Common Council Controlled Budgets					
(Except Water and Special Revenue Accounts)	\$1,297,339,265	\$1,155,451,494	\$1,162,137,655	\$1,277,025,070	\$114,887,415

	<u>2020 Actual** Expenditures</u>	<u>2021 Actual** Expenditures</u>	<u>2022 Adopted Budget</u>	<u>2023 Proposed Budget</u>	<u>Change 2023 Proposed Versus 2022 Adopted</u>
Special Revenue Accounts Sections G through M					
G. Transportation Fund					
1. Budget for Transportation Fund					
Operating and Maintenance Expense	\$28,334,881	\$28,999,324	\$29,981,533	\$29,776,125	\$-205,408
Transfer to General Fund	16,110,000	16,000,000	10,000,000	10,000,000	0
Capital Improvement Program	2,543,715	2,886,105	1,300,000	2,410,000	1,110,000
Total Budget for Transportation Fund	<u>\$46,988,596</u>	<u>\$47,885,429</u>	<u>\$41,281,533</u>	<u>\$42,186,125</u>	<u>\$904,592</u>
2. Source of Funds for Transportation					
Parking Permits	\$3,193,972	\$3,934,356	\$4,552,200	\$3,941,000	\$-611,200
Meters	2,520,200	4,254,184	5,243,000	4,795,000	-448,000
Rental and Lease of Facilities	4,585,500	4,647,354	5,549,000	5,415,716	-133,284
Towing of Vehicles	1,841,100	3,659,452	4,000,000	3,500,100	-499,900
Vehicle Disposal	1,365,200	3,178,732	2,600,000	3,100,000	500,000
Miscellaneous and Other	2,940,200	1,768,494	2,037,333	4,024,309	1,986,976
Subtotal Financing for Transportation	<u>\$16,446,172</u>	<u>\$21,442,572</u>	<u>\$23,981,533</u>	<u>\$24,776,125</u>	<u>\$794,592</u>
Other Funding Sources					
Withdrawal from Reserves	\$0	\$10,402,381	\$0	\$0	\$0
Citation Revenue	8,057,900	13,154,371	16,000,000	15,000,000	-1,000,000
Capital Improvements to be Financed from Available:					
Cash Reserves	\$0	\$0	\$0	\$0	\$0
New Borrowing	2,543,715	2,886,105	1,300,000	2,410,000	1,110,000
Subtotal Other Funding Sources	<u>\$10,601,615</u>	<u>\$26,442,857</u>	<u>\$17,300,000</u>	<u>\$17,410,000</u>	<u>\$110,000</u>
Total Financing for Transportation	<u>\$27,047,787</u>	<u>\$47,885,429</u>	<u>\$41,281,533</u>	<u>\$42,186,125</u>	<u>\$904,592</u>
H. Grants and Aids Projects (Except Capital Projects)					
1. Budget for Grants and Aids Projects					
Grantor Share (Non-City)	\$163,360,685	\$115,309,990	\$267,330,723	\$116,841,112	\$-150,489,611
Total for Grants and Aids Projects	<u>\$163,360,685</u>	<u>\$115,309,990</u>	<u>\$267,330,723</u>	<u>\$116,841,112</u>	<u>\$-150,489,611</u>
2. Source of Funds for Grants and Aids Projects					
Grantor Share (Non-City)	\$163,360,685	\$115,309,990	\$267,330,723	\$116,841,112	\$-150,489,611
Total Financing for Grants and Aids Projects (Except Capital Projects)	<u>\$163,360,685</u>	<u>\$115,309,990</u>	<u>\$267,330,723</u>	<u>\$116,841,112</u>	<u>\$-150,489,611</u>
I. Economic Development Fund					
1. Budget for Economic Development Fund					
Business Improvement Districts	\$10,335,410	\$5,396,207	\$13,420,602	\$0	\$-13,420,602
Total Budget for Economic Development Fund	<u>\$10,335,410</u>	<u>\$5,396,207</u>	<u>\$13,420,602</u>	<u>\$0</u>	<u>\$-13,420,602</u>
2. Source of Funds for Economic Development Fund					
Business Improv. District Assessments/Excess TID Revenue	\$10,335,410	\$5,396,207	\$13,420,602	\$0	\$-13,420,602
Total Source of Funds for Economic Development Fund	<u>\$10,335,410</u>	<u>\$5,396,207</u>	<u>\$13,420,602</u>	<u>\$0</u>	<u>\$-13,420,602</u>
J. Water Works					
1. Budget for Water Works, Department of Public Works					
Operating Budget	\$101,809,546	\$101,102,073	\$107,550,741	\$112,746,683	\$5,195,942
Capital Improvements Program	20,165,283	16,689,832	43,060,000	47,010,000	3,950,000
Retained Earnings, Borrowing, and Other Accounts	0	0	0	0	0
Total Expenditures and Deposits	<u>\$121,974,829</u>	<u>\$117,791,905</u>	<u>\$150,610,741</u>	<u>\$159,756,683</u>	<u>\$9,145,942</u>
2. Source of Funds for Water Works					
Operating Revenue	\$93,156,932	\$94,018,359	\$94,033,030	\$93,179,600	\$-853,430
Non-Operating Revenue	7,314,608	7,574,740	7,600,000	7,683,000	83,000
Proceeds from Borrowing	20,149,018	16,689,832	43,050,000	47,000,000	3,950,000

	2020 Actual** Expenditures	2021 Actual** Expenditures	2022 Adopted Budget	2023 Proposed Budget	Change 2023 Proposed Versus 2022 Adopted
Retained Earnings/Miscellaneous	3,734,573	3,535,810	5,927,711	11,894,083	5,966,372
Total Source of Funds for Water Works	\$124,355,131	\$121,818,741	\$150,610,741	\$159,756,683	\$9,145,942
K. Sewer Maintenance					
1. Budget for Sewer Maintenance					
Operating Budget	\$47,708,250	\$50,257,801	\$79,995,194	\$81,551,203	\$1,556,009
Capital Budget	32,657,008	23,726,780	33,000,000	28,400,000	-4,600,000
Deposit to Retained Earnings	22,153,089	0	0	0	0
Total Budget for Sewer Maintenance	\$102,518,347	\$73,984,581	\$112,995,194	\$109,951,203	\$-3,043,991
2. Source of Funds for Sewer Maintenance					
Sewer User Fee	\$30,771,362	\$32,047,747	\$32,463,687	\$33,762,234	\$1,298,547
Storm Water Fee	37,195,165	38,202,008	38,682,972	40,230,290	1,547,318
Charges for Services	209,455	16,114	1,749,000	1,749,000	0
Miscellaneous Revenue	222,199	6,405,425	3,206,000	4,906,000	1,700,000
Retained Earnings	0	-24,081,197	7,893,535	6,603,679	-1,289,856
Proceeds from Borrowing	34,120,166	21,394,484	29,000,000	22,700,000	-6,300,000
Total Source of Funds for Sewer Maintenance	\$102,518,347	\$73,984,581	\$112,995,194	\$109,951,203	\$-3,043,991
M. Delinquent County Taxes					
1. Budget for Delinquent County Taxes					
Delinquent County Taxes and Tax Certificate Purchases	\$9,848,290	\$8,253,663	\$9,000,000	\$9,505,000	\$505,000
Total Budget for Delinquent County Taxes	\$9,848,290	\$8,253,663	\$9,000,000	\$9,505,000	\$505,000
2. Source of Funds for Delinquent County Taxes					
Purchase of Milwaukee County Delinquent Taxes	\$9,848,290	\$8,253,663	\$9,000,000	\$9,505,000	\$505,000
Total Source of Funds for Delinquent County Taxes	\$9,848,290	\$8,253,663	\$9,000,000	\$9,505,000	\$505,000
Subtotal Budget Authorization for Special Revenue Accounts	\$455,026,157	\$368,621,775	\$594,638,793	\$438,240,123	\$-156,398,670
Subtotal Estimated Revenues for Special Revenue Accounts	\$437,465,650	\$372,648,611	\$594,638,793	\$438,240,123	\$-156,398,670
Total All Budgets Under the Control of the Common Council					
(Includes Water and Special Revenue Accounts)	\$1,730,554,339	\$1,528,205,880	\$1,756,776,448	\$1,715,265,193	\$-41,511,255
Total Financing Revenues of Budgets Under the Control of the Common Council					
(Includes Water and Special Revenue Accounts)	\$1,734,804,915	\$1,528,100,105	\$1,756,776,448	\$1,715,265,193	\$-41,511,255

** Expenditures include funding carried over from prior year.

DEPARTMENT APPROPRIATIONS BY FUNDING CATEGORY

The following table shows the 2023 appropriations for departments by funding category. Funding in the Operating category is from departmental operating budgets in the general fund, the enterprise funds, and from various special purpose accounts. Estimated employee fringe benefit amounts are included in the Operating category. Funding in the Capital category is from capital improvement projects in the capital funds, including enterprise fund capital funds. Funding in the Grant category includes both operating and capital grants. The table only includes department specific appropriations and anticipated funding and excludes non-department specific contingency appropriations as well as anticipated appropriations that are not allocated to specific departments.

Department	Operating	Capital	Grant*	Total
Administration, Dept. of	\$17,796,213	\$2,095,000	\$22,708,854	\$42,600,067
Assessor's Office	5,868,483	0	0	5,868,483
City Attorney	9,917,147	750,000	0	10,667,147
City Development, Dept. of	6,096,180	39,625,000	25,000	45,746,180
City Treasurer	3,907,011	0	0	3,907,011
Common Council City Clerk	10,119,400	90,000	0	10,209,400
Comptroller	4,618,638	0	0	4,618,638
Election Commission	1,980,569	0	0	1,980,569
Emergency Communications, Dept. of	18,408,014	789,000	0	19,197,014
Employee Relations, Dept. of	6,890,664	0	0	6,890,664
Fire and Police Commission	4,418,365	0	0	4,418,365
Fire Department	48,334,973	3,000,000	900,000	52,234,973
Health Department	17,324,174	0	57,458,536	74,782,710
Library	25,792,779	1,600,000	1,306,961	28,699,740
Mayor's Office	1,453,616	0	0	1,453,616
Municipal Court	3,620,137	265,000	0	3,885,137
Neighborhood Services, Dept. of	19,977,118	3,200,000	0	23,177,118
Police Department	300,860,638	17,930,000	2,126,761	320,917,399
Port Milwaukee	6,423,600	3,319,000	1,958,000	11,700,600
Public Works, Dept. of	136,081,900	80,875,000	49,910,000	266,866,900
Board of Zoning Appeals	335,499	0	0	335,499
ERS Administration	27,608,349	0	0	27,608,349
Deferred Compensation	433,502	0	0	433,502
Transportation Fund	39,776,125	2,410,000	0	42,186,125
Water Works	112,746,683	47,010,000	0	159,756,683
Sewer Maintenance Fund	81,551,203	28,400,000	0	109,951,203

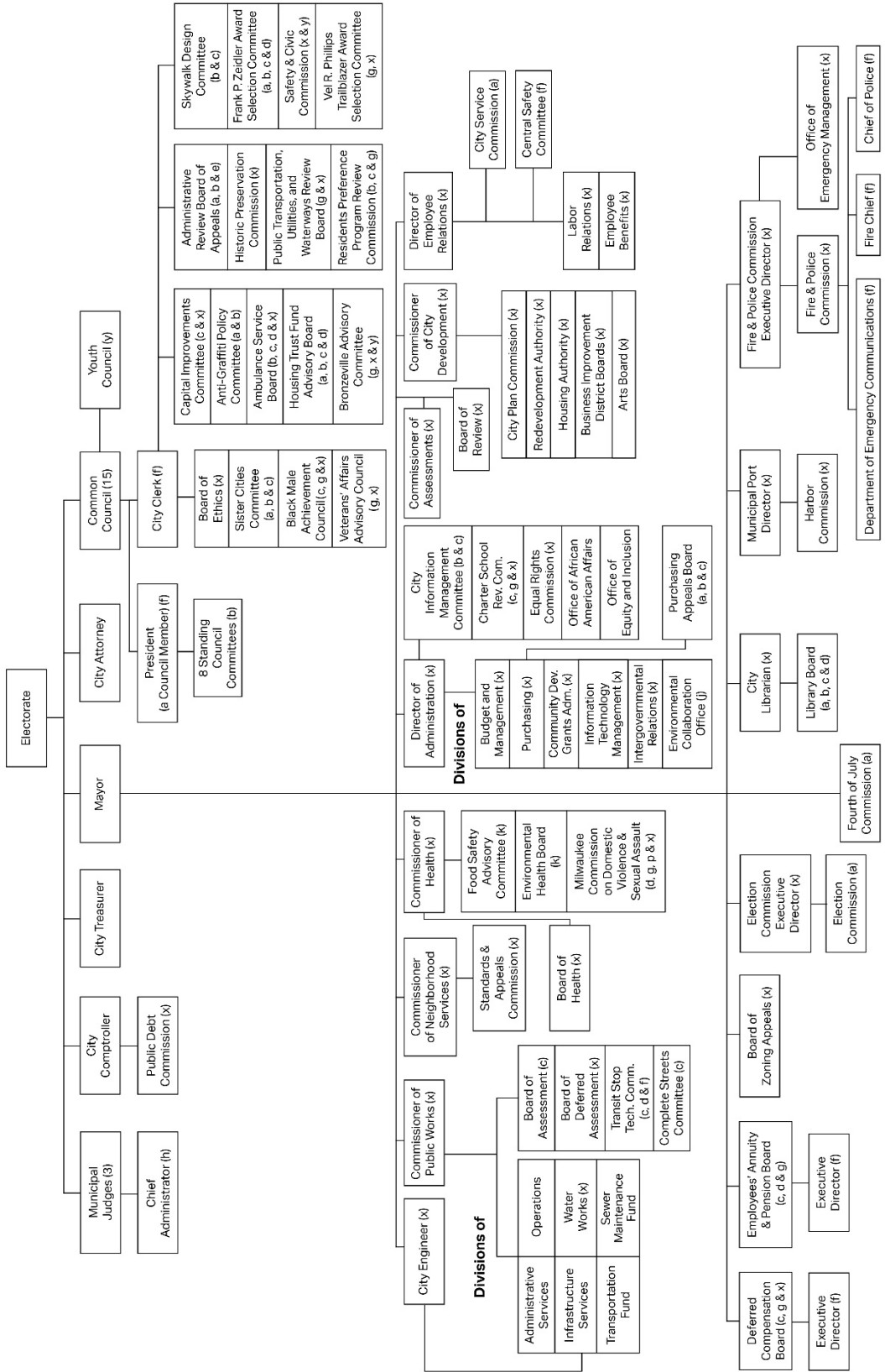
*Grant column does not include American Rescue Plan Act allocations.

SECTION II. SUMMARY OF BORROWING AUTHORIZATIONS (Including School Purposes)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Obligation Bonds or Short Term Notes				
New Borrowing				
General City Purposes	\$86,268,000	\$84,566,300	\$86,256,000	\$97,983,000
Schools	2,000,000	2,000,000	2,000,000	2,000,000
Subtotal	\$88,268,000	\$86,566,300	\$88,256,000	\$99,983,000
Special Assessment Borrowing				
New Borrowing	\$3,830,000	\$0	\$0	\$0
Subtotal	\$3,830,000	\$0	\$0	\$0
Contingency Borrowing				
New Borrowing	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000
Subtotal	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000
Tax Incremental District Borrowing				
New Borrowing	\$44,000,000	\$25,000,000	\$25,000,000	\$25,000,000
Subtotal	\$44,000,000	\$25,000,000	\$25,000,000	\$25,000,000
Delinquent Taxes Borrowing				
New Borrowing	\$37,000,000	\$37,000,000	\$37,000,000	\$37,000,000
Subtotal	\$37,000,000	\$37,000,000	\$37,000,000	\$37,000,000
Revenue Anticipation Borrowing				
New Borrowing	\$400,000,000	\$400,000,000	\$400,000,000	\$400,000,000
Subtotal	\$400,000,000	\$400,000,000	\$400,000,000	\$400,000,000
Water Works Borrowing				
New Borrowing	\$40,101,772	\$40,290,000	\$43,050,000	\$47,000,000
Subtotal	\$40,101,772	\$40,290,000	\$43,050,000	\$47,000,000
Sewer Maintenance Fund Borrowing				
New Borrowing	\$29,300,000	\$34,500,000	\$29,000,000	\$22,700,000
Subtotal	\$29,300,000	\$34,500,000	\$29,000,000	\$22,700,000
Total All Borrowing				
New Borrowing	\$842,499,772	\$823,356,300	\$822,306,000	\$831,683,000
Total	\$842,499,772	\$823,356,300	\$822,306,000	\$831,683,000

CITY OF MILWAUKEE ORGANIZATION CHART

Source: City Clerk's Office • September 2022



K (a) Appointment by Mayor, not confirmed by Common Council
E (b) Members appointed by Common Council President
Y (c) Members serve ex-officio; by law or department
 (d) Members selected by other external bodies
 (e) Appointment by City Attorney
 (f) Appointment by connected board or department
 (g) Appointment by Common Council President, confirmed by Common Council
 (h) Appointment by Chief Municipal Judge, confirmed by Common Council
 (i) Appointment by Mayor, confirmed by Common Council
 (j) Appointment by Director of Administration
 (k) Appointment by Health Commissioner
 Common Council

I. CITY BUDGETS UNDER THE CONTROL OF THE COMMON COUNCIL

PROPERTY TAX SUPPLEMENTED FUNDS SUMMARY OF EXPENDITURES

Expense Category	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
A. General City Purposes	\$642,135,635	\$610,946,167	\$733,194,770	\$639,535,129	\$28,588,962	\$-93,659,641
B. Employes' Retirement	113,602,170	152,914,670	174,724,516	143,868,851	-9,045,819	-30,855,665
C. Capital Improvements	148,848,660	136,675,000	275,288,000	163,538,000	26,863,000	-111,750,000
D. City Debt	254,997,640	256,601,818	260,958,090	325,083,090	\$68,481,272	64,125,000
F. Contingent Fund	[4,983,523]	5,000,000	5,000,000	5,000,000	\$0	\$0
Total	\$1,159,584,105	\$1,162,137,655	\$1,449,165,376	\$1,277,025,070	\$114,887,415	\$-172,140,306

* Contingent Fund experience shown for informational purposes only. Expenditure experience represents transfers to other expense categories and is not included in the total to prevent double counting.

A. GENERAL CITY PURPOSES

1. BUDGET APPROPRIATIONS AND EXPENDITURES

DEPARTMENT OF ADMINISTRATION

EXECUTIVE SUMMARY

MISSION: To make Milwaukee one of the nation’s most attractive cities in which to live, work, and do business.

OBJECTIVES: Advance racial equity in city government and in the communities it serves.

Increase training and employment opportunities for Milwaukee residents.

Provide city services through annual budgets that limit tax levy and municipal service charge changes on the average value residential property.

Limit the proportion of the city tax levy allocated to debt service and employer pension contributions in a fiscally responsible manner.

Empower City of Milwaukee government and all residents, businesses, and visitors by delivering secure, cost-effective, reliable, equitable, and timely access to data, technology, training, and support.

Help Milwaukee become a world class eco-City by taking practical action to address climate change and restore the natural environment.

STRATEGIES: Lead efforts to normalize, organize, and operationalize racial equity in city departments and throughout city government.

Implement budget stabilization actions that achieve ongoing structural budget balance.

Maintain a stable employer pension contribution policy that is consistent with actuarial principles.

Focus grant funding on economic development and employment generation.

Implement programs that increase the number of small business enterprise (SBE) firms located in Milwaukee.

Maintain and promote the City’s Open Data Portal and collaborate with city departments to identify and provide commonly requested data sets.

Promote cost effective sustainability practices for residents, businesses, and city departments through citywide implementation of the *ReFresh Milwaukee* sustainability plan and development of a new *Climate and Equity Plan*.

Reduce Milwaukee’s reliance on fossil fuels through energy efficiency and renewable energy.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	87.73	103.29	109.22	106.37	3.08	-2.85
FTEs - Other	27.61	36.71	43.79	45.14	8.43	1.35
Total Positions Authorized	168	173	184	183	10	-1
Expenditures						
Salaries and Wages	\$6,081,927	\$6,533,689	\$7,213,946	\$6,840,579	\$306,890	\$-373,367
Fringe Benefits	2,425,076	3,005,497	3,246,275	3,078,261	72,764	-168,014
Operating Expenditures	2,848,924	3,186,484	4,098,913	4,011,213	824,729	-87,700
Equipment	24,847	25,000	25,000	25,000	0	0
Special Funds	1,756,262	2,095,080	2,414,910	2,344,910	249,830	-70,000
Total	\$13,137,036	\$14,845,750	\$16,999,044	\$16,299,963	\$1,454,213	\$-699,081
Revenues						
Charges for Services	\$107,955	\$71,000	\$82,000	\$82,000	\$11,000	\$0
Miscellaneous	629,444	315,000	370,000	370,000	55,000	0
Total	\$737,399	\$386,000	\$452,000	\$452,000	\$66,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

Goals

The Department of Administration supports the city’s mission delivery goals through policy, planning, financial management, procurement, sustainability, and information technology services. The city’s goals are:

1. Build safe and healthy neighborhoods.
2. Increase investment and economic vitality throughout the city.
3. Improve workforce development and connect more residents to family supporting jobs.
4. Help children succeed, prepare for post-secondary education, and meet their full potential.
5. Sustain Milwaukee’s natural environmental assets and take action on climate change.
6. Promote racial, social, and economic equity for all residents.

Objectives

1. Advance racial equity in city government and in the communities it serves.
2. Increase training and employment opportunities for Milwaukee residents.
3. Provide critical city services through annual budgets that limit the impact of tax levy and municipal service charge changes on the typical residential property.
4. Limit the proportion of the city tax levy allocated to debt service and employer pension contributions in a fiscally responsible manner.
5. As a result of stagnant State Shared Revenue, seek additional revenue sources to support infrastructure needs and to maintain local services.
6. Improve transparency of City operations and performance.
7. Increase energy efficiency and renewable energy in municipal operations, homes and business firms.

The Department of Administration (DOA) provides planning, policy, and management functions that assist the Mayor, Common Council, and city departments. Through these efforts, DOA supports the city’s community goals. Key functions include promoting equity and inclusion, providing analysis and recommendations on fiscal issues that

affect the city, developing the annual city budget, influencing local, state and federal government policy actions, increasing grant funding, distributing grant funding to city agencies and neighborhood organizations, managing citywide procurement processes, supporting the growth of emerging and local businesses, developing policy and programs for environmental sustainability, and supporting the development of information technology and use of technology in delivering city services.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Combined percentage increase from prior year of changes to the property tax levy and municipal service charges on the average valued residential property.	5.2%	1.4%	2.7%
Percent of tax levy allocated to debt service and employer pension contribution.	51.6%	51.3%	63.8%
Combined number of jobs created and persons trained and placed in jobs through CDBG funded projects.	370	475	475
Number of firms receiving SBE certification.*	66	80	90
RPP hours worked as a percentage of total project hours.**	44%	40%	40%
Percentage of contracts awarded to SBE firms			
Construction	25%	25%	25%
Goods and Services	10%	25%	25%
Professional Services	17%	18%	18%
Procurement requests processed within 100 days.	78%	80%	80%
Average speed time for response at Unified Contact Center {minutes:seconds}.	:57	:40	:45
Datasets available on the Open Data Portal.	103	110	125
Solar energy installed citywide (kW)	3,012	1,500	1,800
Green infrastructure, pocket parks, and beautification projects	3	2	0
PACE projects funded	2	3	4
Number of homes receiving energy efficiency or renewable energy upgrades via <i>Me2</i> and <i>Milwaukee Shines</i> .	64	80	150

* The number of certifications reported represents both new and renewal certifications. Only new certifications were reported in previous budgets.

** Refers to RPP participation on private development agreements. Participation on city let contracts is reported by the Department of Public Works Administrative Services Division.

STRATEGY IMPLEMENTATION

Fiscal Sustainability: The City faces challenges to structural balance as a result of changes in State Shared Revenue policy, limited revenue growth, and increasing costs for employee pensions, benefits and debt service.

While the City's annual budget objective is to provide critical city services that limit the impact of tax levy and municipal service charge changes on the typical residential property, the compounding fiscal challenges of limited revenues and increasing costs will require larger fiscal impacts on residents and businesses. The 2023 budget includes an approximate 4% increase to the five city municipal service charges. Combined with the property tax levy charge, this equates to an increased city government cost of approximately \$48.58 or 2.7% to the owner of an average valued city home.

The cost increase in the 2023 budget is reduced by using American Rescue Plan Act (ARPA) funds to avoid cuts to government services. The Mayor and Common Council in Council File Number 211939 authorized the use of \$75 million in ARPA funds under the revenue loss provision in order to maintain services in the 2023 budget. The Mayor's intent is to use ARPA funds in a similar manner in the 2024 budget. However, ARPA funds will not be available after the 2024 budget. Without a large revenue increase, this will result in significant service reductions. For example, if no ARPA funds were available in 2023, the City would have to cut services by \$75 million. This is the equivalent of the entire Library, DPW Infrastructure and City Attorney departments, or the majority of fire houses, or about 600 police officers. Given its fiscal challenges, the city cannot maintain core services unless it gains significantly more revenue. This requires the state government to take action to improve the city's fiscal capacity. The City has proposed a state law change to allow a referendum to approve a local sales tax to sustain core city services and has advocated for an increase in the State Shared Revenue program. A one percent sales tax could generate approximately \$55 million annually, and a ten percent increase in Shared Revenue could generate \$21.9 million annually.

Intergovernmental Relations Division (IRD): IRD seeks bipartisan opportunities and builds collaborative partnerships with other jurisdictions, advocacy groups and the State, to maintain local control and flexibility. IRD provides strong representation at the local, state, and federal levels and supports the ability of local leaders to make decisions that address their constituents' needs. The division helps the City seek additional, diverse sources of revenue, which are needed to maintain the services provided to Milwaukee's residents and businesses.

IRD's lobbying efforts are defined through the city's state and federal legislative packages which contain hundreds of issue items. The items are chosen and prioritized by working with the Mayor and Common Council. IRD's efforts focus on furthering job creation and workforce development, securing funds for public works infrastructure such as local streets and water service lines, advocating for policies that prevent juvenile violence and improve the justice system, improving educational outcomes for the city's youth, and addressing residential property issues such as foreclosures and problem landlords.

Milwaukee is the heart of Wisconsin's economy and is a net contributor to the state's tax base. As the largest contributor to the state's economy, investment in Milwaukee reaps dividends for the rest of the state. Governor Evers recognizes Milwaukee as the hub of economic contribution to Wisconsin. IRD will continue to work with state and federal governments to emphasize Milwaukee's positive value to the state and strongly advocate for additional resources and revenue to maintain essential services to Milwaukee residents and businesses.

Purchasing Division: The Purchasing Division is the city's centralized buying and supply management agency responsible for administering the procurement process for \$110 million in goods and services annually and administering guidelines for the disposal of surplus, obsolete, and confiscated goods. The division manages the procurement process in a transparent, inclusive, socially conscious and ethical manner and focuses on negotiating cost savings and efficiencies for city departments.

In 2023, the division will explore ways to maximize revenues from the citywide procurement program and increase efficiencies relative to reshaping various procurement methods for city departments. In addition, the division will continue to explore ways to leverage existing technology to further digitize the bid evaluation process and improve the management of contracting performance data.

The Purchasing Division also implements and supports best practices that foster racial equity and inclusion in the city's procurement process and contribute to the well-being of the community. These efforts include supporting a variety of socio-economic contracting goals, such as local businesses, Buy American, minority and small businesses, and socially responsibly contractor (SRC) bid incentives. In 2023, the division will continue to support the work of the Disparity Study consultant, in an effort to maximize racial equity and inclusion in city contracting.

Office of Equity and Inclusion: The Office of Equity and Inclusion (OEI) is led by the city's Chief Equity Officer and the office's core functions include racial equity and inclusion, small business development, accessibility, and support for the city's Equal Rights Commission.

OEI works to advance racial equity by building internal capacity and coordination within city government, addressing policies and practices that may contribute to racial disparities and inequities, promoting the use of a shared racial equity framework, tools, and analysis for decision-making, and strengthening relationships with community and stakeholders. As a part of this work, the office leads the city's Racial Equity and Inclusion Leadership Team, a cross-departmental group of city employees who meet monthly to plan and coordinate racial equity work across city government. OEI also organizes racial equity training for city staff and leaders. In 2021, 126 city employees and elected officials participated in a racial equity leadership training through YWCA Southeastern Wisconsin.

OEI assists and promotes the interests of emerging and small businesses by providing small business enterprise (SBE) certifications and access to resources such as the revolving loan and business capacity building programs. In 2021, OEI processed a total of 84 applications and approved 66 certifications including 9 new applications and 59 renewal applications. The office also works with the Department of City Development to track and report on the resident preference program on private development agreements. Private development projects that obtain more than \$1 million in combined city financial assistance are required to provide employment for unemployed or underemployed residents, with a goal of 40% of total work hours.

The city is committed to providing programs, services, and activities that are accessible to all residents and comply with the Americans with Disabilities Act (ADA). The 2023 budget includes \$100,000 in funding for the ADA compliance special fund. Funding supports an independent licensed architect (ILA) and training for employees that interact with individuals with disabilities. The department's ADA Coordinator plans and manages compliance projects, completes Department of Justice mandated reporting, and coordinates employee training.

Since this effort began in 2016, significant progress has been made with inspections by the ILA and training for city employees. Almost 79% of the violations identified by U.S. Department of Justice (DOJ) have been remediated and nearly 4,100 employees have been trained in 19 city departments including the Police, Fire, and Health departments and the Milwaukee Public Library. Compliance work has slowed recently due to remaining violations being much larger or complicated in scale. The ILA has surveyed all city facilities not previously reviewed by the DOJ and provided facilities survey reports. The ILA reviews all remediation work for ADA-compliance and generates Certificates of Compliance for corrected items.

As the demand for direct access to services and information increases, it is important to ensure that the city's websites are in compliance with ADA regulations. The DOA-Information and Technology Management Division (ITMD) works with departments to maintain the website and public facing applications in accordance with the ADA. The website is continually improving to ensure that online services and applications are accessible and comply with ADA requirements.

OEI provides support for the city's Equal Rights Commission and its mission to promote and protect equality, equity, and human rights through education, enforcement, and community engagement. The Commission consists of eleven members appointed by the Mayor and the Common Council and is staffed by OEI's Equal Rights Specialist. The Commission provides internal accountability and works with the business community, educational institutions, and other community-based organizations to implement awareness, prevention, and education strategies to address equal rights challenges. Through regular Commission meetings, listening sessions, celebrations, and community outreach, the ERC builds partnerships with community members and stakeholders and creates a space for community voices to be heard.

Office of African American Affairs: The Community Engagement and Achievement Collaborative Manager oversees the OAAA in collaboration with Milwaukee Fatherhood Initiative (MFI) staff and the Mayor's Office. The OAAA is responsible for overseeing the administration of the Black Male Achievement Advisory Council (BMAAC), Milwaukee Fatherhood Initiative (MFI) and the My Brother's Keeper (MBK) Action Plan. The OAAA is located at 4830 N. Fond du Lac Avenue.

In 2023, the OAAA will guide efforts to improve black male achievement and increase awareness of resources and services that are available to improve life outcomes for males of color.

Environmental Collaboration Office: The Environmental Collaboration Office (ECO) strives to make Milwaukee a world class eco-city on America's Fresh Coast. ECO develops practical solutions that improve people's lives and the economy while working to protect and restore the natural ecosystems that are integral to long term prosperity. ECO collaborates with the community, develops global partnerships, implements award winning programs, and is responsible for the city's 2013 *Refresh Milwaukee* sustainability plan.

As part of the City-County Task Force on Climate and Economic Equity, ECO is managing the development of a new Climate and Equity Plan. The Climate and Equity Plan is anticipated to be ready for adoption by the Common Council in January 2023 as both a stand-alone plan and an addition to the Citywide Comprehensive Plan. ECO completed a 2018 City's Green House Gas inventory that informs the plan. ECO also supported the public process through the City-County Taskforce on Climate and Economic Equity to develop proposals for achieving a 45% community wide carbon reduction by 2030 while creating good-paying job opportunities, particularly for people of color. The Climate and Equity Plan will recommend a range of other opportunities to improve racial equity in housing, transportation, and access to trees and nature. To help fully implement the Climate and Equity plan, ECO advocates for clean energy policies and climate action at the state level with the Wisconsin Public Service Commission and other state agencies through the Wisconsin Local Government Climate Coalition.

ECO operates several core programs including the *Better Buildings Challenge* for municipal and commercial buildings including property assessed clean energy (PACE) financing, *Me2* home energy efficiency program, the Water Centric City program, and *Milwaukee Shines* solar program. The PACE financing program has financed over \$40.4 million in projects since its inception, saving property owners over \$2.4 million annually. In 2022, the City expanded the types of projects that can be funded by PACE to include other environmental projects including electric vehicle charging stations, green roofs and other types of green infrastructure, and other resilience features.

ECO is engaged with opening pathways for solar energy in Milwaukee, with an eye toward achieving the City's 25% by 2025 goal. In 2021, ECO and its partners completed the largest solar project in the City of Milwaukee's history. This 2.25 MW solar field on a city-owned landfill is owned and maintained by We Energies, which pays an estimated \$96,000 per year to the City to lease the land. This revenue supports ECO's Climate Action Planning and Program special fund. ECO has used this fund to support the development of the Climate and Equity Plan and other efforts to leverage additional federal funds. ECO has worked with We Energies on a proposed new program called the "Renewable Pathway Pilot Program." The proposal has been filed for review with the Wisconsin Public Service Commission. If adopted, the program would give the City of Milwaukee and other large customers an option to directly source up to 100% of their electric power from new renewable energy sources while creating local jobs. In addition, ECO has remained a steady advocate for policies that will increase the market for rooftop solar.

ECO is working to transition the HOME GR/OWN program and Neighborhood Investment Beautification Program into the ECO Neighborhoods Initiative. ECO will focus on community engagement, by working with committed community organizers to engage residents to use existing ECO programs and other environmental programs. At the same time, ECO will work with DPW on developing a consolidated maintenance and programming plan for various parks established by multiple City agencies, Milwaukee County Parks and Milwaukee Public Schools.

ECO is also implementing ARPA-funded housing related programs consistent with the Climate and Equity Plan, including the new Net Zero Energy Housing and residential energy efficiency retrofits in coordination with the Milwaukee Health Department's lead abatement program.

Finally, ECO is also proactively planning on how to pursue and utilize major new climate related funding sources through the recently approved Inflation Reduction Action and Infrastructure Investment and Jobs Act. This includes planning and policies for electric vehicle infrastructure, building performance standards, and workforce development opportunities for green jobs.

Community Development Grants Administration: The Community Development Grants Administration (CDGA) applies for, recommends the allocation of, and oversees the effective use of local, state, and federal funds for programs in targeted neighborhoods throughout the city. Funding assists lower income families, improves housing stock, and increases access to job training and placement services. In 2021, the combined number of jobs created, persons trained, and placed in jobs through Community Development Block Grant (CDBG) funded projects was 370. Of those individuals, 51% obtained full time positions. A total of 319 low income city residents received specialized training in areas including manufacturing, construction, and food services. Of those residents, 47% obtained full time positions.

The City of Milwaukee's anticipated US Department of Housing and Urban Development (HUD) grant allocation for 2023 totals \$22.3 million, a reduction of approximately \$2.6 million from the actual 2022 funding award. CDBG funds account for the largest portion of those funds with \$15 million, a reduction of approximately \$1.2 million from the actual 2022 funding award.

Improving the Effectiveness and Transparency of Information Technology: The City of Milwaukee's operations and safety depend on an efficient and secure computer network. The Information Technology Management Division (ITMD) supports a highly available, highly functioning, actively monitored technology infrastructure that provides confidentiality, integrity and accessibility of the City's data and information systems. ITMD's responsibilities include managing technology projects and ensuring that the systems, applications, networks, end user devices, and communications systems, are continuously available and operating effectively. ITMD provides IT services, staffing, and the majority of purchasing for most cabinet level departments. The Library, Municipal Court, Water Works, Police and Fire departments continue to purchase and maintain their own IT assets.

The City's Open Data Portal provides a centralized location for access to City data in machine readable, searchable, and easy to use formats. The data portal features a user-friendly interface that allows for simplified navigation and search functions, as well as a modern design that is responsive to mobile devices. Overall, the Open Data Portal provides a more effective, usable and coherent user experience for citizens to easily access and leverage City data.

The Chief Information Officer (CIO) works with departments to develop a strategic plan for the development and implementation of information technology. The standardization of technology provides a more secure environment and reduces the City's dependence upon proprietary technology systems.

The Cybersecurity Program, initiated in 2019 with the addition of a Security and Compliance Analyst position, introduced information security policies and standards along with security awareness training in accordance with City goals, business objectives, risk tolerances, and regulatory compliance requirements. The program increases organizational awareness of informational security threats and employee responsibilities.

The 2023 budget continue support of the new Department of Emergency Communications. To provide information technology support to this department, three positions were added to ITMD in the 2022 budget; one Public Safety Geographic Information Analyst and two Public Safety Systems Administrator positions.

The 2023 capital budget provides \$2.05 million for ITMD programs. The 2023 budget includes funding to continue the IT Upgrades and Replacements (\$100,000), Cyber Security (\$200,000), and Public Facilities Communications (\$500,000) programs, and also includes \$1.25 million to begin funding for replacement of the City ERP system. The ERP project will require substantial capital funding in future budgets.

Unified Contact Center: The UCC provides residents with access to city information and non-emergency services through a single, multi-channel point of contact that includes the Call Center, online service request system, e-mail, and the *MKEmobile* application.

Management initiatives and operational changes including multi-channel offerings have improved UCC's overall effectiveness. Multi-channel offerings allow residents to choose the option that best meets their needs while enabling staff to better prioritize more urgent requests which are more likely to be received via calls to 286-CITY.

The UCC provides critical assistance to the Election Commission during local and national elections by receiving overflow calls and ensuring that voters are accurately informed and routed appropriately for further assistance. The UCC also handles more than 90% of parking information, permission, and complaint calls. The UCC has made progress with other departmental calls, including the creation of virtual call coordination with the city hall operator and continuing joint efforts with Transportation, Water Works, the Department of Neighborhood Services, the Department of City Development, and several special programs in the areas of energy efficiency, housing programs, and city grants. ITMD and the UCC will work with the Transportation Fund to leverage technology to automate call intake and streamline processes to enable future second shift staffing reductions, which will generate savings for the Transportation Fund.

RESIZE, RESTRUCTURE, AND REINVEST

Improving Accessibility: Through CARES Act funding in 2020, ITMD updated the shared City-County website with a tool integrating human translation services through a third-party, OmniLingua. Experience has found this solution to be more useful for static, long-standing content. For time-sensitive translations, departments have successfully utilized the services offered through the City Clerk's Office.

In 2021, ITMD received a \$300,000 ARPA allocation for translation services. ITMD is leveraging this funding for continuous improvements. Adopting best practices from other municipal government webpages, ITMD plans the following improvements in 2023:

- Revise online applications (like My Milwaukee Home) to work with translation tools.
- Update translation options to be given a place of prominence at the top of the web-page.
- Use standard translation icons to promote the services.
- Implement technology that allows the language translation choice to follow across web pages and sites, rather than just applying on a per-page basis.
- Align translation accessibility with ADA accessibility standards.
- Continue working with departments to promote the use of translation services on the webpages of individual departments/divisions.
- Continue working with departments on improved ADA accessibility, with the additional emphasis on complimentary translation benefits.
- Use human translation for the most-accessed pages/resources and those that change infrequently, to the extent that the available funds will allow.
- Leverage technology to automate constituent contact and streamline service delivery

ARPA Administration: The 2023 budget reflects the addition of several positions to support administration of the ARPA grant. The ARPA grant and the projects it funds require extensive oversight and monitoring for reporting and compliance purposes. In 2022, various positions were created to assist in this effort, including an ARPA Director, two Grant Monitor positions in CDGA, and one Purchasing Agent and one Office Assistant position in the Purchasing Division. Other DOA staff will assist with ARPA administration as needed. The Common Council approved the use of \$2.5 million in ARPA funds to support ARPA administration, including \$1.96 million in DOA in Common Council File 220230.

Other Budget Changes: Other changes in the 2023 budget include a \$10,000 decrease in the Neighborhood Investment Beautification Fund (total funding of \$20,000); an \$89,830 increase to the Enterprise Resource Management special fund (total funding of \$1.89 million); and a \$70,000 increase to the Computer Maintenance/Upgrade special fund (total funding of \$175,000). Funding in the Enterprise Resource Management special fund ensures continuing support of the financial and human resources enterprise systems.

Some position changes include the addition of a Purchasing Agent to support the increased workload from Milwaukee's hosting of the Republican National Convention, the transfer of three telecommunications related positions from the Police Department to ITMD, the transfer of the Early Childhood Program Director from the Mayor's Office to CDGA, and various staffing changes in ITMD to generate budget savings.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
2		2.00	Grant Monitor	Positions created in CCFN 211533 to implement the Minority Health Community Grant
1		1.00	Program Assistant II	Position created in CCFN 211885 to implement ARPA funded OAAA project
1		1.00	APRA Director	Position created in CCFN 220104 to implement ARPA program
	0.50	0.50	Administrative Specialist	Position filled for succession planning and ARPA administration
	-0.20	0.20	Various positions	ARPA administration
	-0.38	0.38	Environ. Sustainability Program Manager	Anticipated grant funding
2		2.00	Grant Monitor	Positions created in CCFN 211533 to implement ARPA program
1		1.00	Grant Monitor	Position created in CCFN 211885 to implement ARPA funded Housing Trust Fund project
1		1.00	Program Officer	Position created in CCFN 211885 to administer Continuum of Care grant
1	1.00		Early Childhood Program Director	Position transferred from Mayor's Office
1		1.00	Office Assistant III	Positions created in CCFN 211885 to implement ARPA program
1		1.00	Purchasing Agent - Senior	
1	0.50		Purchasing Agent	Position added to support RNC administration
	-0.30	0.30	Various purchasing positions	Support of ARPA administration
1	1.00		Telecommunications Supervisor	Positions transferred from the Police Department
2	2.00		Communications Facilities Coordinator	
-1	-1.00		Telecommunications Manager	
1	1.00		Systems Analyst-Senior	
-2	-2.00		Programmer Analyst	
-1	-1.00		Business Analyst-Senior	
-1	-1.00		Internet Services Coordinator	
-1	-1.00		Geographic Info. Tech. II	
1	1.00		IT Support Specialist-Lead	
1	1.00		IT Support Specialist-Senior	
-2	-2.00		Network Administrator	Various staffing changes to achieve budget savings
	1.00		IT Security and Audit Compliance Analyst	
	1.00	-1.00	Public Safety Geographic Info. Analyst	
	2.00	-2.00	Public Safety Systems Administrator	Positions shifted from ARPA funding
	-0.04	0.05	Various positions	Miscellaneous adjustments
10	3.08	8.43	Totals	

ASSESSOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Establish public confidence in the accuracy and fairness of the assessment process and ensure the equitable distribution of the city's property tax levy.

OBJECTIVES: Ensure and demonstrate consistency and transparency in assessment operations.

Maximize assessment accuracy thereby reducing the need for appeals and changes to final property tax revenues. Reduce the litigation loss/risk to the city by uniformly assessing at or near 100% of market value for all classes of property.

STRATEGIES: Actively discover, monitor and record property sales and transfers and monitor other housing market trends to assure ongoing assessment accuracy. Analyze commercial, investment and industrial real estate and economic market factors to facilitate the statistical modeling of the taxable property base.

Implement new technologies to increase the availability and accuracy of assessment-related real estate market information.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	47.00	48.00	48.00	49.00	1.00	1.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	57	57	57	58	1	1
Expenditures						
Salaries and Wages	\$2,733,064	\$2,890,137	\$3,009,006	\$2,881,180	\$-8,957	\$-127,826
Fringe Benefits	1,257,209	1,329,463	1,354,053	1,296,531	-32,932	-57,522
Operating Expenditures	309,563	219,337	219,337	212,337	-7,000	-7,000
Equipment	0	0	0	0	0	0
Special Funds	60,945	70,000	70,000	65,000	-5,000	-5,000
Total	\$4,360,782	\$4,508,937	\$4,652,396	\$4,455,048	\$-53,889	\$-197,348
Revenues						
Charges for Services	\$956,343	\$864,000	\$1,000,000	\$1,000,000	\$136,000	\$0
Total	\$956,343	\$843,000	\$1,000,000	\$1,000,000	\$136,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

- Increase investment and economic vitality throughout the city.
- Provide consistent and predictable assessments that are supported by market derived data in order to facilitate confidence and growth in the investment, financial and development communities.
- Generate accurate, consistent, and fair assessments of the city's taxable property.
- Provide an open, transparent, and responsive assessment process.

The Assessor’s Office uniformly and accurately assesses taxable property in the City of Milwaukee. This includes tracking and recording all ownership and parcel changes, listing all taxable real and personal property as of January 1 of each year, determining if properties are eligible for exemptions, reviewing permits, estimating the market value of all locally assessable property, defending assessments that are appealed, and producing an annual assessment roll. The City seeks to achieve customer satisfaction and distribute the cost of service as equitably as possible. Accurate assessments ensure that all areas of the city and all classes of property pay an equitable share of taxes based on their value. Regular revaluations ensure the highest level of fairness.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Contacts with Property Owners during Open Book	1,650	4,068	3,500
Objection forms provided to Property Owners during Open Book	981	2,080	2,000
Formal Objections as a percentage of taxable parcels	0.48%	1.54%	1.38%
Appeals to the Board of Review as a percentage of taxable parcels.	0.14%	0.20%	0.20%
Assessment ratio (assessed value/sale price) for all properties sold during the year.	90.74%	91.96%	90%*

*Estimate assumes a reevaluation will not occur in 2023 and values will carry over from 2022.

TECHNOLOGY CHANGES

New technologies can provide better information to the public, increase access to assessment information, and create operational efficiencies.

Technological improvements also compensate for reduced staffing. Staff size has shrunk from 86 members in 1983 to 48 members in 2022.

In 2012, the Wisconsin Department of Revenue (DOR) changed the data management requirements for assessors. DOR informed assessors that all data held by assessors should be available electronically by January 1, 2013. In 2014, the Milwaukee Assessor’s Office created a multi-year plan for implementing the required changes. The City has struggled to fund these improvements and some of the requirements remain unmet.

WHAT PROGRESS HAS BEEN MADE?

The main departmental computer system was replaced with a modern system, AssessPro (or AP5), which provides new efficiencies and enables the office to leverage other systems that improve assessment accuracy. This was a multi-year project and most of the components function as needed. The Assessor’s Office is continuing to work with the vendor to implement additional components.

In 2021, the Assessor’s Office purchased high-resolution, dynamic street-level imagery from Cyclomedia. These images have been incorporated into the main computer valuation system. The City plans to share these images with the public on the Assessor Office website when financially feasible.

The Assessor's Office is also working with the City's Information Technology Management Division (ITMD) on Assessor's website updates, Desktop Review software, and a new electronic appeals process. Internally, the Office is scanning property sketches to create geo-referenced digital sketches. If funded, geo-referenced sketches would improve the accuracy of building sizes and improve assessment accuracy.

The Assessor's Office plans to implement when financially feasible an online comparable sales tool to assist property owners with valuation questions.

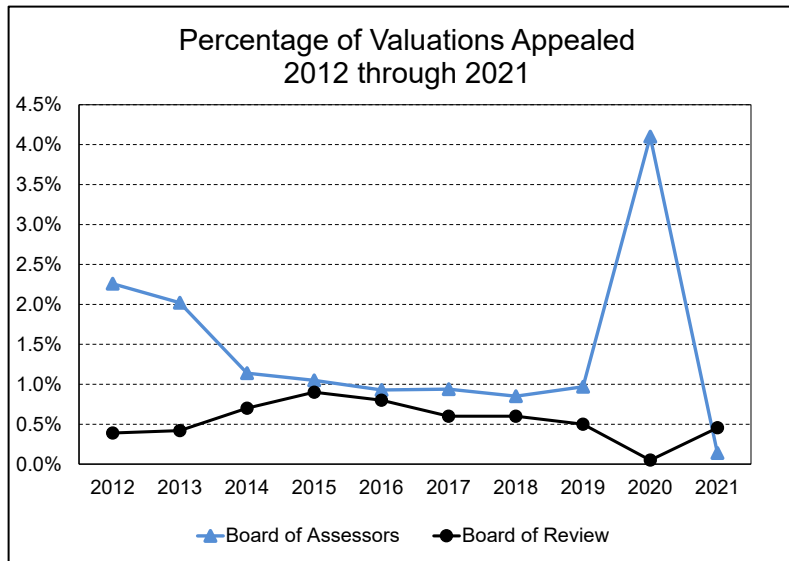
STRATEGY IMPLEMENTATION

The Assessor's Office strives to create values that are fair and equitable. Revaluations are designed to bring the municipal assessed values to 100% of market value and ensure fairness and equity in the tax base. The Assessor's Office performance in producing fair, accurate, and equitable assessments is measured through several statistics, including the assessment ratio, which compares the assessed value of sold homes with their sale prices. The goal for the Assessor is for residential assessment to be within 10% of sales prices. The 2022 ratio of 91.96% was within this target. The current plan is to not conduct a revaluation in 2023 but to use 2023 as a maintenance year to allow appraisers to more thoroughly review each property and to reduce the backlog of appeals from prior revaluations. Given the volatility in the real estate market, implementing a maintenance year in 2023 could result in the sales to assessment ratio falling outside of the 10% range.

Oversight by the DOR: The Wisconsin Department of Revenue (DOR) continually monitors the quality of assessments. DOR creates minimum statistical standards for assessments. DOR provides statistics in the Spring of each year and final ratio reports in December. Regular revaluations enable the Assessor to produce statistical results that comply with these requirements.

Appeals: There are several steps in the appeal process and appeals can be resolved at any point. The initial step is the "Open Book" period. The City of Milwaukee's Open Book lasts for several weeks in April and May. This is an opportunity for property owners to discuss informally their assessments with city appraisers. The second step of the appeal process is a value review by the Board of Assessors. The Board of Assessors reviews all appealed assessments. If a property owner wants an additional review after the Board of Assessors' review, they can appeal to the Board of Review, which will hold a hearing on their objection. Additional appeal options are available to property owners if requested. This multi-level review allows property owners several options to voice concerns and fully contest their assessments. The City received significantly more appeals in 2022 than in 2021, likely due to the launch of the online appeals system and the full reevaluation in 2022 after a maintenance year in 2021. Of the 2,354 appeals filed, 700 were submitted through the online portal. Lowering the barriers to filing appeals likely increased the number of appeals filed.

Figure 1



Exempt Properties: The City has 8,092 fully tax-exempt properties in 2022 with an estimated exempted value of more than \$5.1 billion. To protect the city's tax base, the department carefully reviews new exemption applications. Additionally, the office regularly reviews individual exempt properties to ensure they continue to serve the public

good, provide services to justify tax exemption, and submit the required information to ensure they meet legal requirements.

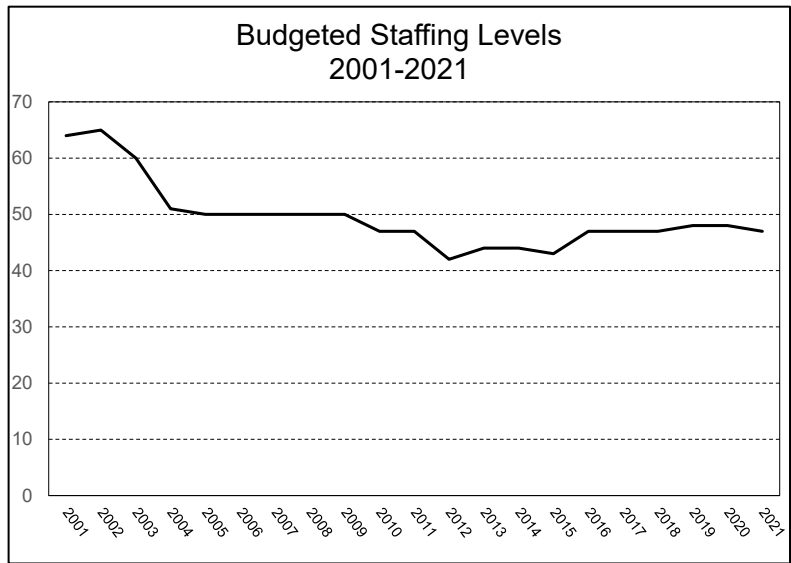
Litigation: The Assessor’s Office is involved in litigation with a small percentage of property owners over valuation disputes under Wis. Stat. § 74.37. Property owners can appeal property assessments through both a Board of Review and state courts. While the Department’s valuations have substantially stood in decided cases, litigation requires considerable financial resources and labor hours by both the Assessor’s Office and the City Attorney’s Office. The Assessor’s Office contributes towards the necessary expert witness fees in highly complex cases currently in litigation.

PILOTS: Payment in Lieu of Taxes (PILOTS) agreements help the city’s budget by increasing revenues. The Assessor’s Office has attempted to establish new agreements with organizations that own properties which have been determined to be tax exempt. Participation request letters have been mailed to new exemption applicants but limited success has been achieved.

RESIZE, RESTRUCTURE, AND REINVEST

Staffing: Between 2001 and 2021, the staff size has decreased from 64 to 48. The department has implemented some technologies but efficiency improvements have not fully offset the staffing reductions. The number of assessed parcels per property appraiser has risen to over 7,020. Retirements, resignations, and the lack of market-rate compensation negatively affect staffing. It is difficult to fill vacant positions in a timely manner, which affects the ability to perform state-mandated functions. The Assessor’s Office has experienced high turnover in all areas, including property appraisers, administrative staff, and management. To attract and retain candidates with the required skills needed to maintain the standards of accuracy and efficiency, staff worked with the Department of Employee Relations to create a salary plan for property appraisers. The salary plan addresses pay progression by providing salary increases for property appraisers who meet pre-determined standards. The various levels include earning or maintaining certifications, completing specific courses, and assuming additional responsibilities. Appraisal staff are encouraged to seek training opportunities outside of the office. The office schedules regular opportunities within the office to ensure appraisers are up to date on all aspects of property valuation. The Assessor’s Office reviews and reclassifies positions as needed to maximize city resources and address DOR mandates.

Figure 2



DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
2	2.00		Property Assessment Technician II	Positions added
-2	-2.00		Senior Property Appraiser 4	Positions replaced by Assessment Technician II and Real Estate Modeler
1	1.00		Real Estate Modeler	New position
1	1.00	0.00	Totals	

CITY ATTORNEY

EXECUTIVE SUMMARY

- MISSION:** Provide legal services and meet the City’s legal needs in accordance with the City Charter and statutory requirements.
- OBJECTIVES:** Protect the City’s interests in litigation.
- Provide legal opinions on matters of significance to municipal corporations.
- Manage risk so that liabilities do not disrupt finances.
- Provide legal advice to City officials and departments.
- Reduce nuisances that detract from neighborhood quality of life.
- Prosecute municipal ordinance violations.
- STRATEGIES:** Maintain active partnerships with City departments so that legal strategies are consistent with operational needs and coordinated among different departments.
- Maintain exceptional standards of integrity and legal expertise through continuing education, competitive recruitment, and professional opportunities.
- Continue to implement neighborhood revitalization legal services including housing crisis response, nuisance abatement, community prosecution, and strategic code enforcement.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
<u>Personnel</u>						
FTEs - Operations & Maintenance	54.38	59.50	59.50	57.50	-2.00	-2.00
FTEs - Other	0.23	2.50	2.50	2.50	0.00	0.00
Total Positions Authorized	65	65	65	64	-1	-1
<u>Expenditures</u>						
Salaries and Wages	\$4,768,451	\$4,886,514	\$4,963,831	\$4,577,020	\$-309,494	\$-386,811
Fringe Benefits	1,983,415	2,247,796	2,233,724	2,059,659	-188,137	-174,065
Operating Expenditures	408,834	364,700	411,000	411,000	46,300	0
Equipment	17,599	23,000	23,500	23,500	500	0
Total	\$7,178,299	\$7,522,010	\$7,632,055	\$7,071,179	\$-450,831	\$-560,876
<u>Revenues</u>						
Charges for Services	\$841,609	\$1,127,000	\$828,000	\$828,000	\$-299,000	\$0
Total	\$841,609	\$1,127,000	\$828,000	\$828,000	\$-299,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Improve the City’s fiscal capacity by protecting the City’s interests in litigation and managing risk so that liabilities do not disrupt finances.
2. Support the City’s interests and policy initiatives.
3. Develop and sustain legal strategies to promote respect for individual civil liberties and the rule of law.
4. Sustain safe and healthy neighborhoods by reducing nuisances that detract from quality of life and prosecuting ordinance violations.

The City Attorney’s Office supports the City’s goals of building safe and healthy neighborhoods and improving fiscal capacity. It supports these goals by effectively prosecuting ordinance violations, providing legal services related to housing and neighborhood issues, assisting with economic development and affordable housing efforts, abating nuisances through community prosecution and related efforts, and managing financial liabilities resulting from claims and lawsuits.

The City Attorney is a publicly elected official and conducts all legal business for the City and its departments, boards, commissions, and other City governmental agencies including the Housing and Redevelopment Authorities and Milwaukee Public Schools. The City Attorney’s Office handles litigation and maintains a docket of cases to which the City may be a party, provides legal advice and opinions, and prepares and examines legislation for the Common Council. In addition, the City Attorney drafts all legal documents required for conducting the business of the City, collects claims and delinquencies, and prosecutes City ordinance violations.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Number of assessment appeals successfully defended.	Opened (during 2021)	22	22
	Dismissed (during 2021)	33	15
	Pending (as of 12/31/2021)	27	36

STRATEGY IMPLEMENTATION

The City Attorney’s Office is divided into four sections, Neighborhood Revitalization and Ordinance Enforcement, Real Estate/Education/Housing, Employment/Labor/Benefits/Contracting, and Litigation. Each section has six to ten attorneys and is managed by a Deputy City Attorney.

The **Neighborhood Revitalization and Ordinance Enforcement** section improves the quality of life in Milwaukee’s neighborhoods by prosecuting ordinance violations and abating public nuisance conditions. It helps improve public safety through litigation, legal opinions, education and outreach. The community prosecution team collaborates with other city departments and governmental agencies, local businesses, community-based organizations and residents to resolve chronic neighborhood and housing-related problems. This includes investigating landlords and seeking receiverships where appropriate, initiating and defending condemnation proceedings against blighted properties, investigating and prosecuting appropriate actions against municipal license holders, and developing legal strategies to target problem properties.

The Neighborhood Revitalization and Ordinance Enforcement section continues to litigate several large-scale receivership actions and bankruptcy adversary proceedings against exploitative landlords and chronic debtors. It is currently litigating the appeal of the raze orders issued to abate the old Northridge Mall buildings, which were successfully upheld by the circuit court. The section objects to foreclosure sales where bidders are tax delinquent or have outstanding municipal court judgments, resulting in payments of thousands of dollars owed to the City. It assists in collecting debts owed to the City on applications to vacate in rem foreclosure judgments. The section conducts trainings for the Milwaukee Police Department, the Department of Neighborhood Services, the Health Department and the City Clerk Licenses Division. In 2021, the Ordinance Enforcement Division conducted approximately 4,166 pre-trial conferences and 231 trials in the Milwaukee Municipal Court. In addition, the section appears in circuit court for appeals of municipal court convictions and petitions for the return of seized property. The section works with the Municipal Court and the Milwaukee Area Technical College on numerous problem-oriented initiatives to reduce recidivism and promote public safety through remedial consequences such as traffic safety and addiction counseling to offenders.

The **Real Estate/Education/Housing** section collaborates with City Departments, elected officials, committees, commissions and other entities to further the City's interests. Services provide include:

- Assisting in responding to public records requests and in complying with the open meeting law.
- Assisting the City's Ethics Board in drafting confidential advisory opinions.
- Handling records requests and open meeting issues.
- Legal assistance in the creation of new tax incremental financing districts (TIDs) and the TID amendments.
- Assisting on development projects including the Schuster Building redevelopment, the Garden Homes low-income housing development, Community in the Corridor project, and library projects.
- Assistance to the Port of Milwaukee, involving private investment to the Port and environmental remediation partnerships.
- Assisting MPS with the application of various health orders related to COVID-19 and school matters.
- Assisting the Board of Zoning Appeals.
- Assisting HACM and DCD regarding eviction moratoria and real estate related issues.
- Litigating against nuisance landlords.

The **Employment/Labor/Benefits/Contracting** section provides general legal services to City departments including drafting contracts, navigating purchasing requirements, providing training, and representation on state and federal employment law. In addition, the police and fire unions generate ongoing municipal labor relations work, including grievance arbitration and disciplinary matters before the Fire and Police Commission. The section also provides legal services to the Employees' Retirement System, the Deferred Compensation Plan, and medical, dental and other employment benefit plans the City sponsors. This section advises the Milwaukee Water Works on regulatory compliance matters, represents the utility at the Public Service Commission of Wisconsin, and negotiates and drafts water service agreements. This section also works with the Environmental Collaboration Office to advocate for the City's renewable energy initiatives at the PSC and in state courts. This section also advises DPW on regulating utility use of the public right-of-way. Services provided by this section include:

- Support key contracts, such as the Fire Department's ambulance service contracts, the Department of Public Work's recycling services contract and the Milwaukee Public Schools' charter school contracts
- Advise City departments regarding ongoing COVID 19 issues, including requests for reasonable accommodations based on medical reasons or for religious exemption
- Advise and assist City Departments with internal personnel investigations
- Defend the City against claims of employment discrimination in the federal EEOC, the State ERD, and in federal court
- Advise DER on civil service matters, and serve as staff counsel for the CSC during regular meetings and disciplinary appeal hearings

- Represent the Milwaukee Water Works in its pending 2022 rate case at the Public Service Commission of Wisconsin.
- Represent the City in EPA environmental enforcement action
- Administer the City's self-insured program and insurance policies

The **Litigation** section handles civil rights cases, personal injury and property damage litigation, appeals, claims supervision and real estate assessment challenges, City Clerk licensing matters, tax foreclosures, collections, and bankruptcy cases in which the City is a debtor.

The section aggressively defends the City's property assessments by actively litigating assessment cases in court and providing counsel to the Assessor's Office. The section's valuation litigators continue to achieve successful determinations in court preserving tax dollars. The section has achieved substantial reductions in the refunds sought by the taxpayer. As a result, the City has won in court or was able to effectuate favorable settlements. Innovative and proactive measures taken by the Litigation section have resulted in numerous motions being filed with the bankruptcy court that better position the City to collect post-petition debts owed to the City.

The Litigation section defended a number of lawsuits in the past year, including allegations of police misconduct and general negligence by city employees. Several cases have led to dismissal by summary judgment or other motions, while others resulted in favorable outcomes on appeal. The City was also able to resolve several cases before trial, thereby limiting the amount of financial exposure. In the past year, the Litigation section has been working to protect the City's interest in multi-district litigation against a manufacturer of e-cigarettes. The City stands to be reimbursed for monies expended as a result of Milwaukee youth using e-cigarettes. In addition, the Litigation section has represented the City in the national opioids class action. A settlement was achieved with one of the main manufacturers and three of the largest distributors which will result in payments to the City. The initial settlement payments will help fund opioid programs.

The section continues to represent the FPC and MPD regarding the City's obligations under the ACLU lawsuit relating to traffic and pedestrian stops and frisks conducted by police officers. Trial preparations and settlement negotiations continue for numerous civil rights cases commenced in prior years as well as new cases filed in 2022.

RESIZE, RESTRUCTURE, AND REINVEST

The City Attorney's office has experienced a significant increase in turnover in recent years. In order to address challenges resulting from vacancies and to improve recruitment and retention of employees, the department is focusing on two key strategies:

- Enhance succession planning and cross training initiatives to ensure flexibility in overcoming workload challenges resulting from future vacancies.
- Explore options for resuming the merit pay plan in 2023. The City Attorney considers merit pay based on performance evaluations to be the most significant factor in attracting and retaining qualified attorneys.

Special Purpose Accounts: The City Attorney's Office uses various special purpose accounts to manage legal issues. These accounts pay expert witnesses, pay legal claims and settlements, and insure the City against loss. The 2023 budget provides \$1,225,000 for the damages and claims fund for anticipated liability exposure. The outside counsel and expert witness account is used to prepare for lawsuits and is funded at \$150,000. The insurance fund provides policy premiums for the local government insurance fund and is funded at \$1,471,000. Funding for these accounts fluctuates annually based on the volume and complexity of cases.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Risk Manager	Position Eliminated
-1	-1.00		Chief of Staff	Position reclassified and unfunded.
1			Special Deputy City Attorney	
-1	-2.00	0.00	Totals	

CITY TREASURER

EXECUTIVE SUMMARY

- MISSION:** To fulfill the duties and responsibilities of the independently elected City Treasurer, who serves as the chief investment and revenue collection officer of the City of Milwaukee.
- OBJECTIVES:** Collect current and delinquent property taxes in a timely and cost effective manner.
- Earn more than the State’s Local Government Investment Pool through prudent investment of city funds.
- STRATEGIES:** Coordinate efforts with the city’s collection agency to collect delinquent property taxes.
- Maintain high quality standards for property tax collection services to city residents and accounting of city funds.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	25.14	30.05	30.08	29.75	-0.30	-0.33
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	50	50	50	45	-5	-5
Expenditures						
Salaries and Wages	\$1,641,089	\$1,678,460	\$1,710,135	\$1,667,559	\$-10,901	\$-42,576
Fringe Benefits	719,020	772,092	769,561	750,402	-21,690	-19,159
Operating Expenditures	650,003	641,275	725,295	725,295	84,020	0
Equipment	0	2,855	5,320	5,320	2,465	0
Special Funds	729,998	701,355	758,435	758,435	57,080	0
Total	\$3,740,110	\$3,796,037	\$3,968,746	\$3,907,011	\$110,974	\$-61,735
Revenues						
Charges for Services	\$189,818	\$120,000	\$121,000	\$121,000	\$1,000	\$0
Licenses and Permits	64,579	92,000	86,000	86,000	-6,000	0
Miscellaneous	-74,244	783,000	783,000	2,542,000	1,759,000	1,759,000
Total	\$180,153	\$995,000	\$990,000	\$2,749,000	\$1,754,000	\$1,759,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City Treasurer, under authority provided by Wisconsin State Statutes, the Milwaukee City Charter and code of ordinances, receives and accounts for all monies paid to the city, makes disbursements vouchered for payment by the Comptroller, invests city funds that are not needed to meet current expenditures, collects current property taxes and delinquencies for all five tax levies within the City of Milwaukee, settles property tax collections on a prorated basis, and remits to each taxing jurisdiction their share of the monies collected.

The City Treasurer’s Office supports the city’s efforts to improve fiscal capacity through its investment of city funds that are not needed immediately to meet current expenditures, including property taxes and lump sum revenue payments such as State Shared Revenue. In making investment decisions, the City Treasurer’s Office considers the

safety, liquidity, and rate of return of various investment instruments. The City Treasurer’s Office also supports the city’s efforts to deliver services at a competitive cost by controlling tax collection costs.

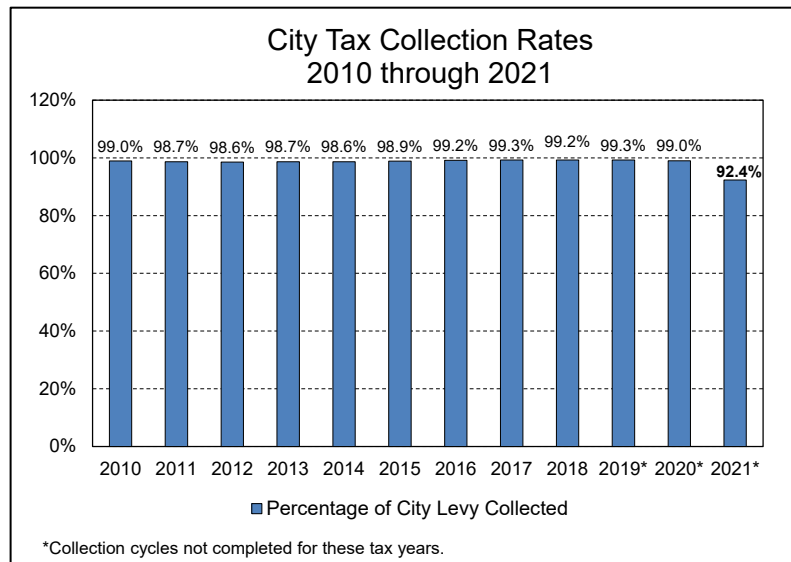
The department’s 2023 budget totals \$3.9 million, an increase of 3% or \$110,974 from the 2022 budget. There was a small decrease in salaries, wages and fringe benefits, but a larger increase in operating expenditures and special funds.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Cost of property tax collection as a percentage of property taxes collected.	0.5383%	0.6196%	0.5970%
General fund investment revenue realized on short term pooled cash investments.	\$125,289	\$130,000	\$2,083,333
General fund investment revenue realized on long term pooled cash investments.	\$475,416	\$653,333	\$458,333

STRATEGY IMPLEMENTATION

The City Treasurer collects property taxes, including delinquent taxes, for all five levies within the city. As seen in Figure 1, the City Treasurer has successfully collected almost 100% of the total city levy, realizing an average levy collection rate of 98.9%. The City Treasurer’s Office strives to collect all delinquent property tax accounts. Collection efforts have been improved by allowing special assessments and charges to be placed on a ten month, interest free installment payment plan. In addition the city’s collection agent attempts to collect delinquent real estate property taxes for a period of 12 months prior to the city pursuing a foreclosure action. This lowers taxpayers’ required monthly payments, which helps prevent *in rem* tax foreclosure.

Figure 1



In 2021, the city filed against 542 properties through *in rem* foreclosure and acquired 212 of those properties. As shown in Figure 2, since 2015 there is a decreasing trend in delinquent tax parcel acquisition.

RESIZE, RESTRUCTURE, AND REINVEST

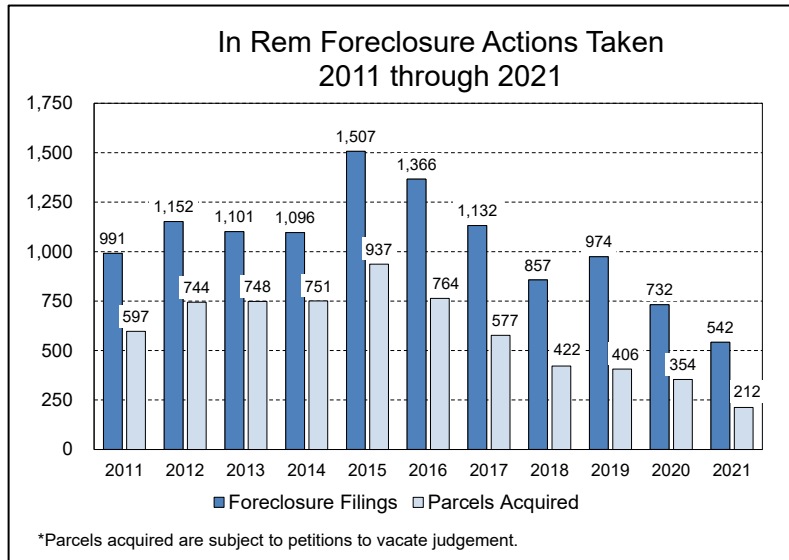
In Rem Tax Foreclosure Filings: The 2023 budget provides funding for three separate *in rem* tax foreclosure filings. Multiple filings help manage the large volume of properties eligible for tax foreclosure by reducing the number of delinquent tax parcels included in each foreclosure action.

The 2023 budget continues the accelerated *in rem* tax foreclosure program. Begun in 2015, the program acquires vacant and abandoned properties sooner to expedite sale to a new, private owner, while preventing the properties

from being vandalized or becoming a nuisance property. Accelerating the *in rem* tax foreclosure process in the case of vacant and abandoned properties helps stabilize neighborhoods.

The City Treasurer continues to collaborate with the Department of City Development and Take Root Milwaukee with outreach to property owners to help prevent property tax delinquency.

Figure 2



DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-5	-0.30	0.00	Temp. Customer Service Rep. I	Reduction to achieve budget savings
-5	-0.30	0.00	Totals	

COMMON COUNCIL-CITY CLERK

EXECUTIVE SUMMARY

MISSION: Establish city policy and law, oversee the administration of city government, adopt the annual budget, ensure the delivery of services to constituents, and provide the public with information about the duties and actions of city government.

OBJECTIVES: Efficiently deliver city government information in a user friendly, understandable manner.

Manage an equitable and efficient licensing system that supports business operations while providing adequate protections for the public.

STRATEGIES: Use technology to reduce costs while increasing the productivity and efficiency of legislative constituent services and improving public access to government actions and meetings.

Use the internet to streamline licensing operations and improve customer service.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	99.07	99.07	99.07	96.07	-3.00	-3.00
FTEs - Other	1.40	1.40	1.40	1.40	0.00	0.00
Total Positions Authorized	125	125	125	125	0	0
Expenditures						
Salaries and Wages	\$5,764,813	\$5,778,477	\$5,973,308	\$5,798,437	\$19,960	\$-174,871
Fringe Benefits	2,370,268	2,658,099	2,687,989	2,609,297	-48,802	-78,692
Operating Expenditures	788,440	886,857	1,217,973	1,206,973	320,116	-11,000
Equipment	19,127	14,377	20,878	20,878	6,501	0
Special Funds	94,683	138,415	73,315	54,315	-84,100	-19,000
Total	\$9,037,331	\$9,476,225	\$9,973,463	\$9,689,900	\$213,675	\$-283,563
Revenues						
Charges for Services	\$3,565,152	\$3,911,000	\$3,580,000	\$3,580,000	\$-331,000	\$0
Licenses and Permits	3,931,041	4,207,000	4,416,000	4,416,000	209,000	0
Total	\$7,496,193	\$8,118,000	\$7,996,000	\$7,996,000	\$-122,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

The mission of city government is to enhance the safety, prosperity, and quality of life of Milwaukee's citizens. Departments support this mission through the legislation and regulations enacted by the Common Council and using the resources the Council provides through the annual budget.

The City Clerk's Office performs city government and licensing functions with efficiency and fairness. In addition, the department maintains accurate and up-to-date records of city government actions and ordinances and keeps

constituents informed of the actions of their council representatives. The City Clerk's Office also administers and assists in investigating various license applications and collecting license revenues.

The Common Council is the legislative branch of city government with 15 members representing geographically distinct districts (see Map 1). The City Clerk's Office supports the Common Council and the operations of city government through six areas:

- Central Administration Division
- Public Information Division
- Municipal Research Center
- Legislative Reference Bureau
- License Division
- Workforce Development Office

Central Administration Division: The Central Administration Division provides administrative support functions for the department, staffs council and committee meetings, and assists council members in their work with constituents.

Public Information Division: The Public Information Division uses professional design, marketing, digital, social media and public relations expertise to provide outreach communication and public information for the Common Council and the Office of the City Clerk, and also operates the City Channel (the city's cable/online television channel). City Channel has provided more than 500 broadcast hours in 2022 to date, and continues to operate live, remote and hybrid coverage of public meetings, press conferences, special projects and city events. City Channel staff designed and implemented a new hybrid audio/video system for use with multiple virtual platforms, rather than purchasing an outside system at significantly greater cost.

Municipal Research Center (MRC): The MRC, including the City Records Center (CRC), the Historic Preservation Commission staff (HPC), and the Municipal Research Library (MRL), offers a combination of documents and information services to City departments and the public via in-person services and digital platforms. MRC staff returned to full-time, in-person service in 2021, but continue to supplement content delivery for users that prefer remote access.

In 2022, the MRL continued efforts to repair and preserve unique and historic items in the City's document collection. The MRL continues to expand the availability of archival content on its website through its digital collections, hosted in partnership with Recollection Wisconsin, and has increased its output on social media.

The CRC continues rollout of a new physical records management system, as well as efforts to phase out paper forms and shift internal City functions to electronic workflows. This allows department records to be more easily entered into the records management system for tracking, access, and retrieval. The CRC converted its Building Plan Application process to fully-digital in 2021 with the help of the City's DocuSign e-signature platform. The digital conversion allows the CRC to more easily collect data about requests and facilitates timely application completion.

Map 1



CRC staff continues to digitize City records to improve access and preservation, resulting in 970,000 new images available to date in 2022. City building permits issued from 1888-2000, currently maintained by the Development Center, but increasingly at-risk for inaccessibility, continue to be a focus. Availability as digital content improves department and public access to information about Milwaukee's development. CRC is also adding digital and scanned documents of general research interest to the Milwaukee Municipal Research Center Digital Archive to preserve city records and make them publicly accessible.

The HPC has implemented a rapid digital pivot for reviewing Certificates of Appropriateness (COA) and partnered with DCD to substantially reduce paper documentation for federal and state compliance reviews. While working to preserve Milwaukee's historic cityscape, HPC staff have conducted 127 COA reviews and 435 Section 106 reviews to-date in 2022. Interns have supplemented HPC staff to scan thousands of pages of historic and architectural research to HPC's website.

Legislative Reference Bureau (LRB): LRB staff drafted more than 173 pieces of legislation to date in 2022, including the creation of the ARPA Funding Allocation Task Force, allocation of ARPA funds for fiscal sustainability, and approval of the Republican National Convention framework agreement.

LRB analysts also successfully completed 184 research projects and requests to date in 2022 to provide Council members with the information needed to make decisions affecting the City and its residents.

In collaboration with Marquette University, the LRB will implement an on-going internship program for students interested in municipal government.

Licensing Division: The License Division registers lobbyists, administers 66 types of licenses, including liquor, bartender, home improvement, and other occupational licenses, and assists the Common Council in reviewing license applications. Staff process over 15,000 license applications and issue over 14,000 licenses annually. The licensing process provides residents input concerning establishments that may affect their quality of life, while staff educate licensees on being good neighbors.

The License Division implements improvements, including simplifying and automating processes, addressing language barriers, and public education, and uses the red tape rescue program to support the following goals:

- Make the city an easier, more welcoming place to do business through improvements to city rules and processes.
- Stimulate investment in the city, particularly through public private partnerships and interdepartmental collaboration.
- Create jobs and add to the tax base, with a particular emphasis on small and local businesses.

The program offers several tools:

- *StartSmart Online Tool:* Guides entrepreneurs to the proper city and state licenses and permits.
- *Pivot Program Business Workshops:* Provides entrepreneurs access to city and state departments in free, two-hour workshops to answer questions and provide guidance.
- *Clerk Notes Instructional Videos:* Videos covering a range of topics that provide direct access to the knowledge and expertise of License Division staff. Videos are easily accessed on the Common Council City Clerk's YouTube channel.

License Division staff focus on making resources more user-friendly, including simpler applications and modernized web pages. In 2021, the License Division migrated several high-volume license types to the Land Management System (LMS), including Class D operators, temporary Class D operators, and municipal ID cards. This allows applicants to file Class D applications online and to include a signature on municipal ID cards. Work continues to

migrate the remaining individual licenses to LMS and to build the framework for future migration of business licenses.

Workforce Development: The Council’s Workforce Development Office provides expertise to the Common Council on workforce development policies and systems, creates awareness of hiring and job training opportunities, and introduces innovative and collaborative strategies for the city’s emerging neighborhoods. In the last year, Workforce Development staff coordinated and led drive-through job fairs and other outreach efforts attended by more than 2,800 job seekers and six direct service agencies, and partnered with the Office of Equity and Inclusion to strengthen City departments’ racial equity and inclusion efforts.

The Workforce Development Office continues to expand the reach of DCMKE, a secure digital workforce pipeline with mobile and web platforms. DCMKE now includes profiles of 977 job seekers, 56 publicly-funded employment and direct service agencies, 147 career specialists and 250 promoters in an interactive environment that provides low-income job seekers with an opportunity to build social capital, find jobs and bridge the racial digital divide. DCMKE’s social media boosts reach an average of 28,000 people every 30 days.

The Workforce Development Office enhances strategic and collaborative efforts with Employ Milwaukee (Milwaukee County’s workforce board), State of Wisconsin Department of Workforce Development, Milwaukee Job Centers of Wisconsin, Direct Service Providers, and recruiters from Milwaukee’s businesses.

RESIZE, RESTRUCTURE, AND REINVEST

The Common Council City Clerk’s 2023 budget totals \$9.7 million. Changes from the 2022 budget include an increase in salaries to reflect actual salary costs, a \$320,000 increase in operating funding, a \$6,500 increase in equipment funding, and an \$84,000 decrease in special funds.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
0	-3.00	0.00	Various Positions	Reduction to achieve budget savings
0	-3.00	0.00	Totals	

COMPTROLLER

EXECUTIVE SUMMARY

- MISSION:** Fulfill the responsibilities of the independently elected Comptroller of the City of Milwaukee.
- OBJECTIVES:** Provide essential financial services, continuously improve business processes through central oversight, and guide decisions to sustain a favorable financial position for the City.
- Maintain the city’s high quality credit and manage debt in a manner that supports an improved fiscal environment.
- STRATEGIES:** Provide independent fiscal reporting, financial and program analysis, revenue estimation, and auditing.
- Process, maintain, and report on financial position, operating results, and cash flow projections to ensure accurate, efficient, and reliable financial operations.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	41.56	44.00	45.00	41.00	-3.00	-4.00
FTEs - Other	6.21	8.00	10.00	10.00	2.00	0.00
Total Positions Authorized	59	59	59	56	-3	-3
Expenditures						
Salaries and Wages	\$3,011,812	\$2,989,195	\$3,103,106	\$2,834,853	\$-154,342	\$-268,253
Fringe Benefits	1,256,383	1,375,030	1,396,398	1,275,684	-99,346	-120,714
Operating Expenditures	170,047	185,000	188,000	258,000	73,000	70,000
Equipment	4,901	10,000	50,000	50,000	40,000	0
Special Funds	0	0	0	0	0	0
Total	\$4,443,143	\$4,559,225	\$4,737,504	\$4,418,537	\$-140,688	\$-318,967
Revenues						
Charges for Services	\$463,752	\$560,000	\$510,000	\$510,000	\$-50,000	\$0
Total	\$463,752	\$560,000	\$510,000	\$510,000	\$-50,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city’s goals is to deliver services at a competitive cost and improve its fiscal capacity. This requires that the city’s financial operations are accurate, efficient, and reliable.

The City of Milwaukee Comptroller, an elected official, is responsible for managing the city’s financial operations. The Comptroller’s duties include central accounting and fiscal oversight of grants, payroll, debt issuance and management, and auditing. The Comptroller also provides general oversight of city activities to ensure compliance with Generally Accepted Accounting Principles (GAAP) and various other regulations imposed by city ordinance, state law, and/or grants passed through by state and/or federal governments.

The Comptroller advises city policymakers on financial matters and provides leadership to city sponsored committees including the Common Council’s Finance and Personnel Committee. The Comptroller also holds

positions on the Wisconsin Center District Board, Charter School Review Committee, Pension Board, City Information Management Committee, Purchasing Appeals Board, and the Deferred Compensation Board.

The Public Debt Commission is the superintendent for city debt issuance. Its responsibilities include determining the timing, structure, call provisions, and similar aspects of both city general obligation and revenue anticipation borrowings. The commission oversees the public debt amortization fund, which includes investment and the annual withdrawal to reduce the debt service tax levy. The commission is comprised of three city residents appointed by the Mayor and confirmed by the Common Council. The Comptroller serves as the ex-officio secretary and staff to the commission.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Percentage of actual revenues to revenue estimate	99%	100%	100%
Internal audit work products	10	8	8
Unqualified audit opinion by the city’s independent auditor	Yes	Yes	Yes
Bond rating (S & P Global/Fitch)	A/AA-	A/AA-	A/AA-

STRATEGY IMPLEMENTATION

A core function of the Comptroller’s Office is providing accurate budgeted revenue estimates. With a few exceptions, the Comptroller has estimated revenues within 2% of actual revenues.

If revenue estimates are too conservative, the Mayor and Common Council must make other fiscal changes to ensure a balanced budget. This may include reducing budget appropriations further than necessary, increasing the property tax levy higher than necessary, or making a larger withdrawal from the tax stabilization fund (TSF). If actual revenues are higher than revenue estimates, the surplus revenue is deposited in the TSF. The TSF withdrawal, in effect, recoups the unrecognized revenue from the prior budget. Use of the TSF is a prudent and responsible fiscal measure that minimizes property tax levy volatility.

A required function that the Comptroller’s office leads citywide is the preparation of the annual financial statements (Annual Comprehensive Financial Report) and the reporting of all grants awarded (Schedule of Expenditures of Federal, State and other Awards). These two reports are audited by external auditors to present the City’s financial activity. The Comptroller’s office prides itself in an unmodified opinion by the independent external auditors every year.

Another core function of the Comptroller is conducting internal audits of City departments. The Internal Audit division is “Yellowbook” compliant (in accordance with Generally Accepted Government Auditing Standards). Audit reports are published on the Comptroller’s web page. The Internal Audit Division performs four major types of audits, including:

- Financial audits to determine if financial records are accurate and proper controls are in place.
- Compliance audits to determine if departments comply with funding or regulatory guidelines.
- Program audits to determine if a program is operated in the most efficient and effective manner.
- Information technology audits to ensure that controls and security measures are in place to protect the city’s technology networks and systems.

City operations rely on official accounting records. Without accurate and reliable information on accounts payable, accounts receivable, and payroll the city could not meet its obligations, bills would go unpaid, city employees would not receive paychecks, and important services could not be provided. Reliable accounting records help the city determine its present financial position and guide its future direction. Timely, reliable, and accurate accounting records are essential to the delivery of important public services such as garbage collection and public health services. Systematic audits of the accounting system protect against failures in important information by ensuring accurate accounting records.

The Comptroller also manages the city’s debt. The Comptroller’s goal is to retain the city’s attractive “investment grade” bond ratings and maintain low borrowing costs. Low borrowing costs produce direct benefits to the taxpayer. The city continues to maintain attractive investment grade ratings of AA- from Fitch and A from S&P Global.

These ratings have remained investment grade despite decreased state aids. As the ratings indicate, the city’s capacity to meet its financial commitments on outstanding obligations is good. The ratings reflect a combination of moderate overall debt burden, rapid debt repayment, and manageable capital needs. As the City moves into a difficult period adjusting to increased pension contributions with stagnant shared revenue from the state, the City’s ratings are likely to reflect the choices made.

OTHER SERVICE AND BUDGET CHANGES

The Comptroller’s Office continues to experience increased workload due to new Governmental Accounting Standards Board accounting requirements, changes in auditing standards, increased grant financial administration, increased demand for both financial analysis and internal audits, and the growing complexity of the bond market.

In 2023, the Comptroller’s Office will implement an initiative to utilize contracted audit firms to perform all IT related audits. This initiative is anticipated to generate approximately \$63,000 in annual savings.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Public Debt Specialist	Positions reclassified
1	1.00		Capital Finance Manager	
-1	-1.00		Comptroller Network Analyst	
1	1.00		Comptroller Network Administrator	
		2.00	Various accounting positions	Accounting positions funded with ARPA
-1	-1.00		Senior IT Auditor	Use contractors for IT audits
-1	-1.00		Auditor	
-1	-1.00		Accounting Program Assistant II	Reduction to achieve budget savings
-3	-3.00	2.00	Totals	

DEPARTMENT OF CITY DEVELOPMENT

EXECUTIVE SUMMARY

- MISSION:** Improve the quality of life in Milwaukee by guiding and promoting development that creates jobs, builds wealth, and strengthens the urban environment.
- OBJECTIVES:**
- Increase total employment and develop quality employment in the city.
 - Support stable and high quality housing and commercial developments throughout the city.
 - Increase total sales, rehabilitation efforts, and redevelopment of city owned real estate.
 - Increase commerce and neighborhood vitality in Milwaukee.
 - Support and increase economic and racial equity in the city, expanded access to opportunity, and diminished displacement and gentrification.
 - Increase and stabilize home ownership.
- STRATEGIES:**
- Reduce the impact of residential foreclosures in Milwaukee neighborhoods.
 - Support regional marketing of commercial real estate opportunities.
 - Identify 20 acres each year for brownfield redevelopment.
 - Improve neighborhood appearance, vitality and viability by continuing the targeted investment neighborhood programs, and collaborating with other city departments, governmental partners, the private sector, community organizations and residents.
 - Support commercial revitalization efforts using grant and loan programs to catalyze small businesses and improve neighborhood commercial corridors.
 - Continue the Earn & Learn summer youth employment program.
 - Direct land use planning activities and implement comprehensive plan recommendations.
 - Prioritize resident access to information about housing and development resources.
 - Promote the city as a place to do business, raise families, and enjoy a high quality of life.
 - Support home ownership and preservation of existing housing opportunities through grant and loan programs.
-

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	60.42	45.96	49.43	47.43	1.47	-2.00
FTEs - Other	29.56	45.79	45.32	45.32	-0.47	0.00
Total Positions Authorized	121	121	124	122	1	-2
Expenditures						
Salaries and Wages	\$3,242,903	\$2,842,055	\$3,323,007	\$3,224,952	\$382,897	-\$98,055
Fringe Benefits	1,419,477	1,307,345	1,495,353	1,451,228	143,883	-44,125
Operating Expenditures	131,925	204,000	219,000	219,000	15,000	0
Equipment	0	0	0	0	0	0
Special Funds	199,944	150,000	150,000	150,000	0	0
Total	\$4,994,249	\$4,503,400	\$5,187,360	\$5,045,180	\$541,780	-\$142,180
Revenues						
Taxes and PILOTS	\$1,002,490	\$875,000	\$875,000	\$875,000	\$0	\$0
Charges for Services	108,050	108,000	108,000	108,000	0	0
Licenses and Permits	38,675	50,000	40,000	40,000	-10,000	0
Miscellaneous	14,109	12,000	32,000	32,000	20,000	0
Total	\$1,163,324	\$1,045,000	\$1,055,000	\$1,055,000	\$10,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe, sustainable and healthy neighborhoods.
 - Reduce the impact of tax-foreclosed property.
 - Support neighborhood business through business and neighborhood improvement district programs.
 - Administer Fourth of July festivities, Arts Board, and other cultural initiatives.
2. Increase investment and economic vitality throughout Milwaukee.
 - Invest strategically in housing and business development through targeted programs.
 - Leverage private and other investment to match city commitments.
 - Utilize tax increment financing as a development tool throughout Milwaukee.
 - Engage community stakeholders in land use planning activities.
3. Improve workforce development and connect more citizens to family supporting jobs.
 - Assist employers locating in Milwaukee and fund redevelopment of commercial and industrial sites.
 - Promote Milwaukee as a place to do business through the M7 and other strategic partnerships.
4. Help children succeed, prepare for post-secondary education, and meet their full potential.
 - Continue to place Milwaukee teens in the Earn & Learn Summer Youth Employment Program.

The Department of City Development (DCD) supports the city’s goals to increase investment and economic vitality throughout Milwaukee and to build safe, equitable, sustainable and healthy neighborhoods. DCD has a wide range of responsibilities in housing, planning, development and financing, business assistance, real estate, and marketing. These responsibilities and the department’s corresponding goals are designed to meet the specific needs of various segments of the population, including entrepreneurs, job seekers, and city residents.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Sales, transfers, and dispositions of tax foreclosed property.	279	225	225
Percentage increase in value of property for closing tax increment districts.	355%	207%	0% (no TIDs are closing in 2023)
Number of Strong Neighborhoods loans closed.	71	70	70
Percentage of Strong Neighborhoods loans in CDBG area.	New Measure	New Measure	TBD
Percentage of residents and community members engagement opportunities taking place within CDBG neighborhoods during Housing Zoning Code Update project	New Measure	New Measure	TBD
Percentage of Commercial Corridor grants made to minority owned local businesses.	New Measure	New Measure	TBD

STRATEGY IMPLEMENTATION

DCD provides incentives for increased private sector employment and investment that grows the city’s tax base. The department utilizes four key approaches to accomplish its mission:

- Direct financial assistance to small businesses, developers and property owners,
- Use of tax incremental financing,
- Partnerships with organizations that represent businesses and employers, and
- Redevelopment project management.

Support to potential businesses and developers resulted in many development projects throughout Milwaukee, including more than 20,000 citywide housing units since 2004. Milwaukee residents benefit from this growth as developers and business owners support the local economy. Development agreements for new projects often include residential employment requirements and Payments in Lieu of Taxes (PILOTs) agreements.

Housing: In 2021, DCD continued its efforts to support and encourage homeownership, preserve and improve the City’s housing stock and provide affordable housing opportunities in City neighborhoods. The City collaborated with the Community Development Alliance and a broad range of partners to craft an affordable housing plan that will leverage both resources and efforts to achieve these goals. In 2022, DCD will also be a partner in implementing programming funded through the American Rescue Plan Act (ARPA), which includes continuation of a successful down payment assistance program and an initiative to renovate 150 City tax foreclosed properties for home ownership and affordable rental, as well as provide job opportunities for city residents. In 2023, DCD will initiate a home repair grant program funded through ARPA. The program will assist eligible home owners with the most essential repairs.

DCD also administers programs that focus on the sale of city owned properties to responsible private owner occupants and investors. In 2021, DCD sold 249 improved properties, 114 vacant lots, and 27 sales to Community Based Organizations. Forty-three percent of the sales were to individuals intending to live in the properties, a consistent amount with prior years.

Rent-to-Own Program: Tenants of the previous owner occupy many properties acquired by the city through foreclosure. DCD operates a rent-to-own program that provides qualifying tenants the opportunity to purchase the property upon completion of home ownership and financial education. Through 2021, 81 tenants purchased their properties.

Strong Neighborhoods Loan Programs: DCD administers three Strong Neighborhoods loan programs. Strong Home loans preserve homeowner occupancy by assisting owners with essential home repair needs. The program provides low interest, deferred payment loans and technical assistance for emergency and critical home repairs to homeowners who are not able to access conventional financing. The typical strong homes loan borrower owns a house built before 1939 and has owned the house for more than 15 years. During 2021, 70 Strong Homes Loans were closed totaling \$1,197,572. DCD also operates the Homebuyer Assistance Program, which provides financial and technical help to prospective homeowners buying city-owned foreclosed houses for owner-occupancy. The Rental Rehabilitation Program provides forgivable loans to investors who buy city-owned foreclosed houses and renovate them for affordable rental. In 2021, these two programs made seven loans totaling approximately \$150,000, and leveraged almost \$960,000 of outside investment.

Milwaukee Home Down Payment Program: In 2021, DCD launched the Milwaukee Home Down Payment Program which provides grants to eligible homebuyers for the purpose of increasing home ownership and addressing disparities in homeownership rates. DCD worked with local non-profit home buying counseling agencies to administer the program. In the first six months of activity, the program assisted 209 homebuyers, 97% of which were homebuyers of color.

Real Estate Broker Partnership: Selling city owned properties to responsible owners and investors is an important part of neighborhood stabilization. DCD works with local real estate brokers specializing in foreclosed properties to list city owned properties for sale. In 2021, broker listed sales accounted for 37% of *in rem* property sales. This successful partnership continues in 2022.

Milwaukee Employment/Renovation Initiative (“MERI”): In 2019, building on the successful MERI renovation program for City owned properties, DCD launched the MERI 2.0 program to provide properties and grants for the renovation of City owned properties and the employment of local residents. With a special emphasis on building the capacity of emerging developers, 11 developers were selected for the program, including two non-profit organizations and seven emerging developers. Through 2021, 53 properties were sold under the program.

Vacant Lot Loan Program: This program offers residents the opportunity to purchase city-owned vacant lots to build owner occupied single-family homes. Residents who purchase a lot for \$1 are eligible for a \$10,000 forgivable loan to assist with construction costs. Purchasers must live in the home for seven years. While all city owned vacant lots are eligible, sale efforts focus on the central city subdivisions Walnut Circle and Josey Heights. In 2021 the City closed on two lots for new home construction in Walnut Circle. Year to date in 2022 two lots for new home construction in Walnut Circle and one in Josey Heights have closed for new home construction.

Opportunity Zone: The federal Opportunity Zone (OZ) program provides favorable capital gains tax relief for business and development investment in designated census tracts. During 2018, the US Treasury Department designated 34 Milwaukee census tracts as Opportunity Zone tracts, eligible for tax-advantaged investment by Qualified Opportunity Funds. Areas include the 30th Street Corridor, Menomonee Valley, Harbor District, Cesar Chavez Drive/National Avenue, Fond du Lac Avenue/North Avenue, Avenues West, and the sites of several surplus Milwaukee Public Schools buildings. DCD has established a web site to market OZ investment opportunities.

Anti-Displacement Plan: In February 2018, the Department of City Development released “*A Place in the Neighborhood: An Anti-Displacement Plan for Neighborhoods Surrounding Downtown Milwaukee.*” The Plan analyzes neighborhood market and demographic data to determine if displacement is occurring in Milwaukee neighborhoods. The Plan offers a series of recommendations to reduce potential displacement. A Plan recommendation, the Anti-

Displacement Preference Program adopted by Council in 2019, requires City assisted affordable rental developments to provide a leasing preference for local neighborhood residents. In 2019, DCD worked with MKE United to implement the Milwaukee Anti-Displacement Fund, providing resources for homeowners to help pay increases in their property taxes, so they will not be displaced due to rising property values and real estate taxes. The Fund made its first payments to assist eligible low-income homeowners with increasing property taxes in January 2020. The pilot program continues and was in its third year in 2021. 224 homeowners have received assistance through the Fund, which has provided \$207,000 in tax assistance payments.

Riverwalk Expansion: The Milwaukee Riverwalk System began in 1993 and concentrated in an 8-block downtown area. Over the past 30 years, it has generated an incremental property value increase of over \$1.4 billion. This success fueled its expansion into the Menomonee River and the Harbor District, including a portion of the Kinnickinnic River, through the Common Council's approval of the Riverwalk Site Plan Review Overlay Districts. In 2020, the first Harbor District riverwalk was constructed adjacent to Michels \$50 million divisional headquarters and the design of the system's longest single stretch of riverwalk, almost $\frac{3}{4}$ of a mile adjacent to Komatsu's new \$250 million Milwaukee headquarters, was started. The Riverwalk has received several awards for its design and operation, most notably the Urban Land Institute 2017-18 Global Award for Excellence.

Commercial Revitalization and Business Investment: DCD's Commercial Corridor Team (CCT) serves as liaisons between the city and local business owners, connecting them to a variety of grant programs focused on blight elimination, commercial revitalization and economic development. Commercial revitalization grant programs help business and property owners improve the exterior appearance of commercial buildings, update outmoded interior space in order to attract tenants and purchase equipment that enables job expansion. In 2021, these programs made 76 grants totaling \$1.1 million, an increase of \$300,000 from 2020. This investment leveraged commercial development projects involving total investment of more than \$6.6 million. Commercial corridor staff also provides assistance and oversight to business improvement districts (BIDs) and neighborhood improvement districts (NIDs). These organizations work in partnership with the city to strengthen commercial corridors.

DCD continued its cooperation agreement with the Milwaukee office of LISC to provide additional support to commercial corridor activity. Through 2021, that partnership assisted with the development of commercial spaces in five Business Improvement Districts: King Drive, Chavez Drive, Fond du Lac/North, Riverworks and Near West Side Partners. Over \$917,000 in Commercial Revitalization Funds were awarded since the first round of the Brew City Match program launched in 2018.

Tax Incremental Financing: In 2021, the city created two new and amended three tax increment financing districts (TIDs). These TIDs supported neighborhood and downtown development:

- Creation of 1 new neighborhood and 1 new downtown TID:
 - Chapel Gardens (63 new units, 34 are affordable units)
 - 5th and Michigan- Milwaukee Tool (supported the creation of 1,210 new jobs in the City)
- Amended 3 TIDs:
 - Sigma Aldrich (Donations to neighborhood TIDs)
 - 735 N. Water Street (Infrastructure)
 - 6th and National (Infrastructure)

The 2021 TID activity provided a total of \$1,450,000 toward public infrastructure and \$720,000 toward affordable and improved housing throughout Milwaukee.

Earn & Learn Program: DCD works with Employ Milwaukee to administer the Earn & Learn program. The program assists young people in making a successful transition to adulthood by providing opportunities to develop work readiness skills while they earn wages working in government, community and faith based organizations. DCD also coordinates the City's participation as an employer in Earn & Learn. In 2022, the City's Summer Youth Internship

Program transitioned back to an in-person eight-week program, after two years of virtual programming due to the COVID-19 pandemic. In 2022, 92 teens worked in city government departments.

Healthy Neighborhoods Initiative – Community Improvement Project (CIP): DCD works with community groups, residents, leaders, and organizations to fund and support community projects that engage community members and make physical improvements in Milwaukee neighborhoods. The CIP grant matches applicant funds, other non-city grants, donations, or in-kind services up to \$4,000 to support community-led projects. In 2021, DCD funded 30 projects totaling approximately \$37,695 in neighborhoods throughout the city.

Healing Space Initiative: The City of Milwaukee launched the Healing Space Initiative in January 2021, as a response to the isolation felt by City residents as a result of quarantine and social distancing practices during the COVID-19 pandemic. Under the direction of the Neighborhood Improvement Development Corporation, Healing Spaces Initiative helps residents build relaxing natural environments on available city-owned vacant lots while eliminating blighted spaces and engaging residents.

RESIZE, RESTRUCTURE, AND REINVEST

DCD continues to administer residential and commercial property programs as part of citywide efforts to reduce the impact of foreclosures. The department continually reviews performance of real estate programs through a racial equity lens to expand opportunities for owner occupants, with a focus on increasing minority home ownership, to purchase tax foreclosed properties and ensure that investor owners complete required repairs on properties to create safe housing for potential tenants.

The mission of the Redevelopment Authority of the City of Milwaukee (RACM) aligns with the department’s efforts to eliminate blight and foster business and reinvestment throughout the city. In recent years, all RACM positions transferred to city employment. Through reimbursement, RACM funds the positions. This change places RACM positions under the rules of the City Service Commission.

CAPITAL PROJECTS

Advanced Planning Fund (\$200,000): This funding supports neighborhood and land use planning, mapping and data analysis, and community outreach and engagement in conjunction with City Planning activities including implementation of strategies identified through the Government Alliance on Race & Equity (GARE) Racial Equity Toolkit. Current projects include the update to the Downtown Plan and implementation of recommendations from the City’s Industrial Land Analysis. During 2023, Advanced Planning funds will support an update to the housing element of the Citywide Policy Plan and to make updates to the City of Milwaukee’s zoning code with a focus on encouraging and enabling housing development that advances the City’s housing growth, affordability, racial equity, and climate action goals.

Tax Increment Districts: The 2023 Proposed Budget provides the following TID borrowing authority:

- **New Borrowing for Potential New TIDs (\$25 million):** Provides authority for potential new TIDs. The Joint Review Board, Mayor, and Common Council must approve the creation of TIDs.
- **Developer Revenues (\$12 million):** Provides authority to pay the increment on current developer financed TIDs. There are offsetting revenues for these payments.

Brownfield Program (\$500,000): This funding supports brownfield cleanup, provides funds to match federal grant funds for environmental remediation, and protects the City from future environmental liability. The funds are Citywide but primarily focused in the seven industrial Business Improvement Districts where the City investigates and remediates commercial and manufacturing brownfields. This includes addressing about 135 tax-delinquent brownfields that contribute significant blight to the neighborhood.

Commercial Investment Program (\$500,000): This program improves the viability of neighborhood commercial corridors. Funding supports façade improvement and white box grants to businesses throughout the city. City funding leverages investment from property and business owners.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Economic Development Specialist	Staffing reduction for budget savings
-1	-1.00		Office Assistant IV	
1		1.00	Community Outreach Liaison (RG)	New ARPA funded positions
1		1.00	Housing Rehab Specialist (RG)	
1		1.00	Real Estate Specialist (RG)	
	3.47	-3.47	Various Positions	Moving from ARPA to O&M
1	1.47	-0.47	Totals	

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

The Housing Authority of the City of Milwaukee (HACM) is a body politic and corporate of the State of Wisconsin and is responsible for construction, management, provision of safe, affordable, and quality housing with services that enhance residents' self-sufficiency. HACM administers a seven member Board of Commissioners. The Mayor appoints the Members for staggered terms with confirmation by the Common Council.

HACM's principal funding source is the federal government through various programs administered by the U.S. Department of Housing and Urban Development (HUD). HUD provides an operating subsidy to help offset the difference between the expenses associated with managing public housing and the revenues received from 30% of residents' income (rental revenue). The Housing Authority anticipates additional reductions in future federal funding associated with the transition to asset-based management. The Housing Authority continues to look for additional opportunities to maximize its resources.

HACM activities include:

- Low rent public housing management;
- Rent Assistance Program (Section 8);
- Development and rehabilitation;
- Affordable housing; and
- Homeownership and self-sufficiency services.

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

The Redevelopment Authority of the City of Milwaukee (RACM) is an independent corporation created by state statute in 1958 and derives its powers solely from state law. Details on RACM's relationship with the City of Milwaukee are in the audited financial statements of the Redevelopment Authority.

A board, appointed by the Mayor and confirmed by the Common Council, oversees the Redevelopment Authority. The Redevelopment Authority relies upon the Department of City Development for the professional, technical, and administrative support necessary to carry out its mission. This support is through an annual cooperation agreement with the City of Milwaukee that specifies DCD will provide the following services:

- Management of financial affairs;
- Land use planning and urban design guidance;
- Real estate acquisition and disposition;
- Relocation assistance for displaced families and businesses;
- Property management and environmental investigation; and
- Housing and economic development project management.

The mission of the Redevelopment Authority is to eliminate blighting conditions that inhibit neighborhood reinvestment; foster and promote business expansion and job creation; and facilitate new business and housing development. Toward that end, the Redevelopment Authority:

- Prepares and implements comprehensive redevelopment plans;
- Assembles real estate for redevelopment;
- Is empowered to borrow money, issue bonds, and make loans; and
- Can condemn property (eminent domain) in furtherance of redevelopment objectives.

MILWAUKEE ECONOMIC DEVELOPMENT CORPORATION

The Milwaukee Economic Development Corporation (MEDC) is a non-stock, non-profit organization formed in 1971 to promote economic development for the benefit of the citizens of the City of Milwaukee and the surrounding area. The principal objective of the corporation is to benefit the community by fostering the increase and retention of employment opportunities and expansion of business and industry within the metropolitan Milwaukee area. The corporation uses its own funds to finance projects to achieve that objective. The corporation is exempt from federal and state income taxes under a provision of Section 501(c)(3) of the Internal Revenue Code.

A 33 member Board of Directors oversee MEDC's activities. This includes the Mayor of Milwaukee, with the remaining individuals representing the business community. MEDC's board has delegated authority for policy actions to its 11 member Executive Committee that consists of the Mayor and ten representatives of the business community.

MEDC uses its resources and other funding sources to make below market financing available to businesses seeking to create and retain job opportunities and new investment in Milwaukee and the Milwaukee 7 region. The programs available through MEDC include:

- Direct Loans
- Subordinate Loans in conjunction with a conventional lender
- Capital Access Program
- Milwaukee 7 Capital Catalyst Loan Program

NEIGHBORHOOD IMPROVEMENT DEVELOPMENT CORPORATION

The Neighborhood Improvement Development Corporation (NIDC) is a non-profit corporation established by the city in 1973 to promote reinvestment in housing and neighborhood development within the city. NIDC works with a broad range of partners to improve Milwaukee's neighborhoods and the quality of life for Milwaukee residents. Those partners include; various City departments, community-based agencies, financial institutions, residents, developers and the local philanthropic community.

An eight-member Board of Directors that includes at least four city residents heads NIDC. NIDC administers several housing and neighborhood redevelopment strategies to promote and preserve the City's existing housing stock. NIDC's housing programs and staff work with neighborhood partner agencies in an effort to stabilize and increase owner occupancy, strengthen property values, and assist property owners in improving the physical appearance and quality of life in their neighborhood. Additionally, NIDC supports and administers other city and departmental housing initiatives.

NIDC also operates the community improvement project (CIP). CIP compliments NIDC's housing activities by providing small matching grants to neighborhood block clubs and groups to undertake projects that encourage resident involvement, relationship building, and grassroots neighborhood improvements.

ELECTION COMMISSION

EXECUTIVE SUMMARY

- MISSION:** Ensure elections comply with applicable laws and are administered with the highest level of professional standards, accountability, security and integrity; encourage voter participation; build public confidence in the electoral process.
- OBJECTIVES:** Conduct fair, accessible, accurate, and transparent elections.
- STRATEGIES:** Administer two scheduled elections in 2023:
- Spring Primary
 - Spring Election
- Provide administrative oversight of the candidate filing and campaign finance reporting requirements for locally elected offices.
- Follow all state and county protocols for ensuring the security of voter registration and election results data.
- Ensure compliance with Wisconsin state law, with attention to Wisconsin’s photo ID law.
- Advocate for changes to election laws that encourage access to voting or eliminate barriers to voting.
- Eliminate physical and language barriers at voting sites through compliance with Section 203 of the Voting Rights Act and meeting voting site accessibility requirements.
- Provide trained and competent election workers at all voting sites.
- Collaborate with community partners to promote the public’s understanding of and participation in the electoral process.
- Publish timely and accurate election results.
- Maintain the highest level of public transparency for all election processes.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	29.63	68.36	39.30	23.99	-44.37	-15.31
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	1,532	2,262	1,138	1,047	-1,215	-91
Expenditures						
Salaries and Wages	\$936,201	\$2,771,743	\$1,458,984	\$1,369,920	\$-1,401,823	\$-89,064
Fringe Benefits	278,111	242,304	247,499	247,499	5,195	0
Operating Expenditures	324,005	595,303	466,650	363,150	-232,153	-103,500
Equipment	0	0	0	0	0	0
Total	\$1,538,317	\$3,609,350	\$2,173,133	\$1,980,569	\$-1,628,781	\$-192,564

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

- Conduct fair, accessible, accurate, and transparent elections.
 - Support the pre-election voter registration of all eligible voters by disseminating voter registration information and promoting MyVote, the state’s online voter registration system.
 - Maintain an accurate database of registered voters by promptly removing ineligible voters and maintaining accurate records for eligible voters.
 - Promptly respond to requests for absentee ballots and efficiently administer in-person “early” absentee voting.
 - Provide ADA accessible, neighborhood-based voting sites.
 - Maintain trained election workers, including bilingual election workers, to reduce language barriers at voting sites.
 - Effectively address voter’s concerns.
 - Maintain voting equipment that is properly and accurately programmed, reliable, and user friendly to voters.
 - Process timely and accurate election results to the public.

The Election Commission manages all aspects of public elections in the City of Milwaukee. The Commission maintains a voter registration database of approximately 300,000 registered voters and operates approximately 180 polling locations which are staffed by approximately 1,200 to 1,500 election workers; provides the necessary documents, supplies, and ballots to each voting site on election days; oversees all aspects of absentee voting, including in-person absentee, absentee by mail, military, and overseas absentee voters; administers the statutory obligations for elected officials and potential candidates for municipal offices including the nomination process and campaign finance reporting; and collaborates with non-partisan voting rights groups to encourage voter education and participation. The Election Commission operates a comprehensive website where residents can locate their polling place and elected representatives, instructions for registration and absentee voting, and requirements for voter eligibility.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Enter 100% of voter registrations in a prompt and timely manner.	100%	100%	100%
Number of disenfranchised and provisional ballot voters.	4	50	15
Mail all absentee ballots within 24 hours of request receipt.	100%	95%	100%
Maintain an average wait time at voting sites of less than 15 minutes.	100%	100%	100%
Election results are published within 60 minutes of the closing of polls and reviewed with 100% accuracy prior to the state’s official canvass.	100%	80%	100%

STRATEGY IMPLEMENTATION

The Election Commission continues to eliminate language and accessibility barriers and improve voting access. The department recruits and retains a pool of poll workers to assist with elections. Milwaukee’s 180 polling locations require sufficient staffing on Election Day to check-in registered voters, conduct registration, monitor activity at the voting machines, and fulfill other duties. Chief inspectors manage polling site activities and ensure compliance with

election law. The City of Milwaukee is subject to the Section 203 Bilingual Election Worker and Materials requirements of the Voting Rights Act. These requirements have been met successfully since implementation in 2012. The commission is increasing recruitment and retention efforts for bilingual election workers.

In 2023 the scheduled elections are:

- Spring Primary - February 21
- Spring Election - April 4

Milwaukee uses neighborhood based voting to encourage accessible elections for city residents. The commission uses data gathered from voters and community members to make adjustments to the location and appropriateness of voting sites. In 2023, the Election Commission will begin offering in-person absentee voting at four consistent, geographically diverse locations regardless of election turnout. This will ensure accessibility and equity across the City of Milwaukee.

RESIZE, RESTRUCTURE, AND REINVEST

The Election Commission conducted department-wide strategic planning in 2021. This planning effort identified core areas of strength as well as opportunities for improvements involving polling places, voter education, and internal operations.

Since the onset of COVID-19, absentee voting by-mail has increased by over 800%. The Election Commission anticipates that many voters will prefer voting by-mail. Under current laws, these ballots cannot be processed until the polls open on Election Day. The volume of ballots for processing on Election Day has grown at a substantial and nearly unmanageable rate. The Election Commission continues to seek legislation that allows the City to begin processing ballots the day prior to each election. This legislation would allow the City to provide timely election results for absentee ballots and reduce the challenges involved in counting absentee ballots.

The Election Commission received over \$3.4 million in grant funding in 2020 from the Center for Tech and Civic Life. These funds allowed the department to purchase high-speed absentee ballot processors, absentee drop boxes, expand in-person absentee voting locations, launch an education campaign, and increase the pay of election workers. The Election Commission was able to use this grant funding in 2021 to continue the pay increase for election workers. The high-speed tabulators remain an asset when counting absentee ballots, providing election results faster on election night. The Commission also applied for and received additional funding in 2021 from the National League of Cities, which allowed the department to purchase a print production system to handle the increased volume of mailings and educational materials, and to create more modern signage in the polling places.

In recent years, numerous changes were made to the Wisconsin State Statutes that govern election administration. These changes disproportionately impact communities of color, particularly low-income African American, Hispanic and Latino residents. Unfortunately, the state legislature introduced bills in 2021 that would put more burdensome restrictions on absentee voting. The Election Commission provided testimony against the bills and the Governor vetoed the bills.

The most significant changes relate to the elimination of “open registration”, Special Registration Deputies and a photo ID requirement. These changes place hardships on persons in poverty to meet requirements to register to vote and receive a ballot. The changes significantly impact voter registration efforts in large urban areas such as Milwaukee. Despite these changes, the Election Commission works diligently with community groups to promote new online voter registration opportunities as well as other mechanisms to assist the public with the voter registration process.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-30	-11.70	0.00	Temporary Office Assistant II (0.39 FTE)	Reduction to achieve budget savings
-1,186	0.00	0.00	Election Inspector (0.26 FTE)	Reduction for Election Cycle Change
1	0.75	0.00	Early Voting Supervisor (0.75 FTE)	Position created to support early voting
0	-33.42	0.00	Technical Correction	Technical Correction
-1,215	-44.37	0.00	Totals	

DEPARTMENT OF EMERGENCY COMMUNICATIONS

EXECUTIVE SUMMARY

MISSION: Provide professional, efficient and effective 9-1-1/Emergency Communications services to the citizens of Milwaukee and the Police and Fire Departments.

OBJECTIVES: Implement the transition process from two separate MPD and MFD Emergency Communications Centers to a single unified Department of Emergency Communications (DEC).

Improve 9-1-1/Emergency Communications workflows and business processes to achieve maximum operational effectiveness and time efficiency.

Improve ECC staffing, training and retention.

Improve the quality of Call Taking services to citizens who call 9-1-1 to report emergency situations.

Meet the standards of the National Emergency Number Association (NENA), which is to answer 90% of 9-1-1 emergency calls in 15 seconds or less.

Incorporate nationally accepted public safety standards, best practices and guidelines for policies and procedures.

Establish and measure 9-1-1/Emergency Communication Center operations based on public safety industry performance metrics.

Finalize a new Computer Aided Dispatch/Mobile system that will improve 9-1-1/Emergency Communications Center, MPD and MFD operations.

Begin the process of incorporating a Universal Call Taker that will eliminate 9-1-1 callers from being transferred from MPD to MFD.

STRATEGIES: Leverage the DEC Executive Steering Committee to obtain leadership direction regarding DEC administration, operations and technology systems.

Work with the subject matter expert committees that were formed comprised of MPD, MFD and ITMD personnel to ensure stakeholder involvement.

Implement the Information Technology Services consolidation.

Improve the hiring process to increase call center staffing that meets minimum mandatory Call Takers and dispatchers based on shift needs, call volume and time of day.

Work with Fire & Police Commission and Department of Employee Relations to streamline hiring and onboarding processes.

Initiate the Technology Master Plan for all enterprise-wide public safety systems: 9-1-1, CAD/Mobile, radio, GIS/mapping Logging & Recording, and others.

Measure DEC performance and publish timely, accurate, and actionable reports.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	0.00	11.75	26.20	25.20	13.45	-1.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	0	21	27	27	6	0
Expenditures						
Salaries and Wages	\$0	\$851,135	\$3,112,018	\$2,821,497	\$1,970,362	\$-290,521
Fringe Benefits	0	391,522	1,400,408	1,269,674	878,152	-130,734
Operating Expenditures	0	7,972,480	22,794,355	14,316,843	6,344,363	-8,477,512
Equipment	0	0	26,000	0	0	-26,000
Special Funds	0	0	0	0	0	0
Total	\$0	\$9,215,137	\$27,332,781	\$18,408,014	\$9,192,877	\$-8,924,767

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

- Improve the safety of citizens and public safety personnel
- Improve MPD/MFD response times to life critical incidents
- Streamline MPD/MFD workflows and business processes
- Provide a common operating picture for MPD/MFD to ensure real-time situational awareness and information sharing
- Improve the quality of City of Milwaukee 9-1-1/Communications, Law Enforcement, Fire/Rescue, Emergency Medical and Emergency Management work products
- Enhance the effective allocation and deployment of MPD and MFD personnel
- Enhance statistical analysis capacity to:
 - Improve crime fighting initiatives
 - Identify trends and patterns, hot spots and frequent flyers
 - Improve the ability to make data driven decisions
 - Measure the effectiveness of strategies and tactics in a timely manner
- Improve FPC hiring process to ensure timely onboarding of qualified applicants.
- Improve ECC staffing to meet minimum mandatory staffing based on workload, time of day, day of week.

Since January 2019, the Fire & Police Commission, Police Department, Fire Department, Department of Administration and Department of Employee Relations implemented the Public Safety Enhancement Program (PSEP) to significantly improve the quality and performance of 9-1-1/Emergency Communications Center (ECC), MPD and MFD operations. The initiative is an enterprise-wide program focused on eliminating unnecessary duplication of systems, workflows and business processes and costs. The most important aspect of the initiative is combining the MPD and MFD Emergency Communications Center into a single Department of Emergency Communications. PSEP is an operations driven initiative that will leverage new workflows, business processes and technology systems to enhance public safety services to City of Milwaukee citizens and visitors in a cost efficient manner through economies of scale.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Complete implementation of unified computer aided dispatch system	NA	NA	90%

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
New hires trained and certified as universal Call Takers (UCT)	NA	NA	100%
Existing staff trained and certified as universal Call Takers	NA	NA	50%
Transition current Police and Fire Call Taker staff to new department	NA	NA	100%
Adopt National Emergency Number Association call answer standards	NA	NA	90%
Improve the retention rate of new hires	NA	NA	90%

STRATEGY IMPLEMENTATION

The 2023 budget continues to fund implementation of the Department of Emergency Communications (DEC).

Executive Steering Committee: DEC implementation is managed by an Executive Steering Committee (ESC) that includes the Police Department (MPD), Fire Department (MFD), Fire & Police Commission, Department of Administration, the Department of Employee Relations, and the DEC.

The Executive Steering Committee provides direction on DEC administration, operations and technology systems; employs subject matter expert committees comprised of MPD, MFD and ITMD personnel to ensure stakeholder involvement; and oversees the transition to a new Department of Emergency Communications.

In 2023, the final phases of DEC implementation will occur, including:

- Initiating the hybrid DEC/MPD/MFD operations management plan
- Finalize the Universal Call Taker/Emergency Medical Dispatch plan
- Shift Manager/Supervisor selection(s)
- Continued staff training

Management Oversight Committee: The Management Oversight Committee (MOC) includes senior leadership from MPD and MFD. The MOC is responsible for DEC operational decisions.

Technical Committee: The Technical Committee is comprised of information technology subject matter experts from Information Technology Management Division (ITMD), MPD and MFD. The Technical Committee is developing a formal Memorandum of Understanding (MOU) to clearly identify roles and responsibilities for all relevant technology systems.

MPD/MFD Operations Committee: The MPD/MFD Operations Committee is comprised of personnel from the MPD and MFD Communications Centers and field operations. This committee ensures MPD and MFD collaborate to achieve maximum operational effectiveness and time efficiency.

Department Logo: In 2022 a logo was selected to represent the DEC:



RESIZE, RESTRUCTURE, AND REINVEST

Technology Systems: A plan was developed to implement new technology systems to meet DEC objectives. The systems include:

- Solacom 9-1-1 system: Implemented March 31, 2021
- Enhance City GIS/Mapping data to public safety grade
- Hexagon CAD/Mobile/Business Intelligence (BI) system

DEC Positions: In 2022 the DEC hired administrative staff to assist with implementing the department. These positions include Finance Manager, Human Resource Administrator, Financial Services Assistant, Human Resources Assistant, and an Administrative Support Specialist.

MPD and MFD Emergency Communications Center Analysis: Current operations are evaluated to identify potential improvements. New workflows and business processes were implemented during 2021 and 2022 to streamline MPD/MFD Communications Center operations. Additional improvements are dependent on the implementation of the new CAD/Mobile/BI system scheduled for second quarter 2023.

Transition to the Department of Emergency Communications: A project plan was developed to transition from current operations to combined operations. The goal is for a stand-alone and fully operational DEC by the third quarter of 2023. Primary importance is maintaining the ability to provide the public quality 9-1-1/Emergency Communications Center services during the transition process. The transition process is divided into phases to ensure no conflicts with current operational capacity. Each phase includes multiple projects operating at the same time.

Department Staffing: The 2023 budget includes position authority for a total of twenty seven positions in the Department of Emergency Communications. This includes a new management team of shift managers and supervisors for 9-1-1 Call Takers. It is anticipated that current Police and Fire civilian staff will transfer to the DEC after key transition milestones are complete. The 2023 budget includes funding for all existing 9-1-1 center call staff as well as an increase of 43 positions with half year funding. These positions are currently in the MFD and MPD but will transition to the DEC.

Contract for Interim Director: In March 2022, the City contracted for a Department of Emergency Communications Interim Director for 24 months. The interim position is a critical to setting up the new department including policies, procedures, workflows and business processes. The 2023 budget includes funding to keep this contracted position in place while the City recruits a permanent Emergency Communications Director.

2023 Transition Milestones

First Quarter 2023

- Continue implementation of the new Hexagon OnCall CAD/Mobile/Business Intelligence System
- Complete transition process for HR/Payroll staff to 100% DEC management
 - Admin staff - HR/Payroll
- Hire and train new Emergency Communication Operators

Second Quarter 2023

- Continue implementation of the OnCall CAD/Mobile system
- Measure improvements and make necessary adjustments to DEC, MPD and MFD operations
- Publish DEC, MPD and MFD workload and performance metric reports from the new Business Intelligence system
- Advertise and hire DEC staff positions
- Start Phase 2 of the OnCall CAD/Mobile Project

Third Quarter 2023

- Transition from MPD and MFD Communications Center Staff to DEC staff
- Continue DEC staff position hiring process
- Initiate new DEC training for key positions
- Implement new OnCall CAD/Mobile functionality, workflows and business processes
- Continue with Phase 2 of the OnCall CAD/Mobile Project
- Initiate the formal plan to Implement the Universal Call Taker (UCT) initiative
 - Train current staff to be UCT certified
 - Train new hires to be UCT certified
- Measure improvements and make necessary adjustments to DEC, MPD and MFD operations
- Publish DEC, MPD and MFD workload and performance metric reports from the new Business Intelligence system

Fourth Quarter 2023

- Complete the transition process from MPD and MFD Communications Center to 100% DEC management
- Continue DEC staff position hiring
- DEC training for key positions
- Complete Phase 2 of the OnCall CAD/Mobile Project
- Continue UCT training
- Measure improvements and make necessary adjustments to DEC, MPD and MFD operations
- Publish DEC, MPD and MFD workload and performance metric reports from the new Business Intelligence system

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
	-1.00		Emergency Communication Deputy Dir.	Delay hiring to 2024
2	2.00		Emergency Comm. System Administrator	New Position
-2	-2.00		Emergency Communications Liaison	Position eliminated
6	6.00		Emergency Communications Manager	New Position
1	1.00		Emergency Communications Admin. Asst. III	New Position
-1	-1.00		Emergency Comm. Administrative Assistant II	Position eliminated
	8.45		Various positions	Reflects full year funding for positions partially funded in 2022
6	13.45	0.00	Total	

DEPARTMENT OF EMPLOYEE RELATIONS

EXECUTIVE SUMMARY

MISSION: Recruit, develop, and retain a high performing and diverse workforce while delivering quality customer service to City departments.

OBJECTIVES: Ensure all recruitment and selection process activities comply with applicable regulations and work with city departments to refer a diverse and qualified pool of candidates to fill vacancies in a timely manner.

Provide guidance and direction to departments in creating workforce and succession plans designed to address and respond to current and future staffing needs.

Design and implement pay administration practices that attract and retain employees while ensuring internal equity and external competitiveness.

Establish a framework and accountability structure for employment practices that advance racial equity goals.

Control the growth rate in health care costs and encourage employee accountability and responsibility for care while providing incentives and options that support employee's wellbeing.

Design and administer benefits, programs and services that foster safe, productive and healthy workplaces and effectively address the needs of a multigenerational workforce.

STRATEGIES: Establish and administer organizational frameworks to effectively recruit, select, classify, compensate, develop, and reward employees in compliance with applicable employment laws and regulations.

Oversee, support, and promote harmonious and cooperative working relationships between departments, their employees, and employee representatives.

Establish and implement strategies to support the City's racial equity priorities.

Monitor the effectiveness of the City's comprehensive health and wellness program and explore cost reduction opportunities through health care benefits, health care delivery systems and wellness initiatives and programming.

Enhance risk management and safety programs to ensure that departmental policies, practices, and decisions support the goal of minimizing workplace injuries, increasing management's accountability for employee safety, and controlling costs.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	42.91	42.91	45.70	43.70	0.79	-2.00
FTEs - Other	17.67	17.67	17.67	17.67	0.00	0.00
Total Positions Authorized	83	83	85	84	1	-1
Expenditures						
Salaries and Wages	\$2,513,248	\$2,790,070	\$3,361,278	\$3,085,341	\$295,271	\$-275,937
Fringe Benefits	1,156,094	1,283,433	1,512,575	1,388,403	104,970	-124,172
Operating Expenditures	298,793	376,895	481,310	454,920	78,025	-26,390
Equipment	1,982	2,000	2,000	2,000	0	0
Special Funds	62,579	135,000	135,000	115,000	-20,000	-20,000
Total	\$4,032,696	\$4,587,398	\$5,492,163	\$5,045,664	\$458,266	\$-446,499
Revenues						
Charges for Services	\$259,774	\$240,000	\$271,000	\$271,000	\$31,000	\$0
Miscellaneous	0	10,000	0	0	-10,000	0
Total	\$259,774	\$250,000	\$271,000	\$271,000	\$21,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Develop and deliver innovative human resource policies, programs, and services that support the City’s mission by recruiting, developing, and retaining a high performing and diverse workforce while delivering quality customer service.
 - Establish and administer organizational frameworks to effectively recruit, select, classify, compensate, develop, and reward employees in compliance with applicable employment laws and regulations.
 - Develop and implement recruitment and employee selection practices that produce a qualified and diverse candidate pool to fill departmental vacancies.
 - Establish programs and services to maintain and improve employee health and wellbeing while minimizing growth in health care costs.
 - Establish and monitor risk management and safety programs to ensure safe and productive workplaces while controlling costs.

The Department of Employee Relations (DER) provides human resources support services to City agencies to attract, retain, and motivate a competent and diverse workforce. DER also ensures compliance with state and federal employment laws and civil service rules. It does this through four service areas:

- Employee and Labor Relations;
- Compensation and Employee Benefits;
- Recruitment and Selection; and
- Worker’s Compensation and Safety.

DER staffs the City Service Commission, a civilian body that ensures compliance with civil service rules and applicable Wisconsin State Statutes.

Key Performance Measures	2021 Actual	2022 Planned	2023 Projected
Turnaround time between notification of position vacancy and establishment of eligible list.	86 days	80 days	80 days
Percentage of candidates referred who are people of color.	52%	56%	55%
Percentage of candidates referred who are women.	51%	52%	55%

STRATEGY IMPLEMENTATION

Recruitment, Staffing, and Selection: DER recruits candidates and creates and administers job-related selection processes, based on the rules of the City Service Commission (CSC) and the Fire and Police Commission (FPC). In 2021, DER processed 6,269 applications and the Staffing Division managed 203 open and competitive, 40 continuous, 31 transfer/promotional and 13 exempt processes, in addition to other staffing requests. The number of completed open and competitive selection processes more than doubled relative to the number completed in 2020, while the selection process timeframe continued to decrease. By August 2022, the Staffing Division had completed 150 open and competitive, 38 continuous, 39 transfer/promotional, and 28 exempt selection processes.

DER uses partnerships to ensure effective community outreach and recruitment of diverse individuals. A variety of recruitment efforts focus on reaching individuals who may be disenfranchised from the workplace. This effort includes the following partners:

- **Partners in Hope**, a program run by The Community Warehouse, assists formerly incarcerated individuals in developing job skills and connections;
- **The Department of Workforce Development, Division of Vocational Rehabilitation (DVR)** secures employment opportunities for youth and adults with disabilities;
- **ElevAsian WI**, increases the visibility and presence of Asian American and Pacific Islander leaders in the community;
- **Employ Milwaukee** promotes regional economic growth and employment opportunities for all Milwaukee job seekers;
- **Forward Careers at the Workforce Development Center** arranges recruitment events, training and incentive programs and rapid response services to employees impacted by closures, downsizing or mass layoffs;
- **Maximus**, a multifaceted organization with five locations in the Milwaukee area, provides programming for Foodshare Employment and Training participants, Adult Dislocated Workers and, recently, refugees who live in and around Milwaukee;
- **Equus Workforce Solutions (Equus Works)**, part of the Wisconsin’s FoodShare Employment and Training (FSET) program, provides members with the skills, training, and experience needed to improve their employment prospects;
- **Goodwill, Workforce Connection Centers** bridges the gap between the job seeker and local companies.

DER continues to collaborate with the City’s Employee Resource Groups (ERGs). ERG members assist with recruiting events and serve as ambassadors for City employment.

In 2021, DER staff participated in a Human Resources Panel hosted by the Career Development Employee Resource Group (CDERG), Avanzando and Black African American (BAA); a repeat session is scheduled for the Job Mobility conversation hosted by the BAA ERG in November of 2022.

DER continues to highlight City employees and careers through three social media series: “Superhero Saturdays,” “Feature Friday,” and “Career Corner.” Additionally, the Staffing Division posts all job opportunities on social media outlets, including Twitter, Facebook, DCMKE, LinkedIn, and Instagram.

Staffing Efficiencies and Processes: In 2021, the Staffing and Compensation Divisions initiated weekly, biweekly, or monthly meetings with customer departments to set priorities, track vacancies, and identify chronic recruitment and compensation challenges. These meetings increased collaboration in recruitment activities and reduced the selection process timeframes.

DER additionally implemented a new policy for hiring Civil Service-exempt positions. This policy ensures consistent, merit-based, and objective hiring processes for non-Civil Service employees.

To make New Employee Orientation (NEO) more accessible and user-friendly, the DER is enhancing and converting NEO to a virtual process. The new process will walk new employees through benefits enrollment and highlight important City employment policies.

DER works with City departments to address high rates of resignations and service retirements. In 2021, 338 general City employees resigned, a 118% increase from 2020. Given the large number of retirement-eligible employees, reducing resignations is important to stabilize turnover rates. By 2025, an estimated 777 individuals (or 22% of the general city workforce) will be eligible to retire. DER works with customer departments to anticipate vacancies and address critical skill gaps.

Compensation and Salary Administration Practices: The only salary adjustments outside of residency incentive pay in 2019 and a 2% wage adjustment in 2022 occur through reclassifications and labor market adjustments considered necessary to attract and retain talent. Only certified labor groups are able to negotiate pay progression.

In 2022, the Compensation division produced job study recommendations for 404 titles and implemented recommendations for 3,947 affected positions within 18 city departments. Currently, there are over 60 job study requests from city departments that include new position classifications, reclassifications due to changes in responsibilities and requirements, reorganizations of work units, and cost of labor studies in response to difficulty recruiting and/or retaining employees. The lack of regular pay progression for general city employees for many years has contributed to an unmanageable number of classification and special rate requests to attract and retain employees and keep pace with the current labor market as demonstrated in the table below.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022 to Date</u>
Number of Titles	114	115	220	404
Number of Positions Affected	344	3,130	1,665	3,947
New Positions Classified	26	40	14	103
Special Rate Recommendations	49	54	139	99

DER is working to streamline the compensation and classification process to alleviate the backlog. Once the backlog is eliminated, DER will conduct routine market rate studies for all positions to ensure pay rates remain competitive and decrease the need for classification and market rate reports.

The 2023 budget includes a plan for general city pay progression to mitigate issues stemming from the long-term lack of regular wage movement. The Mayor is committed to recognizing and rewarding employee contributions with consistent pay increases. General city employees will receive a 2% across-the-board increase in 2023. Employees who have worked for the City for five years or more will receive an additional 1% longevity pay increase. The longevity increase will help address pay compression between tenured and new employees.

Policies, Procedures, and Administrative Considerations: DER develops and oversees City-wide employee policies, addresses employee complaints of harassment, bullying, and discrimination, and administers employee leave, including paid parental leave and FMLA. DER also ensures compliance with state and federal laws, regulations, ordinances, and best employment practices.

New programs and procedures include:

- Ethics and Harassment Training for Elected Officials & Appointees
- Partnership with MENTOR Greater Milwaukee
- Exit Interviews – Citywide and reviewed by DER
- Departmental HR Self-Audit Program
- Expanded funeral leave

New policies include:

- Paid Parental Leave
- Volunteer Time Off Program
- Employee Personal Use Social Media Policy
- Political Activity Policy
- Hiring Positions Exempt from Civil Service

Expanded policies include:

- Accrued time off donor program
- FMLA
- Antiharassment policy
- Workplace violence prevention policy
- Employee Resource Group Policy and Application Process
- Alternative Work Arrangements Program and Policy

Employee Resource Groups: DER works with the Employee Resource Groups, including monthly meetings with the ERG leadership team, to offer resources and support to the ERGs. ERGs build community, foster awareness, respect, and inclusion in the workplace that supports employee development and engagement, recruitment, and retention.

ERGs have hosted several events, including:

- **Avanzando:** Milwaukee Riverkeeper's Annual Spring Cleanup; The CDERG and Avanzando are partnered on Department of Employee Relations H.R. Panel; Table at Frida Fest; Hispanic Heritage Event at Zócalo Food Truck Park
- **Black African American (BAA):** Get to know the BAA ERG; Presentation on Vaccine Confidence; In-Person Social at Skybox Sports Bar; Growth in the City of Milwaukee Event
- **Career Development (CDERG):** Post Work Virtual Happy Hour; History of the City Charter Presentation; Navigating City Departments Presentation; Summer meet and greet at Juneau Park
- **Community Service and Volunteerism:** Lunch and Learn; Volunteer event at Neighborhood House Park; Community clean up event at Swing Park; Playground reconstruction efforts at Butterfly Park
- **Military Service:** Virtual information session with the WI Veterans Chamber of Commerce

Advancing and Achieving Racial Equity: Advancing racial equity within the City's workforce is central to the City's equity, inclusion, and social justice goals. Racial equity includes ensuring equal access to job opportunities and fair and consistent application of terms and conditions of employment, and promotes an environment where every employee can work to their potential, free of harassment or discrimination. Civil service practices and processes that support workforce equity include: the use of job analysis, valid and defensible assessments, testing processes that are consistently fair, broad recruitment strategies, structured interviews, blind oral boards and structured interview

processes, diverse interview panels, certification and referral rules, ban the box and practices on conviction record reviews, the review of applicant flow data and adverse impact analysis.

Employee Wellbeing, Benefits, Worker's Compensation and Safety: A comprehensive benefits program is essential to attract and retain a talented workforce and demonstrates the City's commitment to support a diverse workforce. Benefit alignment with a diverse and inclusive culture exemplifies the City's commitment to provide the best environment for employees to professionally grow, thrive, and develop. A multi-faceted benefits program that incorporates employee feedback and includes best practices ensures that employees will be valued and supported. For information on health and safety, refer to the *Employee Health Care Benefits* and *Worker's Compensation* sections of the *2023 Proposed Plan and Executive Budget Summary*.

The City currently provides a comprehensive and competitive benefits package to employees with a wide variety of choices. The City continues to expand programs and services that are tailored to meet the changing needs of employees including voluntary benefits, clinic services and free second opinion healthcare services. DER Benefits launched a new communication service to help educate employees on the many benefit programs and services available to them and to improve understanding and utilization of those benefits. Through the new service, employees have access to education videos and a dedicated online resource center for new employee onboarding and open enrollment. DER also implemented a new benefit counselor service that was used during open enrollment and later expanded year-round for new employee onboarding.

To facilitate employee recruitment and retention, DER Benefits is working with ITMD to implement total reward statements. Total reward statements go beyond annual salary and give employees a more comprehensive picture of City employment benefits.

RESIZE, RESTRUCTURE, AND REINVEST

DER's goals and initiatives for 2023 include:

- Use the Workforce Evaluation Report, prepared by DER's Benefits Consultant, to better align workforce needs and interests.
- Continue advancing racial equity in hiring and promotion practices, on-boarding, and training and development.
- Assist in developing racial equity competencies and guiding principles for job descriptions, probationary reports, and performance management tools.
- Create stronger collaboration opportunities with departments on social media efforts.
- Develop programming for Work Study students and Management Trainees.
- Develop a blueprint for hiring managers to distribute at the outset of the selection process.
- Complete the open/competitive selection referral process in fewer than 80 days.
- Review pre-employment testing requirements and update practices to accelerate hiring.
- Create strategic communication and marketing plans for recruitment and retention efforts.
- Identify opportunities for ERG leaders and members to participate in City decision-making processes.
- Expand wellness programs and services based on ongoing needs and feedback from employees and spouses.
- Expand City clinic services to further support employees and their families.
- Develop and provide Total Rewards Statements for employees and candidates to demonstrate the value of City employment, helping attract and retain employees.
- Conduct an employee engagement survey and use findings to enhance the employee experience.
- Develop a library of interactive communication and education materials for improved benefits understanding.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Human Resources Assistant	Position reclassified (Training and Development to Employee Benefits)
1	1.00		Business Operations Associate	
-1	-1.00		Research and Policy Analyst	Position reclassified (Employee Benefits)
1	1.00		Research and Policy Coordinator	
-1	-1.00		Business Operations Specialist	Position reclassified (Employee Benefits)
1	1.00		Business Finance Manager	
-1	-1.00		Human Resources Analyst	Position reclassified (Staffing and Certification Services)
1	1.00		Human Resources Analyst Sr	
1	1.00		Human Resources Assistant	Position added to Staffing and Certification Services
-1	-1.00		Test Administration Coordinator	Position reclassified (Staffing and Certification Services)
1	1.00		Test Administration Specialist	
-1	-1.00		Program Assistant II	Position eliminated from Staffing and Certification Services
1	1.00		Human Resources Representative	Position changes in Compensation and Pay Administration Services
-1	-1.00		Human Resources Assistant	
1	1.00		HRIS Compensation Audit Specialist	
0	-0.21		Other adjustments	FTE adjustments
1	0.79	0.00	Totals	

FIRE AND POLICE COMMISSION

EXECUTIVE SUMMARY

- MISSION:** To ensure that the Fire, Police, and Emergency Communications departments are prepared to protect the lives and property of Milwaukee citizens.
- OBJECTIVES:** Ensure the quality and effectiveness of Fire, Police, and Emergency Communications department policies, practices, and outcomes.
- Ensure that complainants are heard and complaints are resolved within 90 days of filing.
- Improve community relations and enhance public confidence.
- Improve the diversity of the Fire and Police departments.
- Prevent, respond to, and recover from major disruptive events.
- Facilitate resilient, secure, and interoperable emergency communications.
- STRATEGIES:** Perform policy review and analysis concerning public safety services including crime reduction strategies, fire prevention and suppression, citizen complaints, and responsiveness to calls for service.
- Conduct a citizen complaint process and address allegations of employee misconduct.
- Monitor and audit complaints and investigations conducted by the Fire and Police departments.
- Improve communications with the public and promote opportunities for citizen interaction with the Fire and Police Commission.
- Promote diverse public service departments.
- Increase community awareness of the mission of the Office of Emergency Management.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2022 Adopted	2023 Proposed Budget Versus 2023 Requested
Personnel						
FTEs - Operations & Maintenance	27.00	24.10	28.10	25.10	1.00	-3.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	37	33	37	34	1	-3
Expenditures						
Salaries and Wages	\$1,304,128	\$1,494,954	\$1,928,265	\$1,721,486	\$226,532	\$-206,779
Fringe Benefits	566,597	687,679	867,719	774,669	86,990	-93,050
Operating Expenditures	559,964	575,040	1,005,510	1,402,502	827,462	396,992
Equipment	1,068	2,200	2,200	2,200	0	0
Special Funds	119,031	545,365	426,035	517,508	-27,857	91,473
Total	\$2,550,788	\$3,305,238	\$4,229,729	\$4,418,365	\$1,113,127	\$188,636

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
 - Ensure quality and effectiveness of Fire, Police, and Emergency Communications department policies, practices, and outcomes.
 - Ensure that complainants are heard and complaints are resolved in a timely manner.
 - Improve community relations and enhance public confidence.
 - Improve the diversity of the Fire and Police departments.
 - Prevent, respond to, and recover from major disruptive events.

The Fire, Police, and Emergency Communications departments support the city’s goal to build safe and healthy neighborhoods. The Fire and Police Commission provides oversight of these departments and supports their operations. This ensures that these departments are effective in protecting the lives and property of Milwaukee’s residents and businesses.

The Fire and Police Commission is comprised of a board of seven part-time citizen Commissioners and a full-time professional staff led by an Executive Director. The Commissioners and the Executive Director are appointed by the Mayor and approved by the Common Council. In 2022, the Mayor nominated two additional Commissioners who, if confirmed, will increase the size of the Board to its statutory maximum of nine members for the first time in its history. The Commission’s authority and responsibility, including policy oversight, citizen complaints, disciplinary appeals, and recruitment and testing, are specified in Section 62.50 of the Wisconsin Statutes and the Milwaukee City Charter. Commissioners participate in extensive training, as required by city ordinances.

The Commission conducts policy reviews of Fire, Police, and Emergency Communications department operations, appoints and promotes department personnel, and prescribes general policies and standards. The Commission’s judicial function includes hearing appeals from departmental discipline actions, investigating citizen complaints filed against department members, and conducting citizen complaint hearings.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Average time (days) to resolve formal complaints.	20	75	25
Average time (days) to resolve disciplinary appeals.	135	150	150
Number of community outreach events (COE) and community office hours (COH).	0 (COH)/ 7 (COE)	12 (COH)/ 6 (COE)	12 (COH)/ 6 (COE)

STRATEGY IMPLEMENTATION

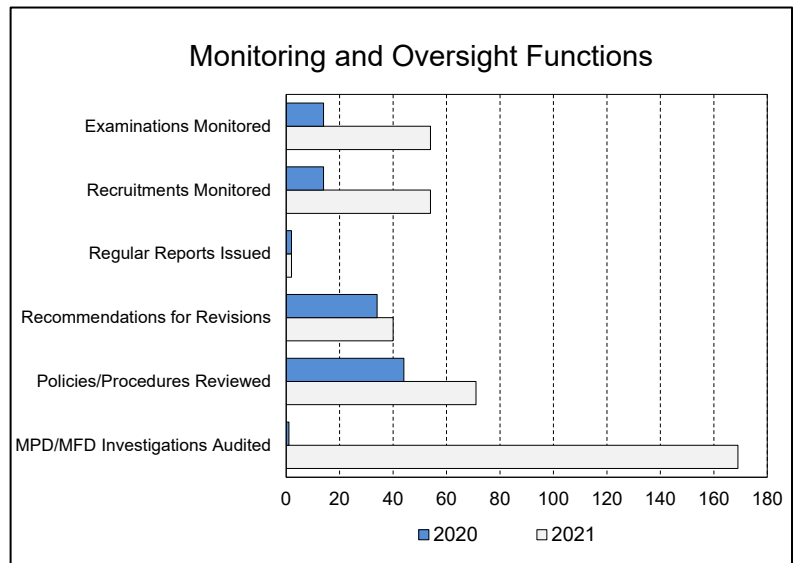
Policy Oversight: The Fire and Police Commission’s statutory responsibility is to oversee and prescribe the policies and standards of the Fire, Police, and Emergency Communications departments. This oversight authority is exercised by board action and regular monitoring and research of public safety department operational initiatives and disciplinary actions (see Figure 1).

The Commission partners with a professional consultant to conduct ongoing analysis of the Milwaukee Police Department’s (MPD) use of force incidents. This analysis serves as a foundation for policy and training improvement. The Commission also issues annual reports on citizen complaints and use of force incidents, including those involving firearm discharges. Data from the annual reports is used to analyze MPD policies, procedures, and training.

In addition, the Commission produces quarterly reports on 911 call wait times. A police satisfaction survey is conducted biennially, and annual anti-harassment training for all department personnel is overseen. The Commission provides additional reports and issues papers as necessary for public information.

Citizen Complaints: The Commission provides a citizen complaint process and has authority to independently investigate and recommend that chiefs consider discipline for misconduct by department employees. Complaints may be filed directly with the Commission in writing, in person, by telephone, fax, e-mail, the Commission’s website, and recognized community referral organizations. Complaint forms are available in English, Spanish, and Hmong, and a fillable form is available on the FPC website. Increased accessibility improves community confidence in the complaint process. The Commission can refer complaints to the citizen board, or the Fire, Police, or Emergency Communications departments for disciplinary action when rule violations are identified.

Figure 1



The citizen complaint process has five goals:

- Increase transparency and community confidence in the complaint process.
- Provide an independent system to receive, investigate, and discipline members for misconduct.
- Provide answers and resolutions to complainants about public safety concerns.
- Analyze complaints to identify both individual and systemic trends and patterns within the public safety departments.
- Monitor and review complaints and discipline investigations conducted by the Fire and Police departments to ensure a fair and thorough process.

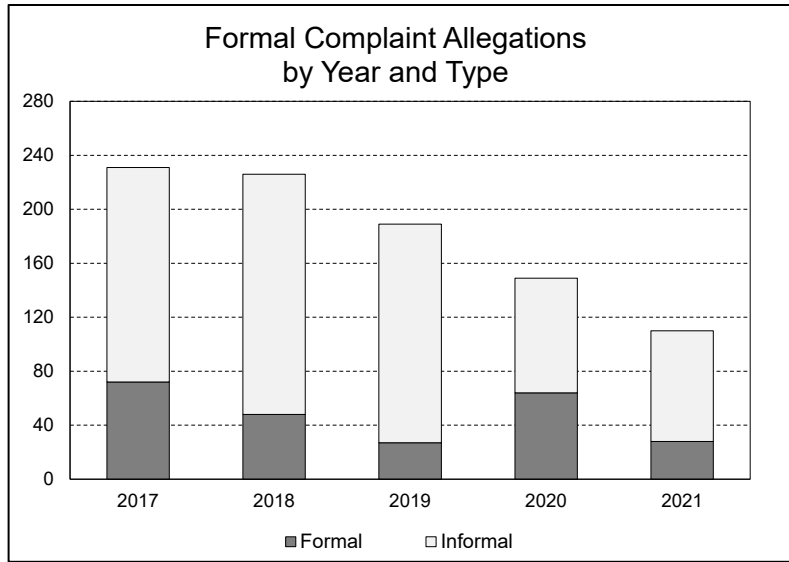
The current complaint process has significantly shortened the time needed to resolve a complaint from an average of 270 days in 2008 to 73 days in 2020. In 2021, this trend continued, dropping the average to 20 days. The complaint process includes an initial review and conversation with the complainant and an evaluation to determine a course of action.

Cases may be resolved through alternatives to the traditional complaint process when appropriate. Alternatives include rapid resolution and mediation. Both processes provide citizens the opportunity to address and resolve questions and concerns directly with the employee and contribute to better community relations. Rapid resolution involves investigation of questionable conduct that does not appear to be a rule violation that would result in disciplinary action. If the citizen and employee agree to mediation, there is no citizen board trial or disciplinary action taken against the employee.

If a complaint does not qualify for mediation or rapid resolution and the Commission’s investigation determines that enough evidence exists to find that an employee violated a department rule, the complaint may be referred for a citizen board trial. The citizen board trial is a quasi-judicial process in which witnesses are sworn, testimony is taken, and evidence is presented. Each party may question the other, call witnesses, present exhibits, and testify. The citizen board, composed of Fire and Police Commissioners, reviews the evidence and makes a final decision.

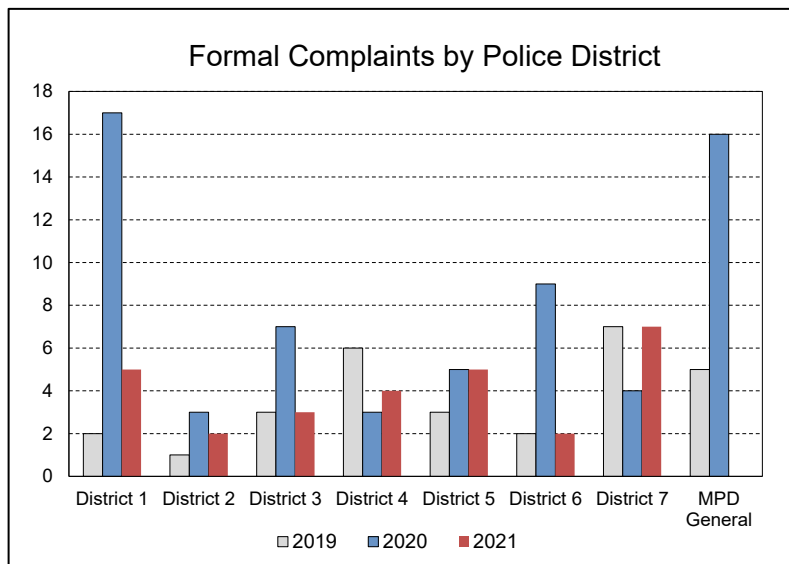
The Commission monitors and audits all complaint investigations including those filed with the Fire and Police departments. The ability to capture trends and patterns, and identify critical elements of a particular investigation, is an important function of the Commission’s oversight (see Figure 2 and Figure 3). Trends are examined from investigations that result in discipline and those that are dismissed. The monitoring function uses data collected from the intake investigation screening process to evaluate the quality of investigations and recommend improvements to existing procedures. The Commission uses monitoring and disciplinary action as tools to provide a transparent and effective citizen complaint investigation process.

Figure 2



Disciplinary Appeals: Members of the public safety departments may appeal to the Commission if they believe they have been unfairly dismissed, demoted, or suspended for more than five days by their department chief. Disciplinary appeals are decided by the board, which may sustain, modify, or deny the chief’s action. The Commission tracks and monitors disciplinary actions that have been filed and resolved (see Figure 4). The Commission strives to resolve all disciplinary appeals within 60 to 120 days.

Figure 3



Community Relations: A critical strategy is expanding community outreach and education. The Commission coordinates outreach efforts with other city departments and through public/private partnerships. The Commission engages in regular public interaction by hosting and attending meetings in community locations. The Commission organizes and sponsors events to educate and engage the public on the FPC’s work. In addition, commission staff attend events including district meetings, community brainstorming, walking and outdoor events, and vigils. The Commission also works on matters related to the Department of Justice Collaborative Reform Report and is an active participant in the City’s compliance with settlements of lawsuits regarding alleged police misconduct.

The Commission hosts community meetings, rapid response meetings for current events, youth recruiting events, and listening sessions. In 2020, the FPC held roundtable discussions on recruiting to inform the community on current strategies and to include community input into the Commission’s recruiting plan. The FPC also organized listening sessions in response to the ongoing protests and demands for systematic change of law enforcement. In addition, the FPC collaborates with key stakeholders, including the Community Collaborative Commission, Office of Violence Prevention, and the Milwaukee Police Department. In 2022, this group launched a joint community engagement effort to improve communication and trust between the Milwaukee Police Department and the

community through a series of listening sessions, with the goal of developing a comprehensive city-wide Community-Oriented Policing plan.

Diversity: The Commission is committed to making the public safety workforce representative of the Milwaukee community. Hiring and recruitment practices are reviewed to ensure that they are fair and inclusive. The fire cadet and police aide programs diversify the candidate pools for future fire fighter and police officer classes.

Office of Emergency Management (OEM): OEM focuses on the City’s emergency communications infrastructure and policies that impact the public safety departments. This aligns the City with other statewide

organizational structures and provides a mechanism to coordinate first responders during an incident. OEM coordinates emergency planning, disaster preparedness, and response training for the City. This involves interdepartmental coordination across all levels of government, public and private partnerships, as well as applying for and managing grants that provide assistance for disaster preparedness.

RESIZE, RESTRUCTURE, AND REINVEST

Department of Emergency Communications (DEC): The Fire and Police Commission also provides support in implementing the new Department of Emergency Communications (DEC). The DEC is subject to the statutory oversight authority of the Fire and Police Commission. For additional information please see the section on the *Department of Emergency Communications*.

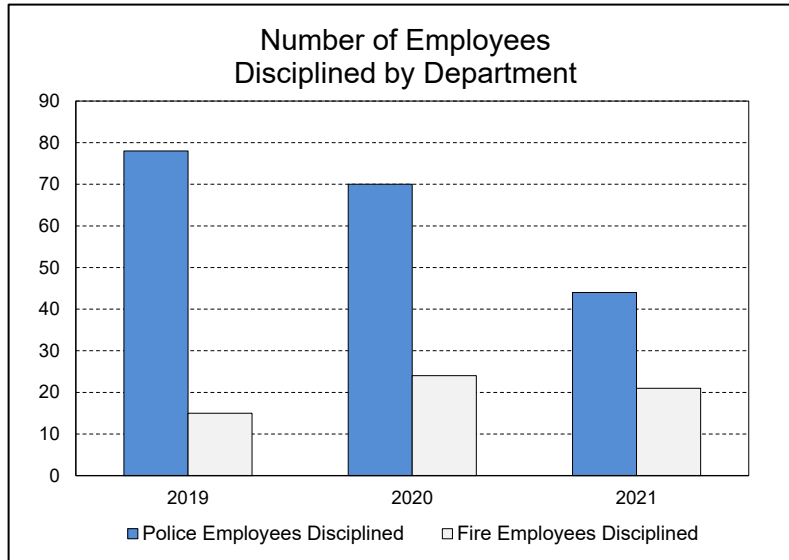
Recruitment, Testing, and Hiring: The Commission is required by State statute to recruit and secure the most qualified personnel for each department. The Commission approves all appointments made in the Police Department, Fire Department, and Department of Emergency Communications. The 2023 budget includes funds for an additional Human Resources Representative to assist with the additional workload created by supporting the Department of Emergency Communications.

The Commission develops and administers a variety of validated examinations, including written, physical ability and oral tests, background investigations, medical and psychological examinations, and drug screening. Applicants who pass all components are placed on an eligible list and hired according to their total score. Firefighters and police officers are hired at intervals for training classes while other entry level positions are filled as vacancies occur (see Figure 5). When either chief position becomes vacant, the Commission determines qualifications, solicits applications, and appoints a new chief. Department chiefs are hired for four-year terms, renewable at the Commission’s discretion.

Annually, the department completes new exams for positions as needed. Funding covers costs for professional exam development and scoring, testing materials, and temporary staff to assist in exam administration. The 2023 budget includes \$518,000 in a special fund for costs related to pre-employment drug testing, medical screening, and psychological evaluations.

Auditing Unit: The FPC has a specialized Audit unit to assist with monitoring and compliance for the *Collins Settlement Agreement* and to provide on-going auditing of both the Police and Fire departments. Audit staff work

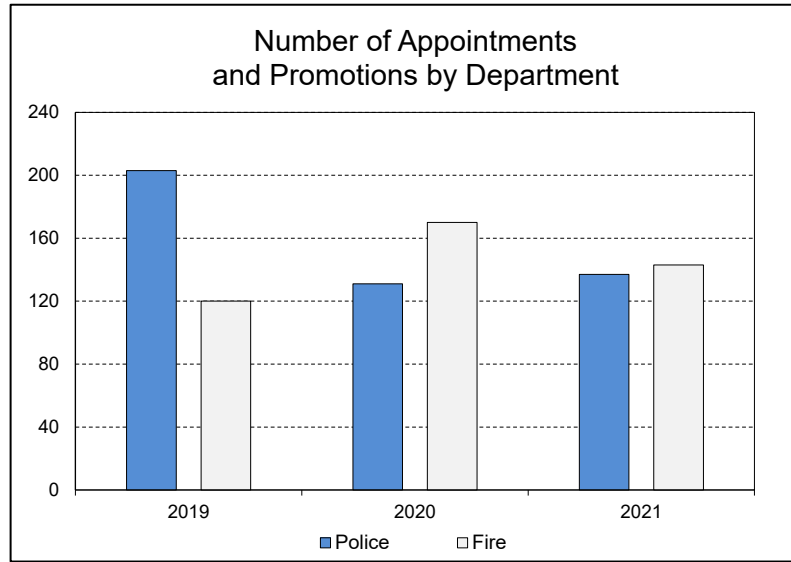
Figure 4



with the Crime and Justice Institute (CJI) on the *Collins* Settlement Agreement and conduct research on standard operating procedures, case law, and other items. Staff are also responsible for periodic postings of citizen complaint data, stop data, and consultant reports. The 2023 budget includes funds for a new Fire and Police Commission Senior Auditor to assist with the audit workload.

Collaborative Reform: The FPC assists in implementing recommendations in the US Department of Justice draft collaborative review report. The FPC facilitates collaborative efforts with community organizations, residents, and other key stakeholders to determine which recommendations are most beneficial and how they should be implemented. In pursuit of these efforts, the FPC has overseen reforms to MPD’s Use of Force policy, implementation of a more robust Community Oriented Policing policy, the development of MPD’s disciplinary matrix, and expanded public access to and understanding of the Citizen Complaint process. Additionally, the FPC has made efforts to directly implement public suggestions into policy considerations and provide a platform through which community members can voice their thoughts on the future of emergency service provision in the City of Milwaukee.

Figure 5



DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-2	-2.00		Program Assistant II	Positions retitled and reclassified
2	2.00		Human Resources Assistant	
1	1.00		Human Resources Representative	New Position
-1	-1.00		Emergency Mgmt. & Communications Dir. (Y)	Position retitled
1	1.00		Emergency Management Director (Y)	
1	1.00		Fire & Police Commission Senior Auditor	New Position
-1	-1.00		Administrative Support Specialist	Position eliminated
1	1.00	0.00	Totals	

FIRE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Protect people and property within our city, remaining responsive to the needs of our citizens by providing rapid, professional, humanitarian services essential to the health, safety, and well-being of the city. Prevent loss of life from fire and limit fire-related property damage, and improve the chances of survival from life threatening medical and traumatic injury emergencies.

OBJECTIVES: Enhance inclusion and equity in the department and increase diversity in fire cadet, fire recruit, and promotional opportunities.

Actively engage the city's diverse communities to strengthen relationships and enhance the department's equity and inclusion, while expanding the department's reach with safety and prevention messaging.

Maintain ongoing performance metrics, including:

- Limit fire related deaths to less than ten per year.
- Achieve a 95% recovery rate from penetrating trauma.
- Conduct 25,000 community risk reduction visits annually in residential properties.

STRATEGIES: Collaborate with stakeholders to examine recruitment and promotional processes from an equity and inclusion lens, and enable the department to more closely resemble the city's demographics.

Provide public education and community fire prevention programs to reduce fire deaths, fire injuries, and fire-related property loss and damage.

Improve the safety, health, and well-being of department members operationally, mentally, and physically.

Maintain or improve the fire suppression and emergency medical response capabilities of fire companies and EMS units through ongoing, diligent, and standards-based training.

Manage staffing and resource deployment in a manner that:

- Achieves average response times to fire suppression and advanced life support calls that are better than national standards.
- Limits the impact of resource constraints on the number of companies that can operate on a daily basis.
- Reduces the high call volumes for the busiest fire/EMS companies, medical units, and personnel.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	814.02	671.00	852.00	359.50	-311.50	-492.50
FTEs - Other	20.73	209.00	37.00	507.00	298.00	470.00
Total Positions Authorized	860	867	924	909	42	-15
Expenditures						
Salaries and Wages	\$75,304,257	\$53,843,406	\$82,660,348	\$25,478,830	\$-28,364,576	\$-57,181,518
Fringe Benefits	34,856,999	27,998,571	41,330,175	12,739,416	-15,259,155	-28,590,759
Operating Expenditures	7,492,961	893,733	8,572,159	8,572,159	7,678,426	0
Equipment	905,785	415,638	731,068	731,068	315,430	0
Special Funds	439,569	0	5,813,500	813,500	813,500	-5,000,000
Total	\$118,999,571	\$83,151,348	\$139,107,250	\$48,334,973	\$-34,816,375	\$-90,772,277
Revenues						
License and Permits	\$0	\$2,000	\$2,000	\$2,000	\$0	\$0
Charges for Services	8,565,646	6,880,000	7,563,000	7,563,000	683,000	0
Total	\$8,565,646	\$6,882,000	\$7,565,000	\$7,565,000	\$683,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

A tremendous amount of Milwaukee Fire Department (MFD) resources were dedicated to organizing, structuring, and implementing responses to rapidly changing circumstances resulting from the COVID-19 pandemic. MFD helped implement a Unified Emergency Operations Center (UEOC) which increased information-sharing and ensured well-aligned decision making during the pandemic. MFD members also augmented public health roles in contact tracing, testing, vaccinations, and staffing COVID isolation centers.

Community Goals and Department Objectives:

- Protect people and property within our city, remaining responsive to the needs of our citizens by providing rapid, professional, humanitarian services essential to the health, safety, and well-being of the city.
- Enhance inclusion and equity in the department and increase diversity in fire cadet, fire recruit, and promotional opportunities.

MFD seeks continuous improvement in its ability to serve all citizens, visitors, and workers in the city, by promoting an inclusive workplace, examining policies and procedures through an equity lens, and developing a workforce that is representative of Milwaukee’s communities. MFD established a workgroup titled the **Milwaukee Fire Department Workgroup on Diversity, Equity, & Inclusion in Recruitment, Testing, Hiring, Retention, & Promotion**. The workgroup’s slogan is “On Our Watch”, expressing MFD’s commitment to hold itself to this standard of success. The workgroup has three task groups that focus on specific phases in an MFD career:

- **Getting Here** – examining the awareness, recruiting, application, testing, and hiring phases and identifying solutions to support the hiring of a diverse workforce.
- **Being Here** – examining the early phases of an MFD career, from the Fire Recruit Academy, probationary status, and early years of the career, with an aim towards growth and development, inclusion and a sense of belonging, and a true sense of team ethos and career satisfaction.

- **Thriving Here** – examining the middle portion, end, and post-retirement portions of an MFD career, with a focus on promotional opportunities, leadership development, command position appointments, and an exit from the MFD marked with satisfaction, accomplishment, a sense of having made Milwaukee a better, safer place.

The MFD’s Community Outreach and Recruiting Section is dedicated to growing a diverse hiring pipeline.

STRATEGY IMPLEMENTATION

- Actively engage the city’s diverse communities to strengthen relationships and enhance the department’s equity and inclusion, while expanding the department’s reach with safety and prevention messaging

The MFD leverages the workgroup detailed above and its “I AM the Milwaukee Fire Department” t-shirt campaign to highlight and celebrate the department’s diversity and to strengthen connectivity and understanding.

Fire Prevention and Safety: The department’s community risk reduction program emphasizes fire prevention because fewer fires decrease injuries and deaths from fires. A main emphasis of the community risk reduction program is the Fire Fighters Out Creating Urban Safety (FOCUS) program. FOCUS involves fire fighters going door-to-door to install smoke detectors in one and two family dwellings and distributing fire prevention and medical services information in areas with the greatest incidence of fire.

- Prevent loss of life from fire, limit fire-related property damage, and improve the chances of survival from life threatening medical and traumatic injury emergencies.
- Maintain ongoing performance metrics, including:
 - Limit fire related deaths to less than ten per year.
 - Achieve a 95% recovery rate from penetrating trauma.
 - Conduct 25,000 community risk reduction visits annually in residential properties.

The MFD contributes to safe and healthy neighborhoods through fire prevention and fire safety programs, and timely and effective response to calls for service. These three functions reduce the number of fires, remove people safely from fires and other hazards, protect property, and provide for appropriate medical care.

The Fire Department serves the residents of Milwaukee and West Milwaukee from a platform of 29 firehouses. The department has three organizational bureaus:

- **Operations Bureau:** Responsible for all 24 hour shift personnel and their activities; the bureau includes the Marine Teams (Dive Rescue and Boat Team), Hazardous Materials (HazMat), Incident Command Post (ICP), Tactical Emergency Medicine Service (TEMS) and the Heavy Urban Rescue Team (Hurt) Special Teams.
- **Emergency Medical Services (EMS), Training, & Education Bureau:** Oversees the training academy and the EMS Division. This Bureau also oversees community relations and recruitment efforts.
- **Support Bureau:** Includes Administration, Business and Finance, Construction and Maintenance Division, 9-1-1 Dispatch Center, and IT Division.

The Operations Bureau is the most visible bureau as it includes all emergency service delivery assets and personnel that protect the city. Recent budget reductions have required the department to analyze how to best deploy its remaining assets.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Limit fire related deaths to less than ten per year.	12	7	0
Maintain a 95% recovery rate from penetrating trauma.			
Gunshot victims:	90.5%	95%	95%
Stabbing victims:	97.9%	95%	95%
Make 25,000 community risk reduction visits to single family homes.	649	30,000	25,000

The Fire Department contributes to the Mayor’s goal of providing safe and healthy neighborhoods through the provision of effective fire prevention and education, fire suppression, emergency medical services, and specialized rescue programs. The Fire Department deploys resources to achieve fire suppression and emergency medical responses that remain superior to national standards.

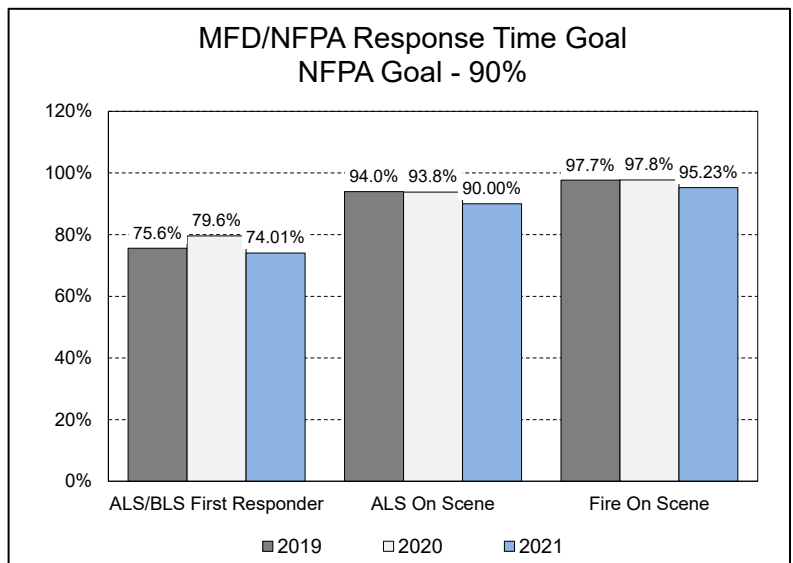
The MFD works to manage staffing and resource deployment in a manner that:

- Achieves average response times to fire suppression and advanced life support calls that are better than national standards.
- Limits the impact of resource constraints on the number of companies that can operate on a daily basis.
- Reduces the high call volumes for the busiest fire/EMS companies, medical units, and personnel.

Changes in Private Provider BLS Transport Capabilities: MFD has long partnered with private ambulance providers to handle the important Basic Life Support (BLS) transports for the EMS system. Flat or declining reimbursement rates, employee pipeline strains, and a low payer-mix in high-utilizer areas caused the five private provider system to decline to two providers by early October 2021. The remaining two providers lacked the capacity to cover the areas previously covered by the providers that left the system. MFD recommends an approach that subsidizes private providers. A subsidy model, developed with input from the Comptroller’s Office and review of private provider financial records, is the most cost-effective option for maintaining the BLS transport system. In 2023, the subsidy is anticipated to be paid for with American Rescue Plan Act funds. The remaining private providers have invested in an education and training model in collaboration with the MFD. MFD will seek a diverse recruitment and all recruits will meet the EMT-Basic standard. This will keep family-sustaining jobs in the city, augment MFD diversity efforts, and allow the private providers to expand their operations to meet community needs.

Response Time: MFD uses response time and geographical coverage data to locate and operate fire suppression and medical services units. As Figure 1 indicates, the department has impressive rates for the most critical types of fire and EMS calls. These calls require a quick response to save lives. MFD works to achieve a responsible and equitable distribution of resources to best respond to calls for service. Average response time to fires in 2021 was 3 minutes 10 seconds.

Figure 1



Indicators tracked by MFD show that its advanced life support responses have a positive impact on survival rates for penetrating trauma incidents. In 2021, incidents treated by responders for stabbing victims had a recovery rate of 97.9%, while 90.5% of gunshot victims survived.

The MFD’s Community Paramedicine/Mobile Integrated Health (CP/MIH) and Milwaukee Opioid Response Initiative (MORI) continue to serve Milwaukeeans, offering follow-up care, navigation services, peer-support, and case-management to both our high utilizers as well as those who are in the grip of addiction. These programs will continue to receive support.

All fire departments in Milwaukee County, including the Milwaukee Fire Department, participate in an Intergovernmental Cooperation Agreement for sharing and operating of fire, rescue and emergency medical equipment and materials. The agreement allows firefighters to operate apparatus from other municipalities in emergency situations and will allow the participating departments to become more efficient by taking advantage of existing fire and emergency medical resources in the community. CAD connectivity, a remaining key to the success of shared services, remains a focus. This connection increases the speed of mutual aid dispatches. In 2021, the department went on 936 Shared Service calls and through June of 2022 has gone on 483 Shared Service calls. MFD’s Shared Service partners responded into the City of Milwaukee 1,033 times in 2021 and 560 times through July of 2022.

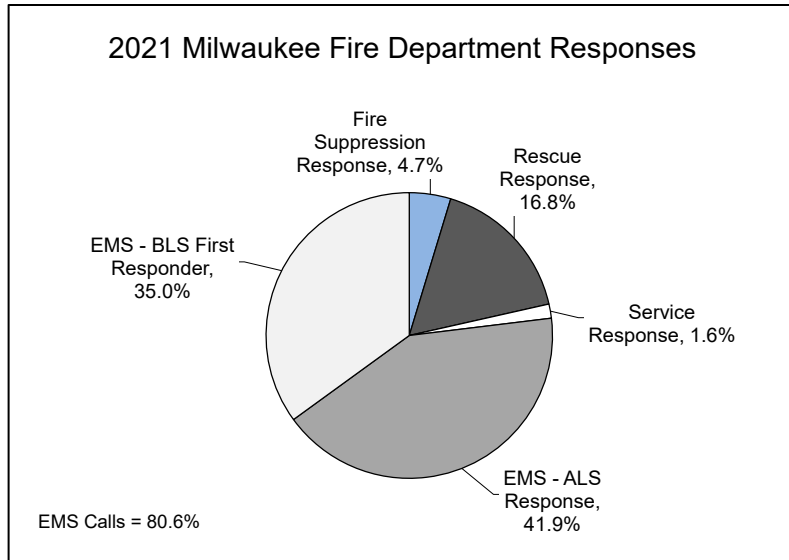
The 2023 budget reduces funding for one and a half frontline heavy apparatus. One heavy apparatus will go out of service at the beginning of the year and second unit will go out of service on July 1st. The 2023 budget maintains funding for all paramedic units currently in service. Response times to fire and emergency medical service calls are expected to meet national standards.

OPERATIONAL MAINTENANCE AND RESPONDER HEALTH AND WELLNESS

To ensure effective operations, MFD invests in the safety, health, and well-being of department members. MFD Health and Wellness Initiative (WFI) addresses the mental health and injury prevention challenges affecting firefighters. The wellness program includes annual physicals in accordance with National Fire Protection Association standards, physical fitness and annual injury prevention screening programs, the Behavioral Health/Critical Incident Stress Management Program, firefighter specific injury rehabilitation programs, and healthy eating and living education programs. WFI reduces the likelihood of on-the-job injuries and provides resources to manage job related stress. Since the program began in 2009, injury claims have decreased by 69% and lost time injuries decreased by 74%.

MFD works to maintain or improve the fire suppression and emergency medical response capabilities of fire companies and EMS units through ongoing, diligent, and standards-based training. As the department encounters new and more complex hazards, training is necessary to maintain high standards of safety and excellence. Training formats must match the desired outcomes and hands-on training is key to positive performance outcomes. This is time-consuming, costly, and difficult amidst high call volumes. Other more efficient training platforms (virtual, battalion-based, company based, or distance learning) are in regular use where appropriate.

Figure 2



TRANSFORMING 911, CAD, AND DISPATCHING

Department of Emergency Communications (DEC): A new Department of Emergency Communications will enhance public safety. The new department is underway with the process to consolidate the Police and Fire Dispatch centers into one unified Public Safety Answering Point (PSAP). The consolidated PSAP provides the following benefits:

- Improve the safety of citizens and public safety personnel
- Improve Police and Fire response times to life critical incidents
- Enhance the effective allocation and deployment of Police and Fire personnel
- Streamline Police and Fire workflows and business processes
- Provide a common operating picture for Police and Fire to ensure real-time situational awareness and information sharing
- Provide the departments, elected officials, and other key stakeholders a more easily utilized business information system from which to draw generalized or more focused, specific reports.

During 2023, the dispatch section of MFD will officially transfer to the DEC. This transfer will include 33 positions and 31 FTEs.

American Rescue Plan Act (ARPA) Act Funding: The 2023 budget assumes the use of \$75.0 million in ARPA funds to support the provision of MFD services. This funding will support the equivalent of 470 sworn staff salaries. The ARP funding will ensure that Milwaukee residents have adequate fire protection and continue to have access to high quality emergency medical service.

Ground Emergency Medical Transport (GEMT): Ground Emergency Medical Transport is program that allows for public ambulance providers, such as MFD, to receive reimbursement for allowable expenditures from the Federal Medicaid program. The State of Wisconsin is currently working to implement GEMT. The amount of reimbursement MFD can expect to receive annually is currently unknown. In 2023, MFD and the City will continue to work to maximize the benefits to MFD and the City.

CAPITAL PROJECTS

The 2023 capital budget supports the major equipment and facilities maintenance needs of the Fire Department. The capital budget includes \$2.5 million for major equipment replacement and \$500,000 for the MFD Facilities Maintenance program.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
	-290.00	290.00	Various Positions	Increase ARPA funding
-1	-1.50		Fire Captain	Decommission 1.5 apparatus
-2	-3.00		Fire Lieutenant	Decommission 1.5 apparatus
-9	-13.50		Firefighter / Paramedic (H)	Decommission 1.5 apparatus
-3	-4.50		Heavy Equipment Operator	Decommission 1.5 apparatus
6		8.00	911 Dispatcher	Increased staffing levels
-1	-1.00		Business Finance Manager	Temporary position eliminated
1	1.00		Human Resource Assistant	New position
1	1.00		Accounting Specialist	New position
50			Firefighter/Fire Paramedic (H) (Auxiliary)	Auxiliary unfunded authority
42	-311.50	298.00	Totals	

HEALTH DEPARTMENT

EXECUTIVE SUMMARY

- MISSION:** Advance the health and equity of Milwaukeeans through science, innovation, and leadership.
- OBJECTIVES:**
- Department-wide:** Transition the department to a Public Health 3.0 model that is built on anti-racist competencies, practices, and policies.
 - Community Health:** Improve the lives of Milwaukeeans by implementing community-based programs that improve health and increase quality of life.
 - Environmental Health:** Prevent disease associated with unsafe and unhealthy environments, housing, childcare centers, schools, and establishments.
 - Clinical Services:** Provide direct services, refer to partnering agencies with complimentary services as needed, and increase access to health insurance to prevent disease.
 - Policy, Innovation, and Engagement:** Translate data to action by working collaboratively with internal and external partners to strengthen policies, systems, and community environments that influence health.
- STRATEGIES:**
- Community Health:**
 - Cultivate relationships within the community, public, and private sectors.
 - Be intentional about equity, including management and staff, the Board of Health, health policies and procedures, and community services.
 - Increase investment and engagement in addressing violence by implementing the Blueprint for Peace.
 - Reduce infant and maternal morbidity and mortality by addressing structural barriers, increasing access to culturally appropriate care, holistic stress management, and health education.
 - Environmental Health:**
 - Enforce rules and regulations in a high-quality and timely fashion.
 - Disrupt all sources of lead poisoning by employing best practices and addressing new and ongoing elevated blood level cases.
 - Maintain existing relationships with public and private partners by actively participating in regular meetings, exercises, and responses.
 - Clinical Services:**
 - Reduce the incidence of acute and chronic disease through prevention screenings, evidence-based testing and treatment, epidemiology and data analysis, and administration of vaccines.
 - Contribute to health knowledge locally, statewide, regionally, nationally, and internationally.
 - Engage in partnerships for collective impact and to leverage resources.
 - Policy, Innovation, and Engagement:**
 - Develop and/or inform policy change at the local level.
 - Serve as chief health strategist for Milwaukee’s providers, institutions, and residents
 - Analyze data to inform population health.
 - Maintain MHD’s reputation of trust and reliability by increasing MHD’s presence in the community, health care arena, and media.
 - Transform MHD by investing in workforce development plans.
-

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	135.60	135.60	195.91	172.36	36.76	-23.55
FTEs - Other	191.92	191.92	151.20	178.15	-13.77	26.95
Total Positions Authorized	374	385	389	381	-4	-8
Expenditures						
Salaries and Wages	\$7,053,026	\$4,380,446	\$12,129,010	\$9,361,879	\$4,981,433	\$-2,767,131
Fringe Benefits	3,921,028	2,015,006	5,458,055	4,212,845	2,197,839	-1,245,210
Operating Expenditures	4,607,711	1,535,430	2,708,450	2,384,450	849,020	-324,000
Equipment	0	0	0	0	0	0
Special Funds	377,390	75,000	460,000	435,000	360,000	-25,000
Total	\$15,959,155	\$8,005,882	\$20,755,515	\$16,394,174	\$8,388,292	\$-4,361,341
Revenues						
Charges for Services	\$1,045,913	\$1,349,000	\$1,233,000	\$1,133,000	\$-216,000	\$-100,000
Licenses and Permits	117,925	140,000	185,000	185,000	45,000	0
Total	\$1,163,838	\$1,489,000	\$1,418,000	\$1,318,000	\$-171,000	\$-100,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods
 - Control the spread of communicable disease
 - Reduce injuries, disabilities, and deaths due to violence
 - Prevent the spread of food borne disease
2. Protect and empower children to succeed
 - Reduce the infant mortality rate
 - Improve immunization rates
 - Reduce the number of children with lead poisoning

The Milwaukee Health Department (MHD) improves public health by advocating for policies to improve health, administering services, and analyzing data to understand health dynamics and develop interventions. The Department promotes health care equity, quality, and accessibility and operates from three health centers (Keenan, South Side, and Northwest) and the Zeidler Municipal Building.

In 2021, MHD began a strategic planning process to chart a five year course for the Department. Completed in July 2022, the strategic plan is organized into two phases: (1) Recover and reset from pre- and pandemic years to enable the Department's transition to a Public Health 3.0 model; and (2) Transition to Public Health 3.0 operations by 2025.

Public Health 3.0 will position the Health Department to act as a population health convener and chief strategist for all Milwaukee residents. The Public Health 3.0 model convenes local public health stakeholders to generate a collective impact with an emphasis on social determinants of health, including housing, infrastructure, economic vitality, health access, and equity.

STRATEGY IMPLEMENTATION

MHD is structured in five branches containing twelve divisions. The branches – *Office of the Commissioner, Community Health, Environmental Health, Clinical Services, and Policy, Innovation & Engagement* - are managed by Deputy Commissioners, with operational direction from the Chief of Staff. This structure enhances MHD’s ability to provide essential public health services. Branch operations are described below.

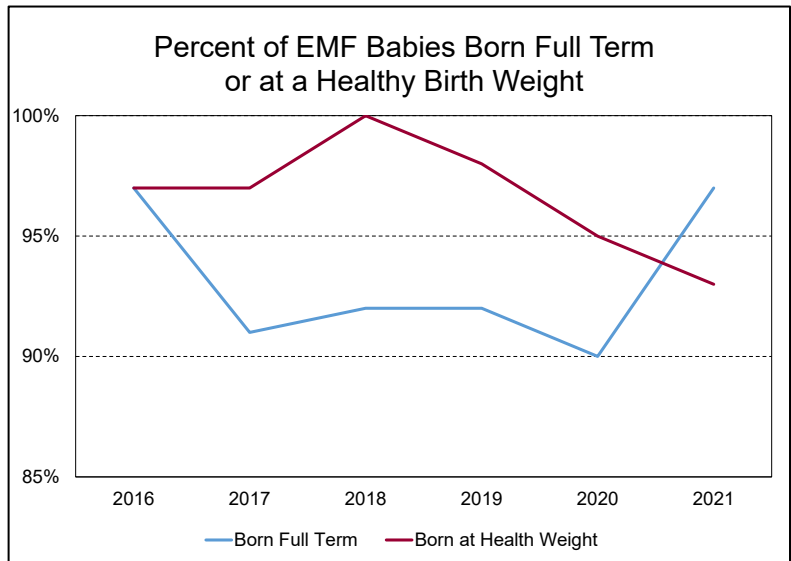
Office of the Commissioner includes administrative support for MHD, vital records and the Office of Violence Prevention.

Office of Violence Prevention: Violence, both interpersonal and structural, poses a serious threat to the health, safety, and wellbeing of Milwaukee residents. Consistent exposure to violence and trauma increases stress and anxiety, contributing to poor health outcomes including premature death. Guided by the goals and strategies within the Blueprint for Peace, the City of Milwaukee is committed to preventing and reducing violence through public health interventions. The Office of Violence Prevention (OVP) works to prevent violence through partnerships that strengthen youth, families, and neighborhoods.

Community Health provides home visiting, health access, nutrition, health education, pre/post-natal, and community outreach services. Community Health serves families impacted by high infant mortality, health, social and economic disparities. Programming within the MCH division includes:

- Empowering Families of Milwaukee (EFM) (see Figure 1)
- Parents Nurturing and Caring for their Children (PNCC)
- The Direct Assistance for Dads (DAD) Project
- Birth Outcomes Made Better (BOMB) Doula Program
- Community Healthcare Access Program (CHAP)
- Women, Infants and Children (WIC)
- Fetal Infant Mortality Review
- Strong Baby Program
- Cribs for Kids Program

Figure 1



Environmental Health has three divisions: Home Environmental Health, Consumer Environmental Health and Emergency Preparedness.

Home Environmental Health: The HEH division consists of complimentary programs that aim to keep children and families healthy and safe. Those programs include Lead Hazard Reduction, Childhood Lead Poisoning Prevention, Healthy Homes, and Drinking Water Safety. The Lead program continues to improve and American Rescue Plan Act (ARPA) funding enables the program to increase the volume of lead abatement projects (see Figure 2).

Consumer Environmental Health: The CEH division inspects food service establishments and events, tattoo and body art facilities, and establishments that sell items by weight, to promote safe practices, prevent disease, and protect consumers from fraud.

Emergency Preparedness: The Emergency Preparedness division builds departmental and community resilience to a wide array of hazards. Staff develop emergency response plans and protocols, identify internal and external resources, and coordinate assets for MHD to deploy during public health emergencies, such as bioterrorism, hazardous material release, communicable disease outbreaks, and extreme weather/natural disasters.

Clinical Services includes medical services, such as Communicable Disease Prevention and Control, Immunizations, Sexual and Reproductive Health, Well Woman Program, and the MHD Laboratory.

Communicable Disease Prevention and

Control: The Communicable Disease Program surveils, investigates, prevents, and reports on conditions of public health concern. More than 80 conditions are reportable to public health in Wisconsin, resulting in over 15,000 case reports annually.

Childhood Immunizations: MHD sustains high childhood immunization rates through immunization clinics at health centers and provides immunization clinic and educational opportunities in the community. In 2021, MHD provided 3,771 immunizations to 3,135 clients, not including COVID-19 vaccines. Immunizations suppress outbreaks of various vaccine preventable diseases, including measles, mumps, and pertussis, and ensure community health during seasonal influenza epidemics.

Sexual and Reproductive Health: The Sexual and Reproductive Health program located at the Keenan Health Center screens, treats, and/or refers over 5,000 clients annually.

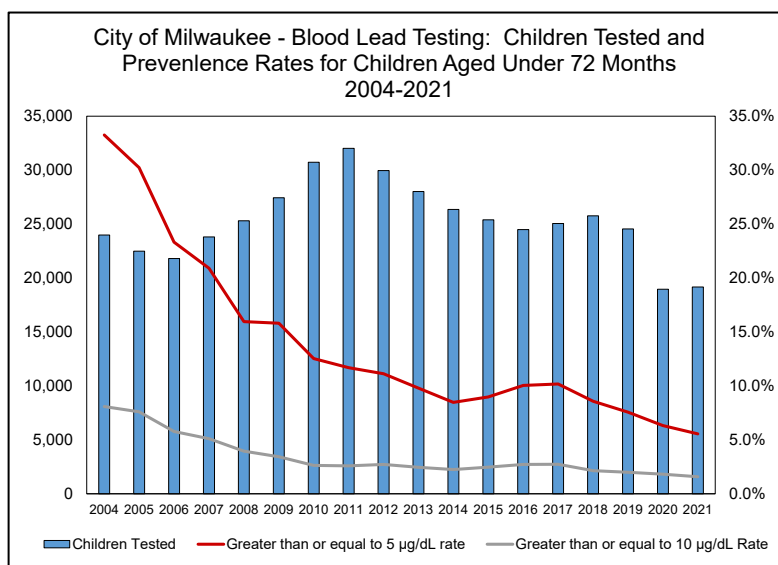
Milwaukee Health Department Laboratory (MHDL): The MHD public health lab annually processes over 70,000 specimens for a variety of clients and agencies. MHDL provides clinical diagnostic and disease surveillance capabilities for communicable and emerging infectious diseases and supports emergency preparedness and bio-threat responses at the local, state, and national levels. MHDL's environmental health programs support lead abatement efforts, drinking and beach water safety, gastrointestinal and respiratory disease surveillance, and outbreak investigations, including COVID-19. MHDL also serves as a public health reference lab and provides testing services to local and regional clients in healthcare agencies.

Policy, Innovation, and Engagement is comprised of two divisions: Data & Evaluation and Health Strategy.

Data & Evaluation: The MHD Data Team is made up of Epidemiologists and Data & Evaluation Coordinators. The Data Team conducts evaluations and complex statistical analyses to inform and guide policy and practice. The Team completes two mandated semiannual reports, the Annual Report and the Community Health Assessment, and manages many MHD databases, including the electronic health records systems.

Health Strategy: Public Health Strategists help MHD bring policy into practice. This division translates the Community Health Assessment into an actionable plan – MKE Elevate – to improve public health. Other focus areas include the opioid epidemic, public health accreditation, service quality improvement, health food access, housing and economic security, and COVID-19 health disparities.

Figure 2



Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Number of immunizations administered for the city and Milwaukee Public Schools (MPS).	3,135	4,000	4,000
Number of clients seen at Sexual/Reproductive Health Clinics.	5,390	5,000	5,000
Average number of CDC Critical Risk Factor violations per routine inspection.	1.38	1.37	1.37
Number of Children < 6 Yrs Old With a Blood Lead Test Result Greater Than or Equal to 5 µg/dL	760	1,400	1,400
Infant mortality rate per 1,000 births. ^A	8.8	9.4	9.4

^A Note: Data is based on three year rolling averages.

RESTRUCTURE, RESIZE, AND REINVEST

Strategic Realignment: The Health Department is redesigning its services and scale to shift to Public Health 3.0 by 2025. The 2022-25 Strategic Plan, Community Health Assessment, and Elevate MKE Community Health Improvement Plan will drive this work, along with assessments of clinical and lab programs. This strategic realignment will position the Health Department to have an even greater impact on critical health issues impacting all Milwaukee residents.

Lead Program: In 2023, MHD will continue to expand the Lead Program to respond to and treat all children with Blood Lead Levels exceeding 10 mcg/dL, compared to the current policy of responding when blood lead levels exceed 15 mcg/dL. Through direct service and a range of community partnerships, MHD will increase overall community capacity to deal with lead poisoning. These efforts are funded through 2024 by City funds and \$26 million in ARPA funding. See Figure 2 for data on the Lead Program.

ARPA Adjustments: The 2022 budget offset a large percent of the Health budget with APRA funds, including AIDS prevention, a domestic violence/sexual assault task force, and several home visiting, doula, infectious and communicable disease, and sexual and reproductive health positions. City funds will assume these responsibilities in 2023, accounting for the increase in the proposed budget from the year prior.

CAPITAL PROJECTS

No capital funding is provided for the Health Department in 2023.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1	-1.00	0.00	Director of Administration and Operations	Position moved from Commissioner's Office to Clinical Services Division
1	0.00	1.00	Public Health Nursing Director	
-3	-3.00	0.00	Clinic Office Coordinators (3)	Positions transferred from Commissioner's Office to Clinical Services Division
3	3.00	0.00		
5	0.00	5.00	Program Assistant III (RG)	New positions (ARPA)
-1	-1.00	0.00	Human Resource Analyst-Senior (X)	Reclassification
1	1.00	0.00	Human Resources Representative (X)	
-9	-6.00	-3.00	Violence Prevention positions	Positions transferred from Community Health to Commissioners Office
15	5.34	9.66		
-5	-4.20	-0.80	Vital Records positions	Positions transferred from PIE to Commissioners Office; 1 removed
4	4.00	0.00		
-1	-0.50	-0.50	Graphic Designer	Positions transferred from Communications to Deputy of PIE office
1	0.50	0.50		
0	0.50	0.50	Marketing and Comm. Coordinator (X)(Y)(T)	Adding funding
-1	0.00	0.00	Compliance Analyst (X)(Y)	Reclassification and funding
1	0.50	0.50	Public Health Compliance Officer (X)(Y)	
-1	-1.00	0.00	Health Information Specialist (E)(X)	Position removed
1	1.00	0.00	Data and Evaluation Coordinator (X)	New position
1	0.00	0.00	Health Economist (X)(Y)(OO)	New position (unfunded)
1	0.00	1.00	Public Health Strategist (RG)	New position (ARPA)
-3	-0.75	-2.25	Health Project Coord.-EFM (E)(X)(Y) (UU)	Reclassification
3	0.75	2.25	Health Project Coord.-EFM (E)(X)(Y)	
-7	-3.25	-4.75	Public Health Social Worker (E)(X)	Reclassification
7	3.25	4.75	Public Health Social Worker 3 (E)(X)	
1	0.75	0.25	Public Health Nursing Coord. (E)(X)	New position
-4	-2.00	-2.00	Health Access Assistant (X)	Positions removed
-1	-1.00	0.00	Medical Assistant (X)	Position removed
-1	-0.40	-0.60	Community Outreach Specialist (J)(X)	Position transferred from Strong Baby to OVP
1	0.40	0.60		
-2	0.00	-2.00	Health Project Coord.-WIC (C)(Q)(X)(WW)	Reclassification
2	0.00	2.00	Health Project Supervisor - WIC (C)(Q)(X)(WW)	
-1	0.00	-1.00	Clinic Operations Director	Reclassification
1	0.00	1.00	Public Health Clinic Operations Director (Y)	
1	1.00	0.00	Clinic Office Coordinator	New position
-2	-1.40	-0.60	Public Health Nurse Coord.(X)(G)(DD)(HH)(P)	Reclassification
1	0.40	0.60	Public Health Nurse Coordinator (X)(G)(P)(DD)(HH)(A)(LL)	
1	1.00	0.00	Pub. Hlth. Nurse Coord. (X)(G)(A)(DD)(HH)(P)	
5	0.00	5.00	Public Health Nurse 3 (RG)	New positions in Clinical Services (ARPA)
-2	-2.00	0.00	Chemist	Positions removed
-2	-2.00	0.00	Medical Laboratory Technician (X)	Positions removed
-1	0.00	-1.00	Microbiologist - Senior (X)(BB)(PP)	Reclassification
1	0.75	0.25	Microbiologist - Senior (X)(BB)	

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1	0.00	-1.00	Program Assistant I (X)(S)(AA)	Reclassification
1	0.00	1.00	Program Assistant III (X)(S)(AA)(PP)	
1	0.00	0.00	Grant Project Manager (FF)	New (no funding)
-8	-0.87	-2.13	Disease Intervention Specialist	Reclassification
8	0.87	2.13	Disease Intervention Specialist 3	Reclassification
1	0.00	0.00	Mammographer (JJ)	New positions (no funding)
1	0.00	0.00	Nurse Practitioner (JJ)	New positions (no funding)
-1	0.00	0.00	Environmental & Disease Control Spec. (X)	Remove unfunded position
10	0.00	10.00	Emergency Response Preparation positions	New positions in Environmental Health (ARPA)
-5	-1.00	-4.00	Environmental Health Services Mgr. and Home Environmental Health Mgr.	Reclassification
7	1.00	6.00	Home Environmental Health Manager	
-6	-2.00	-4.00	Environmental Health Coordinator (X)(TT)	Reclassification
6	2.00	4.00	Home Environmental Health Coordinator (X)(TT)	
-23	-13.00	-12.00	Lead Risk Assessor II	Reclass and adding positions
29	13.00	16.00	Home Environmental Health Inspector 4	
-1	-1.00	0.00	Office Assistant II (TT)	Position removed
7	0.00	7.00	Home Environmental Health positions	New positions in Environmental Health (ARPA)
-40	0.00	15.00	Auxiliary COVID-19 Positions	Removing positions and funding remaining positions
0	43.12	-68.13	Miscellaneous	Shifting ARPA funded positions back onto O&M and adjusting for other grants
-4	36.76	-13.77	Totals	

LIBRARY

EXECUTIVE SUMMARY

- MISSION:** Inspiration starts here; we help people read, learn, and connect. MPL is an anchor institution that builds healthy families and vibrant neighborhoods, the foundation of a strong Milwaukee.
- OBJECTIVES:** Create a city of readers and lifelong learners through increased participation in reading and literacy programs.
- Anchor healthy and vibrant neighborhoods through increased use of library facilities, services, and programs.
- Reduce the digital divide through access to technology, electronic resources and high-speed broadband.
- STRATEGIES:**
- Reading and Research Services
 - Provide information and literary resources in formats in demand by residents
 - Collect, digitize, and archive collections of local and statewide interest
 - Support research and reference
 - 21st Century Literacies
 - Continue early literacy initiatives
 - Minimize out of school learning loss for youth through the summer reading program
 - Increase access to library cards for city students
 - Technology and Digital Inclusion
 - Maintain a robust connection to the internet and computer access
 - Develop relevant learning opportunities to support digital literacy
 - Develop partnerships to offer expanded broadband access and affordability
 - Enhance technology training to increase broadband adoption
 - Workforce Development and Business Growth
 - Strengthen partnerships to improve employment rates and career advancement
 - Enhance business resources and services to support entrepreneurship
 - Community Engagement and Leadership
 - Attract new patrons through strong community partnerships
 - Increase understanding of community needs and increase library awareness
 - Increase diversity of patrons through targeted partnerships
 - Maintain strong partnership with Election Commission to increase access to voting and the democratic process
 - Out-of-School Learning for Teens
 - Enhance literacy and educational opportunities for youth
 - Inspire teens to follow career paths through programming and exposure to technology in library Makerspaces
 - Engage partners to help achieve shared goals
 - Community Third Place
 - Complete the branch redevelopment program
 - Continue Sunday hours to support a family orientation towards literacy and learning
 - Resource Alignment and Organizational Development
 - Continue implementation of Racial, Equity and Inclusion work plan
-

- Use technology and facilities improvements to reduce costs and improve efficiency in library operations
- Adapt services and programs to virtual formats

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	293.28	268.55	290.88	265.23	-3.32	-25.65
FTEs - Other	20.43	29.54	19.92	19.92	-9.62	0.00
Total Positions Authorized	359	348	353	322	-26	-31
Expenditures						
Salaries and Wages	\$12,850,445	\$13,549,077	\$15,194,435	\$14,013,643	\$464,566	\$-1,180,792
Fringe Benefits	5,376,258	6,232,576	6,837,496	6,306,139	73,563	-531,357
Operating Expenditures	3,450,008	3,187,734	3,370,502	3,167,697	-20,037	-202,805
Equipment	1,851,361	1,978,000	2,042,500	2,042,500	64,500	0
Special Funds	207,796	258,200	262,800	262,800	4,600	0
Total	\$23,735,868	\$25,205,587	\$27,707,733	\$25,792,779	\$587,192	\$-1,914,954
Revenues						
Charges for Services	\$832,326	\$931,000	\$1,007,000	\$1,007,000	\$76,000	\$0
Total	\$832,326	\$931,000	\$1,007,000	\$1,007,000	\$76,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Help children succeed, prepare for post-secondary education, and meet their full potential.
 - Encourage reading and improve the literacy rate.
 - Support digital inclusion through access to technology, electronic resources, and related programs and services.
2. Improve workforce development and connect more citizens to family supporting jobs.
 - Provide training and resources for persons seeking employment opportunities and business development.

The Milwaukee Public Library (MPL) plays a critical role in providing free access to knowledge, information, diversity of ideas, and the democratic process. MPL contributes to school readiness, academic success, literacy, economic development and increased quality of life. Library collections and programming serve Milwaukee's informational, cultural, and recreational needs. MPL provides materials, services, and facilities for residents of Milwaukee and Milwaukee County. Nearly 2.5 million physical items and multiple electronic resources are available through the internet and at the Central Library and 11 branch libraries.

MPL continues to expand services to youth to help children succeed and prepare for post-secondary education. The Library emphasizes early literacy development, expansion of the LibraryNOW library card school partnerships and out-of-school learning for teens with skills and programming at new branch makerspaces. MPL collaborates with the Milwaukee Public Library Foundation and donors to offer system wide programs and services including *Ready to Read* and *Books2Go*, which develop pre-reading skills in children ages 0-5. Literacy and learning programs keep children and teens reading and learning during non-school hours with such programs as the summer reading program, outreach to youth serving agencies, and the teen advisory board. Librarians select and recommend appropriate print and online materials for young children and provide guidance to parents and caregivers.

Helping adults find jobs is a priority, as is developing workforce skills in young adults via the Teen Internship program. Paid work experience gives young people jobs now and helps them develop valuable skills for the future. Staff at MPL’s walk-in job labs offer assistance in completing résumés, online job applications, and developing skills to perform online job searches. MPL is seeking partners to help provide these services, either in the library or through a referral process. These partnerships increase the library’s capacity to offer programs, including business planning assistance aimed at developing entrepreneurship and economic self-sufficiency among Milwaukee residents. Examples include Employ Milwaukee, Wisconsin Department of Workforce Development, Goodwill Industries, the University of Wisconsin Milwaukee’s Small Business Development Center, and Wisconsin Women’s Business Initiative Corporation.

A key objective is creating a city of readers, which is accomplished through a wide range of services. The needs and interests of residents are met through a curated collection of reading materials and other information resources in a variety of formats. Print and e-books are available for leisure reading by individuals and book club groups. Non-fiction print and e-books are available for information inquiry and research, classic and contemporary music is accessible on CDs and downloadable online files, all film genres are available on DVDs and streaming services, and newspapers and magazines are provided in print and through online subscription. Subscription databases support residents with interests and needs in education, medicine, arts, literature, STEAM-related topics, business, history and genealogy.

The Library helps develop adult literacy skills to improve employability, job retention, and basic literacy. The Library provides drop-in tutoring programs and special materials to develop basic reading skills. Every library offers public computer workstations and laptops, and high-speed wireless internet.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Adult Program Attendance*	5,030	11,181	26,263
Early Literacy Program Attendance*	4,110	4,562	5,064
School Age Program Attendance*	3,102	3,495	3,949
Summer Reading Program Participants	13,130	15,600	18,535
eCirculation	438,715	477,826	520,424
Traditional Circulation	773,400	1,002,012	1,298,200
Public Service Hours	25,269	29,702	30,000
Public Computer Use Hours	62,489	88,946	126,604
Wi-Fi Connectivity Sessions	454,833	516,763	587,125

*Attendance includes the parents, caregivers, and teachers that accompany youth to library programs.

STRATEGY IMPLEMENTATION

Reading and Research Services

The role of public libraries continues to evolve as information delivery systems expand through electronic and digital methods. MPL is adapting and continues to serve the needs of all people, providing resources in many formats, and personalized guidance in their search for information. MPL supports families, individuals, and local organizations

by providing relevant resources, professional staff, research and reference services, extensive collections, and meaningful programming.

Books and Materials: Approximately \$2.98 per capita or \$1,757,000 is allocated to fund materials purchased for Central Library and the 11 Branch Libraries. This is a \$43,000 increase from the 2022 budget. Materials include books, media, electronic databases, serials, e-books, audiobooks and other resources. The Library has prioritized increases for books and materials to provide needed and in-demand resources reflecting increased costs. The use of e-books is up 6% and downloadable audiobooks up 15% in the first six months of 2022 compared to 2021. While demand for digital formats is growing rapidly, print materials comprise the majority of total circulation.

Research and Reference: All libraries offer one-on-one reference and research guidance and referral. Librarians and paraprofessionals curate and make available unique research collections and assist in matching resources to individual information needs. The Central Library serves as the resource library to the Milwaukee County Federated Library System (MCFLS) and provides special collections, reference, research, and library services to all county residents as well as support and consultation services to MCFLS member libraries.

21st Century Literacy Services

Literacy is the ability to find, read, interpret, and apply information in both print and electronic formats to meet an expressed need. This strategy includes offering services to people of all ages.

Ready to Read: The Ready to Read program supports school readiness and strengthens the early literacy skills of Milwaukee children ages birth to five. The program focuses on child care providers and families located in areas with the highest concentration of poverty. As of July 2022, total attendance for Ready to Read services to early childhood teachers was 321 adults. In continued response to COVID, the Ready to Read team implements an eight-week virtual curriculum that includes the core of the Ready to Read in-person coaching program, The Five Practices of Early Literacy, and adds additional elements to address the unique needs of the teachers given the pandemic, such as self-care and stress relief for children. The Ready to Read team also identified services that can be adapted to the virtual environment and currently presents regularly Hora de Cuentos (Spanish-language story time) early literacy programming with total attendance of 162 children and 131 adults.

The program provides book delivery service and encourages use of the library's programs such as free continuing education and the Books2Go library card program. The Books2Go library card program is designed for child care providers offering special privileges for cardholders such as multiple users on one account and free educational resources. There are currently more than 449 child care Books2Go cardholders. This initiative is funded primarily by private donations to the Milwaukee Public Library Foundation.

Summer Reading Program: The *Super Reader Squad* and *Teen Summer Challenge* programs promote reading and learning over the summer to maintain or increase academic skills while youth are out of school and to develop lifelong reading habits. In 2022, the program served approximately 15,000 youth and 507 adults.

In 2023, the Library will bring the *Super Reader Squad* program to approximately 12,000 children ages birth to 12 at outreach sites, which includes outreach to elementary school aged youth served by community-based organizations and connecting with early childhood educators at child care centers. The *Teen Summer Challenge* engages teens in literacy and 21st century skill building activities. The *Super Reader Squad* and *Teen Summer Challenge* programs, summer outreach, and the year-round staff member who supports outreach to youth serving agencies and schools throughout the year, costs approximately \$250,000 and is primarily funded through the Milwaukee Public Library Foundation.

LibraryNOW: This program serves the first through twelfth grades of Milwaukee Public Schools (MPS), Seton Catholic Schools, Cristo Rey Jesuit High School, and St. Marcus Lutheran School. Students receive virtual library cards that provide access to all of the Library's online resources. Total 2021-2022 participation from Milwaukee school

systems was 77,499. Further expansion will occur with additional partners. The library's education and outreach staff train teachers and school support staff to use online library resources in their classrooms to expand the library's capacity to reach students. Students are encouraged to upgrade from virtual accounts to full service, now totaling more than 9,722 of all participants. This number will grow as awareness increases and the program expands. In the fall of 2022, the Library will launch an AmeriCorps program that aligns with the LibraryNow initiative. MPL AmeriCorps members will be near-peer mentors who foster developmental relationships with youth that bridge the gap between in and out of school learning. MPL AmeriCorps members will meet students in three distinct spaces. In LibraryNow partner schools, they will engage students in dynamic activities that support Information and Technology Literacy standards. In the library they will facilitate access to technology and foster student exploration of interest and skill development through book-based and STEAM activities. During the summer, they will visit youth serving organizations to support summer learning and engage young people in recreational reading.

Technology and Digital Inclusion

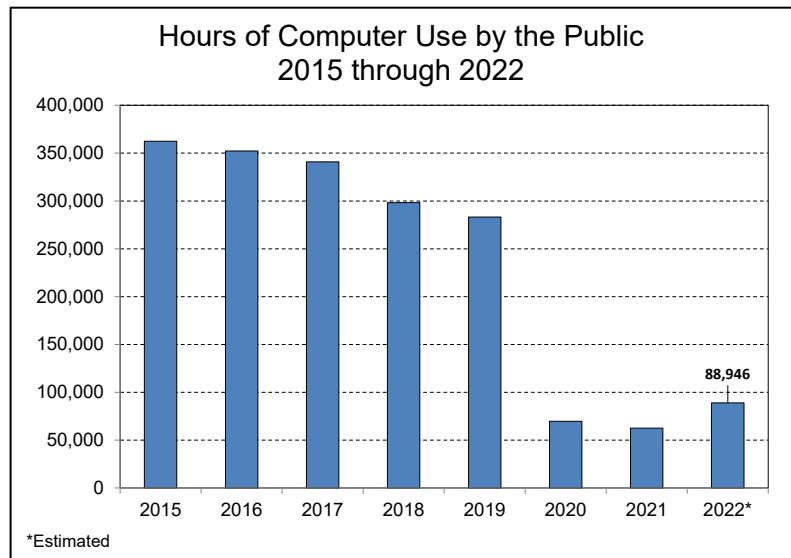
MPL provides a range of technology related services, from access to computer skills education to digitizing local history collections. An increasingly digitized world requires new knowledge, practice, and access to technology.

Digital Inclusion: Each library location provides high speed broadband access to the internet, Wi-Fi, and computer devices. The Library has been able to maintain a robust technology infrastructure with the financial support of the Federal E-Rate program. In 2022, the Library expects to receive \$107,460 in discounts, which will support and maintain Spectrum's internet service and the Wide Area Network provided by AT&T. Expanding access to high speed broadband is an ongoing priority.

Computer and Internet Access: MPL provides city residents with access to high speed broadband internet, PCs, and laptops. In the first half of 2022, compared to the same period in 2021, total public computer sessions increased 67% but laptop sessions decreased 18%. These decreases are largely due to reducing full service during the COVID pandemic. Additionally, in 2022 through June, patron personal devices connected to the public wireless network 254,768 times. The Library continues to expand technology offerings for the public, including circulating Chromebooks and hot spots, online tools such as internet-based databases, virtual reference, real time study help and online classes, digital downloads, e-books, audiobooks and other online services offered through the Library's website at mpl.org. There have been 3,220 hotspot and Chromebook checkouts since the start of 2021.

Workforce Development and Business Growth: MPL locations are resource hubs for the community. By hosting programming and providing premium database content, the Library contributes to economic and employment growth in Milwaukee. In 2021, MPL engaged 183 attendees at 32 business and workforce development programs. To date in 2022, there have been 113 attendees at 28 programs. Beginning in 2022, the Library has engaged new users through a collaborative business commons space for remote workers, entrepreneurs, and small business owners while continuing to offer on-site recruitment through community partners, financial literacy education, new business programming and patent programs.

Figure 1



Community Engagement and Leadership: One of MPL's strategic goals is increasing the Library's impact on the community through partnerships. Partnerships are instrumental to successful initiatives. Each staff member is responsible for engaging the community and improving the public's awareness and use of library services. In 2023 these efforts will garner many new partners as the library uses its eligibility for federal funding that allows for off-campus projects to increase access to Wi-Fi and high-speed broadband for educational purposes.

In 2023, a new staffing model will be implemented at three full service branches. This new model will enable team members to spend more time providing direct services at partner organizations including schools, youth-serving community-based early childhood and school-aged organizations, and high-rises for seniors and disabled individuals. This model also includes pop-up libraries with Wi-Fi in targeted communities and events, and mobile and deposit collections at partner sites. These outreach services extend to multiple service areas within a geographic cluster of three or four branches.

Out of School Learning for Teens: The Library serves teens with innovative, high quality, technology rich, out-of-school programming. These services help teens build digital literacies, develop social and emotional maturity, and become college and career ready. Three 'Makerspaces' have been added to the Good Hope, Mitchell Street, and Washington Park branches. Each space has its own specific in-demand industry focus. Good Hope's focuses on engineering and industrial design, Mitchell Street's on arts, media and design, and Washington Park's on information technology. Teen Interns do programming and curate the space and engage their peers by hosting interest-based, tech-oriented programs. Makerspace Facilitators provide expert coaching and support for the teen interns. Production centered events and challenges that empower teens to build skills and create content are offered system-wide. The program is funded primarily by grants through the Milwaukee Public Library Foundation.

Community Third Place: Third places are anchors of community life that facilitate and foster broader and more creative interaction. They are the places we go when we are not at home (first place) or at work or school (second place). The Library is an anchor in communities throughout Milwaukee and renews the sense of place through services, programs, and facilities. Continued investment in Central library and branch libraries creates and maintains facilities as places of inspiration.

RESIZE, RESTRUCTURE, AND REINVEST

Resource Alignment and Organizational Development: The Library continually aligns resources to meet its objectives. Resource alignment is ongoing and the Library seeks additional opportunities to add value to direct public services by streamlining operations or shifting resources to increase impact. With fewer positions comes a decreased number of physical branches and full-service locations. In order to maintain high quality library services for all communities, an emphasis will be placed on outreach to those with the greatest need. Components of the service plan include temporarily closing one branch and shifting staff to enable community engagement and outreach in all communities. Four locations will provide limited services while virtual services will be expanded to meet the needs of a growing population of remote users. All service changes will be applied equitably throughout three geographic clusters: North, Central, and South, each containing three or four branches.

Service Plan:

Expanded Service Branch Libraries: One additional librarian would be added to the current staffing mix at three branches, one in each cluster. This model will enable all team members to provide expanded outreach throughout the service area and into the adjacent branch service areas. Direct services will be offered at selected partner organizations including schools, youth-serving community-based early childhood and school-aged organizations and high-rises for seniors and disabled individuals. This model also includes pop-up libraries with wi-fi in targeted communities and events, and mobile or deposit collections at partner sites. Open 48 hours per week, Monday through Saturday.

Maintain Current Service at Branch Libraries: Four branch libraries – one each in the North and South clusters and two in the Central cluster – will remain at current service levels. This model maintains the status quo using the full footprint of the building, programming and all of the services listed under limited services below. Open 48 hours per week, Monday through Saturday.

Limit Services at Branch Libraries: Four branch libraries will move to a limited service model with reduced staffing levels and a smaller physical footprint – two each in the North and South clusters. This model allows for access to a smaller footprint of the branch and provides circulation functions, holds pickup, curbside service, and limited use of computers and community rooms. Programming will not be offered. Open 37.5 hours per week Monday through Friday.

Branch Closure: One branch library in the Central cluster will close temporarily. During the closure, van delivery services are provided at a nearby location to provide circulation services and access to mobile collections. This site would be incorporated into the existing Van Delivery Services schedule. Additionally, staff from the nearby full-service branch will add new community partners to the existing roster of agencies currently receiving outreach services.

Virtual MPL: The library plans an expansion and redesign of online and virtual resources as an integral part of its public services.

Library Hours: In 2023 the library will be open 48 hours per week, Monday through Saturday at seven (7) full service locations and reduce hours from 48 to 37.5 hours, Monday through Friday at four (4) limited service locations. Central Library will continue to be open 52 hours per week. Sunday service from 1-5 p.m. will continue at Central Library from October through April. Central Library also offers early morning drive-up hours beginning at 7:30 a.m., Monday through Friday, and Saturday beginning at 9 a.m., for a total of 60.5 hours per week.

In 2021, visits to the library totaled 577,849 and are expected to reach approximately 807,798 in 2022. In 2021, circulation of physical collections totaled 773,400 and is expected to reach approximately 1,002,012 in 2022. Growth in digital and non-traditional media is expected to continue to increase.

Branch Library - New Construction: Construction of the Martin Luther King branch is expected to begin in spring of 2023 and will utilize existing capital balances in addition to American Rescue Plan Act (ARPA) funds. The 2023 budget assumes use of \$4.2 million of ARPA funds for construction of the King library under the revenue loss provision.

Central Library Improvements: The capital budget includes \$1,600,000 for Central library improvements. This includes funding for replacement of the Central Library fire suppression system.

Contingent Energy Financing: The 2023 budget continues the contingent energy financing special fund, with funding of \$133,500. These funds were reallocated from the Library's energy account in order to fund energy efficiency and renewable energy projects. These projects will be funded over time on a contingent basis once energy savings are verified. The Library, in partnership with the Environmental Collaboration Office, uses this approach to finance energy improvements at library facilities.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	0.00	1.00	Librarian III (H)	Add Grant Funded Position
-4	-3.25	0.00	Custodial Worker II - City Laborer (X)	Various position changes to implement changes in library service model
-1	-1.00	0.00	HVAC Maintenance Technician	
-4	-3.25	0.00	Library Services Manager (X)	
4	4.00	0.00	Librarian III	
-4	-3.25	0.00	Library Reference Assistant	
-1	-1.00	0.00	Library Services Coordinator	
-9	-8.25	0.00	Library Circulation Services Rep.	
-14	-5.94	0.00	Library Circulation Serv. Rep. (0.475 FTE)	
1	1.00	0.00	Library Services Manager (X)	
3	0.00	3.00	Library Now Program Specialist (G)	
2	0.00	0.00	Library Services Manager (X)	Increase Auxiliary Position Authority
0	13.62	-13.62	Various Positions	ARPA funded positions moving back to O&M
0	4.00	0.00	Various Positions	FTE Correction
-26	-3.32	-9.62	Totals	

MAYOR'S OFFICE

EXECUTIVE SUMMARY

- MISSION:** Build a safer, stronger and more prosperous city for all Milwaukee residents.
- OBJECTIVES:** Provide safety and stability for all Milwaukee neighborhoods.
 Increase economic opportunity and family supporting employment for all Milwaukeeans.
 Protect children's health and help them achieve educational success.
 Grow the city's environmental and physical assets.
 Maintain core city services that are delivered efficiently, effectively, and equitably.
- STRATEGIES:** Manage city finances and long-term fiscal obligations responsibly.
 Work with local, regional and state partners to create and retain jobs.
 Invest in neighborhood development and stabilization.
 Staff and fund responsive and effective police and fire services.
 Continue increased investment in city infrastructure.
 Continue to secure federal and state funds to improve Milwaukee.
 Promote energy efficiency and renewable energy on a regional basis.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	11.75	12.50	13.75	12.75	0.25	-1.00
FTEs - Other	0.87	2.25	0.00	0.00	-2.25	0.00
Total Positions Authorized	16	17	16	16	-1	0
Expenditures						
Salaries and Wages	\$929,641	\$909,774	\$1,061,669	\$963,873	\$54,099	-\$97,796
Fringe Benefits	370,854	418,496	477,751	433,743	15,247	-44,008
Operating Expenditures	39,118	49,416	56,000	56,000	6,584	0
Equipment	0	0	0	0	0	0
Total	\$1,339,613	\$1,377,686	\$1,595,420	\$1,453,616	\$75,930	-\$141,804

The Mayor's Office provides executive direction and management for City government, including establishing vision, strategy, and policy direction for City departments and services. The Mayor's Office also manages appointments to dozens of boards and commissions, lobbying and coordination with other levels of government, community engagement and outreach, and leads implementation of several priority programs. In Mayor Cavalier Johnson's first several months in office he launched two new signature initiatives: Camp Rise (a summer education and stipend volunteerism program for young boys between the ages of 10 and 15) and Vision Zero, an anti-reckless driving and safe streets campaign.

The Mayor represents the City of Milwaukee on numerous local boards and commissions, including the Criminal Justice Coordinating Committee, Milwaukee Succeeds, Employ Milwaukee, Safe & Sound, and the Milwaukee County Intergovernmental Coordinating Council. The Mayor appoints members to numerous City Boards and Commissions, including the Fire and Police Commission, Board of Review, and other bodies charged with carrying out the business of City government.

The Mayor's Office handles over 10,000 constituent contacts each year, as well as the Mayor's official communications and correspondence with residents, media, and other levels of government. The Mayor reviews and signs over 1,000 pieces of Council legislation each year, and the office responds to hundreds of open records requests in compliance with Wisconsin's Open Records laws. The Office also generates proclamations, hosts visiting foreign delegations, and coordinates dozens of annual events from holiday drives for local veterans to the Mayor's State of the City address.

Mayor Cavalier Johnson will work with city department leadership to establish his vision for the city and the strategies and policies to implement this vision. This process will start with developing a strategic plan to provide direction and establish priorities for city service delivery. The Mayor and his policy team will also work collaboratively with community partners including the Greater Milwaukee Committee to explore operational efficiencies that enable the city to provide high quality services to residents at the lowest possible cost to taxpayers.

Under State law and the City Charter, the Mayor is required to propose the annual City budget, including the property tax levy and spending for all City departments. The Mayor's Office also works closely with Cabinet departments and local elected officials to advocate for the City's interests in Washington, DC and Madison.

Since his election in April 2022, Mayor Cavalier Johnson has moved swiftly to establish his vision to build a safer, stronger and more prosperous Milwaukee. The Mayor's accomplishments in his first 100 days include:

- Conceptualized and created Camp Rise, a summer youth engagement program for young people aged 10 to 15.
- Launched the city's Vision Zero initiative, directing all city departments to engage and prioritize in making the city's streets safe for all travelers, including bicyclists and pedestrians.
- Reestablished more positive relationship with elected officials in the State government.
- Recommitted the City of Milwaukee to prioritize equity and inclusion in all decision-making.
- Worked with US Energies and the Environmental Collaboration Office to establish a plan to ensure the City meets its goal of using renewable energy for 25% of its operations by 2025.
- Authorized a new Home SAFE program that informs and educates residents about safety, building code, and neighborhood issues.
- Streamlined the tax assessment appeals process with a new online objections portal.
- Added language translation functionality to various city websites to improve access for those who do not use English as their primary language.
- Initiated the Healthy Homes Construction Careers Program which directly addresses the need for workers on lead abatement projects and launched a program to welcome and train young people for jobs in water utilities such as the Milwaukee Water Works.

While working on a comprehensive vision for Milwaukee in 2023, Mayor Cavalier Johnson is focused on:

- Working to enable population growth in Milwaukee with thoughtful review of zoning regulations throughout the city.
- Redesigning streets to safely accommodate pedestrians, bicyclists, and cars.
- Building partnerships to make Milwaukee a safer community and engaging residents collaboratively to reduce crime and violence.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1		-1.00	Early Childhood Program Director	Transfer to Department of Administration
2	1.00		Fiscal Policy and Administration Director	Change in position titles
-1	-1.00		Community Outreach Liaison	
-1	-1.00		Policy and Administration Manager	
	1.25	-1.25	Various Positions	Experience Adjustment
-1	0.25	-2.25	Totals	

MUNICIPAL COURT

EXECUTIVE SUMMARY

- MISSION:** Safeguard the legal rights of individuals, protect the public interest, and enhance public safety.
- OBJECTIVES:** Provide timely adjudication of cases.
- STRATEGIES:** Implement technology to streamline operations and reduce operating costs, particularly in the area of case management.
- Use efficient case management and technology to make court services accessible to the public.
- Continue effective enforcement of court judgments through various collection methods.
- Use alternative sentencing to enable defendants to satisfy legal judgments.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	24.80	33.00	32.00	30.00	-3.00	-2.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	36	37	32	37	0	5
Expenditures						
Salaries and Wages	\$1,571,221	\$1,760,495	\$1,892,180	\$1,807,267	\$46,772	\$-84,913
Fringe Benefits	661,668	809,828	851,481	813,270	3,442	-38,211
Operating Expenditures	415,865	328,300	510,600	485,600	157,300	-25,000
Equipment	6,000	6,000	6,000	6,000	0	0
Special Funds	13,969	15,000	20,000	20,000	5,000	0
Total	\$2,668,723	\$2,919,623	\$3,280,261	\$3,132,137	\$212,514	\$-148,124
Revenues						
Charges for Services	\$1,054,732	\$1,059,000	\$1,147,000	\$1,447,000	\$388,000	\$300,000
Forfeitures	2,566,472	2,601,000	2,801,000	3,301,000	700,000	500,000
Total	\$3,621,204	\$3,660,000	\$3,948,000	\$4,748,000	\$1,088,000	\$800,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

- Build safe and healthy neighborhoods.
 - Adjudicate ordinance violations in a timely and equitable manner.
 - Effectively enforce judgments.
 - Use alternative sentencing for defendants when appropriate.
- Remove barriers to employment.
 - Assist residents to restore suspended or revoked drivers licenses.

The Municipal Court adjudicates city ordinance violations including traffic and building code cases. The Municipal Court has three elected Judges who preside over the court’s three branches. The presiding Judge appoints the Chief Court Administrator who oversees the department’s administrative functions.

Court staff prepare cases for hearings, provide clerk services to the Judges, receive and account for defendant payments, and perform other administrative functions. The staff is responsible for processing all cases filed, which over the past five years has been between 45,000 to 85,000 cases per year, and accounting for approximately \$3 to \$5 million in revenues, largely from fines and forfeitures.

The court provides its services through regular daily court sessions, evening court sessions, and a variety of community based options. Evening court meets the needs of people that are busy during the day. Judges also meet with defendants in a variety of locations, including at community organizations, which have programs specifically aimed at children, veterans, and young adults. These sessions have good turnout and provide more time for the Judges to communicate with and counsel defendants.

The court refers certain first time juvenile and adult offenders who appear for arraignment in retail theft cases to classes conducted by the Institute for Criminal Justice at the University of Wisconsin Milwaukee. The Court partnered with MATC to create a Drug and Alcohol Awareness Program (DAAP). DAAP is a referral program for those with certain drug or alcohol offenses. The program provides educational information on the use of drugs and alcohol and also provides career services support and advice to those who want to explore further educational opportunities. The court also makes community service referrals to non-profit community organizations, including Youth Services at the Social Development Commission.

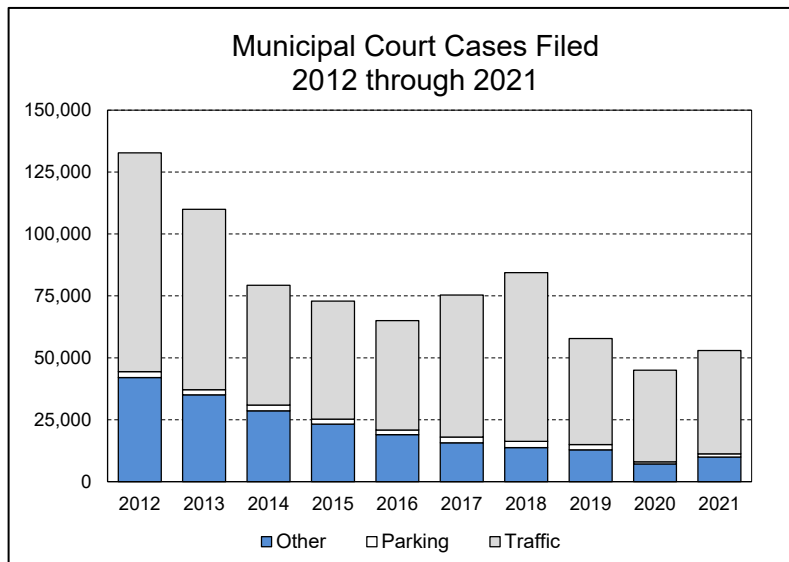
Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Average days from filing to judgment.	40	30	30
Number of enforced driver license suspensions lifted.	8,633	6,000	10,000

STRATEGY IMPLEMENTATION

The Municipal Court’s 2023 budget is based on an estimated 70,000 cases. Case volume has decreased significantly since 2009, when cases totaled 160,462. In 2021, there were 52,966 cases. This was an increase of 7,954 (17.7%) from 2020. In 2022, Court cases through July are 2.5% lower than in 2021. The majority of cases in Municipal Court are related to traffic violations. (See Figure 1).

Night court sessions were offered on 12 dates in 2021. Evening court is more convenient for some people and sometimes results in a higher percentage of scheduled defendants appearing for hearings. This can shorten the time to resolve the case for the defendants who choose a night court session.

Figure 1



In 2021, a total of 27 sessions were scheduled for 347 defendants on 594 cases. These totals are trending up again after a decrease due to COVID 19.

Community Impact of Court Procedures: The court serves an important function by establishing accountability from those that violate municipal ordinances. This maintains safe neighborhoods, protects the public interest, and contributes to the overall quality of life in Milwaukee.

The court’s elected Judges understand the struggles in the community. This understanding has led the court to establish reasonable court procedures.

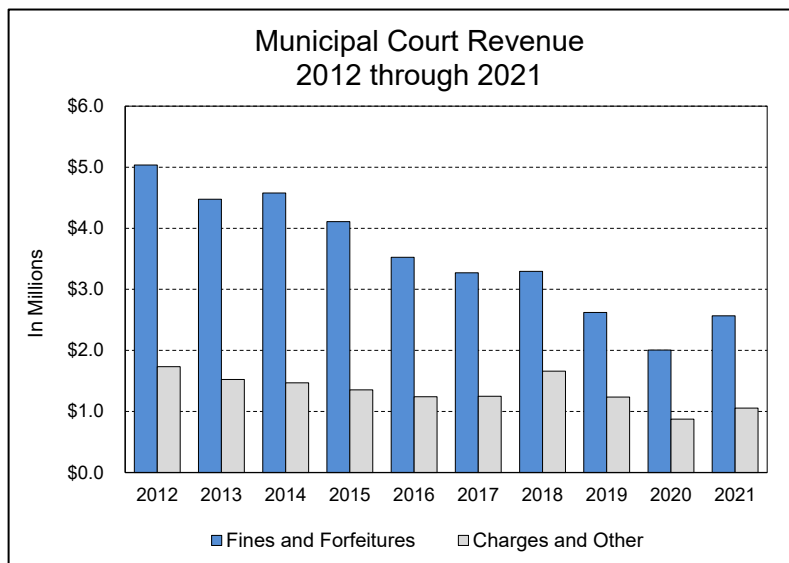
- **Allow walk-in hearings:** Few courts in the nation hear unscheduled cases. Walk-ins allow people the opportunity to appear before a judge without having to schedule a court date ahead of time, which means not having to wait until a court date is available. While the COVID pandemic forced the Court to cease offering sessions for people to just walk-in and most hearings are currently scheduled in advance, the Court is registering people for Court who have unscheduled, post-judgment cases. These are often cases with unpaid fines that have warrants or driver’s license suspensions. Currently, the Court is considering how it might reinstitute the pre COVID walk-in process.
- **Utilize conditional sentences of community service:** When appropriate, those who cannot pay can choose to perform community service as an alternative to payment. The Court has also been working directly with some service agencies to reach clients with outstanding municipal violations in Milwaukee.
- **Provide time-to-pay extensions:** If the due date has not yet passed, the court will grant an additional 60 to 90 days to pay in full if a partial payment of \$20 is made, depending on the total balance due. Moreover, this payment is waived for the first extension.
- **\$20 fee may be assessed for motions filed to reopen judgment:** At a municipal court’s discretion, this fee can be as high as \$300 per s. 814.07, Wis. Stats. Milwaukee has one of the lowest fees statewide.
- **30% payment:** May require a payment of up to 30% of fines due that are related to driver’s license suspensions or vehicle registration denials in order to lift the suspension or denial. Most municipal courts in Wisconsin require full payment of these judgments before lifting a license suspension.
- **Installment plan:** Installment plans, which usually last two years, may be extended for as long as the person continues to make monthly payments on time.

The Judges use these procedures to routinely assist citizens in the recovery of their driver’s license. In 2021, the court lifted 8,633 drivers’ license suspensions for 4,232 individuals.

The court continues to seek community partners to provide opportunities for conditional sentencing or employment, both of which uphold the court’s mission.

Court Revenues: In 2021, Municipal Court revenue was \$3.6 million, an increase of \$742,500 (25.8%) from 2020 (see Figure 2). This results from increased citations and cases. It is also affected by defendants’ ability to pay, changes in forfeiture and fine amounts, and the effectiveness of collection efforts.

Figure 2



Court Alternatives Program: The court's alternative services program started in 1983 in response to a report that revealed a substantial number of mentally ill individuals were incarcerated at the Milwaukee County House of Correction because they were unable to pay fines for violating city ordinances. The program was expanded in 1985 to provide Municipal Court judges with financial evaluations and alternatives to jail and forfeiture payments for indigent and disabled citizens. The National Pre-Trial Services Board in Washington, D.C. has recognized the Municipal Court intervention program as an enhanced program.

The program provides alternatives to jail or forfeiture payments for municipal ordinance violators who are unable to pay fines due to indigence or are in need of special services, particularly related to mental health and alcohol and other drug abuse (AODA) issues. These alternatives reduce Milwaukee County Criminal Justice Facility and House of Correction populations and the city's cost for housing these offenders.

In 2021, 660 persons were admitted to case management. Individuals that successfully complete the case management programs are relieved of the burden of incarceration or forfeiture payments. The participant completion rates for the various case management programs are as follows:

- Community Service: 59%
- AODA program: 92%
- Mental Health Services: 91%
- Mental Health and AODA: 87%

The 2023 budget provides \$487,000 for this program.

RESIZE, RESTRUCTURE, AND REINVEST

Improving Case Management: The electronic case file project, which started in 2011, provides electronic storage of all case documents, improving customer service while providing additional functionality on the court's website. By 2021, an annual recurring savings of more than \$650,000 is realized from the project. Incremental annual savings, based on case filings, are realized as the purchase of case folders is no longer necessary.

Videoconferencing: On July 6, 2020, the Court began offering hearings via videoconferencing technology. Since August of 2020, defendants now have the opportunity to access the Court via videoconference for all scheduled hearings. In 2021, 30,537 distinct defendants were scheduled for a hearing. Overall, 10,710 (35%) appeared. Of the 30,537 scheduled for a hearing, 3,151 (about 10%) registered for a hearing via videoconference. Of those who registered for a videoconference hearing, 2,515 (about 80%) appeared for their hearing.

On-going Support of Technology: Capital funding of \$165,000 enables the Court to migrate its primary software, Court Automated Tracking System (CATS), and public query website away from Oracle to MS SQL. This is a continuation of a project started in 2022 with \$179,000 in funding. The project will also rebuild the query website on a content management system (CMS) and the CATS user interface will become web based.

The 2023 Capital Budget also includes \$100,000 to replace two SAN storage devices which support the Court's services and data. Replacing critical technology is necessary to support the Court's operations.

Budget Changes: The 2023 budget provides funding of \$92,386 for the Deputy Court Administrator, a position that was not funded in the 2022 budget. The 2023 budget eliminates funding of \$45,913 for one Municipal Court Clerk I and eliminates funding of \$38,587 for one Customer Service Representative III. The General Office Expense account increases by \$163,200 to reflect securing a vendor for services previously provided by the State Government; the Professional Services account increases by \$15,600 to reflect increased use of alternate judges and increased credit card fees; the Information Technology Services account decreases by \$35,300 due to reduced licenses; and there is an increase of \$38,800 reflecting use of a private vendor to provide custodial services previously provided through the Police Department.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
	1.00		Deputy Court Administrator	Fund position to support Court operations
	-1.00		Municipal Court Clerk I	Reductions in staffing to achieve budget savings
	-1.00		Customer Service Representative III	
	-2.00			Correction to FTE count
0	-3.00	0.00	Totals	

NEIGHBORHOOD SERVICES

EXECUTIVE SUMMARY

- MISSION:** Protect the value of property investments throughout the city and strengthen the redevelopment capacity of neighborhoods.
- OBJECTIVES:** Improve neighborhood and property conditions.
- Reduce blight inducing conditions.
- Increase investment in Milwaukee.
- Improve the safety of buildings.
- STRATEGIES:** Implement proactive code enforcement strategies.
- Provide a timely, well understood, and consistent development process that integrates inspection with permit approvals.
- Assure construction of safe buildings through effective enforcement of the building code.
- Reduce the impact of blighted and neglected properties in the community.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
<u>Personnel</u>						
FTEs - Operations & Maintenance	180.70	188.88	193.00	187.88	-1.00	-5.12
FTEs - Other	32.12	60.30	60.30	60.30	0.00	0.00
Total Positions Authorized	285	285	289	284	-1	-5
<u>Expenditures</u>						
Salaries and Wages	\$10,499,091	\$10,811,025	\$11,395,559	\$11,095,557	\$284,532	\$-300,002
Fringe Benefits	4,473,756	4,973,072	5,128,002	4,993,001	19,929	-135,001
Operating Expenditures	1,649,523	1,508,060	1,508,060	1,508,060	0	0
Equipment	0	0	0	0	0	0
Special Funds	1,988,148	318,000	2,260,500	2,260,500	1,942,500	0
Total	\$18,610,518	\$17,610,157	\$20,292,121	\$19,857,118	\$2,246,961	\$-435,003
<u>Revenues</u>						
Charges for Services	\$13,057,093	\$12,680,000	\$12,430,000	\$12,430,000	\$-250,000	\$0
Licenses and Permits	9,505,683	9,362,000	9,239,000	9,239,000	-123,000	0
Intergovernmental Aids	1,384,413	1,350,000	1,350,000	1,350,000	0	0
Total	\$23,947,189	\$23,392,000	\$23,019,000	\$23,019,000	\$-373,000	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
 - Improve neighborhood conditions.
 - Reduce blight inducing conditions.
 - Improve the safety of buildings.

2. Increase investment and economic vitality throughout the city.
 - Increase investment in Milwaukee.

The Department of Neighborhood Services (DNS) enhances neighborhood appearance by improving city cleanliness, abating nuisance properties, and leveraging private investment in neighborhoods. DNS supports neighborhood improvements by enforcing standards for buildings, property, and land use. The department uses its enforcement, financial, and educational resources to encourage investment in housing and other buildings in neighborhoods. Inspection and enforcement activities ensure compliance with building and property codes, which support an attractive investment environment and foster reinvestment into neighborhoods. The department also supports a reduction in property loss and fire deaths by conducting fire prevention inspections of residential and commercial properties and enforcing related building codes.

Housing conditions and trends affect the department’s role in supporting and enhancing Milwaukee’s neighborhoods. The city has approximately 250,000 housing units, the majority of which are single-family homes, duplexes, and condominiums. Housing conditions and trends vary considerably throughout the city. While some areas, such as downtown, have seen a recent increase in housing units from new construction, other areas have experienced a decrease in housing units, due in part to deteriorating housing stock. In addition, housing values in some neighborhoods have recovered considerably since the recession, while housing values in other neighborhoods have recovered little or not all over the same period.

Foreclosures and related impacts, including boarded-up, vacant, and blighted properties, continue to impact neighborhoods. While mortgage foreclosures have declined since their peak in 2009, the city continues to acquire hundreds of properties each year through tax foreclosure. There are approximately 2,842 known vacant properties in the city, many of which resulted from bank or tax foreclosures. These properties contribute to neighborhood blight and negatively affect public health, safety, and welfare.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Average days to respond to complaints.	13	15	15
Orders issued.	33,752	34,000	34,000
Number of vacant buildings.	2,829	2,842	2,800
Number of properties that received compliance loans.	54	67	67

ENHANCING DEVELOPMENT

DNS uses several code enforcement services to improve the appearance of neighborhoods by quickly abating problems such as building code violations, graffiti, peeling paint, litter and garbage nuisances, and structural building problems. Timely abatement minimizes further deterioration while supporting reinvestment into properties

and improved neighborhood cleanliness and appearance. One measure of this service is the timeliness of resolving complaints, as measured by the average time to close out complaints. In 2021, DNS received 46,545 complaints of building code violations and nuisance activity. The Residential division responded to 34,915 (75%) of the complaints received (see Figure 1). Verified complaints result in orders to correct conditions that violate city ordinances. DNS issued 33,752 orders in 2021.

Vacant Building Registration Program: The Vacant Building Registration program supports neighborhood stability and improvement. Vacant properties that are abandoned or not maintained create neighborhood blight, require expenditure of additional city resources, and threaten public health, safety, and welfare. This program requires specific buildings that are vacant for more than 30 days to register with DNS. The registration must be renewed every six months. The first registration period is exempt from fees. A \$250 renewal fee is charged and the fee increases if uncorrected code violations exist.

Development Center: The Permit and Development Center reviews plan submittals, processes applications, and provides information to the public. DNS reopened its doors to customers via appointment in June 2021 to limit walk-in traffic and build efficiency into its process, ultimately providing better service to DNS customers. The trend in permit issuance is shown in Figure 2.

Development Center staff continues to work with ITMD on the integration of electronic plan review software. This advancement will benefit customers, DNS staff, and other City review agencies. Providing applicants with the option of submitting for review digitally will create more efficient processes.

ENGAGING NEIGHBORHOODS, ENSURING SAFETY

Code Enforcement Internship Program: The Intern Program trains individuals from the community to become full-time Code Enforcement Inspectors. The interns conduct pre-foreclosure and graffiti inspections. Interns receive formalized classroom training at MATC and in-house field training provided by DNS. Since 2011, 41 interns have successfully completed the internship program and are currently employed by the City. Approximately 40% of the interns are African American and 8% are Hispanic.

Figure 1

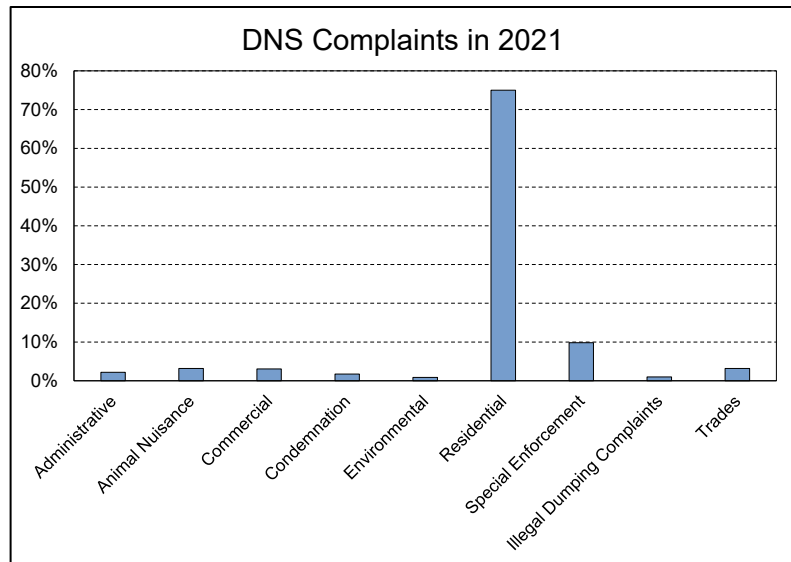
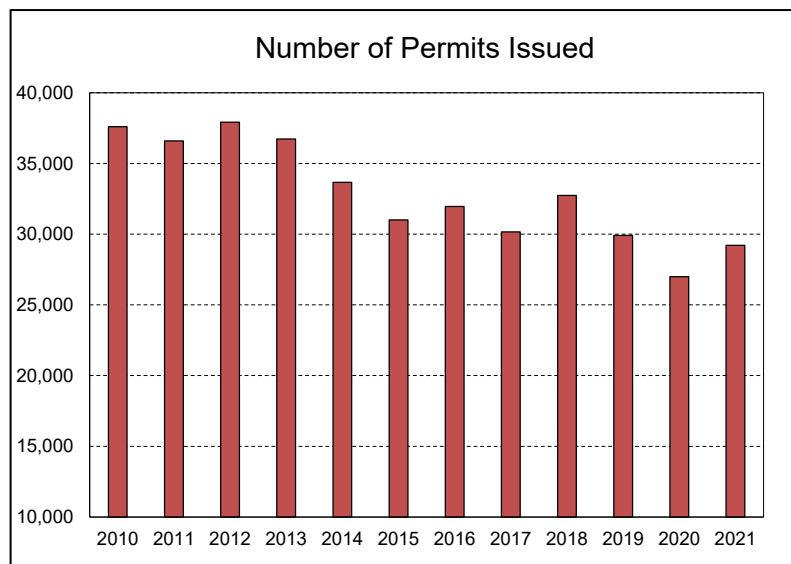


Figure 2



Downspout Disconnection Program: The Milwaukee Metropolitan Sewerage District (MMSD) revised its rules and regulations in 2014 to require residential properties with four or fewer dwelling units to disconnect their downspouts from the combined sewer system. Disconnection must occur by January 1, 2025. The Sewer Maintenance Fund (SMF) implemented a six-year program to ensure all disconnections occur by the required date. Approximately 53,000 properties will be surveyed. The SMF pays for all program staff and related costs and uses DNS staff to inspect properties and ensure compliance with the disconnection requirements.

Lead Abatement Inspections: DNS assists the Milwaukee Health Department Lead Program in conducting property surveys, preparing scopes of work and cost estimates for rehabilitation work. MHD Lead Risk Assessors conduct a lead risk assessment. The MHD risk assessment in combination with DNS scopes and cost estimates ensures comprehensive evaluations of each property. In 2021, 158 scopes and estimates were prepared.

Illegal Dumping Prevention: DNS maintains a website (www.Milwaukee.gov/dumping) for citizens to report and provide timely, actionable information on illegal dumping. This enables DNS to respond to citizen concerns and act accordingly.

The website has generated several hundred tips, resulting in investigation and issuance of citations by DNS. DNS received 460 complaints and issued 21 citations in 2021. DNS uses each case to educate citizens about their ability to report illegal dumping and to deter potential illegal dumpers by highlighting the consequences imposed on violators.

DNS also uses a Reward Program as an incentive for citizens to provide information leading to the issuance of illegal dumping citations. Citizens can receive up to \$1,000 for their information. Seventy-seven rewards have been issued since the start of the program in 2018.

Additionally, in 2021 DNS implemented a proactive illegal dumping campaign. Using data from DPW and input from the Common Council, DNS identified several sites with the highest frequency of illegal dumping, and implemented site-specific proactive measures such as signage and cameras to discourage illegal activity. DNS works closely with neighborhood groups to provide educational information and anti-dumping materials in these areas. The 2023 budget continues this effort with \$25,000 provided in the Illegal Dumping Prevention Fund.

Special Funds: The 2023 budget funds the Community Sanitation Fund at \$55,000, and the Anderson Lake Tower at \$140,000. The funding for these accounts are unchanged from the 2022 adopted budget. The 2023 budget includes \$2,040,500 in the Animal Pound Contract special fund. This funds the City contribution to the Milwaukee Area Domestic Animal Control Commission (MADACC). The contribution was funded with American Rescue Plan Act funds in 2022.

Special Purpose Accounts: The Department of Neighborhood Services administers two Special Purpose Accounts with funding totaling \$120,000. The Graffiti Abatement Fund assists in the removal of graffiti in neighborhoods, while the Essential Services account ensures that residents have basic services available in residential properties.

Position Changes: The 2023 budget eliminates a Program Assistant I in the Administrative Services Section and consolidates the duties of this position into the Administrative Assistant IV position in the Office of the Commissioner. The 2023 budget also replaces one Office Assistant III position with one Office Assistant IV position in the Development Center.

American Rescue Plan (ARPA) Funding: The 2023 budget assumes the use of American Rescue Plan Act (ARPA) funds to support two programs in DNS:

- **Demolition and Deconstruction Funding:** A total of \$2.2 million in ARPA funds is allocated to demolition activity. In 2018, the Common Council suspended legislation that required deconstruction, rather than demolition, for residential properties. The deconstruction ordinance will take effect again on March 1, 2023.

- Compliance Loan Program:** A total of \$1 million in ARPA funds is allocated to the Compliance Loan Program. The Compliance Loan Program assists homeowners by replacing the traditional court enforcement process resulting in fines and fees, with a case management and resource-based program that keeps owners in their homes. Hundreds of low-income Milwaukee homeowners struggle each year to address building code violations and defer much needed maintenance. Many are long-time homeowners, multi-generation households living in aging housing stock, anchors of neighborhoods hit hardest from the foreclosure crisis. Repair programs often do not cover all work and traditional home improvement loans may not be accessible due to income, lack of credit or little to no equity. A total of 46 loans, totaling \$594,641, were approved in 2021. DNS plans to award another 67 loans in 2022.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Program Assistant I	Duties consolidated in Administrative Assistant IV position
-1	-1.00		Building Codes Court Administrator	Position reclassified in CCFN 220104
1	1.00		Building Codes Court Manager	
-1	-1.00		Office Assistant III	Position change made to better support department operations
1	1.00		Office Assistant IV	
-1	-1.00	0.00	TOTALS	

POLICE DEPARTMENT

EXECUTIVE SUMMARY

- MISSION:** In collaboration with the community, we endeavor to reduce crime and disorder through intelligence-led and problem-oriented policing.
- OBJECTIVES:** Reduce levels of crime, fear, and disorder through community based, problem oriented and data driven policing.
- Actively engage in thorough investigation and clearance of crimes to promote successful prosecution within the criminal justice system.
- Further community support by enhancing partnerships with stakeholders while actively promoting trust and achieving legitimacy through constitutional policing practices.
- Provide department wide investment in personnel through quality training that enhances effectiveness and prepares staff for leadership opportunities.
- Increase use of field technology and provide metrics for evaluating use and maintaining accountability.
- STRATEGIES:**
- Community Partnership:** Develop and maintain partnerships with citizens and community organizations to foster sustainable public safety, rebuild community-police relations and work proactively to address quality of life issues.
- Law Enforcement System Partners:** Leverage the unique assets, skills and jurisdictional boundaries of local, state and federal law enforcement partners to address public safety threats.
- Intergovernmental Relations:** Work with local and state legislators to create laws that positively impact public safety and create additional sources of funding for public safety resources.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
<u>Personnel</u>						
FTEs - Operations & Maintenance	2,493.95	2,377.45	2,617.00	2,467.14	89.69	-149.86
FTEs - Other	85.50	183.00	183.00	103.81	-79.19	-79.19
Total Positions Authorized	2,732	2,753	2,800	2,804	51	4
<u>Expenditures</u>						
Salaries and Wages	\$194,066,364	\$178,153,242	\$194,341,442	\$190,967,279	\$12,814,037	\$-3,374,163
Fringe Benefits	83,056,552	85,513,556	93,283,892	91,664,294	6,150,738	-1,619,598
Operating Expenditures	17,122,912	15,341,599	16,584,695	16,923,420	1,581,821	338,725
Equipment	372,416	864,285	864,285	746,285	-118,000	-118,000
Special Funds	313,738	559,360	559,360	559,360	0	0
Total	\$294,931,982	\$280,432,042	\$305,633,674	\$300,860,638	\$20,428,596	\$-4,773,036
<u>Revenues</u>						
Intergovernmental	\$859,932	\$706,000	\$856,000	\$856,000	\$150,000	\$0
Charges for Services	4,353,530	3,488,000	3,839,000	4,039,000	551,000	200,000
Total	\$5,213,462	\$4,194,000	\$4,695,000	\$4,895,000	\$701,000	\$200,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Create and maintain neighborhoods capable of sustaining civic life:

- Reduce levels of crime, fear, and disorder through community based, problem oriented, and data driven policing.
- Actively engage in thorough investigation and clearance of crimes to promote successful prosecution within the criminal justice system.
- Further community support by enhancing partnerships with stakeholders while actively promoting trust and achieving legitimacy through constitutional policing practices.
- Provide department wide investment in personnel through quality training that enhances effectiveness and prepares staff for leadership opportunities.
- Increase use of field technology and provide metrics for evaluating use and maintaining accountability.

A set of core values guide the Milwaukee Police Department’s (MPD) mission:

- **Transparency:** MPD understands that its credibility is largely predicated on the community’s belief that its members’ actions or inaction are publicly available for review. The department prioritizes timely communication to the public, the media and those affected by crime.
- **Competence:** MPD members are prudent stewards of the public’s grant of authority and resources. The department holds itself accountable for the quality of its performance and the standards of its conduct and strives to be exemplary leaders and followers.
- **Courage:** MPD places safety of others before its own and accepts the moral responsibility to take action against injustice and wrongdoing. MPD members are expected to take prudent risks on behalf of the public.
- **Integrity:** MPD recognizes the complexity of police work and exercises discretion in ways that are beyond reproach to be worthy of public trust. Honesty and truthfulness are fundamental elements of integrity. MPD’s duty is to earn public trust through consistent words and actions, to be honest in word and deed.
- **Leadership:** MPD influences human behavior to achieve organizational goals that serve the public by developing individuals, teams, and the organization for service. The department accepts the responsibility to be a leader, both within the community and among its peers, and for the actions of colleagues and itself. All MPD members are responsible for the performance, reputation, and morale of the department.
- **Respect:** All MPD members hold life in the highest regard. They must treat all citizens and colleagues with dignity and respect, and be fair and impartial as they perform their duties.
- **Restraint:** MPD will use the minimum force and authority necessary to accomplish a proper police purpose. Members must demonstrate self-discipline, even when no one is listening or watching.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Decrease part one crime by 10% annually.	26%	-1%	-10%
Achieve a 70% homicide clearance rate.	51%	54%	60%
Guns seized.	3,279	3,500	3,500

STRATEGY IMPLEMENTATION

The department uses strategic staffing practices to optimize patrol capacity. The 2023 budget includes funding for an average of 1,640 sworn officers; a decrease of seventeen, or 1.0%, from the average funded strength in 2022. The

budget assumes hiring 115 police officer recruits in 2023. Fifty of the police officer recruits are anticipated to be funded by a federal COPS hiring grant.

The department will continue to optimize its resources through a variety of means, including:

- Partnering with local, state and federal partners to address violent crime, drug trafficking, the illegal use of firearms, auto thefts and reckless driving.
- Improving upon innovative programs like deferred prosecution agreements and diversion programs with prosecution partners, which reduce recidivism and improve quality of life issues.

WI Department of Justice UCR Summary Crime Reporting (SRS) 2017 to 2021						
Offense	2017	2018	2019	2020	2021	20-21 Change
Murder	119	100	97	190	194	2%
Rape	434	524	453	478	462	-3%
Robbery	2,920	2,288	1,920	1,946	1,880	-3%
Aggravated Assault	6,041	5,583	5,496	6,934	6,913	0%
Simple Assault	8,067	7,579	7,330	7,786	7,516	-3%
Burglary	5,522	4,295	3,613	3,448	2,879	-17%
Larceny Theft	11,553	9,013	8,122	8,362	9,771	17%
Motor Vehicle Theft	5,504	4,624	3,468	4,522	12,304	172%
Arson	313	252	198	288	240	-17%

* The data was obtained from the WI Department of Justice (DOJ) and reflects preliminary UCR Summary Statistics for the time period of January 1 - December 31, 2017 – 2021. The data is subject to updates from year-to-year. UCR statistics are based on the reporting agency. The data here is only from the Milwaukee Police Department and does not include crime data that may have occurred in Milwaukee but was reported by another agency.

RESIZE, RESTRUCTURE, AND REINVEST

Funded Strength and Recruit Classes: The 2023 budget funds an average annual sworn strength of 1,640. The budget includes funding for one recruit class of 65 recruits and one recruit class of 50 recruits for a total of 115 new recruits in 2023. The class of 50 recruits is anticipating to be funded by a COPS hiring grant award. If the City does not receive the award a class of 30 recruits will be hired near the end of 2023.

Technical Communications Division/Department of Emergency Communications: In 2021, the City began consolidating the Police and Fire dispatch centers into one unified Public Safety Answering Point (PSAP) under the Fire and Police Commission. The consolidation continues in 2022 with the creation of a new city department, the Department of Emergency Communications. The consolidation provides the following benefits:

- Improve the safety of citizens and public safety personnel
- Improve Police and Fire response times to life critical incidents
- Enhance the effective allocation and deployment of Police and Fire personnel
- Streamline Police and Fire workflows and business processes
- Provide a common operating picture for Police and Fire to ensure real-time situational awareness and information sharing

The 2023 budget creates 43 new 911 Dispatcher positions to provide the new department appropriate staffing levels. The 2023 budget assumes the Police Department will be reimbursed for the salary costs of the positions that will be

transferred to the Department of Emergency Communications during 2023. Additional information is available in the *Department of Emergency Communications* section of the *Proposed Plan and Executive Budget Summary*.

Reckless Driving: In February 2021, the department launched the Traffic Safety Unit (TSU), dedicated to enforcing traffic laws and curbing reckless driving. In 2022, MPD expanded its reckless driving enforcement role by becoming an active participant in Mayor Johnson's Vision Zero. It also partnered with the City Attorney's Office and filed a nuisance litigation action against an egregious reckless driver. In addition, with the Fire & Police Commission's approval, the department amended its standard operating procedure to allow officers to tow unregistered vehicles that are driven recklessly.

Auto Thefts: The department launched a number of new initiatives related to addressing the historic increases in auto thefts. The initiatives include launching a "bait car" program, streamlining its latent print process, committing additional personnel to investigating auto thefts, creating a motor vehicle task force, giving away steering wheel locks, conducting targeted enforcement and conducting vehicle theft reduction deployments.

Community Report: In June 2022, the department released its first Community Report: Strategies, Initiatives and Partnerships. The 45-page document highlights the department transparency, access to data, and efforts to curb violent crime, reckless driving and auto thefts. Each section focuses on crime data, current crime reduction partnerships, ongoing and new crime reduction initiatives, the role of the community and measuring efforts.

Civilianization: The department began a year-long personnel study to reevaluate its staffing levels and deployment. It has also begun to civilianize its Forensics Division and Fusion Division. It created a civilian Risk Manager position and civilian Community Relations and Engagement Manager position. Civilianization efforts will continue in 2023 with the creation of a Fusion Center Director and the creation of five additional Crime Analysts.

Atlas One: The department launched a partnership with the Milwaukee Public Schools and Atlas One, a school safety smartphone app that will help keep Milwaukee students safe and informed. The free application will notify students of public safety incidents that occur near their schools and provide students with the ability to notify the Milwaukee Police Department of suspicious activity.

Active Bystandership for Law Enforcement (ABLE) Project: In 2021, the department was selected to join the Active Bystandership for Law Enforcement Project. ABLE was created to prepare officers to successfully intervene to prevent harm and to create a law enforcement culture that supports peer intervention. In February 2022, the first delivery of ABLE training was provided to MPD recruit officers. Throughout 2022, MPD officers have received ABLE training.

Gun Safety: Through Project ChildSafe, the department obtained safety kits, which includes gun locks and gun safety information, to distribute in partnership with area community organizations. In May 2022, in partnership with United Neighborhood Centers of Milwaukee, Milwaukee Fire Department, Office of Violence Prevention and the Mayor's Office, MPD launched a citywide campaign to continue the distribution of gun locks. MPD and Master Lock engaged in a similar gun lock safety partnership. In 2022, MPD also launched Operation Save-A-Casing for gun owners to provide the department spent shell casings to assist in investigations in the event the owner's firearm is lost or stolen.

Community Oriented Policing Community Engagement Sessions: The department, along with the Community Collaborative Commission, Office of Violence Prevention, Fire & Police Commission and Mayers Strategic Solutions, LLC launched a citywide joint community engagement effort. The intent is to improve communication and trust between MPD and the community through a series of listening sessions, with the goal of developing a city-wide safety plan.

Operation Summer Guardian: In July 2022, the department launched a new initiative to address gun violence, Operation Summer Guardian. Prior to launching, the department convened a group of community stakeholders to

inform them of the initiative, obtained feedback and created a forum for follow-up to ensure efforts best support the neighborhoods served. An analysis revealed a disproportionate amount of gunfire activations in specific areas of the city. Based on this data-driven analysis, there was an increased police presence to address the firearm related violence in eight neighborhoods.

Staffing Analysis: A consultant, the Matrix Group, is currently performing a staffing analysis of the department. The analysis is reviewing current sworn and civilian staffing levels. The final report is expected to provide recommendations to improve department efficiencies and service delivery. The report is expected to be completed in late 2022.

District Alignment: The 2023 budget maintains the current seven Police Districts. Without the addition of significant new revenues, the City will likely continue to reduce sworn strength to achieve a balanced budget. If sworn staffing continues to decline, District consolidation will be considered. Preliminary analysis indicates District 1, which serves Downtown and the Eastside, as the most likely candidate to be closed and absorbed by surrounding districts.

CAPITAL BUDGET

The 2023 capital budget includes \$17.9 million for reinvestment in key areas of the department.

Public Safety Radio Upgrade: The 2023 capital budget includes \$11.5 million to improve the City wide public safety radio system. As part of the 2023 allocation, the City is anticipating a \$6 million federal grant. This multi-year project will enhance the radio systems interoperability capabilities and bring the system in line with industry standards.

Police Vehicles: The 2023 capital budget includes \$4.0 million for police vehicle replacement, including 40 fully equipped hybrid squad car replacements.

District Station Repairs: The 2023 capital budget includes \$792,000 to make various upgrades and repairs at the department's district stations.

Police Administration Building Concrete Repairs: The 2023 capital budget includes \$750,000 for concrete repairs at the Police Administration Building. Areas in the basement, subbasement, and exterior are at high risk of failure that could result in property damage or personal injury.

Squad Mobile Computer Upgrade: The 2023 capital budget includes \$385,000 to begin upgrading squad mobile data computers. The current computers are obsolete and incompatible with new software systems.

Uninterrupted Power Supply: The 2023 capital budget includes \$220,000 to continue to upgrade and replace the department's uninterrupted power supply system.

Police Motorcycles: The 2023 capital budget includes \$200,000 to replace 10 motorcycles.

Security Information and Event Management Software: The 2023 capital budget includes \$83,000 to implement cybersecurity software. The software will bring the department into Criminal Justice Information Services (CJIS) security policy compliance.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
	97.50	-97.50	Various positions	Restore funding for positions funded by ARPA grant funds in 2022
-1	-1.00		Graphic Designer II	Positions eliminated
-1	-1.00		Legal Compliance Officer	
1	1.00		Police Risk Manger	New position
1	1.00		Community Relations and Engagement Director	
1	1.00		Fusion Center Director	
5	5.00		Crime Analyst	Additional position authority
3	3.00		Forensic Investigator	
-1	-1.00		Telecommunications Supervisor	Position transferred to DOA - ITMD
43	21.50		911 Dispatcher	New positions
-2	-2.00		Communications Facilities Coordinator	Position transferred to DOA - ITMD
-1	-1.00		HVAC Maintenance Technician	Positions eliminated
-1	-1.00		Facilities Maintenance Mechanic	
1	1.00		Carpenter	New positions
2	2.00		Public Safety Systems Administrator	
1		1.00	Public & Medical Threat analyst	
	-2.00		Captain of Police	Positions unfunded in 2023
	-17.31	17.31	Police Officer	Shift to anticipated COPS grant award
	-17.00		Police Officer	Reduction in budgeted sworn strength
51	89.69	-79.19	Totals	

PORT MILWAUKEE

EXECUTIVE SUMMARY

- MISSION:** To enhance the economic environment of the Milwaukee region by stimulating domestic and international trade, business development, and employment for the Port’s tenants, their domestic and international customers and the citizens of Milwaukee.
- OBJECTIVES:** Increase private investment.
- Enhance intermodal options and multimodal transportation infrastructure on Jones Island.
- Foster development of agricultural and alternative commodity markets.
- Position Milwaukee as a Great Lakes turnaround cruise ship destination.
- STRATEGIES:** Administer 467 acres of land at or near the lakefront.
- Identify possible tenants not currently at the Port but with strong growth potential.
- Increase marketing of the Port and its tenants.
- Export and transport Milwaukee- and region-based agricultural and manufacturing products to U.S. and overseas markets.
- Improve freight handling efficiency and safety.
- Reinvest in Port infrastructure through ongoing execution of the Capital Asset Renewal Plan (CARP).

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Personnel						
FTEs - Operations & Maintenance	21.00	21.00	21.00	21.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	35	35	35	35	0	0
Expenditures						
Salaries and Wages	\$1,167,235	\$1,339,579	\$1,378,032	\$1,378,032	\$38,453	\$0
Fringe Benefits	928,728	616,206	620,114	620,114	3,908	0
Operating Expenditures	1,529,386	1,437,000	1,356,963	1,356,963	-80,037	0
Special Funds	2,671,631	3,463,503	3,068,491	3,068,491	-395,012	0
Total	\$6,296,980	\$6,856,288	\$6,423,600	\$6,423,600	-\$432,688	\$0
Revenues						
Charges for Services	\$6,392,000	\$6,856,288	\$6,423,600	\$6,423,600	-\$432,688	\$0
Total	\$6,392,000	\$6,856,288	\$6,423,600	\$6,423,600	-\$432,688	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
 - Provide land for businesses.
 - Stimulate trade and business.

Port Milwaukee plays a major role in the local economy by providing land and multimodal infrastructure for businesses that require proximity to the international Great Lakes-St. Lawrence Seaway system and the inland Mississippi River system. Through this work, Port Milwaukee contributes to the citywide goal of increasing investment and economic vitality throughout the City and region. Port-affiliated businesses generate approximately \$100 million in annual local revenue and directly employ nearly 630 people. Beyond the Port’s tenants, Port operations directly create an additional 460 family-supporting jobs and indirectly support nearly 220 additional jobs in the Milwaukee area.

The Port supports investment in Milwaukee by stimulating trade and business, and by serving as a regional transportation and distribution hub for Southeastern Wisconsin. The Port links waterborne, rail, and ground transportation on Jones Island in an accessible location close to Downtown Milwaukee. As a result, the Port’s tenants and customers can ship and receive products regionally, nationally, and globally.

The Port’s major commodities are cement, steel, salt, and grain. The Port additionally promotes recreational businesses and passenger-related travel services. Port Milwaukee is home to the Lake Express high-speed ferry and welcomes passengers from around the world at its two passenger cruise docks.

The Port administers 467 bare ground acres of city-owned property around the lakefront. Milwaukee World Festivals, Inc. currently leases approximately two-thirds of the Port’s north harbor land for the Henry Maier Festival Grounds, home of Summerfest, various ethnic festivals, and the American Family Insurance Amphitheater. Smaller leaseholders and city-owned facilities account for most of the remaining acreage.

The Board of Harbor Commissioners governs Port Milwaukee and develops its strategic plan, as required by City Ordinance and State Statute.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Tonnage growth	-16.5%	0%	0%
Percentage of total expenses covered by revenues	131%	100%	100%
Port-related job growth	630 (direct) 679 (indirect)	630 (direct) 679 (indirect)	630 (direct) 679 (indirect)
Cruise ship visits	0	33	40

STRATEGY IMPLEMENTATION

In 2021, the Port generated operating revenue of approximately \$6 million, a 17.8% increase from 2020. Approximately 63% of the Port’s revenues is from facility rentals. The Port also received \$1.68 million in revenue from the lease of the 75-acre Henry Maier Festival Park to Milwaukee World Festivals, Inc. in 2021. Revenue

generated by Port Milwaukee covers its operating costs and reduces the financial impact on taxpayers for City services.

Commercial activity and trade also impact Port revenues. In 2020, maritime utilization at the Port increased to its highest level in over 7 years. International trade patterns and tariffs on commodities continue to affect Port tonnage, including impacts global economic and supply chain conditions. In 2021, total tonnage decreased by 463,393 metric tons (16.5%) to 2.3 million metric tons. This was a more typical level of commercial performance relative to 2020.

The Port seeks to maximize its land-ownings, properties, and services by replacing less productive activities with more economically advantageous initiatives. In 2020, Port Milwaukee successfully applied for a \$15.9 million grant through the U.S. Department of Transportation Maritime Administration’s (MARAD) Port Infrastructure Development Program. The MARAD grant supplements additional public and private investment to construct a new \$35 million agricultural maritime export facility, which is currently under construction on Jones Island. The Port undertook this project in partnership with The Delong Company, Inc. which will operate the facility. The new export terminal is expected to be operational in 2023.

In 2021, the Port released its Capital Asset Renewal Plan (CARP), which comprehensively addresses contemporary deficiencies in Port facilities and establishes a maintenance and replacement schedule for the Port’s multimodal infrastructure. The CARP serves as a tool for the Port to strategically plan significant facility improvements and long-term asset repair and replacement. The CARP found that the total renewal need at Port Milwaukee is approximately \$204 million, averaging \$20 million every 5 years or \$4 million annually. The CARP also addresses long-term climate and coastal resiliency challenges. Prior to implementation of the CARP, a January 2020 storm surge on Lake Michigan caused millions of dollars in flood damage to the Port’s international terminals and docks; the weather event has been formally declared a federal disaster.

RESIZE, RESTRUCTURE, AND REINVEST

Position Changes and Consolidation: Port Milwaukee’s 2022 budget added a Civil Engineer III position and a Port Operations Technician position. While Port Milwaukee continues to work with the City’s Department of Employee Relations to ensure that all Port positions are properly classified and titled, no additional positions are requested in the 2023 budget.

Foreign Trade Zone No. 41: In 2011, Port Milwaukee took over as the grantee of Foreign Trade Zone (FTZ) No. 41. As the grantee, the Port’s role is to promote the FTZ to businesses in Milwaukee and throughout the State of Wisconsin. Companies that participate can retain and create jobs, while remaining competitive in international markets.

Designated foreign trade zones realize the following benefits:

- Deferral or elimination of customs duties;
- Leaner supply chains;
- Reduction in merchandise processing fees; and
- Reduction in broker fees.

Table 1

	Foreign Trade Zone No. 41				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Merchandise Value (In Millions)	\$2,143.6	\$2,249.1	\$2,106.6	\$2,469.4	\$13,015.9
Employees	4,137	5,137	4,770	6,103	7,062
Approved Zones	10	12	13	11	8

The Port has been successful as grantee of the FTZ No. 41 (see Table 1). There are currently 8 approved operating sites, and the value of goods moving through FTZ No. 41 exceeded \$2 billion for the fifth consecutive year. In 2021, the value of merchandise brought through FTZ No. 41 exceeded \$13 billion, an increase of more than \$10.5 billion when compared to 2020. The increase in 2021 is a result of one FTZ subzone deactivation and a related increase in merchandise shipment value. The performance of FTZ No. 41 is expected to return to a more typical level in 2022.

Marketing Milwaukee: Port Milwaukee’s Marketing and Trade Development team pursue business opportunities by communicating the Port’s transportation assets, shipping services, and rail connections to producers and commodity handlers. The team identifies new business leads, collaboratively markets Port assets, and strategizes with tenants and industry partners to elevate the City of Milwaukee’s profile in international shipping and cruising.

The Board of Harbor Commissioners and Port Milwaukee worked with various stakeholders to develop the Milwaukee Cruise Collaborative, a comprehensive regional marketing organization to attract more cruise ship passengers. Partners include VISIT Milwaukee, the Milwaukee Downtown BID, the U.S. Department of Transportation, General Mitchell International Airport, and others. Though the COVID-19 pandemic disrupted cruise visits in 2020 and 2021, the Port continued to engage regional and international stakeholders throughout this time. These efforts have proven successful; in 2022, Viking Cruises announced that they would house their Great Lakes itineraries at Port Milwaukee. Port Milwaukee also signed a 20-year priority agreement with Pearl Seas Cruises, which docks at Pier Wisconsin, solidifying a partnership that will bring cruise passengers right into Downtown Milwaukee. These partnerships are another avenue Port Milwaukee employs to market America’s Fresh Coast. Current reservations from all cruise lines will result in 33 cruise ship visits and 10,000+ cruise tourists at Port Milwaukee during the 2022 cruise season.

Revenues and Tonnage: The Port continues efforts to generate new revenues and increase tonnage. Sources of potential revenue growth include:

- Commodity diversification, including alternative fuel and agricultural product exports;
- Available property marketing;
- Foreign trade zone activation; and
- Export and import container yard activity expansion through intermodal facilities.

Port Facilities: Maintaining high quality facilities, modern capital assets, and reliable infrastructure helps to attract Port tenants, increase revenues, and improve the local economy. The 2023 operating budget includes approximately \$650,000 for the maintenance and improvement of Port facilities, including:

- **Leasehold Demolition/Facilities Upgrade (\$200,000):** Port Milwaukee maintains and prepares buildings and land for long-term leases to tenants. This funding ensures the Port completes facility work safely and reliably.
- **Major Rehab and Upgrades - Equipment (\$100,000):** Port Milwaukee serves tenants and customers by helping load and unload docked vessels. These services generate revenue for the Port, and require machinery and equipment in good working order to handle large freight in complex environments.
- **Major Maintenance Terminals & Piers (\$350,000):** Maintaining terminals and piers ensures vessels can safely dock and handle loaded and unloaded cargo. The safety of employees and customer-owned freight is a high priority.

CAPITAL BUDGET

Additional funding to support Port facilities is included in the capital budget. Informed by the CARP, Port staff will deploy these funds to continue the work to continually address deferred maintenance and upgrades to Port facilities and property. Projects funded by the capital budget fall into the following categories:

Pier, Berth, and Channel Improvements: This program provides ongoing maintenance and improvements to the Port’s heavy lift dock, inner mooring basin, and outer harbor shipping docks. The Wisconsin Department of Transportation provides 80% of the cost through the Harbor Assistance Program (HAP).

Rail Track & Service Upgrades: The Port continues its rail track repair and replacement program to address safety and service load requirements in compliance with state and federal regulation. These upgrades, in conjunction with

other facility improvements, also make the Port more attractive to potential tenants and enhance its competitive advantage. The City has updated about 50% of Port-owned and -operated rail infrastructure over the last decade through the Capital Budget. The Wisconsin Department of Transportation provides 80% of the cost through the Freight Railroad Preservation Program (FRPP).

Terminal & Facility Maintenance: This work includes both routine and unplanned maintenance, both of which are to be expected with facilities where large quantities of heavy cargoes are constantly handled.

In addition to maintaining current facilities, \$2.2 million of capital funding will be used to leverage \$4 million in secured grants awarded to the Port through the State of Wisconsin's ARPA Capital Tourism Program and Harbor Assistance Program. Together these funds will enlarge, enhance and modernize the Port's South Shore Cruise Dock. This improved dock will increase the Port's capacity to host "Seawaymax" cruise ships, the largest international vessels built to operate on the Great Lakes, including the *Viking Octantis* and newly built *Viking Polaris*. This investment will help substantiate and secure Milwaukee's role as the premiere destination for turnaround cruise activity on the Great Lakes for decades to come.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

DEPARTMENT OF PUBLIC WORKS ADMINISTRATIVE SERVICES DIVISION

EXECUTIVE SUMMARY

- MISSION:** Provide business operations and administrative support for DPW.
- OBJECTIVES:** Ensure that DPW personnel, financial, and budget transactions comply with city ordinances and established procedures.
- Provide for safe and OSHA compliant working conditions throughout DPW.
- Ensure opportunities for businesses and residents to participate in DPW contracts and projects.
- STRATEGIES:** Investigate, review, and solve problems regarding the planning and implementation of major projects and events as they relate to public right of ways and infrastructure.
- Implement a risk management model to reduce workplace injuries and control worker's compensation costs.
- Administer the small business enterprise and residents preference program.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
<u>Personnel</u>						
FTEs - Operations & Maintenance	34.90	34.90	34.90	33.90	-1.00	-1.00
FTEs - Other	9.10	9.10	9.10	9.10	0.00	0.00
Total Positions Authorized	44	44	45	44	0	-1
<u>Expenditures</u>						
Salaries and Wages	\$1,929,749	\$1,875,527	\$1,992,543	\$1,891,727	\$16,200	\$-100,816
Fringe Benefits	924,674	862,742	916,570	851,277	-11,465	-65,293
Operating Expenditures	340,717	329,000	359,000	311,000	-18,000	-48,000
Equipment	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
Total	\$3,195,140	\$3,067,269	\$3,268,113	\$3,054,004	\$-13,265	\$-214,109
<u>Revenues</u>						
Charges for Services	\$3,326,913	\$2,665,000	\$1,883,000	\$1,849,000	\$-816,000	\$-34,000
Licenses and Permits	-3,382,047	1,586,000	3,054,000	3,129,000	1,543,000	75,000
Total	\$-55,134	\$4,251,000	\$4,903,000	\$4,203,000	\$727,000	\$41,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
 - Provide courteous and professional assistance to developers and residents in the project development process, including technical utility reviews and permit issuance.
 - Administer and coordinate services between the city and developers for out-of-program sewer, water, and paving improvements.
 - Work closely with business organizations in the planning and implementation of streetscape improvements through commercial districts.

- 2. Improve workforce development and connect more citizens to family supporting jobs.
 - Provide employment opportunities to Milwaukee businesses and residents through the small business enterprise (SBE) and the residents preference program (RPP).

The Administrative Services Division provides planning and support to the Department of Public Works (DPW) in several areas. Administrative functions include budget preparation and control, accounting, payroll, human resources, employee safety, contract administration, purchasing and inventory, and special event permitting.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
SBE participation as a percent of total contract award	25.3%	25%	25%
RPP hours worked as a percentage of total contract hours.	38.5%*	40%	40%
Employee work days lost due to injury.**	11,022	11,016	11,500

* This figure includes a non-compliant contract, which comprised more than one-third of the total work hours reported for all contracts closed in 2021. When this contract is omitted from the data set, the overall RPP participation for contracts closed in 2021 is 50.2%.

** OSHA recording regulations require that weekend days, holidays, vacation or other days off be included in the total number of days recorded if the employee would not have been able to work on those days because of a work-related injury or illness regardless of whether or not the employee was scheduled to work on those days.

STRATEGY IMPLEMENTATION

Improving Safety: DPW’s Safety Section minimizes workplace injuries and supports a safe and productive work environment. The section implements programs and procedures and acquires new safety devices that contribute to safer work practices. By minimizing injuries, DPW reduces work days lost due to injury and costs associated with injury pay.

RESIZE, RESTRUCTURE, AND REINVEST

Residents Preference Program: The Administrative Services Division administers the City’s Residents Preference Program (RPP) for Public Works contracts. This program leverages employment and training opportunities for unemployed and underemployed city residents through requirements applicable to capital improvement projects, including road repair, building repair, retrofitting and rehabilitation, water main repair, and playfield reconstruction. Contracts awarded for capital projects create employment opportunities for city residents to build work experience and skills development in the construction trades.

Compete Milwaukee: Since 2014, the DPW has provided unemployed and under-employed residents facing multiple barriers to employment with up to approximately six months of meaningful subsidized work experiences, accompanied with professional development career pathways trainings and services, through the Compete Milwaukee program. Compete Milwaukee trainees must meet specific Federal and/or State transitional jobs eligibility requirements. The majority of participating residents subsequently gain unsubsidized employment, including City employment. DPW is the primary employer of program alumni. Compete Milwaukee programming meets trainees where they are at, while assisting them in reaching their career goals. In addition to providing work experiences at various City work site locations, program partners also assist in engaging trainees in local private sector companies and contractors to provide career exposure opportunities targeted towards residents interested in

becoming the next generation of construction workers. The City continues to deliver innovative workforce development programming to residents, including individuals who are low-income or have criminal conviction records, to support pathways towards family supporting employment. In 2021, approximately 25 qualifying residents participated in the Compete Milwaukee program. It is anticipated 25 residents will participate in 2022 Compete Milwaukee programming.

Position Changes: The 2023 budget includes several position changes, including eliminating a Business Services Specialist and Program Assistant III, eliminating funding for an Accounting Assistant II, and adding a new Human Resources Representative and a new Leave Coordinator position.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Office Supervisor II	Reclassification
1	1.00		Administrative Specialist - Sr.	
-1	-1.00		Business Services Specialist	Positions eliminated
-1	-1.00		Program Assistant III	
-2	-2.00		Human Resources Assistant	Reclassification
2	2.00		Human Resources Representative	
	-1.00		Accounting Assistant II	Position not funded
-1	-1.00		Accounting Assistant II	Reclassification
1	1.00		Administrative Assistant II	
1	1.00		Leave Coordinator	New position
1	1.00		Human Resources Representative	New position
0	-1.00	0.00	Total	

DEPARTMENT OF PUBLIC WORKS INFRASTRUCTURE SERVICES DIVISION

EXECUTIVE SUMMARY

- MISSION:** Enable the secure and efficient movement of vehicles, bicycles, pedestrians, and data throughout the city.
- OBJECTIVES:** Improve the condition and performance of the city’s transportation, communication, and related infrastructure systems.
- STRATEGIES:** Use the high impact street program to increase performance and useful life of segments with moderate deterioration, good curb and gutter and drainage characteristics.
- Extend useful life of 24.6 miles of streets in 2023.
- Improve bicycle and pedestrian access and safety.
- Prioritize replacement of series circuitry for street lighting based on reducing area outages.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	348.53	349.66	350.51	331.31	-18.35	-19.20
FTEs - Other	221.36	308.77	309.42	309.42	0.65	0.00
Total Positions Authorized	824	815	819	819	4	0
Expenditures						
Salaries and Wages	\$16,645,055	\$18,966,575	\$20,338,840	\$18,826,284	\$-140,291	\$-1,512,556
Fringe Benefits	7,288,116	8,724,624	9,152,478	8,471,828	-252,796	-680,650
Operating Expenditures	14,827,639	9,534,000	14,652,000	14,137,000	4,603,000	-515,000
Equipment	416,366	511,000	763,000	563,000	52,000	-200,000
Special Funds	0	300,000	300,000	800,000	500,000	500,000
Total	\$39,177,176	\$38,036,199	\$45,206,318	\$42,798,112	\$4,761,913	\$-2,408,206
Revenues						
Charges for Services	\$10,216,819	\$13,290,000	\$13,361,000	\$13,575,000	\$285,000	\$214,000
Miscellaneous	614,457	313,500	327,000	327,000	13,500	0
Total	\$10,831,276	\$13,603,500	\$13,688,000	\$13,902,000	\$298,500	\$214,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increasing investment and economic vitality throughout the city.
 - Improve infrastructure condition.

The Infrastructures Service Division’s (ISD) primary mission is to provide safe, attractive, and efficient public ways and infrastructure systems. These systems contribute to the city’s goal of strengthening the local economy by increasing investment and economic vitality throughout the city.

ISD is responsible for design, construction, and maintenance of the city’s infrastructure systems including streets and alleys, bridges, sewers, sidewalks, traffic control devices, street lights, and underground conduits. In addition, the division performs transportation planning, coordinates transportation improvements with other governmental agencies and railroad companies, undertakes engineering studies, and investigates various permits, plans, and easements. The division also manages the city’s building facility assets by improving the functionality of existing facilities. The division provides building services such as design, construction, and maintenance for city facilities excluding the Library and Port.

In 2023, ISD will use approximately \$159.5 million to support its objectives including \$42.8 million in operating funds, \$69.1 million in capital funds, and \$47.6 million in state and federal aid. Grant and aid funds are used primarily for two capital programs:

- Major bridge program
- Major street improvements program

In 2023, grant funds constitute 82% of the major bridge program and 68% of the major street improvements program. Grant funds help the city preserve and maintain its street and bridge systems, which are critical components of the overall transportation system. The major street improvements program also includes grant funding for traffic control, bicycle, and pedestrian improvements.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Percentage of bridges with sufficiency rating greater than 50.	96.8%	97.5%	97.5%
Miles of bicycle lanes or trails added.	16.7 miles	18 miles	17.5 miles
Miles of streets with useful life improved through local street, major street and high impact street programs.	16 miles	20.2 miles	24.6 miles
Street lights converted from series to multiple circuitries.	414	400	450

STRATEGY IMPLEMENTATION

ISD improves the condition of the city’s surface public ways, primarily streets, sidewalks, and alleys. Activities include resurfacing or reconstructing existing pavement, curb and gutter, and constructing new streets as part of residential, commercial, and industrial development. Maintaining streets, alleys, and sidewalks promotes economic development by providing the infrastructure necessary to move people, goods, and services efficiently throughout the city. Currently over 5.4 million trips occur each day on city streets. This includes rides to work, school, church, and other activities.

The city’s street network includes approximately 1,273 miles of highways, arterials, collectors, and local roads. Government agencies and the city are responsible for repaving approximately 286 of these miles as part of the Federal Aid Transportation System and are eligible for federal, state, and county funding that varies from a 50% to a 100% match. Approximately 987 miles of streets are repaved under the local street program, which includes collectors. In addition to the local street program, state funds are allocated on a 50% match every even numbered year within the major street program to be used for local streets.

A key transportation concern is limiting the number of street segments falling into poor condition. Once a street segment falls into poor condition, improvement costs increase. State funding allocations and local fiscal constraints

do not allow for a conventional reconstruction only approach. Therefore, the city supplements conventional reconstruction with a preservation strategy. This cost-effective approach focuses attention on extending useful life and improving pavement condition on street segments that have high traffic counts.

As part of Mayor Johnson’s goal of making Milwaukee a more bike-friendly city, the 2023 proposed budget includes \$500,000 for a new Bike Infrastructure special fund in DPW-Infrastructure. This special fund will be used to enhance the city’s bike lane and bike trail network.

Major Streets: The city’s 286 miles of major and minor arterials are resurfaced and maintained as part of the major street program. Arterials are part of the Federal Aid Transportation System and are eligible for county, state, and federal funding. The 2023 proposed budget includes \$55.1 million for the major street program, of which \$20.2 million is city funding. This is an increase in City funding of \$8.8 million or 77%. The city will receive funding for the construction of five major arterial streets, preliminary engineering for an additional eight paving projects in the 2023 budget, and several additional grants for major intersection improvements and bike trail projects.

Local Streets: Approximately 987 miles of city streets are not eligible for state and federal funding, except for the State’s Local Road Improvement Program (LRIP) which in even numbered years matches \$1 million of City funding with \$1 million of State funding to be used on local streets. Local streets are typically reconstructed and resurfaced with city funds through the resurfacing and reconstruction program.

In 2023, \$7 million is included in the budget for the resurfacing and reconstruction of local streets. \$6 million is from levy-supported borrowing and \$1 million is from special assessments of property owners. The funding will improve approximately 4.5 miles of local streets. The \$7 million also includes \$1 million for capital maintenance. Capital maintenance includes activities such as crackfilling, sealing, and joint repair.

In 2014, DPW restructured street maintenance crews in order to make quality, long lasting repairs to highly trafficked streets in the city. The department has traditionally used two-person crews to repair individual pothole reports called in by residents. In 2014, the department began supplementing two-person crews with eight person “super crews.” These crews use an assembly line approach on a long stretch of pavement to make longer lasting repairs to potholes and deteriorated pavement joints. Deploying street maintenance personnel in “super crews” instead of two-person crews can lead to longer response times for individual pothole reports, but the more thorough repairs made by “super crews” improves the overall long-term street condition.

High Impact Streets: The high impact street program uses a curb-to-curb asphalt resurfacing approach that improves two and a half miles of roadway for the same cost as one mile of traditional reconstruction. This program focuses on high traffic streets typically serving commercial districts, but this approach is also applied to local streets when the right conditions are met. Focusing on high traffic streets has improved the condition of streets used by the greatest number of drivers. The 2023 capital budget includes \$7 million for the high impact street program, which will improve an anticipated 13.4 miles of city streets.

DPW incorporates curb ramp repair into the high impact street program. Whenever a street is resurfaced or reconstructed, any curb ramp at adjacent intersections that does not meet current applicable standards will be replaced. This improves the accessibility and usability of the pedestrian walkway system for persons with disabilities. Curb ramp repairs increase the cost of high impact projects, but enhance the accessibility of intersections and pedestrian ramps.

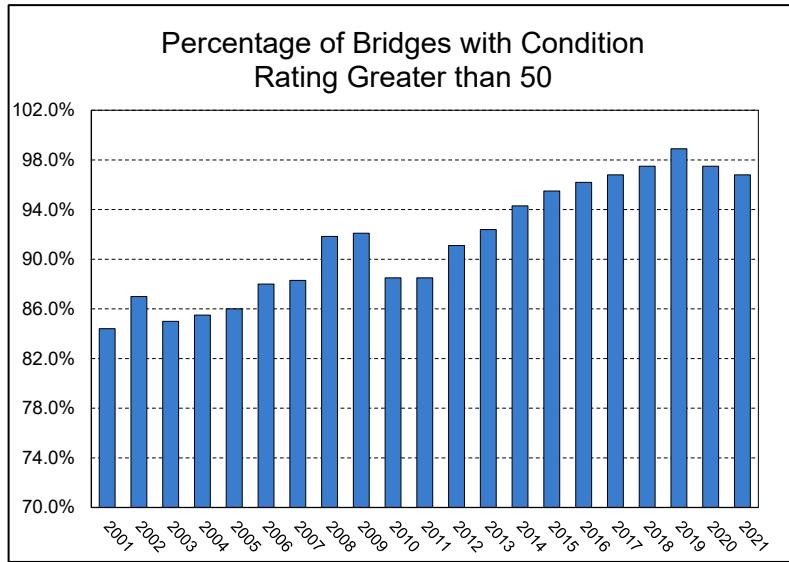
Major Bridges: The major bridge program preserves and maintains a bridge system that ensures the safe and efficient movement of vehicles, people, and commodities. In the 2023 budget, the major bridge program is funded at \$12.6 million including \$2.3 million in local funding and \$10.3 million in grant and aid funds.

The 2023 budget includes funding for the fourth phase of a multi-year project by MMSD and the city to address flooding issues along the Kinnickinnic River. Several vehicular and pedestrian bridges must be replaced to

accommodate the wider riverbed. The cost of replacing the city-owned bridges is shared with MMSD, with the City’s cost funded through the stormwater fee.

Bridge conditions are measured using a sufficiency rating ranging from 0 to 100. Ratings are conducted every two years through physical bridge safety inspections. Bridges classified as structurally deficient are inspected annually. Structurally deficient means the deck, superstructure, or substructure is in poor condition. In 2021, 96.8% of rated bridges had a sufficiency rating above 50 (see Figure 1).

Figure 1



Local Bridges: The local bridge program ensures that bridges are maintained, renovated, and reconstructed when state and federal aid is not available or bridges are not eligible for such aid. Between 2010 and 2021, the City has invested more than \$82 million in both the Local and Major Bridge programs. Beginning in 2016, budgets for the local bridge program have decreased as the overall condition of the bridge system improved in order to address growing needs in other programs. The 2023 budget provides \$1.1 million in capital funding for local bridge projects. Investment in bridge rehabilitation and replacement has significantly increased the percentage of bridges with a condition rating greater than 50. In 2023, funding is provided for repairs to the 16th Street viaduct as well as engineering and several inspection programs. The city owns 21 moveable bridges and keeping these bridges in good operating condition is a priority. Moveable bridges provide commercial and leisure craft access to the city’s navigable waterways. In 2021, the city conducted 27,769 bridge raisings to accommodate water traffic.

Alley Reconstruction: The alley reconstruction program replaces aging alleys. The 2023 capital budget includes \$850,000 of new borrowing and \$200,000 of special assessment authority for the alley reconstruction program. This amount will fund 10 to 12 alley reconstruction projects.

Street Lighting: The city owns and operates nearly 77,000 street lights. The 2023 street lighting program includes \$11.6 million in capital funding, a \$700,000 increase from the 2022 budget. This includes \$500,000 of revenue from the street lighting charge. Converting street lights from older, inefficient lighting to LED is anticipated to result in \$500,000 of savings from street lighting electricity costs. These savings will be applied to the street lighting capital program in 2023 to make long-lasting improvements to the city’s street lighting infrastructure. The 2023 street lighting program includes \$4.6 million for paving related improvements. Infrastructure Services installs temporary overhead lighting to maintain service during road reconstruction projects. Once paving projects are completed, temporary overhead lighting is removed and replaced with permanent lighting. DPW uses paving projects as an opportunity to replace outdated circuitry and lamps with more resilient circuitry and more efficient LED lamps.

The 2023 budget includes \$2.3 million for proactive replacement of series circuits with modern multiple circuits. This \$2.3 million is in addition to the \$20 million allocated for circuit upgrades from the City’s American Rescue Plan Act (ARPA) funding. Approximately 63% of the street lighting system currently uses multiple circuitries. In 2023, DPW estimates 450 street lights will be converted from series to multiple circuitry through paving projects, City-funded series circuit conversions and the additional ARPA funding. There is also \$2 million in the 2023 budget for the second year of a multi-year effort to convert City street lights from inefficient lamps to modern LED lamps. Approximately 12,000 lamps are expected to be converted to LED in 2023, and DPW anticipates converting all City street lights to LED by 2026. Lamps with LED bulbs typically use at least 50% less electricity than standard high-pressure sodium bulbs, reducing street lighting energy costs.

Traffic Control: The traffic control program designs and operates transportation systems that support the safe and efficient movement of people and goods. The program prevents traffic crashes, improves traffic flow, and reduces pollution.

In 2023, \$2.3 million in capital funds support the traffic control program, a decrease of \$200,000 from the 2022 budget. In 2023, the department will continue replacing LED traffic signals that were installed beginning in 2005. Converting traffic signals to LED lights has reduced energy consumption for traffic lights by approximately 75%. Replacement of LED traffic signals will occur over five years at an estimated cost of \$1.25 million.

Street Light and Traffic Light Knockdowns: The 2023 proposed budget includes \$2.4 million for a program to fund labor and material costs associated with restoring street light and traffic light poles that are knocked down by motorists on city streets. DPW has incurred an average of \$2.2 million of expenses each year related to knockdowns. These expenses had previously been charged to a reimbursable account, with the expectation that the driver responsible for the knockdown would be required to reimburse the city for costs related to restoring the street light or traffic light poles. However, the majority of these costs go unrecovered. This program will fully fund the cost of restoring street light and traffic light poles in 2023, and any amounts recovered from drivers responsible for the knockdowns will be used to pay debt service on bonds that are issued to fund the repairs.

Multimodal Transportation: The 2023 budget includes \$1.3 million in new borrowing to develop and enhance bicycle and pedestrian infrastructure in the city and implement recommendations of the Milwaukee Pedestrian Plan. This includes funding for infrastructure improvements such as road diet projects, and Safe Routes to School implementation, planning and studies, and bicycle and shared mobility parking.

Sidewalks: In 2023, \$1.9 million of funding is allocated to replace or repair defective or unsafe sidewalks. Property owners will contribute \$375,000 in special assessments, and \$1.5 million is new borrowing. Approximately \$875,000 is allocated to the scattered site sidewalk program, which replaces sidewalk sections that are upheaved by the roots of trees owned by the city. The traditional quarter section program is provided \$1 million. The quarter section program replaces any sidewalks needing repair within the boundaries of a particular section of the city. This program works on a rotating basis to ensure that each section of the city has a substantial effort to improve sidewalks every 40 years.

Underground Conduit: The underground conduit program provides internal communication services. The system provides a secure and weatherproof means of connecting communication cables among various city departments, including the Fire, Police, and Health departments, Milwaukee Public Library, Water Works, and the Department of Public Works. The conduit system also provides a secure and reliable route for traffic signals and street lighting cable circuits and systems. The 2023 budget provides \$800,000 for this program.

Electrical Manholes: The electrical manholes program is closely related to the underground conduit program, as these manholes provide access to the city's conduit system for maintenance and installation of new communications cable. Deteriorated or collapsed manholes present a public safety threat to vehicles and can damage communications cables that link various public facilities. The 2023 capital budget includes \$900,000 for this program. Manholes are typically replaced in conjunction with paving projects, but DPW prioritizes repair or replacement of manholes that present a hazard to drivers.

FACILITIES CAPITAL PROJECTS

Aging city facilities present multiple challenges and are prioritized based on the probability and consequences of asset failure and the operational benefits and cost associated with each project. The 2023 budget for DPW facilities projects is \$7.1 million.

Environmental Remediation Program: Funding of \$175,000 is provided for the environmental remediation program. This program funds lead and asbestos abatement in city facilities, soil and groundwater remediation, and fuel dispenser replacements.

ADA Compliance Program: The 2023 budget includes \$525,000 for the ADA compliance program. This program improves accessibility in various city facilities as part of a settlement agreement with the United States Department of Justice in 2016. The ADA compliance program funds improvements related to the settlement agreement in all city facilities and make improvements designed to improve accessibility of City programs for residents.

Facilities Exterior Program: The 2023 budget includes \$1.5 million for projects to maintain watertight integrity, improve energy efficiency and provide for safe conditions in city facilities. The 2023 facilities exterior program includes \$300,000 for roof repairs at the south side Forestry facility, \$200,000 for repairs to a deteriorated driveway at the Lincoln Garage, which is used daily by garbage packers, sweepers and dump trucks, \$100,000 to replace overhead garage doors, \$350,000 for repairs to the façade of both the 809 Building and the Zeidler Municipal Building, \$300,000 for repairs to the Industrial Road Forestry Building, and \$200,000 for emergency repairs.

Facilities Systems Program: The 2023 budget includes \$1.5 million for facility systems improvements. The largest single project is \$500,000 to replace the HVAC system at Northwest Garage, to address failing boiler, ventilation and heating components. Funding will also provide emergency mechanical and electrical repairs, and fire life safety improvements at various facilities.

Facilities Security Upgrade: The 2023 budget includes \$250,000 for upgrade and replacement of access card readers, security cameras, and other safety and security infrastructure in city facilities.

Buildings Interior Program: This new program in 2023 includes \$200,000 to address potentially hazardous conditions or accessibility concerns in office spaces resulting from underinvestment in interior spaces. This work was previously funded out of departmental operating budgets when issues arose, but budget reductions to departments in the 2023 budget require an alternate funding source for this work.

MKE Plays Initiative: The 2023 budget includes \$550,000 for the *MKE Plays* initiative. Led by Alderman Michael Murphy, this program leverages private dollars to replace the city's aging recreational facilities with modern, innovative play spaces for Milwaukee's youth.

Strategic Facilities Plan: Given the city's fiscal challenges, it is important to make the most optimal use of its facilities and reduce facilities that are no longer needed. The 2023 budget includes \$500,000 for a Strategic Facilities Plan, which will identify opportunities for consolidation with the goal of reducing the cost of operating and maintaining city facilities.

Municipal Services Building Repairs: The electrical services facility on 15th & Canal Street was originally constructed in 1925 and a recent report identified several significant building deficiencies. Repairs are urgently needed to address a sinking foundation, a failing wall, cracking façade, and a failing roof. The 2023 budget includes \$1.5 million to address the most critical repairs at this facility.

Space Planning, Alterations, and Engineering: The 2023 budget includes \$400,000 for space planning, alterations, and engineering. This includes funding for the facilities condition assessment program, which surveys city buildings and develops long term maintenance plans for each building.

RESIZE, RESTRUCTURE, AND REINVEST

- Initiated in 2014, the expanded high impact street program has significantly increased the miles of streets that are improved each year. The high impact street program allows the city to improve approximately 2 miles per \$1 million, instead of one mile per \$2.5 million of traditional reconstruction. By targeting resurfacing on high traffic

streets with high levels of pothole activity, street maintenance crews can be diverted from pothole patching to longer lasting preventative maintenance activities.

- The 2023 budget for DPW-Infrastructure includes several changes to reach budget targets:
 - 10 City Laborer positions are eliminated from the Street Maintenance section for a savings of \$270,000. Difficulties in recruiting and retaining City Laborers has increased the number of days it takes to respond to potholes reported by residents. The 10 positions eliminated in the 2023 budget were not filled in 2022. It is unlikely that these positions will be filled, even if funding was allocated. The service impact of losing these 10 positions is to match the anticipated response time to a resident-reported pothole to the current actual response time: from 3 days to 10 days. DPW crews will also no longer be able to carry out preventive maintenance activities, although some preventive maintenance work will continue to be performed by contract crews.
 - 3 Municipal Services Electricians will no longer be funded in 2023, resulting in a savings of \$103,606. Due to high levels of vacancies among electricians, this reduction reflects current staffing levels. The service impact of eliminating these positions is an increase in the anticipated response time to multi-block street lighting outages.
 - An additional 3 Municipal Services Electricians and 3 Electrical Workers who performed work related to small cell antenna installation are eliminated in the 2023 budget, generating \$411,570 in savings. Currently these crews connect small cell antenna installations to city-owned street light and traffic light poles. Beginning in 2023, service providers installing the small cell antennas will be responsible for making final installations onto city infrastructure.
 - A number of vacant positions are eliminated in the 2023 budget in order to meet budget targets. These positions include one Electrical Services Manager, one Infrastructure Repair Crew Leader, one Cement Finisher, two Cement Finisher Helpers, one Painter and one HVAC Technician. These reductions generate \$347,100 in savings.
- The Motor Vehicle Registration Fee was established in 2008 through Common Council File Number 080034. This legislation enabled the city to eliminate special assessments for paving improvements and increase budgets for paving city streets. Prior to the implementation of the fee, the 2008 budget included \$5.5 million of city funding for the local street paving program. The 2023 budget includes \$14 million for the local and high impact paving programs. The Motor Vehicle Registration Fee annually generates \$9.4 million of revenue. The 2023 budget keeps the fee at \$30. The fee funds services such as street maintenance, street lighting and traffic signs and signals, allowing the city to fund debt service for the increased borrowing for paving projects. Before the fee was adopted, property owners were assessed as much as \$2,000 when the street contiguous to their property was reconstructed. Since the special assessment for paving improvements was eliminated, the percent of street projects approved by property owners increased from less than 50% to over 90%. This streamlines the approval process and allows DPW to avoid spending engineering and design efforts on projects that are rejected by property owners.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
	-7.00		City Laborers	Reduction to meet budget target
1	1.00		Human Resource Representative	Turnover and vacancies resulting in increased workload for HR staff
	-1.00		Civil Engineer III	No need to fund position in 2023
	-1.00		Infrastructure Repair Crew Leader	Reduction to meet budget target
	-1.20		Municipal Services Electrician	Reduce O&M portion of 3 positions to meet budget target
	-6.00		Municipal Services Electrician	No longer use City electricians to complete Small Cell installations
	-1.00		Electrical Services Manager	Reduction to meet budget target
	-1.00		HVAC Maintenance Technician	Reduction to meet budget target
	-1.00		Painter	Reduction to meet budget target
1	0.40	0.60	Program Assistant III	To shift administrative burden from engineering staff
	-0.55	0.05	N/A	Miscellaneous adjustments based on experience
-1	-1.00		Traffic Operations Assistant	Changed to reflect needs in Multimodal Unit
1	1.00		Civil Engineer II	
-1	-1.00		Infrastructure Repair Worker	Change title to reflect job duties
-1	-1.00		Special Laborer, Electrical Services	
2	2.00		Inventory Assistant II	
1			Painter (Aux.)	Changed to reflect needs for auxiliary positions
1			Sewer Mason (Aux.)	
4	-18.35	0.65	Totals	

DEPARTMENT OF PUBLIC WORKS OPERATIONS DIVISION

EXECUTIVE SUMMARY

- MISSION:** Provide essential services that maintain the cleanliness, safety and attractiveness of Milwaukee to enhance the quality of life for citizens, businesses, and visitors.
- OBJECTIVES:** Improve neighborhood appearance by achieving 99% or better garbage collections as scheduled.
Reduce solid waste to landfill and increase recovery of resources.
Reduce the cost of fuels as a proportion of the division's total operating cost.
Maintain a healthy urban forest.
Remove snow and ice from streets and bridges in a timely manner to restore safe motorist and pedestrian travel and minimize economic losses.
Maintain compliance with State of Wisconsin storm water permit requirements.
- STRATEGIES:** Timely collection of solid waste and recycling, robust drop off services for self-haul customers, and vigorous abatement of code violations.
Use the solid waste fee to generate incentives for increased recycling participation and reductions to the amounts set out for garbage collection.
Maintain an availability rate of at least 85% for a wide range of multi-use equipment.
Perform street sweeping and leaf collection consistent with sound pollution management practices.
Deploy a multi-skilled workforce for effective and timely snow and ice removal.
Protect the urban forest from the Emerald Ash Borer, remove and replace dead and diseased trees, prune hazardous and encroaching branches from mature trees, and structurally prune younger trees.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	626.00	689.58	733.58	670.08	-19.50	-63.50
FTEs - Other	48.00	61.26	61.26	61.26	0.00	0.00
Total Positions Authorized	815	815	844	800	-15	-44
Expenditures						
Salaries and Wages	\$33,634,206	\$35,878,863	\$38,910,611	\$36,248,646	\$369,783	\$-2,661,965
Fringe Benefits	14,538,806	16,504,277	17,509,775	16,311,891	-192,386	-1,197,884
Operating Expenditures	35,965,489	11,230,629	16,580,154	15,184,504	3,953,875	-1,395,650
Equipment	1,510,246	3,422,670	4,755,601	2,122,550	-1,300,120	-2,633,051
Special Funds	2,134,674	16,965,857	21,177,804	20,362,193	3,396,336	-815,611
Total	\$87,783,421	\$84,002,296	\$98,933,945	\$90,229,784	\$6,227,488	\$-8,704,161
Revenues						
Charges for Services	\$90,751,111	\$89,546,000	\$89,920,000	\$92,573,000	\$3,027,000	\$2,653,000
Miscellaneous	1,700,399	1,240,000	1,360,000	1,360,000	120,000	0
Total	\$92,451,510	\$90,786,000	\$91,280,000	\$93,933,000	\$3,147,000	\$2,653,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
 - Collect solid waste in a timely scheduled manner.
 - Vigorously abate Sanitation and Forestry code violations.
 - Effectively maintain vacant lots to minimize blight on neighborhoods.

2. Increase investment and economic vitality throughout the city.
 - Remove snow and ice quickly and economically to restore safe vehicle and pedestrian travel and minimize economic losses.

3. Sustain, enhance, and promote Milwaukee’s natural environmental assets.
 - Reduce solid waste sent to landfills and increase household recycling.
 - Maintain a fully stocked tree canopy that maximizes community and environmental benefits and is safe for public use and enjoyment.
 - Maintain a landscaped boulevard system that is visually attractive, adds value to neighborhoods, and reduces storm water runoff.
 - Expand use of compressed natural gas vehicles and equipment in the city fleet, reducing fuel costs and dependence on petroleum based fuels.
 - Manage public risk associated with the emerald ash borer.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Fleet availability	Police 91% Light 90% Heavy 94%	Police 89% Light 93% Heavy 93%	Police 85% Light 85% Heavy 85%
Tons of household solid waste sent to landfill	174,822	162,600	182,000
Tons of all solid waste sent to landfill	250,952	241,200	260,000
Tons of household recyclables processed	26,478	26,000	27,500
Tons of rock salt used.	33,833	25,519	42,000
Number of trees pruned.	14,050	12,442	23,400
Trees planted.	3,816	3,134	3,240

STRATEGY IMPLEMENTATION

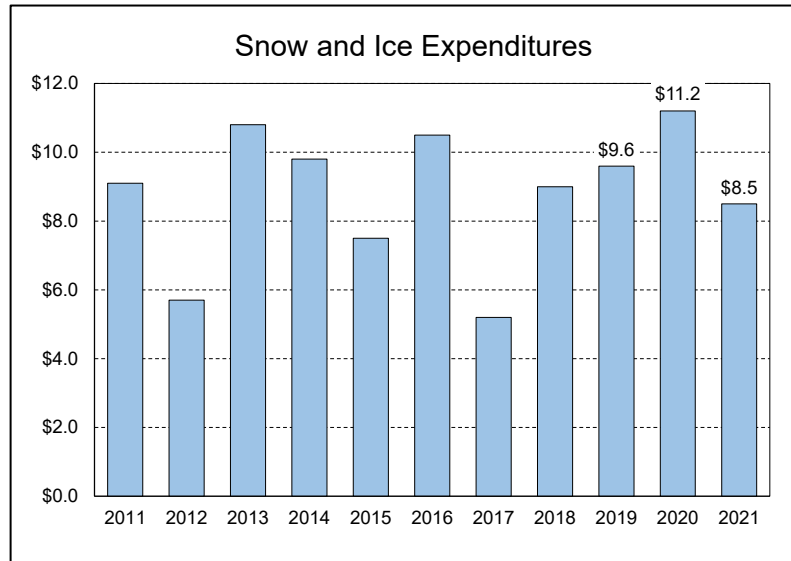
The Department of Public Works Operations Division is comprised of Sanitation, Forestry, and Fleet Operations. The division supports the city’s goals of building safe and healthy neighborhoods, increasing investment and economic vitality throughout the city and sustaining, enhancing, and promoting Milwaukee’s natural environmental assets.

The 2023 budget provides \$90 million in operating funds, \$2.3 million of grant and aid funding, and \$11.8 million of capital funds for the Operations Division.

Snow and Ice Control Operations: The snow and ice control program’s goal is to remove snow and ice as quickly and economically as possible to restore safe travel and to minimize economic losses. A well-run snow and ice removal program adds value by supporting year round operation of the regional economy.

DPW has improved the efficiency of its snow and ice control operations by utilizing a variety of chemicals to combat ice and using multi-purpose vehicles for plowing operations. Multi-purpose vehicles allow staff to respond more quickly to rapid accumulations of snow on the roadway. Expansion of the snow driver pool and overtime allows for a more sustained snow removal operation using only city forces.

Figure 1



Weather conditions largely determine the extent to which snow and ice control operations are performed. Snowfall, which fluctuates tremendously, is the primary cost driver. The 2023 budget includes approximately \$10.7 million for snow and ice control operations. This level of funding supports on average 24 general ice control operations and 3 full plowings. Snow and ice costs for the 2021 season were approximately \$8.5 million.

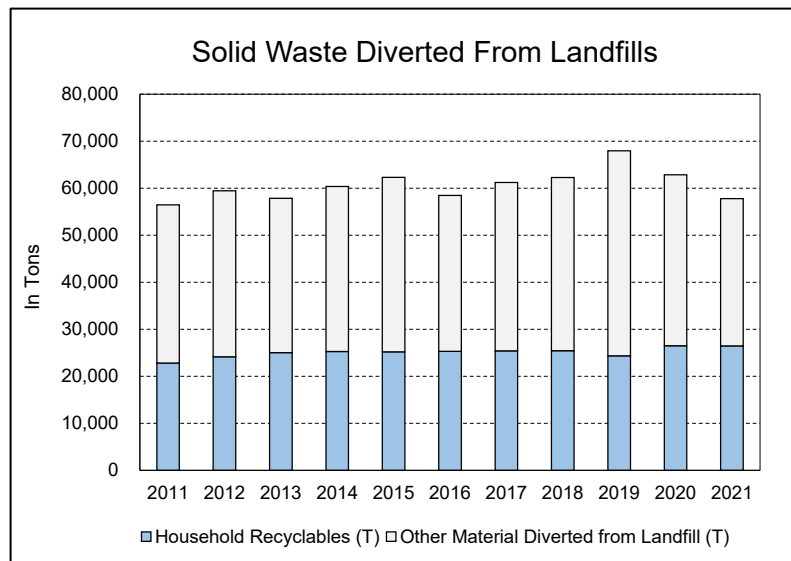
Sanitation Operations: Sanitation is responsible for solid waste collection, recycling, street sweeping, brush collection, code enforcement, vacant lot maintenance, and snow and ice control. These services sustain neighborhoods, protect the environment from harmful chemicals, and protect city residents from infectious disease and injury.

Sanitation operates an effective recycling program. The program uses recycling, brush collection, and public education to reduce the amount of material sent to landfills. A high performance recycling program generates revenue and reduces garbage tipping fees. This is important because the State of Wisconsin imposes the highest state collected fees on landfill disposal in the country.

Milwaukee has a robust recycling program. Approximately 25% of solid waste is currently diverted from landfills via recycling, composting or reusing discarded items. This level of waste diversion is possible as a result of program changes implemented by DPW. The Sanitation Section will continue efforts to promote waste reduction, reuse, recycling and composting.

The primary benefits of the City’s waste diversion and recycling program are reduced tipping costs, increased recycling revenues, enhanced services, a more sustainable city, and long-term cost containment. In 2021, the recycling program generated approximately \$1,700,000 in revenue. In 2023, recycling materials are expected to generate \$1,360,000.

Figure 2



DPW collects waste weekly from approximately 181,000 households. In 2021, approximately 174,822 tons of residential solid waste was collected and landfilled. In addition, 57,784 tons of residential waste were diverted from landfills (see Figure 2). This included 26,478 tons of household recyclables, and 31,306 of compostable materials and logs.

Forestry Operations: Forestry is responsible for tree and landscape management. Forestry maintains up to 196,000 trees and 120 miles of boulevards that provide Milwaukee with a natural beauty both residents and visitors enjoy. The urban tree canopy and boulevard system contribute to the city’s environmental sustainability by managing storm water runoff. Forestry is responsible for the maintenance of approximately 4,160 vacant lots and foreclosed properties.

The emerald ash borer (EAB) is a threat to the state’s ash tree population. The city has approximately 26,652 ash street trees under treatment for Emerald Ash Borer. Pesticide treatments in advance of EAB attack have proven highly effective in protecting ash trees. A comprehensive cost-benefit study completed in 2015 estimates a \$3 benefit return for every \$1 invested to protect Milwaukee's ash street tree canopy from Emerald Ash Borer.

Fleet Operations: Fleet Operations maintains and operates the departments’ centralized fleet of 2,918 pieces of rolling stock and 1,988 related components, totaling 4,906 pieces of equipment. The division provides equipment and vehicles for other DPW divisions and various city departments, and repair services for vehicles owned by the Library, Health Department, Police Department, Water Works, Sewer Maintenance, and Transportation.

The division has used Congestion Mitigation and Air Quality (CMAQ) grant funding to cover the marginal cost of purchasing compressed natural gas (CNG) packers. Adding CNG packers to the fleet reduces fuel costs. Currently the cost per mile for a diesel packer are more than two times the cost of a CNG packer. There are currently 77 CNG refuse packers in service; 8 additional CNG refuse packers are being purchased in 2022 and are expected to be in service by October 2023. The current fleet of CNG packers will generate fuel savings of approximately \$114,000 in 2023.

RESIZE, RESTRUCTURE, AND REINVEST

The 2023 budget continues programs that increase efficiency and streamline property management, waste collection, and recycling programs. These operations improve the services provided to city residents.

Strong Neighborhoods Plan: The Operations Division operates programs related to the Strong Neighborhoods Plan which improve the overall condition of Milwaukee’s neighborhoods. The 2023 budget includes \$2.4 million for maintenance of city owned properties including debris removal, grass mowing, and snow removal. The program maintains over 3,238 city owned vacant lots and nearly 922 improved properties.

Transitional Jobs Program: In 2023, the city continues its collaboration with UMOS and Employ Milwaukee on the transitional jobs program. Participants that complete the six-month program develop useful skills in the Forestry and Sanitation Services sections and are equipped with new skills that help them compete for family supporting jobs.

Drop Off Centers: **Drop Off Centers:** In the fall of 2019 a new fee schedule was implemented by DPW to allow a wider variety of customers to use the Drop Off Centers for proper disposal and recycling. These changes will assist DPW in reducing illegal dumping on city-owned properties and vacant lots. Due to a temporary suspension of fees in 2020 during the early stages of the pandemic, 2021 was the first full year of operating under the new fee structure.

Residential Disposal Costs: In 2023, funding for landfill waste is \$12.7 million. Landfill tonnage costs are budgeted for 260,000 tons at a rate of \$48.85 per ton.

Automated Collection Routes: The use of automated collection vehicles improves productivity and reduces worker compensation costs, increases operational efficiency, and provides greater flexibility in assigning staff. Routes converted from a two person to a one person operation save approximately \$80,000 annually. Over the last 10 years, DPW has added and expanded fully automated routes, targeting areas most conducive for this type of collection based on street configuration, on-street parking density, and other factors. Limited opportunities exist for further expansion of automated collection.

Replacement Fleet Equipment: The 2023 budget provides \$1.4 million in replacement equipment funding, including \$1.0 million for additional refuse packers, \$250,000 for fleet vehicle purchases, \$50,000 for specialized brine upgrades, and \$10,000 for replacement diagnostic equipment.

FEES

Solid Waste Fee: The 2023 solid waste fee per quarter will increase by 4% to \$62.81 per residential unit. The annual impact on households with one garbage cart will be \$251.22 which will generate approximately \$46.8 million. Future increases in the solid waste fee may be necessary as tipping fees and other costs increases occur.

Snow and Ice Control Fee: The 2023 snow and ice control fee will increase by 4% to \$1.11 per front footage. The annual cost for a homeowner with a typical property with 40 feet of street frontage is \$44.40. The fee will generate approximately \$10.7 million.

Cart Fee: Approximately 18% of city residents have two or more garbage carts. In 2023 city residents with two or more garbage carts will be assessed \$18.76 quarterly for each garbage cart after the first cart. This policy encourages residents to throw away less and recycle more. The fee applies only to garbage carts. Residents can request additional recycling carts and service upon request at no extra charge.

CAPITAL PROJECTS

Tree Planting and Production: The 2023 capital budget provides \$1.2 million for the tree planting and production program. This funding will replace approximately 3,600 street trees as part of the city's commitment to improve the environment. Since 2012 the annual tree mortality rates are higher than average at 2.3%. This is due to an aging Norway maple population and an increase in street tree removals accompanying major street reconstruction projects. In 2022, 3,844 street trees were removed as a result of disease or decline.

Stump Removal: The 2023 capital budget provides \$1,175,000 to support the City's in-house stump removal program. Funding will facilitate removing 2,763 stumps in 2022.

Concealed Irrigation and Landscaping: The 2023 capital budget provides \$200,000 for boulevard irrigation system replacements as well as the replacement approximately 100 deep water taps. The replaced systems provide water for plant beds only boulevards.

Emerald Ash Borer: The 2023 capital budget includes \$860,000 for treatment of ash trees. Treatable ash trees are injected with a pesticide to protect against the emerald ash borer beetle. The program's goal is to treat one-third of the city's 26,652 ash trees each year.

Major Capital Equipment: The 2023 capital budget includes \$7.8 million for major capital equipment that costs more than \$50,000 per unit and has a life cycle of approximately ten years. This funding replaces garbage and recycling packers and equipment for the Operations and Infrastructure Services divisions.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00		Property Maintenance & Compliance Mgr.	Administrative Change: Moved from Forestry Services Section
6	6.00		Urban Forestry Technician	
8	8.00		Sanitation Inspector	
-53	-53.00		Vehicle Services Technician II	Administrative Change & Budget Reduction
46	46.00		Vehicle Services Technician II	
-17	-17.00		Fleet Maintenance Technician	Administrative Change & Budget Reduction
12	12.00		Fleet Maintenance Technician	
3	3.00		Fleet Maintenance Technician	
-3	-3.00		Garage Attendant	Administrative Change & Budget Reduction
1	1.00		Garage Attendant	
2	2.00		Driver Training Instructor	Budget Increase
1	1.00		Program Assistant I	Classification and Title Change
-1	-1.00		Office Assistant III	
-2	-2.00		Fleet Training Supervisor	Budget Reduction
0	-0.50		Technical Correction	FTE Correction
13	13.00		Operations Driver Worker (D)	Budget Increase
-6	-6.00		Sanitation Laborer Pool	Budget Reduction
-8	-8.00		Self Help Yard Attendant	
-8	-8.00		Urban Forestry Specialist (D)	
-3	-3.00		Office Assistant IV	Classification & Title Change
3	3.00		Program Assistant I	
-6	-6.00		Urban Forestry Technician	Administrative Change: Moved to Administrative Services Section
-1	-1.00		Property Maintenance & Compliance Mgr.	
-3	-3.00		Urban Forestry Laborer	
0	-4.00		Technical Correction	FTE Correction
-15	-19.50	0.00	Totals	

SPECIAL PURPOSE ACCOUNTS

EXECUTIVE SUMMARY

OBJECTIVES: Special Purpose Accounts appropriate funds for purposes not included in departmental budgets. These accounts may include funding for short term programs, programs that affect multiple departments, or programs that warrant distinction from departmental budgets. Every year the Common Council adopts a resolution that authorizes expenditure of funds from the various Special Purpose Accounts by specific departments or by Common Council resolution.

The 2023 budget provides funding of \$28.8 million for miscellaneous special purpose accounts and total funding of \$164.2 million for all special purpose accounts. Highlights of the changes to 2023 miscellaneous special purpose accounts (SPAs) include:

Alternative Transportation for City Employees: This account is decreased by \$30,000 to \$60,000 in 2023. This account pays for part of the cost for employees to use Milwaukee County Transit System buses. Actual expenditures decreased to approximately \$65,000 in 2021. The 2023 funding amount is based on estimated expenditures.

Audit Fund: This account pays for the cost of contracting for a private audit of the city's Annual Comprehensive Financial Report, among other activities. The 2023 budget provides funding of \$290,000, an increase of \$35,000.

City Memberships: This account pays for the City's membership in various organizations that promote municipal interests. The 2023 budget provides funding of \$119,500, an increase of \$31,500. The increase primarily results from membership in the United States Conference of Mayors.

Crisis Response for Trauma-Informed Care Counseling: This account funds activities that provide emotional aid and practical support to victims of traumatic events and their families in the first few hours following a tragedy. Funding of \$180,000 is provided in 2023. In 2022, this account was funded from the American Rescue Plan Act (ARPA).

Flexible Spending Account: This account funds a program that allows employees to set aside pre-tax dollars for certain medical care and dependent care expenses. Funding is decreased by \$30,000 from \$90,000 to \$60,000 in the 2023 budget. Actual expenditures decreased to approximately \$59,815 in 2021 and similar expenditures are expected in 2023.

Group Life Insurance Premium: This account funds the city's obligations with respect to life insurance benefits for its employees. In 2023, the account is decreased by \$360,000 to \$4.2 million. This funding amount reflects anticipated payments in 2023.

Insurance Fund: This account provides funding for insurance premiums for city policies. In 2023, the account is increased by \$324,768 to \$1,470,968. This funding amount reflects anticipated insurance premium payments in 2023.

Land Management: This account supports the maintenance and management costs of RACM and city owned improved property, with the goal of preserving property for sale and return to private ownership. Funding of \$676,000 is provided in 2023. In 2022, this account was funded from the American Rescue Plan Act (ARPA).

Long Term Disability Insurance: This account funds a negotiated benefit that provides income continuation to employees who are unable to work because of a disabling injury or illness. The account is increased by \$80,000 to \$750,000, reflecting anticipated costs in 2023.

Remission of Taxes Fund: This account funds the refunding of incorrect *ad valorem* taxes and interest on the same to property owners who successfully appeal their property assessments. Funding is increased by \$213,675 to \$1.4 million in the 2023 budget, based on anticipated needs.

Unemployment Compensation: This account funds the city's portion of unemployment compensation benefit payments to city employees who are laid off or otherwise separated from service. Eligibility for this benefit is determined by the State of Wisconsin upon review of the employee's level of earnings and the circumstances surrounding the separation from employment. Funding of \$200,000 is provided in 2023, a decrease of \$200,000 from 2022. Anticipated expenses in 2023 are lower due to credits from the State of Wisconsin.

Violence Interruption: This account supports the Office of Violence Prevention's violence interruption initiative. Local residents in priority neighborhoods outlined in the Blueprint for Peace are trained as violence interrupters. Interrupters seek to prevent violence by mediating conflicts likely to result in gun violence or other serious injury. Funding of \$750,000 is provided in 2023. In 2022, this account was funded from the American Rescue Plan Act (ARPA).

Wages Supplement Fund: This account funds anticipated wage and fringe benefit increases for city employees, including increases resulting from collective bargaining agreements and changes to non-union compensation. Funding of \$9.35 million is provided in 2023.

SPECIAL PURPOSE ACCOUNTS SUMMARY

<u>Special Purpose Accounts Miscellaneous</u>	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Alternative Transportation for City Employees	\$64,843	\$90,000	\$80,000	\$60,000	\$-30,000	\$-20,000
Annual Payment to Department of Natural Resources	7,034	7,100	7,100	7,100	0	0
Audit Fund	255,000	255,000	290,000	290,000	35,000	0
Boards and Commissions Reimbursement Expense	9,714	16,000	16,000	16,000	0	0
Care of Prisoners Fund	0	5,000	1,000	1,000	-4,000	0
Children's Savings Accounts	35,000	25,000	25,000	25,000	0	0
City Collection Contract	693,362	1,250,000	1,250,000	1,250,000	0	0
City Memberships	87,554	88,000	93,000	119,500	31,500	26,500
Contribution Fund General	0	3,200,000	2,900,000	2,900,000	-300,000	0
Crisis Assessment and Response Team	0	0	0	0	0	0
Crisis Response-Trauma Informed Care Counseling	221,528	0	180,000	180,000	180,000	0
Damages and Claims Fund	4,208,923	1,225,000	1,225,000	1,225,000	0	0
eCivis Grants Locator	21,250	21,250	21,250	21,250	0	0
Economic Development Committee Fund	0	20,000	20,000	20,000	0	0
E-Government Payment Systems	162,825	190,000	200,000	200,000	10,000	0
Employee Training and Safety Fund	47,554	70,000	70,000	70,000	0	0
Employee Resource Group Fund	0	5,000	5,000	5,000	0	0
Firemen's Relief Fund	173,052	175,000	177,000	177,000	2,000	0
Flexible Spending Account	59,815	90,000	80,000	60,000	-30,000	-20,000
Graffiti Abatement Fund	53,987	65,000	65,000	65,000	0	0
Group Life Insurance Premium	4,507,962	4,560,000	4,742,400	4,200,000	-360,000	-542,400
Insurance Fund	984,167	1,146,200	1,470,968	1,470,968	324,768	0
Land Management	675,618	0	676,000	676,000	676,000	0
Long Term Disability Insurance	747,331	670,000	750,000	750,000	80,000	0
Maintenance of Essential Utility Services	48,068	55,000	55,000	55,000	0	0
Milwaukee Arts Board Projects	182,277	250,000	250,000	250,000	0	0
Milwaukee Fourth of July Commission	68,991	125,000	125,000	125,000	0	0
Milwaukee Health Initiative	0	0	0	0	0	0
MKE Community Excellence Fund	10,006	0	0	0	0	0
MMSD User Charge	0	54,859,222	56,246,399	56,246,399	1,387,177	0
Less Recover MMSD User Charge	0	-54,859,221	-56,246,398	-56,246,398	-1,387,177	0
Municipal Court Intervention Program	486,345	487,000	487,000	487,000	0	0
Outside Counsel/Expert Witness Fund	166,422	150,000	150,000	150,000	0	0
Reimbursable Services Advance Fund	0	50,000,001	50,000,001	50,000,001	0	0
Less Recover Reimbursable Services Advance Fund	0	-50,000,000	-50,000,000	-50,000,000	0	0
Remission of Taxes Fund	2,303,504	1,199,760	1,413,435	1,413,435	213,675	0
Reserve for 27th Payroll	0	1,500,000	1,500,000	1,500,000	0	0
Retirees Benefit Adjustment Fund	24,543	32,000	25,000	25,000	-7,000	0
Tuition Reimbursement Fund	635,174	700,000	700,000	700,000	0	0
Unemployment Compensation Fund	432,537	400,000	400,000	200,000	-200,000	-200,000
Violence Interruption	62,472	0	750,000	750,000	750,000	0

SPECIAL PURPOSE ACCOUNTS

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
<u>Special Purpose Accounts Miscellaneous</u>						
Wages Supplement Fund	0	10,930,000	10,400,000	9,350,000	-1,580,000	-1,050,000
Total Miscellaneous SPAs	\$17,436,858	\$29,002,312	\$30,600,155	\$28,794,255	\$-208,057	\$-1,805,900
Board of Zoning Appeals	\$288,219	\$336,604	\$335,499	\$335,499	\$-1,105	\$0
Workers' Compensation Fund	\$10,472,416	\$12,000,000	\$12,000,000	\$11,500,000	\$-500,000	\$-500,000
<u>Employee Health Care Benefits</u>						
Administration Expenses	\$5,961,960	\$6,400,000	\$6,200,000	\$6,200,000	\$-200,000	\$0
UHC Choice Plus (formerly Claims)	5,189,301	3,000,000	4,000,000	4,000,000	1,000,000	0
Wellness Program	2,246,075	2,900,000	2,900,000	2,900,000	0	0
Dental Insurance	1,696,110	1,800,000	1,800,000	1,800,000	0	0
UHC Choice "EPO" (formerly HMOs)	100,961,610	104,830,000	109,500,000	108,500,000	3,670,000	-1,000,000
High Deductible Health Plan	82,925	150,000	150,000	150,000	0	0
Total Employee Health Care Benefits	\$116,137,981	\$119,080,000	\$124,550,000	\$123,550,000	\$4,470,000	\$-1,000,000
Grand Total Special Purpose Accounts	\$144,335,474	\$160,418,916	\$167,485,654	\$164,179,754	\$3,760,838	\$-3,305,900

SPECIAL PURPOSE ACCOUNT BOARD OF ZONING APPEALS

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
<u>Personnel</u>						
FTEs - Operations & Maintenance	4.02	4.33	4.33	4.33	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	11	11	11	11	0	0
<u>Expenditures</u>						
Salaries and Wages	\$191,933	\$210,037	\$213,034	\$213,034	\$2,997	\$0
Fringe Benefits	81,648	96,617	95,865	95,865	-752	0
Operating Expenditures	14,638	29,950	26,600	26,600	-3,350	0
Equipment	0	0	0	0	0	0
Total	\$288,219	\$336,604	\$335,499	\$335,499	\$-1,105	\$0
<u>Revenues</u>						
Licenses and Permits	\$211,564	\$225,000	\$225,000	\$225,000	\$0	\$0
Total	\$211,564	\$225,000	\$225,000	\$225,000	\$0	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
 - Hear special use and variance requests and conduct building code and plan reviews to support ongoing development to its maximum potential.

The Board of Zoning Appeals (BOZA) supports the city’s goal of increasing investment and economic vitality in Milwaukee. The board is composed of seven members appointed by the Mayor and confirmed by the Common Council. BOZA hears and decides on appeals of rulings on city zoning ordinances.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Number of appeals filed.	460	650	650
Number of appeals resolved in one hearing.	336	520	520
Percentage of appeals resolved in one hearing.	73%	75%	75%
Number of days from appeal filing to hearing.	62 days	40 days	40 days

STRATEGY IMPLEMENTATION

The Board of Zoning Appeals plays an important role in Milwaukee’s economic development. The city encourages developers to invest in Milwaukee by making the zoning appeals process simple and consistent. BOZA hears approximately 650 cases per year and works with numerous city departments in evaluating and processing zoning appeals. The board ensures that development proposals do not harm the urban setting, while allowing variances and other exceptions to zoning codes to facilitate development and redevelopment of properties and buildings. Information regarding BOZA hearings is sent to community groups and leaders via the city’s E-notify system.

In recent years, BOZA has reduced waiting times for hearings and expedited the appeal process. BOZA works to improve communication with customers and citizens and to improve processes and procedures that impact how businesses interact with City government. In 2023, BOZA will continue to work with city departments to create efficiencies that support business development while maintaining the quality of the city’s urban setting.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS’ CHANGES - None

SPECIAL PURPOSE ACCOUNT EMPLOYEE HEALTH CARE BENEFITS

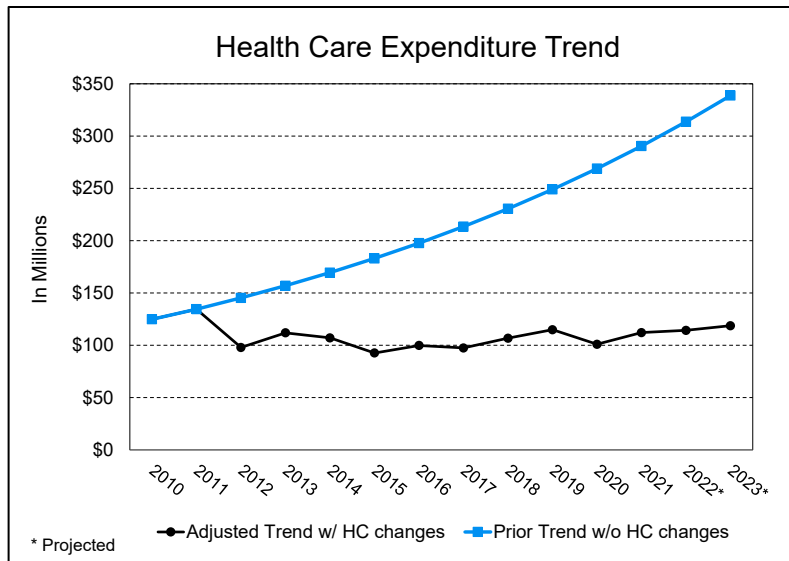
SUMMARY OF EXPENDITURES

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
UHC Choice Plus PPO	\$5,189,301	\$3,000,000	\$4,000,000	\$4,000,000	\$1,000,000	\$0
UHC Choice EPO	100,961,610	104,830,000	109,500,000	108,500,000	3,670,000	-1,000,000
HDHP	82,925	150,000	150,000	150,000	0	0
Dental Insurance	1,696,110	1,800,000	1,800,000	1,800,000	0	0
Wellness Program	2,246,075	2,900,000	2,900,000	2,900,000	0	0
Administrative Expense	5,961,960	6,400,000	6,200,000	6,200,000	-200,000	0
Total	\$116,137,981	\$119,080,000	\$124,550,000	\$123,550,000	\$4,470,000	-\$1,000,000

This special purpose account covers employee health care costs for three separate self-funded plans, the Choice Plus PPO, the Choice EPO, and a High Deductible Health Plan along with dental insurance, administrative expense, and the city’s comprehensive wellness program. The Department of Employee Relations (DER) manages the account and all related benefits, programs, and services.

Prior to 2012, total health care expenditures were increasing at a rate of 8% to 9% annually, reaching almost \$139 million in 2011 and were projected to reach \$187 million by 2015 (see Figure 1). In light of this unsustainable trend, the city with the support of policy makers, elected officials, employees, and vendor partners took steps to control the rising costs of health care, encourage better utilization by members, increase employee engagement through a formalized wellness program, and minimize and prevent workplace injuries.

Figure 1



Initiatives were launched to address the increased cost and utilization trends in health care and worker’s compensation. The city began examining changes to encourage more appropriate utilization of health care benefits, initiated a wellness program to help with those

efforts, and launched a risk management program to better understand the factors driving workplace injury trends and increasing worker’s compensation expenditures. Recognizing the importance of these ongoing efforts as well as the link between employee health care, wellness and safety, the department has been working to better integrate these areas into a model of total worker health and employee wellbeing.

Health Care: Since 2012, the city has experienced positive health care expenditure trends. City employees have continued to pay a 12% premium that has increased just 16% over the decade despite the cost of medical care increasing an average of 6% every year during that same time period. The City’s experience is possible because of

the culture shift that occurred with employees and their high engagement in the City's comprehensive health and wellness program and onsite clinic services which improve health awareness and encourage smarter healthcare utilization choices. Employees' intentional actions to improve or maintain their health make a significant difference in healthcare trends, limiting premium increases over the past ten years and allowing the City to maintain generous health benefits for employees.

Wellness Program: The City's wellness program started in 2009 as a single participation based program, the Health Appraisal, and has since grown significantly. The program includes an outcomes based component, Healthy Rewards, and a wide range of programs, services and resources, such as a wellness center, traveling wellness center sites, year round coaching and access to registered dietitians, ongoing educational sessions, multiple onsite weight management programs, chronic condition prevention and management programs, flu clinics, group fitness classes, mental health and financial wellness initiatives, an onsite nurse liaison, department specific initiatives as well as the City's onsite clinics and Froedtert FastCare Clinic services.

The comprehensive wellness program and onsite clinic services play a critical role in the City's efforts to control healthcare costs while providing a substantial benefit to employees and their families and contributing to an integrated model for total worker health, safety and wellbeing.

DER uses a multi-pronged approach to inform decision making and provide critical feedback on current and new programs. The Wellness and Prevention Labor Management Committee reviews all benefit and wellness related programming including trends and issues impacting programs and employees. DER meets regularly with 50 employee wellness champions through the Wellness Promotion Committee which serves as a sounding board on programs and services. DER also holds quarterly health and wellness vendor partner meetings to share best practices, discuss barriers to access and participation in programs, and ensure benefit programming at many different levels. This transparent and inclusive approach builds trust and ensures the benefits and wellness program continues to be designed by employees for employees. This model has enabled DER to increase health and wellness programming by 300% over the last few years.

Services provided to employees and spouses through the City's health and wellness program are free and are considered best in class. The City strives to meet the continual high demand for programs and services. The partnerships developed with employees and vendors allow DER to quickly respond to employee needs which was exemplified during the ongoing COVID-19 pandemic as DER worked with its partners and employees to transform every program and service to virtual, online or telephonic formats, including the onsite clinics. This not only expanded the reach of benefits and wellness programs but also made them more accessible to a wider audience. Going forward DER and its partners will be providing programs and services in a hybrid format to ensure easy access for a wide audience and better meet the needs of employees and their families.

Employee Safety and Worker's Compensation: Froedtert Occupational Health provides occupational health services for the City of Milwaukee. Froedtert Workforce Health provides comprehensive health and wellness services to employees and their families and supports the City's goal of an integrated model for total work health, safety and wellbeing. Utilizing Froedtert Occupational Health for pre-employment services allows the City to capitalize on existing synergies with health and wellness efforts, employee safety, and risk management initiatives and the need to assess employment suitability at time of hire.

DER continues to assess current practices and implement new initiatives to address field worker safety and to ensure the safest possible work environment for all employees. DER's Risk Management and Safety Officer works with departments and safety personnel to implement practices for injury prevention and mitigation as well as ongoing training efforts to promote employee safety. The Risk Management and Safety Officer also works with departments to update the City's Risk Management Program including department safety plans and annual safety reporting.

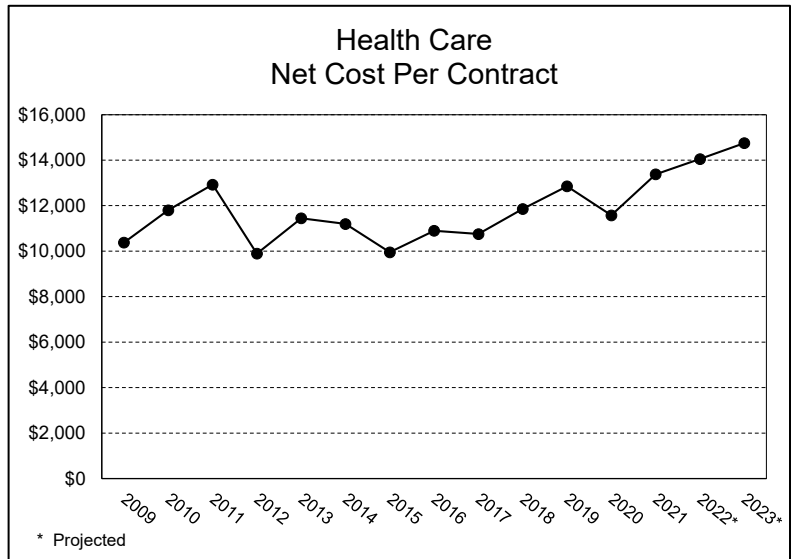
2023 Highlights

The 2023 cost per health care contract is expected to increase at the rate of medical inflation to \$14,751. In 2012, the revised health care benefit structure combined with other wellness changes substantially decreased the overall cost per contract (see Figure 2).

The cost per contract has historically increased by approximately \$2,000 every three years and prior to 2012 that increase had become more dramatic. On a percentage basis, costs from 2006 to 2008 increased 24% while costs from 2009 to 2011 grew over 28%. In 2023, the projected cost per contract is expected to increase but only modestly over 2011 levels.

The City’s annual health care expenditures are significant and affect funding available for City services. The cost of medical care

Figure 2



continues to increase and DER is working on both short and long term strategies to control healthcare costs while ensuring employees have affordable access to health care. In 2021, for the first time in six years, additional benefit design changes were implemented for employees to help control increasing expenditures. To balance those changes, additional care options were implemented through the City’s Workplace Clinic to include chronic condition management and dependent care options as well as wellness and prevention care. The ongoing pandemic has caused members to delay or cancel certain care options including preventive measures which could lead to more serious health conditions and increasing healthcare expenditures in the future. The Workplace Clinic remains a critical and free resource to help employees and their families resume care and identify health concerns before they become more urgent issues. In addition, other expanded health services like 2nd MD, a free second opinion service for members enrolled in the City’s health insurance, provide additional support and options for employees.

The City continues to self-insure the health plans provided to employees and retirees and established a reserve fund to address the risk associated with self-insurance and fluctuating health care expenditures. The reserve fund provides protection if annual expenditures exceed budgeted funding. The City has not purchased stop loss insurance to date because its health plan experience did not warrant that type of coverage. The City will continue to explore stop loss insurance on an annual basis to determine if this coverage is needed. Stop Loss coverage can prevent the City from assuming total liability for expenditures arising from extremely high medical and pharmacy claims that exceed normal levels of expenditure variation.

In 2021, DER launched a new voluntary benefits initiative starting with vision insurance to provide additional solutions to address the changing needs of employees and their families and give employees the opportunity to tailor a benefit package that meets their specific circumstances. In 2022, additional voluntary benefits were added including short-term disability, critical illness and accident insurance coverage.

DER Benefits launched a new communication service to help educate employees on the many benefit programs and service available to them and improve understanding and utilization of those benefits. Through the new service, employees have access to education videos and a dedicated online resource center for new employee onboarding and open enrollment. DER also implemented a new benefit counselor service that was used during open enrollment and later expanded year-round for new employee onboarding.

In order to provide employees with information on the overall value of their compensation and benefits package, DER Benefits is working with ITMD to implement total reward statements. Total reward statements are critical to help employees understand the full value of their employment with the City and improve efforts to attract and retain employees. An employee's total compensation package includes annual salary; employer contributions to benefits like health, dental, life insurance, tuition reimbursement, and pensions; paid leave benefits such as long-term disability, vacation, sick and paid parental leave; as well as other benefits like free wellness and onsite clinic services. Total rewards statements assist employee retention efforts by helping employees make more informed decisions if they are considering leaving City employment.

SPECIAL PURPOSE ACCOUNT WORKER'S COMPENSATION

SUMMARY OF EXPENDITURES

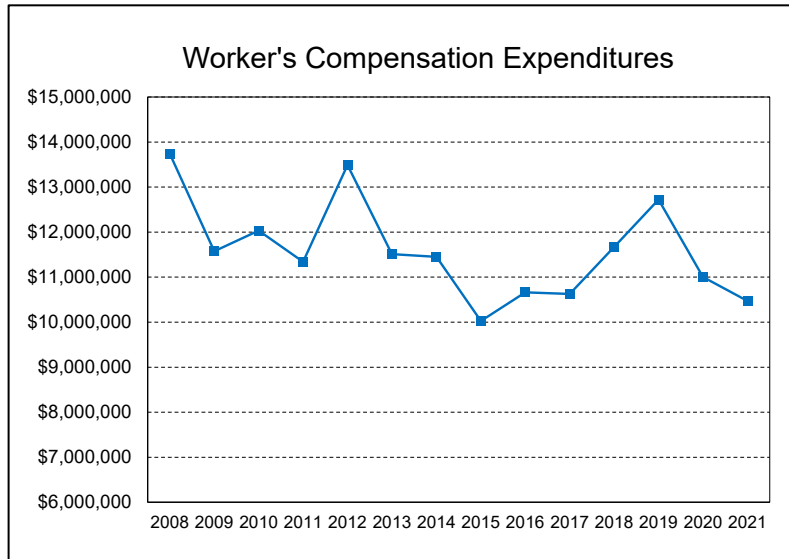
	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Worker's Compensation	\$10,472,416	\$12,000,000	\$12,000,000	\$11,500,000	\$-500,000	\$-500,000
TOTAL	\$10,472,416	\$12,000,000	\$12,000,000	\$11,500,000	\$-500,000	\$-500,000

The Worker's Compensation Special Purpose Account, managed by the Department of Employee Relations (DER), funds the city's financial obligations under the State's Worker's Compensation Act. The number and severity of claims as well as medical inflation drives the cost.

The 2023 budget for the worker's compensation account totals \$11.5 million. Expenditures in 2022 are projected to be around \$11 million. Since 2011, worker's compensation expenditure trends have remained relatively flat and are not expected to increase unless unforeseen events occur that lead to more severe injuries and higher injury rates (see Figure 1).

The worker's compensation program is self-funded and administered by CorVel Corporation. CorVel has a long-standing relationship with the City of Milwaukee and is a valuable partner providing bill review and Preferred Provider Organization (PPO) network services when the City self-administered worker's compensation benefits. CorVel has a proactive healthcare approach that puts the injured worker first and makes proper medical care for employees the priority. DER works closely with CorVel in a collaborative approach to claims administration that focuses on helping employees recover from injuries and return to full health.

Figure 1



DER continues to assess current practices and implement new initiatives to address field worker safety, fulfilling the City's responsibility to provide the safest possible work environment for employees. DER's Risk Management and Safety Officer works with departments and safety personnel to implement practices for injury prevention and mitigation as well as ongoing training efforts to promote employee safety. The Risk Management and Safety Officer also works with departments to update the City's Risk Management Program including department safety plans and annual safety reporting.

Froedtert Occupational Health provides occupational health services for the City of Milwaukee. Froedtert Workforce Health provides comprehensive health and wellness services to employees and their families and supports the City's goal of an integrated model for total work health, safety and wellbeing. Using Froedtert Occupational Health for pre-

employment services allows the City to capitalize on existing synergies with health and wellness efforts, employee safety, and risk management initiatives and the need to assess employment suitability at time of hire. Pre-employment medical exams use screening mechanisms at the time of hire and help identify interventions to prevent and reduce workplace injuries. Froedtert also conducts job analysis to align pre-placement evaluations with physical job demands and cost effective management of work related injury treatment and rehabilitation service

Froedtert Occupational Health also works with the City's existing wellness programs to implement targeted programs to increase worker safety, identify unsafe work conditions and practices, improve job readiness, and educate and train employees to reduce future injuries.

DER continues to invest time and resources to develop an effective response to COVID-19. Keeping employee safety as the top priority, DER developed, implemented and continues to manage numerous policies and guidelines related to COVID-19.

Over the past few years, as additional field safety worker protocols were implemented, the need for a more structured training program became apparent to address employees' safety concerns. DER's Risk Management and Safety Officer continues to collaborate with departments and outside organizations to identify and provide relevant training opportunities for employees, including the trainings listed below.

- Active Shooter Training
- Basic Self Defense Safety Training
- Dog Bite Prevention
- Defensive Driving Training
- Personal Safety/ Situational Awareness (Lone Worker Training)
- Community Members Living with Mental Health.-Mental Health Overview
- Communicating for De-escalation Strategies and Techniques
- Friends and Family
- Trauma Informed Care (addressed, moral hurt, and resilience) initiative
- Conflict Management
- See Something Say Something
- Bully Prevention

In 2021, 50 safety classes were offered with 1,482 employees participating. DER will continue to identify more safety training based on incident and safety report data and input from employees and management.

FRINGE BENEFIT OFFSET

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
Fringe Benefit Offset	\$-169,982,996	\$-170,065,830	\$-198,873,208	\$-163,715,440	\$6,350,390	\$35,157,768
Total	\$-169,982,996	\$-170,065,830	\$-198,873,208	\$-163,715,440	\$6,350,390	\$35,157,768

Employee fringe benefit costs are appropriated in various special purpose accounts. In addition, department operating budgets include an estimated employee fringe benefit factor in order to reflect the total cost of department operations. The 2023 budget offsets this “double” budget with a budget offset, to avoid levying twice for employee benefits. This approach avoids overstating the total city budget by the fringe benefit factor, which in 2023 amounts to approximately \$163.7 million.

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

Each year, the Comptroller’s Office develops revenue estimates for the upcoming budget year. When finalized, these estimates determine the property tax levy and reserve fund withdrawals needed to offset budgeted expenditures. In 2023, the city anticipates generating approximately \$639.5 million in revenue for general city purposes. Figure 1 provides a breakdown of these revenues by major category.

Revenue diversification and enhancement provides the city with the means to retain existing service levels. Property tax increases have been limited by state legislation and state aid decreases, placing pressure on other revenue sources or requiring service reductions. State restrictions on the type of fees that are available to municipalities further erode the city’s ability to diversify its revenues.

The overall general city purposes revenues have grown less than the rate of inflation (see Figure 2). Revenues in 1997 equaled \$426 million which is \$80 million higher than the inflation adjusted revenue for 2023 of \$346 million.

There are a variety of sources of funds for the general city purposes budget. Figure 3 illustrates the distribution of the different revenue categories in the 1995 budget and the 2023 budget. A noticeable shift in intergovernmental, property taxes, and charges for service is evident over the time period. The city received proportionately more intergovernmental aid in 1995 when it accounted for 63.7% of total revenues versus 42.7% in 2023.

Over the same time period, the city’s reliance on property taxes increased from 10.6% to 13.8%. The city has increased its efforts to diversify revenues by increasing charges for service as a percentage of revenue from 4.3% to 23.1%.

From 2010 to 2023, intergovernmental revenues increased by \$2.1 million from \$270.9 million to \$273.0 million. This is shown in Figure 4 along with the inflation adjusted amounts.

The following discussion provides more specific detail on the different categories of general purpose revenues.

Figure 1

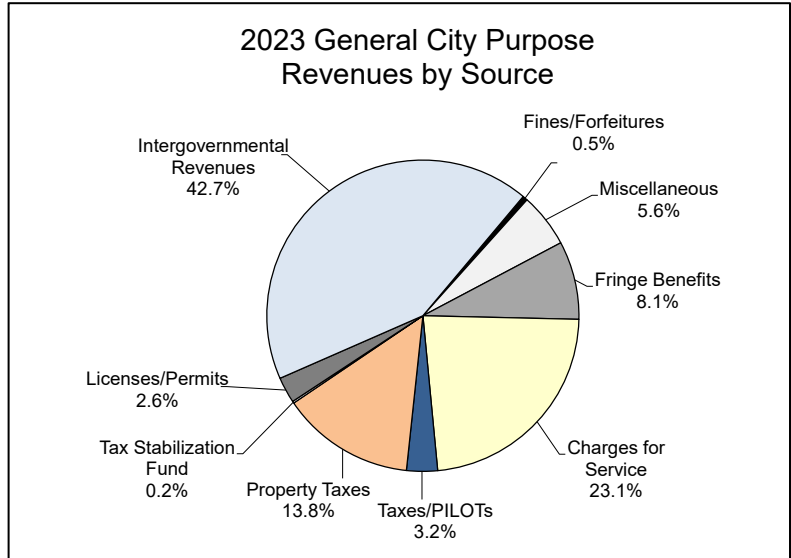
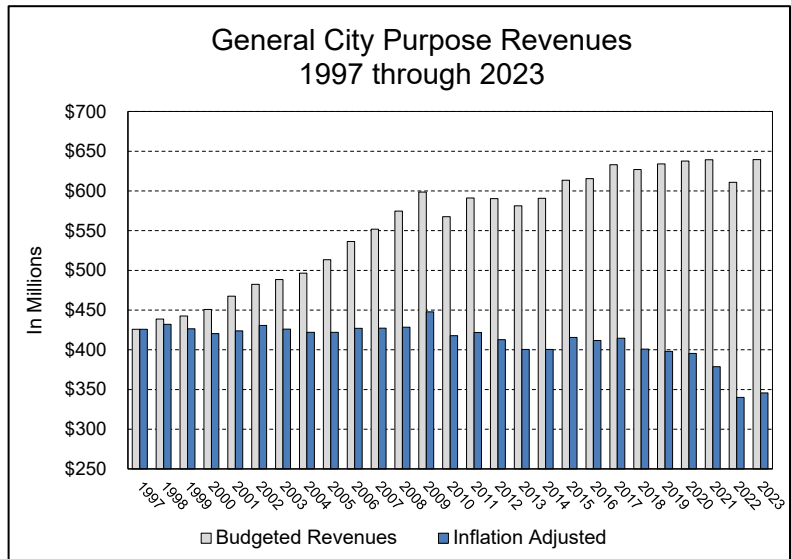


Figure 2



Intergovernmental Revenue: These revenues include funding received from other governmental jurisdictions, state and federal aid formulas, grants, and other program specific government aids. In the 2023 budget, intergovernmental revenues total \$273.0 million, a decrease of \$412,000 from 2022.

The largest amount of state aids received by the city comes in the form of state shared revenue. In 2023, the city expects to receive \$219.1 million of shared revenue; the same as 2022.

Since the state fixed the allocation for shared revenue in 1995 and later fixed the amount municipalities received, the city is unable to rely on shared revenue to address its structural budget issues. The city has turned to other sources of funds or service cuts to offset this lack of growth. The city will experience a \$124 million decrease in real intergovernmental aids since 1995 (see Figure 4).

The state transportation aids are determined by the amount that is spent on transportation related accounts and the funds made available in the state budget for this purpose. In 2023, these aids total \$29.7 million, a decrease of \$412,000 from 2022.

Another state aid is the expenditure restraint payment. The program provides payments to communities that control their general fund expenditures. General fund expenses are allowed to increase by the CPI and 60% of the net new construction. The other qualifying factor is an equalized property tax rate above \$5 per \$1,000 of equalized value. Funds are distributed by the percentage of excess property tax levy which means the higher you tax the more money you receive. Milwaukee has done an excellent job of controlling its property tax levy, causing the expenditure restraint aids to remain relatively flat. The estimate for 2023 is \$10.6 million, the same as 2022.

Property Taxes: The property tax levy will provide \$88.5 million in revenue for the general city purposes budget in 2023. In 2023, the total city tax levy will be \$311.2 million; a \$6.1 million increase in the tax levy from the 2022 budget.

Taxes and Payments in Lieu of Taxes: The 2023 budget includes an estimated \$20.5 million in revenue attributable to taxes and payments in lieu of taxes (PILOTs), an increase of \$2.2 million from 2022. These funds include:

- Revenues raised by non-property tax levies;
- Occupational taxes;
- Trailer park taxes;

Figure 3

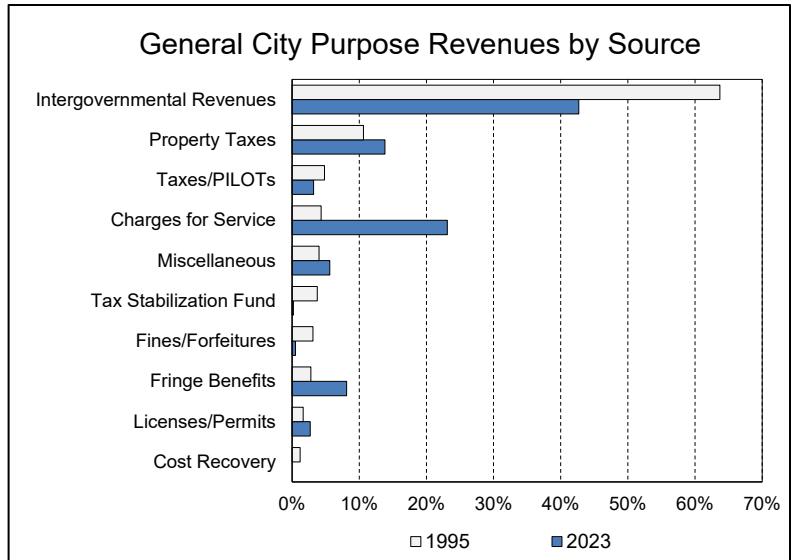
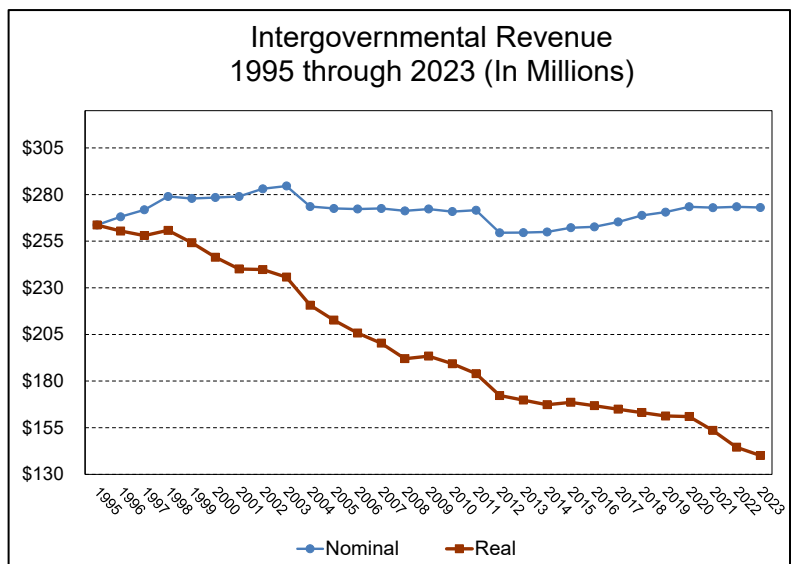


Figure 4

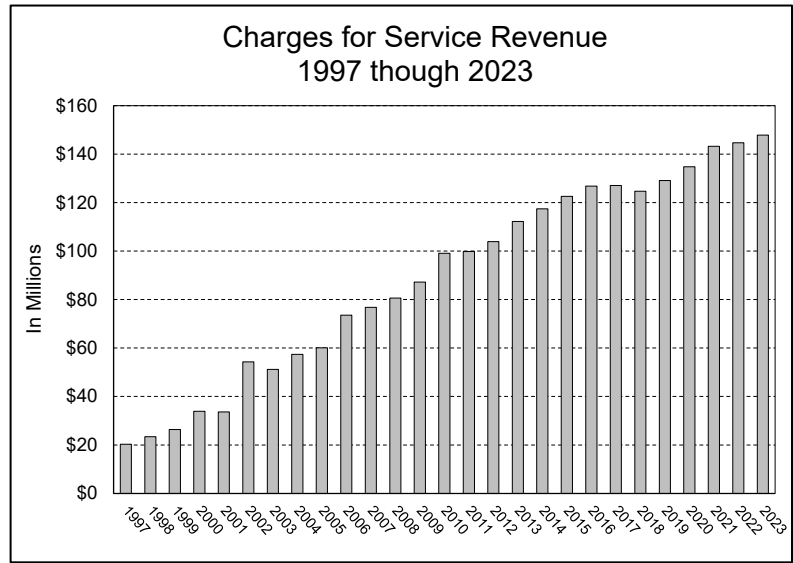


- Principal, interest, and penalties on delinquent taxes;
- Property tax adjustments;
- TID excess revenue; and
- Payments from property tax exempt governmental entities.

Charges for Services: The 2023 budget includes \$147.8 million in revenue from charges for services, an increase of \$3.2 million from 2022. This category of funding encompasses revenue received for services provided by city operating departments.

Figure 5 illustrates the increased city reliance on user-based fees. Charges for service revenues increased from \$20.3 million in 1997 to \$147.8 million in 2023. This trend is also evident in Figure 3, where charges for service revenues increased from 4.3% of revenues to 23.1%.

Figure 5



Fees for solid waste, snow and ice, street lighting, and sewer maintenance are charged to city property owners according to usage, instead of through the tax levy. These fees are increasing by 4% in the 2023 budget.

The solid waste fee is a charge that recovers approximately 90% of the cost of weekly garbage collection. Service costs for related solid waste services like recycling, and special collections are also recovered through the fee. An additional charge is made to residences that have more than one garbage cart per household.

In 2023 the annual extra garbage cart fee increases from \$72.16 per cart above one cart per household to \$75.04, an increase of \$2.88 from 2022. There is no charge for additional recycling carts. The solid waste fee increases from \$241.56 per year for residential units to \$251.22, and increase of \$9.66, and will generate \$48.6 million when combined with the extra garbage cart fee.

The snow and ice fee increases from \$1.07 per foot of property frontage to \$1.11, an increase of \$0.04 from 2022. In 2023, the fee will generate a total of \$10.7 million.

Forestry stormwater management costs will continue to be recovered through the sewer maintenance fee. The budget reflects tree pruning costs which are charged to the sewer maintenance fee. This is done in the form of a \$24.4 million transfer from the sewer maintenance fund to the general fund.

The street lighting fee is estimated to generate \$9.3 million in 2023. The fee offsets the cost of operating and maintaining the City’s street lights. Costs recovered through the fee include electricity, equipment, labor, and other operating expenses like parts and materials. Properties are assessed the Street Lighting fee based on a rate of \$1.04 per foot of frontage that the property has on streets that are served by City of Milwaukee street lights.

Miscellaneous Revenues: Miscellaneous revenues include the transfer from the transportation fund, interest on investments, funds from the sale of surplus property, real estate property sales, several spending offset accounts, and other revenues not included in any other category. In 2023, these revenues are expected to total \$35.9 million, an increase of \$1.6 million from 2022. The primary change in 2023 is a \$1.8 million increase in projected investment income.

Fines and Forfeitures: Revenue of \$3.3 million related to fines and forfeitures is included in the 2023 budget. Fines and forfeitures include payments received from individuals as penalties for violating municipal laws. The revenue in this account reflects collections made by the Municipal Court.

Licenses and Permits: In 2023, revenue from licenses and permits is estimated at \$17.2 million, an increase of \$504,000 from 2022. These funds include charges administered by various departments for legal permission to engage in a business, occupation, or other regulated activity.

Fringe Benefit Offset: The fringe benefit costs associated with reimbursable, grant, enterprise fund, and capital activity are gross budgeted in the general fund. These other funds make a payroll payment to the general fund to offset the cost of their general fund budgeted fringe benefits, which is anticipated to be \$52.0 million in 2023. This is an increase of \$20.1 million from 2022 due to funding \$50 million of Fire department salaries through American Rescue Plan Act grant funds.

Tax Stabilization Fund (TSF): The tax stabilization fund accumulates unexpended appropriations and revenue surpluses. It assists in stabilizing the city's tax rate and protects citizens from tax rate fluctuations that can result from erratic variations in non-property tax revenues. The estimated balance of the fund as of January 1, 2022 was \$14.7 million. The 2023 budget includes no withdrawal from the Tax Stabilization Fund.

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2020 Actual <u>Expenditures</u>	2021 Actual <u>Expenditures</u>	2022 Adopted <u>Budget</u>	2023 Proposed <u>Budget</u>	Change 2023 Proposed Budget Versus 2022 Adopted Budget
<u>Taxes and Payments in Lieu of Taxes</u>					
Housing Authority	\$1,094,988	\$1,002,490	\$875,000	\$875,000	\$0
Parking	1,357,484	1,444,000	1,464,000	1,464,000	0
Water Works	13,500,000	13,459,000	13,647,000	14,500,000	853,000
Trailer Park Taxes	82,968	85,083	82,000	84,000	2,000
Payment in Lieu of Taxes Other	347,710	383,005	350,000	870,000	520,000
Interest/Penalties on Taxes	1,425,858	1,890,280	1,426,000	1,600,000	174,000
TID Excess Revenue	0	1,861,219	0	591,000	591,000
Other Taxes	512,133	925,638	405,000	505,000	100,000
Total Taxes	<u>\$18,321,141</u>	<u>\$21,050,715</u>	<u>\$18,249,000</u>	<u>\$20,489,000</u>	<u>\$2,240,000</u>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Dog and Cat	\$85,597	\$64,579	\$92,000	\$86,000	\$-6,000
Food City Clerk	407,939	1,839,436	1,837,000	2,046,000	209,000
Food Health Dept.	110,585	96,510	130,000	170,000	40,000
Health Dept. Non-Food	2,865	21,415	10,000	15,000	5,000
Scales	77,879	349,292	321,000	321,000	0
Miscellaneous City Clerk	553,766	1,742,313	2,049,000	2,049,000	0
Miscellaneous Neighborhood Services	165,113	229,115	191,000	175,000	-16,000
Ambulance Service License	4,400	0	2,000	2,000	0
Miscellaneous Dept. Public Works Administration	11,907	13,258	12,000	12,000	0
<u>Permits</u>					
Board of Zoning Appeals	\$183,963	\$211,564	\$225,000	\$225,000	0
Zoning Change Fees	49,195	38,675	50,000	40,000	-10,000
Building	4,736,912	5,210,882	5,027,000	4,985,000	-42,000
Electrical	1,679,091	1,882,440	1,750,000	1,750,000	0
Elevator	469,688	447,340	506,000	450,000	-56,000
Occupancy	296,188	381,493	385,000	370,000	-15,000
Plumbing	742,239	858,543	823,000	823,000	0
Miscellaneous Neighborhood Services	94,246	114,574	119,000	115,000	-4,000
Sign and Billboard	59,976	87,333	59,000	82,000	23,000
Special Events	16,463	132,060	175,000	132,000	-43,000
Miscellaneous Dept. of Public Works	191,446	208,217	175,000	207,000	32,000
Special Privilege Misc. Neighborhood Services	395,257	88,507	313,000	300,000	-13,000
Sprinkler Inspection	170,622	205,456	189,000	189,000	0
Use of Streets Excavating	3,472,502	2,973,378	2,303,000	2,703,000	400,000
Total Licenses and Permits	<u>\$13,977,839</u>	<u>\$17,196,380</u>	<u>\$16,743,000</u>	<u>\$17,247,000</u>	<u>\$504,000</u>
<u>Intergovernmental Revenue</u>					
Fire Insurance Premium	\$1,303,802	\$1,384,413	\$1,350,000	\$1,350,000	\$0
Local Street Aids	31,367,755	30,037,987	30,142,000	29,730,000	-412,000
Payment for Municipal Services	2,177,295	2,087,445	2,650,000	2,500,000	-150,000
State Payments Police	795,610	859,932	706,000	856,000	150,000
State Shared Revenue (General)	219,181,330	219,162,468	219,101,000	219,101,000	0
Other State Payments	7,034	52,418	7,000	7,000	0
Expenditure Restraint Aid	10,099,917	10,267,969	10,559,000	10,559,000	0
Computer Exemption Aid	6,610,439	6,610,439	6,610,000	6,610,000	0
Personal Property Exempt Aid	1,406,307	1,453,898	1,406,000	1,406,000	0
Video Service Provider Aid	472,334	920,227	920,000	920,000	0
Total Intergovernmental Revenue	<u>\$273,421,823</u>	<u>\$272,837,196</u>	<u>\$273,451,000</u>	<u>\$273,039,000</u>	<u>\$-412,000</u>
<u>Charges for Services - General Government</u>					
City Attorney	\$1,137,744	\$841,609	\$1,127,000	\$828,000	\$-299,000
Dept. of Employee Relations	224,049	236,066	240,000	256,000	16,000

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2020 Actual Expenditures	2021 Actual Expenditures	2022 Adopted Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted Budget
City Treasurer	178,613	189,818	120,000	121,000	1,000
Common Council City Clerk	204,247	203,744	211,000	220,000	9,000
Cable Franchise Fee	4,042,070	3,361,408	3,700,000	3,360,000	-340,000
Comptroller	460,003	463,752	560,000	510,000	-50,000
Municipal Court	874,598	1,054,732	1,059,000	1,447,000	388,000
Assessor	958,676	956,343	864,000	1,000,000	136,000
Dept. of City Development	107,360	108,050	108,000	108,000	0
Dept. of Administration	70,895	107,955	71,000	82,000	11,000
Fire Dept.	6,257,309	8,565,646	6,880,000	7,563,000	683,000
Police Dept.	2,394,294	4,353,530	3,488,000	4,039,000	551,000
Dept. of Neighborhood Services	7,745,241	9,952,106	9,351,000	9,383,000	32,000
Building Razing	318,665	611,601	480,000	500,000	20,000
Fire Prevention Inspections	2,163,946	2,172,710	2,500,000	2,200,000	-300,000
Essential Services	0	0	40,000	40,000	0
Placard Fee	9,114	3,480	9,000	7,000	-2,000
IT/Training Surcharge Dept. of Neighborhood Services	247,791	317,196	300,000	300,000	0
Dept. of Public Works Operations Buildings and Fleet	3,120,729	3,758,284	3,190,000	3,540,000	350,000
Dept. of Public Works Infrastructure Division	3,682,786	3,017,435	3,981,000	4,266,000	285,000
Dept. of Public Works Operations Division Forestry	93,808	329,944	870,000	760,000	-110,000
Harbor Commission	6,483,900	6,392,000	6,856,288	6,423,600	-432,688
Dept. of Public Works Administrative Services	2,039,967	-3,382,047	1,586,000	1,149,000	-437,000
Dept. of Public Works Operations Div. Sanitation	2,607,510	4,994,059	4,054,000	4,571,000	517,000
Solid Waste Fee	43,039,465	45,024,252	44,930,000	46,727,000	1,797,000
Extra Garbage Cart Fee	1,746,656	1,793,000	1,786,000	1,857,000	71,000
Snow and Ice Control Fee	10,054,903	10,435,544	10,297,000	10,682,000	385,000
Forestry Stormwater Management	23,433,600	24,370,944	24,396,000	24,396,000	0
Apartment Garbage Pickup	159,825	45,084	23,000	40,000	17,000
Health Dept.	1,369,860	1,045,913	1,349,000	1,133,000	-216,000
Public Library	92,957	73,813	160,000	188,000	28,000
County Federated System	756,034	758,513	771,000	819,000	48,000
Street Lighting Fee	0	7,199,384	9,309,000	9,309,000	0
Total Charges for Services	\$126,076,615	\$139,355,868	\$144,666,288	\$147,824,600	\$3,158,312
<u>Fines and Forfeitures</u>					
Municipal Court	\$2,005,172	\$2,566,472	\$2,601,000	\$3,301,000	\$700,000
Other	2,578	11,864	1,000	1,000	0
Total Fines and Forfeitures	\$2,007,750	\$2,578,336	\$2,602,000	\$3,302,000	\$700,000
<u>Miscellaneous Revenue</u>					
Transfer from Other Funds	\$16,110,000	\$16,725,761	\$10,000,000	\$10,000,000	\$0
Interest on Overdue Invoices	82,480	0	80,000	100,000	20,000
Interest on Investment	1,757,742	-74,244	783,000	2,542,000	1,759,000
Contributions	3,158,918	2,234,734	3,200,000	2,900,000	-300,000
Dept. of Administration Property Sales	173,039	553,830	215,000	270,000	55,000
Dept. of City Development Property Sales	1,602	0	0	0	0
Dept. of Public Works Infrastructure Division Rent	678,666	602,593	313,000	326,000	13,000
Comptroller Rent	82,075	83,854	80,000	80,000	0
Dept. of City Development Rent	12,009	14,109	12,000	32,000	20,000
DOA Rent/Leases	0	75,614	100,000	100,000	0
Sale of Recyclable Materials	1,016,331	1,700,399	1,240,000	1,360,000	120,000
Other Miscellaneous	1,134,821	78,231	1,368,000	1,197,000	-171,000
Insurance Recovery	8,371	23,678	10,000	15,000	5,000
Potawatomi	4,414,762	4,377,159	5,750,000	5,800,000	50,000

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2020 Actual <u>Expenditures</u>	2021 Actual <u>Expenditures</u>	2022 Adopted <u>Budget</u>	2023 Proposed <u>Budget</u>	Change 2023 Proposed Budget Versus <u>2022 Adopted Budget</u>
Harbor Commission Transfer	2,465,165	1,679,243	1,698,000	1,718,000	20,000
Vehicle Registration Fee	6,201,931	8,927,888	9,450,000	9,450,000	0
Total Miscellaneous Revenue	<u>\$37,297,912</u>	<u>\$37,002,849</u>	<u>\$34,299,000</u>	<u>\$35,890,000</u>	<u>\$1,591,000</u>
Fringe Benefits					
Fringe Benefit Offset	<u>\$30,377,583</u>	<u>\$22,378,953</u>	<u>\$31,897,107</u>	<u>\$52,000,000</u>	<u>\$20,102,893</u>
Total Fringe Benefits	<u>\$30,377,583</u>	<u>\$22,378,953</u>	<u>\$31,897,107</u>	<u>\$52,000,000</u>	<u>\$20,102,893</u>
Total General Fund Revenue	<u>\$501,480,663</u>	<u>\$512,400,297</u>	<u>\$521,907,395</u>	<u>\$549,791,600</u>	<u>\$27,884,205</u>
Amount to be Raised Pursuant to 18-02-6	\$125,273,570	\$119,286,102	\$89,038,772	\$89,743,529	\$704,757
Less:					
Tax Stabilization Fund Withdrawal (Sustainable)	\$10,000,000	\$6,500,000	\$4,000,000	\$0	\$-4,000,000
Tax Stabilization Fund Withdrawal (Revenue Anticipation)	\$0	\$0	\$0	\$1,272,000	\$1,272,000
Property Tax Levy	<u>\$115,273,570</u>	<u>\$112,786,102</u>	<u>\$85,038,772</u>	<u>\$88,471,529</u>	<u>\$3,432,757</u>
Total Sources of Funds for General City Purposes	<u>\$626,754,233</u>	<u>\$631,686,399</u>	<u>\$610,946,167</u>	<u>\$639,535,129</u>	<u>\$28,588,962</u>

B. PROVISION FOR EMPLOYEES' RETIREMENT FUND

EXECUTIVE SUMMARY

- MISSION:** Secure payment of retirement benefit obligations in a manner that seeks to avoid destabilizing city operations and that limits the transfer of financial responsibility to future generations by funding those obligations over the remaining work life of System members on an actuarially sound basis.
- OBJECTIVES:** Comply with the Employees' Retirement System funding requirement provisions of Chapter 36 of the City Charter.
- STRATEGIES:** Use the Employer's Reserve Fund to stabilize future city pension contributions.
- Continue to pre-pay the employer's pension contribution.

SUMMARY OF EXPENDITURES

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
<u>Firemen's Pension Fund</u>						
Lump Sum Supplement Contribution	\$18,000	\$18,000	\$18,000	\$18,000	\$0	\$0
Subtotal	\$18,000	\$18,000	\$18,000	\$18,000	\$0	\$0
<u>Policemen's Pension Fund</u>						
PABF Payroll	\$58,006	\$55,000	\$43,000	\$24,000	\$-31,000	\$-19,000
Lump Sum Supplement Contribution	10,000	10,000	10,000	10,000	0	0
Subtotal	\$68,006	\$65,000	\$53,000	\$34,000	\$-31,000	\$-19,000
<u>Employees' Retirement Fund</u>						
Employer's Pension Contribution	\$70,045,262	\$71,000,000	\$121,000,000	\$100,000,000	\$29,000,000	\$-21,000,000
Employer's Pension Contribution - Employers' Reserve Fund	8,000,000	40,000,000	10,000,000	0	-40,000,000	-10,000,000
Administration	16,278,228	21,387,904	23,220,014	23,383,349	1,995,445	163,335
Subtotal	\$94,323,490	\$132,387,904	\$154,220,014	\$123,383,349	\$-9,004,555	\$-30,836,665
Social Security Tax	\$18,975,427	\$20,000,000	\$20,000,000	\$20,000,000	\$0	\$0
Deferred Compensation Plan	\$217,247	\$443,766	\$433,502	\$433,502	\$-10,264	\$0
Total	\$113,602,170	\$152,914,670	\$174,724,516	\$143,868,851	\$-9,045,819	\$-30,855,665
<u>Revenues</u>						
Fringe Benefits Pensions	\$1,395,387	\$1,648,282	\$1,642,846	\$1,687,329	\$39,047	\$44,483
Charges for Service ERS	15,841,942	21,387,904	23,220,014	23,383,349	1,995,445	163,335
Charges for Service Deferred Compensation	217,688	443,766	433,502	433,502	-10,264	0
Property Tax Levy	97,347,853	129,314,718	149,294,154	118,230,671	-11,084,047	-31,063,483
Employer's Reserve Fund	0	0	0	0	0	0
Miscellaneous Employees' Retirement System	115,925	120,000	134,000	134,000	14,000	0
Total	\$114,918,795	\$152,914,670	\$174,724,516	\$143,868,851	\$-9,045,819	\$-30,855,665

The Employees' Retirement Fund includes provisions for employee pensions, the Policemen's Annuity and Benefit Fund, the Firemen's Pension Fund, social security contributions, and the city's deferred compensation plan.

The Employees' Retirement System (ERS) is responsible for administering the city's defined benefit pension plan for city employees and city agency members of the system. The system operates under the direction of the Annuity and Pension Board. Retirement contributions for employees of the Milwaukee Metropolitan Sewerage District, the Wisconsin Center District, the Water Works, Milwaukee Public School Board (excluding teachers), and the

Milwaukee Area Technical College are borne by those respective governmental units and are not included in these appropriations. There were 29,364 members in the system as of January 1, 2022, including 10,094 active members and 13,758 retirees.

The Policemen's Annuity and Benefit Fund (PABF) administers pensions for city police officers employed prior to 1947. There were four members as of June, 2022.

Funds in the Firemen's Pension Fund are provided for retired fire fighters who were employed prior to 1947. This fund had six members as of June, 2022.

The Comptroller oversees the city's contribution for payment of the employer's share of social security tax. The Deferred Compensation Board is responsible for administration of the city's deferred compensation plan.

STRATEGY IMPLEMENTATION

The City uses a stable contribution policy that was adopted in 2013. The stable contribution policy is based on a blended rate representing the total employer contribution rate which results from adding the proportionately weighted rates of the three employee groups. The blended rate is applied to covered compensation to determine the City's contribution. The blended rate is updated every five years.

The stable contribution policy addresses the following objectives:

- Budget annually for the normal cost;
- Reduce unfunded liability;
- Maintain asset coverage equal or greater than retired lives' liabilities;
- Achieve stable and predictable contribution levels over five-year periods; and
- Review adequacy of contributions as part of a five-year cycle.

The stable contribution policy stabilizes the property tax levy for a five-year period. The policy allows the city to retain vital services while responsibly financing pensions.

SERVICES

Employer's Pension Contribution: Every five years the blended rate is modified to reflect the current condition of the fund. The stable contribution policy began in 2013, and the contribution was modified at the five-year update for the 2018 pension contribution. The next update will occur in 2023. The current blended rates are 7.48% for general city, 25.22% for police and 26.83% for fire. These rates are based on various factors that determine estimated pension fund needs, including the assumed rate of return on investments, the ages of retirements by employee groups, and mortality rates. The employer pension contribution for 2022 due and payable January 2023 is \$71 million, the same as the 2021 budget and was pre-paid in January 2022. The entire amount was funded from the tax levy. No funding came from the pension reserve account.

One benefit of the stable contribution policy is ensuring that there are relatively small changes in the contribution amount during each five-year contribution period. This makes budgeting for the contribution easier to manage during this period. The contribution of \$71 million for 2022 did not change from 2021. However, the required contribution when the stable contribution is reset in 2023 is projected to significantly increase.

Several factors contribute to the increase in the required contribution, including investment experience, changes in covered employee compensation, and demographic changes. However, one of the more significant factors is that in April 2019, the Annuity and Pension Board voted to reduce the assumed investment rate of return from 8% to 7.5%. While this rate is more consistent with the rate of return used by most pension systems, reducing this rate significantly increases unfunded pension liabilities.

ERS' unfunded liabilities were \$ 1,140,941,000 as of January 1, 2022, reflecting an 83.4% funded status on an actuarial basis. These unfunded liabilities will require significantly larger employer pension contributions, starting with the 2023 employer contribution, which is due January 31, 2024. Pursuant to MCC-36-08, the actuary will determine the reset of the Stable Contribution percentage of pensionable compensation for contributions covering 2023 through 2027, which are due and payable in 2024 through 2028. This determination depends on the findings of the five year experience study conducted by the actuary and the adoption of revised economic and demographic assumptions by the Annuity and Pension Board, as well as the market value of ERS assets as of December 31, 2022.

The outcome of the reset of the Stable Contribution percentage of pensionable compensation will not be known until the first quarter of 2023. The 2023 budget includes funding of \$100 million for the pension contribution, an increase of \$29 million or 41% from 2022. This amount, combined with the available pension reserve, a \$7.8 million contribution credit, and the planned continuation of pre-paying the contribution, will enable the City to fully pay the required 2023 employer contribution due in January 2024. Once the actuary determines the reset of the Stable Contribution policy, the required annual contribution for 2023 through 2027 will be established. This amount may require a further increase to the employer contribution in the 2024 and subsequent budgets. Based on final asset data and decisions by the Annuity and Pension Board, the contribution could increase to more than \$125 million.

The estimated increases in the employer pension contribution cannot be funded within the current fiscal constraints facing the City. Specifically:

- The State does not provide meaningful increases in Shared Revenue that reflect either increases in inflation or increases in tax revenue generated by the residents and businesses in Milwaukee.
- The State has imposed a strict levy limit and expenditure limit on the City budget, both of which will likely need to be violated at some point in the future in order to adequately fund the pension contribution.
- The State strictly limits the revenue sources available to the City, such as not authorizing a local municipal sales tax.
- The State, by retaining the collective bargaining powers of the Police and Fire unions that were eliminated for all other public employee unions in 2011, has strictly limited the City's ability to adjust both member pension contributions and pension benefits

The City has sought authority from the State to hold a local referendum in which City residents have the ability to approve a City sales tax, in order to increase the revenue available to meet the City's financial obligations. A City sales tax is necessary to enable the City to fund its financial obligations while minimizing reductions to core services, including Police and Fire services. Large service reductions, including significant reductions in Police and Fire services, will be necessary, unless the State works with the City to remove the fiscal constraints previously identified.

The majority of the pension liability is for Police and Fire members, as the salaries and pension benefits for these members are significantly higher than for General City members. The City's current revenues cannot fund these salaries and pension benefits over the long term. It is imperative that pension reform be enabled to modify the pension benefit structure.

The actuarially determined employer contribution under the decreased assumed rate of return is based on a 15.86% rate for general city, 44.70% for police and 47.91% for fire. Employee member contributions are currently 4% for General City employees hired after January 1, 2014 (5.5% for employees hired before 2014) and 7% for Police and Fire. The City will be unable to fully fund the pension contribution on its own. A greater portion of the cost will need to be funded from the employee contribution.

The City has a pension reserve fund that can be used to ease the impact of the pension contribution increase beginning in 2023. The reserve fund has a current balance of \$80.8 million. The fiscal constraints identified above prohibit the

city from making additional contributions to the reserve fund. In future years, a significantly higher tax levy, one that exceeds the State imposed levy limit, may be necessary to fund the employer contribution.

Under current fiscal conditions, the City will have to make significant service reductions, including reductions to Police and Fire services, in order to fund the pension contribution. To minimize service reductions, the City requires a substantial increase to its baseline revenues, and expanded authority to adjust member pension contributions and benefits. Resolving the City's structural budget imbalance requires a significant increase in the City's baseline revenues, such as provided by a sales tax and increased shared revenue, and a reduction in long-term pension liabilities. Both of these require action by the State of Wisconsin.

Employer's Reserve Fund: A balance of approximately \$80.8 million is in the Employer's Reserve Fund as of July 2022. No additional contribution is included in the 2023 budget.

Social Security Payments: In the 2023 budget, \$20 million is provided for social security payments.

Administration: In the 2023 budget, ERS administrative costs are \$23.4 million.

Employer's Pension Contribution (PABF): The 2023 budget does not include a contribution for the former Policemen's Annuity and Benefit Fund. Instead the city will provide \$24,000 for member payments on an on-going basis from an account funded by an annual appropriation.

Lump Sum Contribution for Policemen's Annuity and Benefit Fund (PABF): There is \$10,000 provided in the 2023 budget to provide a pension supplement.

Lump Sum Contribution for Firemen's Annuity and Benefit Fund (FABF): A total of \$18,000 is provided in the 2023 budget for a pension supplement to remaining members of this fund.

EMPLOYEES' RETIREMENT SYSTEM

EXECUTIVE SUMMARY

- MISSION:** Administer the plan as provided under the city charter, as a fiduciary pursuant to state and federal requirements as an IRS-qualified retirement plan and trust, maintain member and beneficiary records, pay the benefits to which members and beneficiaries are entitled, communicate with and counsel members and beneficiaries, and invest and manage the funds of the trust in a prudent and vigilant manner.
- OBJECTIVES:** Achieve assumed long term 30 year average annual return target set by the Annuity and Pension Board (currently 7.5%).
- Determine strategic asset allocation and asset class strategies.
- Distribute pension checks in a timely and accurate manner.
- STRATEGIES:** Monitor and analyze all investment activities and provide oversight of the investment portfolio to obtain the highest return consistent with the level of risk taken.
- Maintain and update the Milwaukee Employees' Retirement Information Technology System to provide effective and efficient pension administrative services.
- Improve member communication through the Employees' Retirement System website, pre-retirement counseling seminars, brochures, and newsletters.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
<u>Personnel</u>						
FTEs - Operations & Maintenance	49.72	49.00	49.00	51.00	2.00	2.00
FTEs - Other	0.00	0.00	8.00	0.00	0.00	-8.00
Total Positions Authorized	58	57	58	59	2	1
<u>Expenditures</u>						
Salaries and Wages	\$3,415,177	\$3,583,222	\$3,650,768	\$3,749,620	\$166,398	\$98,852
Fringe Benefits	1,395,387	1,648,282	1,642,846	1,687,329	39,047	44,483
Operating Expenditures	11,087,981	15,558,400	15,890,400	15,910,400	352,000	20,000
Equipment	379,683	598,000	2,036,000	2,036,000	1,438,000	0
Total	\$16,278,228	\$21,387,904	\$23,220,014	\$23,383,349	\$1,995,445	\$163,335
<u>Revenues</u>						
Charges for Services	\$15,841,942	\$21,387,904	\$23,220,014	\$23,383,349	\$1,995,445	\$163,335
Miscellaneous	115,925	120,000	134,000	134,000	14,000	0
Total	\$15,957,867	\$21,507,904	\$23,354,014	\$23,517,349	\$2,009,445	\$163,335

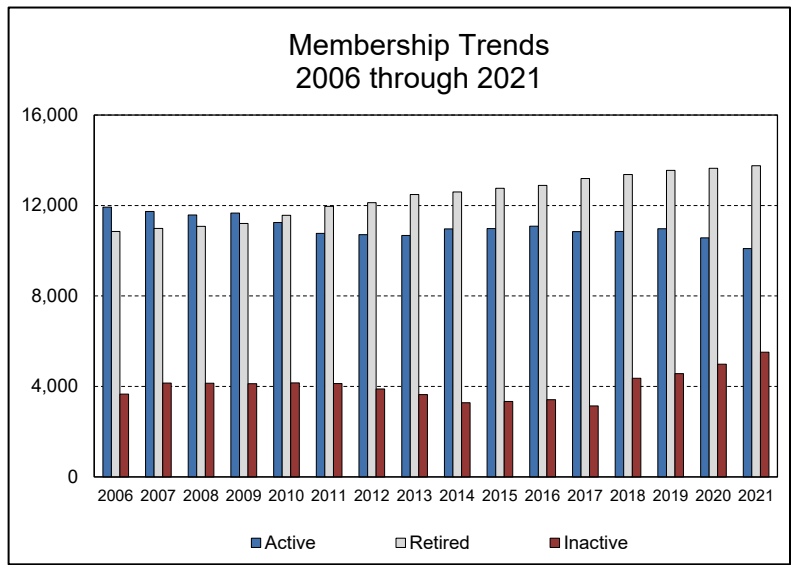
DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Optimize the amount of tax levy funding needed to support the Employees' Retirement System consistent with the risk assumed by the investment policy.
 - Effectively manage the pension funds under its control.
 - Provide fiduciary standard of care as required by state law to its members and beneficiaries.

The Employees' Retirement System ("ERS" or "the Fund") operates a multiple employer cost-sharing defined benefit pension plan for employees of the City of Milwaukee and related agencies. ERS contributes to the city's fiscal stability and capacity by effectively managing the pension funds under its control. Effective management of these funds optimizes the amount of tax levy and member funding needed to support ERS and the pensions it manages. It also ensures adequate funding for the city's long term financial obligations to retirees and their beneficiaries. ERS also administers the enrollment and contributions for the Group Life Insurance program and health care for city retirees, including COBRA health and dental plans. As of January 2022, there were 29,364 members and beneficiaries in the Employees' Retirement System, of which approximately 65.6% are retirees or inactive members (see Figure 1).

Figure 1



The Annuity and Pension Board is the trustee of the system's funds and is responsible for the system's general administration. The Executive Director and Secretary are responsible for the daily operation of the system and function under the direction of the Board.

The Annuity and Pension Board is a city agency pursuant to state law that serves as an independent fiduciary with a duty of loyalty to members and beneficiaries of the system and is sworn to act solely in their interests. The Board is comprised of three trustees elected by the members and beneficiaries, three appointed by the President of the Common Council, and the city Comptroller as an ex officio trustee. This structure and the Board's status as an independent fiduciary was confirmed by a 2018 decision of the Wisconsin State Supreme Court.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Annualized excess return above the blended benchmark index, gross of fees (over the past five years).	0.9%	0.5%	0.5%
Exceed 95% favorable rating on customer satisfaction survey.	99%	98%	98%

STRATEGY IMPLEMENTATION

The Annuity and Pension Board voted in April 2019 to reduce the investment return assumption for the fund from 8.0% for calendar years through 2022 and 8.25% beginning in 2023 to 7.5% for all years, effective with the 2019 valuation and to amortize the resulting unfunded liabilities over 25 years. The reduction of the investment return assumption to 7.5% significantly increased the actuarial accrued liability, resulting in a liability increase of \$450 million in 2019. As of January 1, 2022, the actuarial accrued liability is approximately \$6.8 billion, and the funded status on an actuarial basis is 83.4%, with an unfunded liability of approximately \$1.1 billion. The Board’s adopted reduction in the investment return assumption reduced projected earnings from investments and thereby increased both unfunded liabilities and the required employer contributions, effective for 2023. The actuarial estimate is that this will require a projected \$56 million increase in the actuarially determined employer contributions to the fund starting in 2023, with the city’s share estimated at approximately 83% of this amount.

Achieving a 7.5% return over the long-term requires the portfolio to take certain risks that may result in negative returns and or underperformance during short and medium times. The current level of interest rates, which have risen recently but remain well below the Fund’s 7.5% investment return assumption, makes this more difficult. The Annuity and Pension Board works with its investment consultant and staff to identify a prudent long-term investment strategy that balances the prospects for achieving this long-term return target with the expected year-to-year downside-risks.

The inherent volatility of capital markets has created material swings in the Fund’s value in recent years (see Figure 2). Despite this volatility, as of June 30, 2022, the Fund has generated an annualized 5-year return of 7.8% and an annualized 10-year return of 8.8%, both net of fees. Figure 3 shows historical information with the 10-year rolling average of returns (net of fees) for time periods ending on December 31.

The Fund’s investment performance in 2021 was an 18.9% return (net of fees), the fifth highest in the past 25 years. In addition, the Fund outperformed its benchmark by 6.1%, the most outperformance the Fund has ever generated based on accessible records that go back to 1996. Furthermore, 14 out of the Fund’s 15 active investment mandates, and all of the Fund’s asset classes, outperformed their respective benchmarks. Finally, compared to its Public Fund peers, the Fund’s 18.9% return ranked in the top decile according to data published by the Fund’s investment consultant. While market declines so far in 2022 present challenges, the Fund has held up

Figure 2

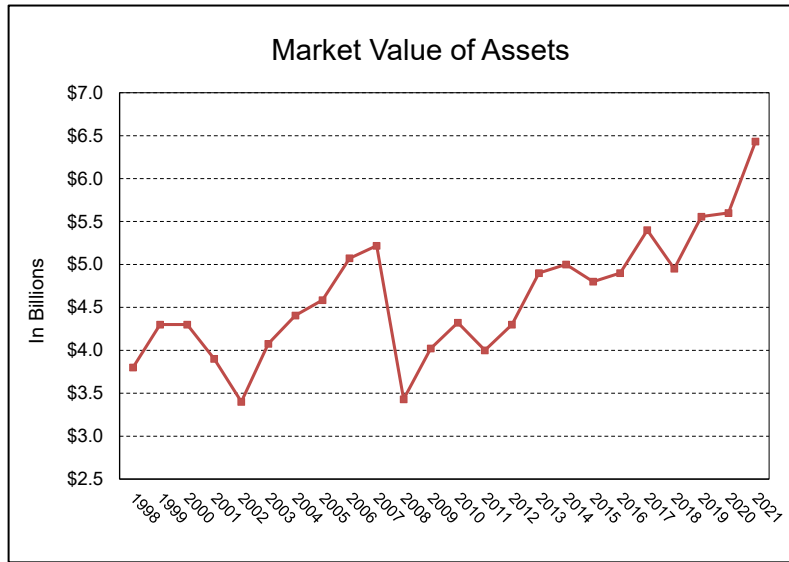
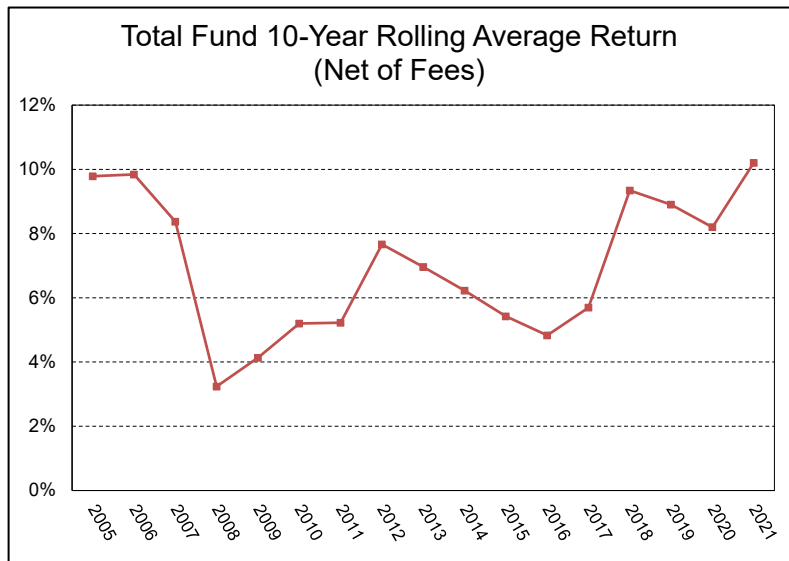


Figure 3



remarkably well compared to its benchmark and Public Fund peers. Preliminary estimates for the Fund as of July 31, 2022 show the Fund has generated a year-to-date net of fee return of about -3.7%, outperforming its benchmark by 2.7%. The Fund's market value as of July 31, 2022 is estimated to be approximately \$5.81 billion.

During the 14-year period from 2008 to 2021, investment gains of approximately \$4.7 billion have contributed substantially to funding the approximately \$4.7 billion in benefit payments made during the period, aided by approximately \$1.3 billion of employer and member contributions. The most recent actuarial report projects benefit payments to be approximately \$5.3 billion over the next 10 years. Increased contributions are needed to maintain the Fund's current asset level.

ERS measures the Fund's performance by comparing its investment return against a blended benchmark index consisting of the following indices:

- Morgan Stanley Capital International ACWI IMI (All Country World Investable Market Index) Stock Index
- Bloomberg U.S. Aggregate Bond Index
- NFI-ODCE (NCREIF Open End Diversified Core Equity) Real Estate Property Index
- 90 Day T-Bill + 3%
- Russell 3000 + 2%
- S&P Global Infrastructure Index
- FTSE EPRA/NAREIT Developed Market Index
- S&P Global Natural Resources Index
- Bloomberg U.S. Treasury TIPS Index
- Bloomberg Commodity Total Return Index

The blended benchmark is weighted according to the asset allocation strategy adopted by the Annuity and Pension Board. This strategy takes advantage of long-term investment and market trends that occur over the life of an investment cycle. The Fund's long-term objective is to outperform the blended benchmark by 0.5%.

Customer Service: ERS provides customer service through a series of membership awareness projects and counseling on a variety of benefits, including pension, disability, separation, and death benefits.

ERS also administers group life insurance and retiree health insurance for the City of Milwaukee and certain city agencies. A monthly retiree newsletter and annual newsletter to active members provide information on a variety of issues, including fund performance, tax issues, and health insurance issues. Letters, counseling sessions, and phone conversations inform individuals of their rights, options, and answer their questions. ERS regularly conducts community presentations and pre-retirement seminars for its members. More recently, due to the COVID pandemic, ERS has conducted these seminars using video conferencing. The response has been positive and ERS plans to continue some online sessions after the pandemic ends. The ERS member handbooks, brochures, and website also improve customer service delivery. ERS returned to in-person individual counselling sessions in June 2021 and is closely monitoring the level of community spread of COVID -19 and its variants in order to protect the health and safety of its clients and staff.

ERS focuses on providing enhanced online services and business process automation. Several technology upgrade projects were completed in 2022 and more will be completed in 2023. Product lines that are nearing end-of-life status are brought into compliance in accordance with a lifecycle management process. Enhancements were made to the ERS website and self-service site, including security updates and additional service features. Network security enhancements were made to better protect and secure member and institutional data, including the implementation of security incident and event management technologies, additional internal and external network scanning, and website configuration security updates that provide a more proactive approach to network security. ERS plans to further strengthen its network security in 2023 and will use a third-party security firm to assist in a security review. An update to the ERS server infrastructure is also being considered for 2023.

The ERS budget is funded almost entirely by pension trust fund assets, as approved by the Annuity and Pension Board. Because funds allocated to ERS administration and management are not available for investment, ERS aims to minimize expense growth and operate with optimal cost effectiveness.

The 2023 budget increases by approximately \$1,995,445 or 9.3%, primarily due to a projected increase in professional services and information technology expenditures.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00		Pension Investment Analyst-Senior	Position created in CCFN 220104
-1	-1.00		Program Assistant II	Position change adopted in CCFN 220185
1	1.00		Benefit Services Coordinator	
-1	-1.00		ERS Network Administrator	Position change adopted in CCFN 211628
1	1.00		ERS Network Security Administrator	
1	1.00		Disability Specialist-Lead	Position added to support administration of disability benefits
2	2.00	0.00	Totals	

DEFERRED COMPENSATION PLAN

EXECUTIVE SUMMARY

MISSION: To help City of Milwaukee employees save assets adequate to retire at the desired time, with dignity, and with sufficient income throughout retirement via a tax deferred savings plan under Section 457(b) of the Internal Revenue Code.

OBJECTIVES: Provide a range of tax deferred investment options responsive to employee-participant demographics, risk tolerances, time horizons, and retirement needs at better than retail and maximally efficient prices.

STRATEGIES: Support well-informed investment and retirement planning decisions by participants.

Utilize industry best practices, academic research, and partnerships with financial sector experts to consistently improve the Plan's investment options, performance analysis, and employee participation and savings rates.

Vigilantly monitor investment management and administrative fees and clearly disclose same to participants on an annual basis.

Educate participants on financial planning topics, including the benefits of diversification and the relative benefits and risks between a long-term investment perspective and trading in response to short-term market volatility.

Administer the Plan in accordance with applicable regulations to maintain the Plan's tax deferred status.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	2.00	3.00	3.00	3.00	0.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	3	3	3	3	0	0
Expenditures						
Salaries and Wages	\$147,419	\$204,223	\$198,553	\$198,553	\$-5,670	\$0
Fringe Benefits	63,577	93,943	89,349	89,349	-4,594	0
Operating Expenditures	6,251	67,600	67,600	67,600	0	0
Equipment	0	3,000	3,000	3,000	0	0
Special Funds	0	75,000	75,000	75,000	0	0
Total	\$217,247	\$443,766	\$433,502	\$433,502	\$-10,264	\$0
Revenues						
Charges for Services	\$217,688	\$443,766	\$433,502	\$433,502	\$-10,264	\$0
Total	\$217,688	\$443,766	\$433,502	\$433,502	\$-10,264	\$0

BACKGROUND

Section 5-50 of the Milwaukee City Charter authorizes the establishment of a deferred compensation plan under Section 457(b) of the Internal Revenue Code. As a governmental plan, the city’s plan is not governed by the Employee Retirement Income Security Act of 1974 or related Department of Labor regulations and guidance.

The Plan allows employees to set aside a portion of their income before federal and state taxes are withheld. The income is not taxed until it is withdrawn from the Plan, usually at retirement when an individual’s marginal tax rate may be lower. The Plan also permits after-tax contributions under the Roth 457 code provision. In 2014, the Plan was modified to allow members to borrow from their individual accounts. Participants may request unforeseeable emergency hardship distributions under applicable code provisions and IRS revenue rulings.

The Deferred Compensation Plan does not impact the city’s property tax levy. Plan operating expenses are paid entirely by Plan participants, who contribute to the Plan via payroll and rollover contributions, as well as earnings on those contributions. The Plan is supervised by an eleven-member fiduciary board, which hires retirement industry experts to perform nearly all key plan operations, including participant enrollment, recordkeeping, contribution and allocation processing, investment earnings allocation, administration, participant communication, payment of deferred compensation and other distributions, consulting, investment management, benchmarking, performance and fee analysis, and financial education programming. The Plan also employs an Executive Director, a Plan Coordinator and an Administrative Assistant II, that focus on vendor management, board governance, participant services, payroll contribution reconciliations, records management, monitoring legal issues and market innovations, financial statement preparation, and oversight of the annual audit.

As of December 31, 2021, plan assets were \$1.2 billion, with 9,258 active and retired participants. The overall participation rate for City of Milwaukee employees was 89%.

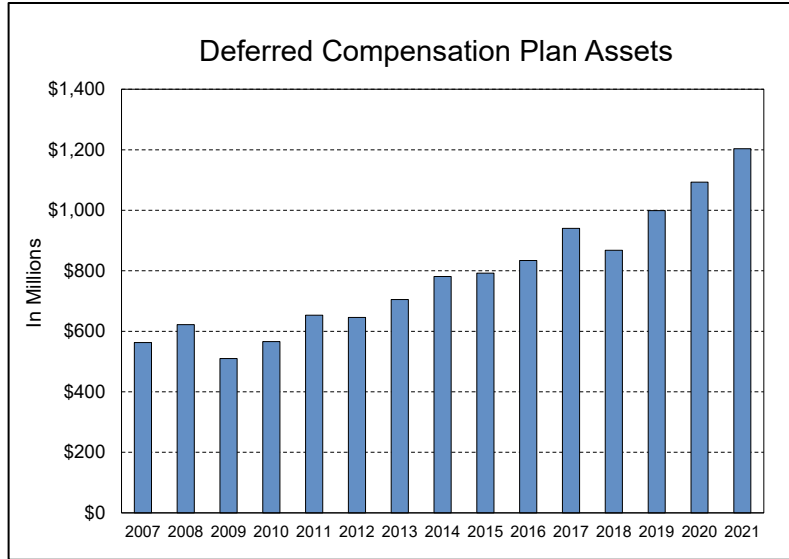
DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Plan’s mission is to assist city employees in saving assets to enable them to retire with sufficient retirement income, to support the financial stability, health, and retirement readiness of employees, as well as their overall financial literacy.

STRATEGY IMPLEMENTATION

The Plan’s strategies are implemented by the Plan’s fiduciary trustees, its Executive Director and Plan Coordinator, its legal counsel, and its private sector partners. The Plan’s growing size and the increasing complexity of the deferred compensation market, make it necessary for the Plan to partner with industry experts and consultants to ensure that the Plan adopts industry best practices, effectively monitors fee efficiency, appropriately benchmarks investment performance, and incorporates innovations to best meet the needs of participants.

Figure 1



The board meets quarterly and its Executive Finance Committee meets monthly and each receive regular reports from all plan vendors, its legal counsel, and the Executive Director. These meetings are open to the public and noticed in advance. Board trustees are encouraged to seek out industry education and best practices training, as well as training regarding their fiduciary obligations.

The Plan offers a wide range of tax deferred investment options, responsive to employee participant demographics, risk tolerances, time horizons, and retirement needs at better-than-retail and maximally efficient prices. Investment performance net of administrative and asset management fees is routinely monitored. Plan trustees and staff work to reduce fees through contract renegotiations and by market testing current pricing arrangements through regularized requests for proposal processes.

The Plan and its partners provide a wide array of in-person, on-line, over-the-phone, and written financial educational information, as well as retirement planning tools and ongoing financial wellness and pre-retirement workshops to assist plan participants in making informed investment decisions. Information on deferred compensation is provided at new employee orientations.

Plan participants allocate their payroll or rollover contributions, as well as earnings on those contributions, among a variety of investment account options, including Target Date Funds, four core asset options, and participant-controlled brokerage accounts. These investment options, their market values, and their rate of return relative to investment benchmarks as of June 30, 2022 are listed below.

Investment Performance as of June 30, 2022*				
		% Rate of Return**		
Investment Option	Market Value as of 6-30-22 in \$ Millions	One Year	Three Year	Five Year
Actively Managed Equity	\$146.9	(16.00)	7.56	8.26
<i>AMEA Benchmark</i>		(15.57)	6.48	7.32
Actively Managed Income	\$78.8	(11.16)	(0.42)	1.10
<i>AMIA Benchmark</i>		(9.45)	(0.99)	0.76
Stable Value	\$226	1.51	1.94	2.09
<i>SVA Benchmark</i>		(6.21)	0.14	1.22
Passive International Equity	\$60.5	(19.05)	1.65	2.76
<i>MSCI ACWI ex US</i>		(19.42)	1.35	2.50
Passive U.S. Equity	\$243.7	(13.82)	9.76	10.57
<i>Russell 3000 Index Benchmark</i>		(13.87)	9.77	10.60
JPMorgan Passive SR DRE Income	\$60.2	(9.47)	2.31	3.44
<i>JPMCB SR PB DRE Income Idx</i>		(9.35)	N/A	N/A
JPMorgan Passive SR DRE 2025	\$34.8	(10.63)	3.35	4.49
<i>JPMCB SR PB 2025 Idx</i>		(10.53)	N/A	N/A
JPMorgan Passive SR DRE 2030	\$35.3	(11.51)	4.03	5.17
<i>JPMCB SR PB 2030 Idx</i>		(11.37)	N/A	N/A
JPMorgan Passive SR DRE 2035	\$24.2	(12.01)	4.82	5.61
<i>JPMCB SR PB 2035 Idx</i>		(11.85)	N/A	N/A
JPMorgan Passive SR DRE 2040	\$16.7	(12.47)	5.40	6.12

Investment Performance as of June 30, 2022*				
Investment Option	Market Value as of 6-30-22 in \$ Millions	% Rate of Return**		
		One Year	Three Year	Five Year
JPMCB SR PB 2040 Idx		(12.27)	N/A	N/A
JPMorgan Passive SR DRE 2045	\$11.8	(12.64)	5.96	6.46
JPMCB SR PB 2045 Idx		(12.42)	N/A	N/A
JPMorgan Passive SR DRE 2050	\$6.7	(12.64)	5.92	6.42
JPMCB SR PB 2050 Idx		(12.49)	N/A	N/A
JPMorgan Passive SR DRE 2055	\$6.0	(12.75)	5.85	6.38
JPMCB SR PB 2055 Idx		(12.49)	N/A	N/A
JPMorgan Passive SR DRE 2060	\$1.3	(12.97)	5.78	6.40
JPMCB Passive SR 2060 Idx		(12.49)	N/A	N/A
Schwab Brokerage Window [^]	\$44.6	^	^	^

* Data provided by Callan Associates, Inc. and Northern Trust except as to the brokerage window.
** If period > 1 year, the rate of return is annualized.
[^] Returns are not reportable, as earnings will vary depending on the particular investments selected by each participant.

PROGRAM CHANGES

Significant achievements in 2021 include:

- Implemented the fifth year of automatic enrollment for new hires.
- Conducted a sixth annual re-enrollment campaign.
- Annual member's contribution increased to 3% of their wages if they contributed less than 3%, unless they opted out. Members were placed in an age-appropriate investment plan, unless they opted out.
- Seven consecutive year of decreases in plan operating expenses.

All professional fees and other operating expenses no longer appear in the city's budget, with limited exceptions since the Plan is entirely self-funded and does not impact the tax levy. To ensure transparency, the Plan's internal budget, reflecting all professional fees and operating expenses is presented to the Finance and Personnel Committee during the city's annual budget process.

Professional and operating expenses include recordkeeping (Voya), consulting (Callan Associates, Inc.), custodial banking (Northern Trust), fiduciary liability insurance (Brown & Brown), auditing (Baker Tilly), preparation of Financial Statements (Jefferson Wells) and outside legal fees, as well as staff salaries and benefits. Investment management fees are not included with these professional administrative expenses, since such fees are directly allocated to the relevant investment option, resulting in lower net returns.

The Plan is self-funded and includes a \$75,000 contingency to cover unanticipated expenses. Funds in this contingency can only be released by the Plan's fiduciary board.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

C. CAPITAL IMPROVEMENTS

EXECUTIVE SUMMARY

- MISSION:** Support the regional economy and protect the environment and public health.
- OBJECTIVES:** Improve core infrastructure condition.
- Improve the efficiency of city operations.
- STRATEGIES:** Where feasible use alternative strategies to increase the amount of infrastructure improved within funding constraints.
- Develop investment strategies to ensure favorable rates of return on city capital investments.
- Stage project funding over multiple years.
- Continue increasing budgets for most infrastructure.
-

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The 2023 proposed capital improvements budget represents the initial year of a six year capital improvements plan. The budget and plan identify the city's capital funding needs and provide funding sources to support these needs. Capital improvements generally include projects to reconstruct, rehabilitate, or otherwise restore an existing system or facility to full functionality or add to its useful life. They may also include projects to construct a new or more expansive facility to meet increased demands or to enhance economic development through job creation, business formation, and housing production. Capital investment may include technology or system enhancements that aid the city in increasing efficiency and productivity in its operating budget.

HIGHLIGHTS

The 2023 proposed general city capital improvements budget totals \$163.5 million, an increase of \$26.9 million from the 2022 budget. Tax levy supported general obligation (GO) debt in the 2023 budget, totals \$95.6 million. This is a \$10.6 million increase from the amount of tax levy supported borrowing included in the 2022 budget.

One of the city's long term goals is to provide tax levy supported borrowing authorizations that equate to tax levy debt retirements in order to control future increases in the debt service tax levy. Previous budgets have converted debt supported programs which mitigate stormwater to cash financing through the sewer maintenance fund and the stormwater fee. The city has also utilized lease payments from the sewer maintenance fund and water works for the Tower Automation facility to pay GO debt service. These financing changes increase the city's capacity to prudently invest in infrastructure, using long term debt within debt limit constraints.

Continuing high levels of investment in core infrastructure projects is a priority of the 2023 capital budget. Core infrastructure programs including streets, bridges, street lighting, and sewers total \$76.6 million in the 2023 capital budget, an increase of \$1.9 million (2.6%) from 2022. Figure 1 shows improvements made in core infrastructure funding from 2004 to 2023. Since 2004 funding for core infrastructure has increased by \$33.7 million, or nearly 79%.

The 2023 levy-supported capital budget includes \$11.5 million for facility improvement projects, which is 12% of the levy supported general city capital budget. The central library improvements program, which funds upgrades to the

fire suppression system in 2023, is the largest single facility improvement project in the 2023 budget at \$1.6 million. The Facilities Exterior and Facilities Systems programs which repair and replace major mechanical, interior and exterior building components are funded at \$1.5 million each.

The 2023 capital budget uses \$965,000 of cash from the tax levy for capital improvements. The Department of City Development’s Advance Planning Fund will utilize \$100,000 of levy funding and the Municipal Art Fund and staffing for the Capital Improvements Committee use an additional \$115,000. In 2023, the cash levy will finance a Strategic Facilities Plan in the Department of Public Works, which will identify opportunities for efficiencies, consolidation, and streamlined operations in city-operated facilities with the goal of reducing the cost of maintaining the city’s buildings. While levy funding in the capital improvements budget is limited, the use of cash revenues from the sewer maintenance fund helps manage overall debt financing.

Functional Categories: General city funded capital improvement projects are categorized in six functional categories, including:

- Surface Transportation
- Environment
- Health and Public Safety
- Economic Development
- Culture and Recreation
- General Government

Figure 1

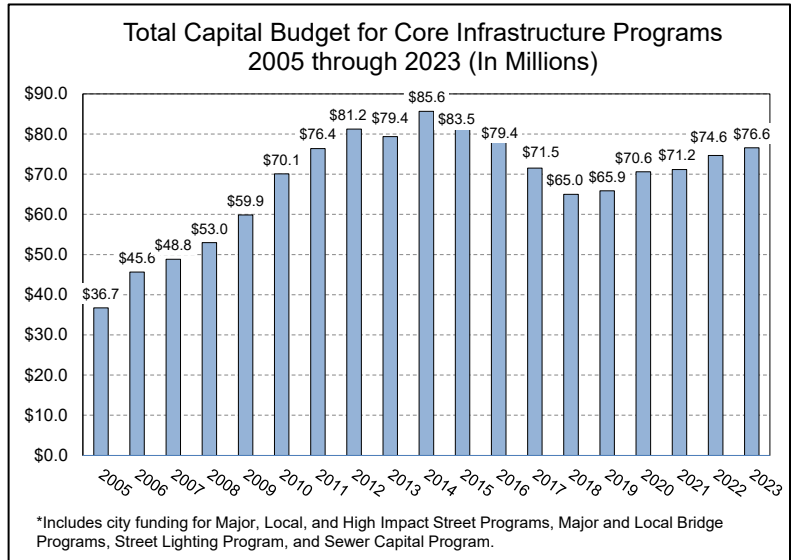


Figure 2

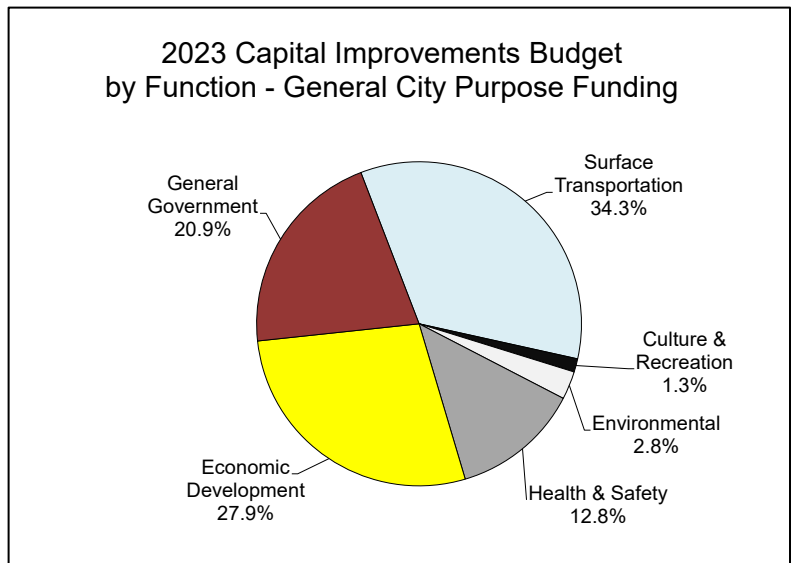


Figure 2 illustrates the portion of the capital budget allocated to each functional area (water, parking, sewer relief and relay, and grant and aids are excluded).

Surface transportation projects constitute the largest functional category, which is 34.3% of the general city capital budget or \$56.1 million. Including grant and aids, total surface transportation spending is \$103.7 million, an increase of \$8.8 million from 2022.

Economic development is the second largest capital functional area at \$45.6 million or 27.9% of the general city funded capital budget. In 2023, the capital budget for economic development is \$7.1 million higher than in 2022. Borrowing for tax incremental districts (TIDs) totals \$37 million, a \$2 million increase from the 2022 budget. This amount includes \$12 million for developer funded TID’s.

The general government project category constitutes the third largest functional area with \$34.1 million or 20.9% of total funding provided for this purpose. This is a slight decrease from 2022. This category consists of buildings, non-police IT projects, and major capital equipment.

The health and safety project category comprises 12.8% of the 2023 general city capital budget. This includes Fire, Police, and Health department capital programs.

Environment programs include forestry and environmental remediation programs. These projects are 2.8% of the city funded capital budget. Culture and recreation projects include a \$550,000 allocation for the *MKE Plays* program, which leverages private investment to create innovative play spaces in neighborhoods. This category also includes the Library’s neighborhood library reconstruction program. The culture and recreation project category represents 1.3% of the city funded capital budget.

Funding Sources: The 2023 proposed capital budget is financed through several funding sources including the property tax levy, tax levy supported GO debt, tax incremental districts, special assessments, cash revenues, and grants and aids. Figure 3 shows funding sources for the 2023 city funded capital budget (excluding grant and aids).

In 2023 the largest funding source is tax levy supported debt financing, composing 58.4% of total funding sources. Levy supported GO borrowing in the capital budget is \$95.6 million, an increase of \$10.6 million from the amount of levy supported borrowing in 2022. Given the life expectancy of the facilities to be constructed or equipment to be purchased, borrowing is used to maximize the city’s capital investments and spread the cost of long term investments to all beneficiaries.

Another major source of funding for capital projects is TID borrowing, with \$25 million or 15.3% of total funding sources. TID borrowing is self-supporting because the improvements made in these districts are financed through property tax revenue generated from the incremental values resulting from the improvements. The 2023 budget includes borrowing authority for TIDs of \$25 million, which matches the amount included in the 2022 budget.

In addition to TID financing, other self-supporting funding sources include \$38.3 million of cash revenues, which represents 23.4% of the total capital budget funding sources. Cash revenues in the 2023 budget include \$12 million of revenues for costs related to developer-financed TID’s, \$6 million in federal appropriations for the Public Safety Radio Upgrade project, \$4.7 million in ARPA funding for housing capital programs, \$5.1 million from the stormwater fee for forestry capital programs and other stormwater-related projects, and \$500,000 from the street lighting charge for the street lighting capital program. The 2023 budget includes \$3.7 million of special assessments, which represents 2.3% of capital budget funding sources. Figure 3 does not include capital grant and aids for street reconstruction, bridge rehabilitation, and harbor improvements, which are anticipated to be \$49.6 million in 2023.

Figure 3

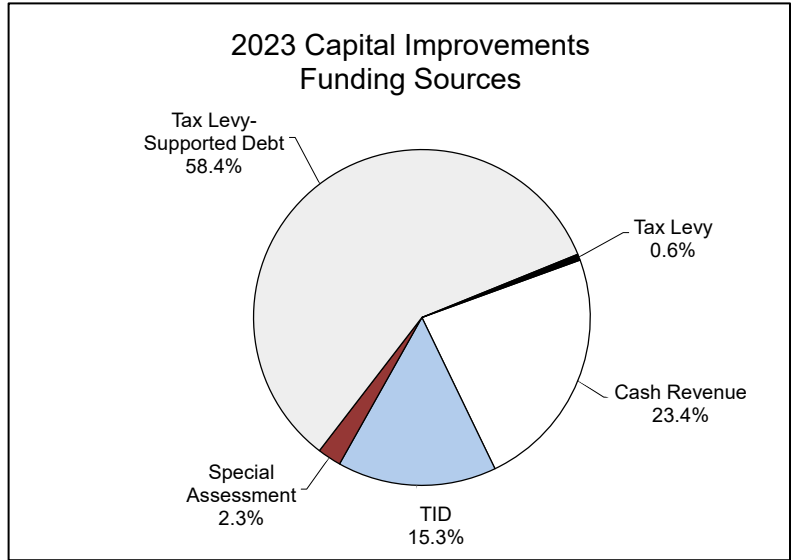
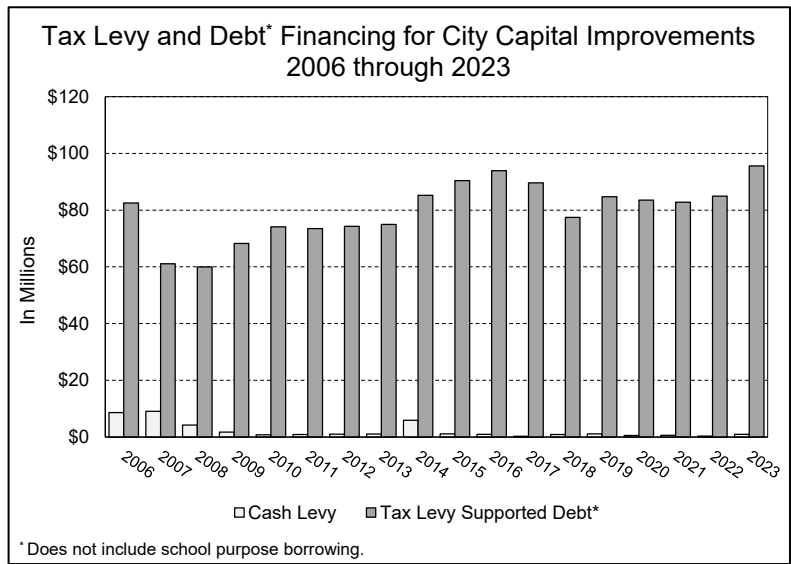


Figure 4



In addition to levy supported GO debt, the tax levy is the other non-self-supporting funding source for capital. Direct levy funding for capital improvements reduces the long term interest cost of financing short lived assets and immediate small cost improvements. Figure 4 highlights the tax levy compared to tax levy supported debt for capital improvements from 2006 through the 2023 budget.

2023 HIGHLIGHTS AND CHANGES

American Rescue Plan Act Funding: The American Rescue Plan Act (ARPA) brought \$394 million to the City of Milwaukee and provides an opportunity to fund programs and projects which would otherwise be funded using the City's levy-supported capital budget. The Mayor and Common Council allocated funding from the second tranche of ARPA funding to make investments in housing. As a result, the 2023 budget limits or eliminates levy-supported capital funding for a number of programs including the In Rem Property Program, Strong Homes Loan Program, Code Compliance Loan Program, Concentrated Blight Elimination, Housing Trust Fund, and the Advanced Planning Program. ARPA funds allocated from both the first and the second tranche will support \$20 million of upgrades to outdated street lighting infrastructure as well as \$6 million of infrastructure improvements intended to address the City's reckless driving problem.

Facility, Information Technology (IT), and Equipment: The 2023 levy-supported capital budget includes \$11.5 million in capital funding for projects to upgrade or construct city facilities, \$9.9 million for IT and communications related capital projects, and \$14.6 million for capital equipment. When feasible, projects are funded over two or more years in order to preserve funding for traditional core infrastructure investments, such as streets and bridges. These types of projects are less visible to the public but are crucial to city operations and service delivery.

The 2023 budget includes \$11.5 million for city facility projects. Of this amount, \$525,000 will be used make programs and facilities accessible for all residents through the ADA Compliance program. The 2023 budget includes \$500,000 for Fire Department facility improvements and \$1.5 million for improvements to Police district stations and repairs to deteriorated concrete at the Police Administration Building. The Department of Public Works Facilities Exterior and Facilities Systems programs include \$3 million for various projects to maintain watertight exteriors and ensure continued operation of electrical and mechanical building systems.

A new facility program included in the 2023 proposed capital budget is for Municipal Services Building Repairs. Funded at \$1.5 million in 2023, this program will address significant deficiencies identified in an inspection report at the electrical services facility located at 1540 W. Canal St. The building was constructed in 1925 and requires overhaul of several elements of the facility's exterior and foundation. The 2023 budget allocation for Municipal Services Building Repairs will address the most critical of the deficiencies identified in the inspection report.

In 2023, opportunities for increased efficiency and the need to upgrade existing systems result in \$9.9 million in capital funding for IT and communications related upgrades and improvements. The largest single IT project in the 2023 budget is a major upgrade to the radio system used by the Police Department and Fire Department. The long-term cost of this project is expected to be nearly \$45 million, but the 2023 portion of this project is partially funded by a \$6 million grant from the federal government which supplements \$5.5 million of levy-supported borrowing. The next largest IT project in the 2023 budget is \$750,000 for upgrades to the City Attorney's case management system. Other IT projects include an upgrade to the City's Cyber Security system for \$200,000, and \$1,250,000 of initial funding to replace the City's current Enterprise Resource Program which is the backbone of the City's financial and human resource management systems.

Capital equipment includes fleet vehicles for the Department of Public Works, fire engines and medical units for the Fire Department, and various vehicles used by the Police Department. In 2023, capital equipment totals \$14.6 million, an increase of \$2.2 million from 2022. The 2023 budget includes \$7.8 million for Fleet equipment for the Department of Public Works, \$100,000 to replace brine equipment which reduces road salt usage, \$2.5 million for the Fire Department to replace capital equipment, and \$4.2 million for Police Department vehicles.

Core Infrastructure: The 2023 capital budget prioritizes investments in projects that will enhance and repair the City’s core infrastructure. Core infrastructure spending in the 2023 budget totals \$76.6 million, a 2.6% increase from the 2022 budget. Streets, bridges, sewers and street lights will be improved in nearly all areas of the city in 2022. These improvements include 12 miles of sewer relay and relining, 24.6 miles of street reconstruction and resurfacing, and replacement of hundreds of street lights and circuits replaced as part of paving projects. The 2023 capital budget also includes funding for the fourth year of a multi-year initiative by the Milwaukee Metropolitan Sewerage District and the City of Milwaukee which requires the replacement of several city-owned vehicle and pedestrian bridges. The project will address flooding issues along the Kinnickinnic River.

**Summary of Departmental Appropriations
Overview of 2023 Proposed Capital Budget General City Purposes**

	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus 2022 Adopted 2023 Requested	
<u>City Funded</u>					
Special Projects	\$8,115,000	\$8,515,000	\$10,115,000	\$2,000,000	\$1,600,000
Administration, Department of	1,592,000	5,475,000	2,095,000	503,000	-3,380,000
City Attorney	0	0	750,000	750,000	750,000
City Development, Department of	36,450,000	40,450,000	39,600,000	3,150,000	-850,000
Common Council City Clerk	0	6,268,000	0	0	-6,268,000
Emergency Communications, Dept. of	0	13,622,000	789,000	789,000	-12,833,000
Employee Relations, Department of	0	242,000	0	0	-242,000
Fire Department	1,830,000	26,663,000	3,000,000	1,170,000	-23,663,000
Fire and Police Commission	685,000	0	0	-685,000	0
Health Department	160,000	650,000	0	-160,000	-650,000
Library	664,000	3,136,000	1,600,000	936,000	-1,536,000
Municipal Court	259,000	490,000	265,000	6,000	-225,000
Neighborhood Services, Department of	0	6,313,000	3,200,000	3,200,000	-3,113,000
Police Department	7,220,000	23,503,000	17,930,000	10,710,000	-5,573,000
Port of Milwaukee	2,812,000	2,922,000	3,319,000	507,000	397,000
Public Works, Department of	76,888,000	137,039,000	80,875,000	3,987,000	-56,164,000
Subtotal City Funded	\$136,675,000	\$275,288,000	\$163,538,000	\$26,863,000	\$-111,750,000
<u>Grants and Aids Funding</u>					
Port of Milwaukee	\$800,000	\$800,000	\$1,958,000	\$1,158,000	\$1,158,000
Public Works, Department of	42,944,000	47,595,000	47,595,000	4,651,000	0
Subtotal Grants and Aids Funding	\$43,744,000	\$48,395,000	\$49,553,000	\$5,809,000	\$1,158,000
<u>Enterprise Funds</u>					
Transportation	\$1,300,000	\$2,410,000	\$2,410,000	\$1,110,000	\$0
Sewer Maintenance	33,000,000	28,400,000	28,400,000	-4,600,000	0
Water	43,060,000	47,010,000	47,010,000	3,950,000	0
Subtotal Enterprise Funds	\$77,360,000	\$77,820,000	\$77,820,000	\$460,000	\$0
Total Capital Plan	\$257,779,000	\$401,503,000	\$290,911,000	\$33,132,000	\$-110,592,000

C. CAPITAL IMPROVEMENTS

2023 CAPITAL IMPROVEMENTS FINANCED BY CATEGORY

	General	Special	Cash	City Budget	Grant and Aid	Project		
	Tax Levy	Obligation	TID	Assessments	Revenues	Total	Financing	Total
Special Capital Projects								
Municipal Art Fund								
Budget	\$25,000	\$0	\$0	\$0	\$0	\$25,000	\$0	\$25,000
Grant and Aid								
Budget	0	0	0	0	10,000,000	10,000,000	0	10,000,000
Housing Trust Fund								
Budget	0	0	0	0	0	0	0	0
Capital Improvements Committee								
Budget	90,000	0	0	0	0	90,000	0	90,000
Total	\$115,000	\$0	\$0	\$0	\$10,000,000	\$10,115,000	\$0	\$10,115,000
Department of Administration								
IT Upgrades								
Budget	\$0	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$100,000
Cyber Security								
Budget	0	200,000	0	0	0	200,000	0	200,000
ERP System Replacement								
Budget	250,000	1,000,000	0	0	0	1,250,000	0	1,250,000
Better Buildings Challenge								
Budget	0	45,000	0	0	0	45,000	0	45,000
Public Facility Communications								
Budget	0	500,000	0	0	0	500,000	0	500,000
Total	\$250,000	\$1,845,000	\$0	\$0	\$0	\$2,095,000	\$0	\$2,095,000
City Attorney								
IT Upgrades								
Budget	\$0	\$750,000	\$0	\$0	\$0	\$750,000	\$0	\$750,000
Total	\$0	\$750,000	\$0	\$0	\$0	\$750,000	\$0	\$750,000
Department of City Development								
Advanced Planning								
Budget	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
Tax Increment Financed Urban Renewal Project (Including Grant Funded)								
Budget	0	0	25,000,000	0	12,000,000	37,000,000	0	37,000,000
In Rem Property Program								
Budget	0	0	0	0	400,000	400,000	0	400,000
Partnerships in Affordable Housing								
Budget	0	0	0	0	0	0	0	0
Strong Homes Loan Program								
Budget	0	0	0	0	1,000,000	1,000,000	0	1,000,000
Housing Infrastructure Preservation Fund								
Budget	0	0	0	0	100,000	100,000	0	100,000
Commercial Investment Program								
Budget	0	500,000	0	0	0	500,000	0	500,000
Brownfield Program								
Budget	0	500,000	0	0	0	500,000	0	500,000
Total	\$100,000	\$1,000,000	\$25,000,000	\$0	\$13,500,000	\$39,600,000	\$0	\$39,600,000
DEPARTMENT OF EMERGENCY COMMUNICATIONS								
Data & Communications Center Remodel								
Budget	\$0	\$500,000	\$0	\$0	\$0	\$500,000	\$0	\$500,000
Dispatch Software								
Budget	0	289,000	0	0	0	289,000	0	289,000
Total	\$0	\$789,000	\$0	\$0	\$0	\$789,000	\$0	\$789,000
Fire Department								
Major Capital Equipment								
Budget	\$0	\$2,500,000	\$0	\$0	\$0	\$2,500,000	\$0	\$2,500,000

C. CAPITAL IMPROVEMENTS

	Tax Levy	General Obligation	TID	Special Assessments	Cash Revenues	City Budget Total	Grant and Aid Financing	Project Total
Fire Facilities Maint. Program								
Budget	0	500,000	0	0	0	500,000	0	500,000
Total	\$0	\$3,000,000	\$0	\$0	\$0	\$3,000,000	\$0	\$3,000,000
Library								
Central Library								
Central Library Improvements Fund								
Budget	\$0	\$1,600,000	\$0	\$0	\$0	\$1,600,000	\$0	\$1,600,000
Total	\$0	\$1,600,000	\$0	\$0	\$0	\$1,600,000	\$0	\$1,600,000
Municipal Court								
SQL Migration and Website Project								
Budget	\$0	\$165,000	\$0	\$0	\$0	\$165,000	\$0	\$165,000
IT Infra. and Courtroom Upgrades								
Budget	0	100,000	0	0	0	100,000	0	100,000
Total	\$0	\$265,000	\$0	\$0	\$0	\$265,000	\$0	\$265,000
Neighborhood Services								
Concentrated Blight Elimination								
Budget	\$0	\$0	\$0	\$0	\$2,200,000	\$2,200,000	\$0	\$2,200,000
Code Compliance Loans								
Budget	0	0	0	0	1,000,000	1,000,000	0	1,000,000
Total	\$0	\$0	\$0	\$0	\$3,200,000	\$3,200,000	\$0	\$3,200,000
Police Department								
SIEM Software								
Budget	\$0	\$83,000	\$0	\$0	\$0	\$83,000	\$0	\$83,000
PAB Concrete Repairs								
Budget	0	750,000	0	0	0	750,000	0	750,000
Police Vehicles								
Budget	0	4,000,000	0	0	0	4,000,000	0	4,000,000
Police Motorcycles								
Budget	0	200,000	0	0	0	200,000	0	200,000
Squad Mobile Computers Upgrade								
Budget	0	385,000	0	0	0	385,000	0	385,000
Public Safety Radio Upgrade								
Budget	0	5,500,000	0	0	6,000,000	11,500,000	0	11,500,000
Uninterrupted Power Supply								
Budget	0	220,000	0	0	0	220,000	0	220,000
District Station Repairs								
Budget	0	792,000	0	0	0	792,000	0	792,000
Total	\$0	\$11,930,000	\$0	\$0	\$6,000,000	\$17,930,000	\$0	\$17,930,000
Port of Milwaukee								
Cruise Ship Terminal								
Budget	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000	\$0	\$2,000,000
Pier Berth and Channel Improvements								
Budget	0	1,029,000	0	0	0	1,029,000	800,000	1,829,000
Port Security Upgrades								
Budget	0	290,000	0	0	0	290,000	1,158,000	1,448,000
Total	\$0	\$3,319,000	\$0	\$0	\$0	\$3,319,000	\$800,000	\$4,119,000
Public Works, Department of Infrastructure Services Division								
Bridge Construction								
Bridge State and Federal Funded								
Budget	\$0	\$688,000	\$0	\$0	\$1,600,000	\$2,288,000	\$10,355,000	\$12,643,000
Bridge Reconstruction Local								
Budget	0	1,075,000	0	0	0	1,075,000	0	1,075,000
Total	\$0	\$1,763,000	\$0	\$0	\$1,600,000	\$3,363,000	\$10,355,000	\$13,718,000

C. CAPITAL IMPROVEMENTS

	Tax Levy	General Obligation	TID	Special Assessments	Cash Revenues	City Budget Total	Grant and Aid Financing	Project Total
Street Paving Construction								
Street Reconstruction City Contribution to State & Federally Aided Projects								
Budget	\$0	\$20,200,000	\$0	\$145,000	\$0	\$20,345,000	\$37,240,000	\$57,585,000
Street Reconstruction or Resurfacing Regular City Program								
Budget	0	6,000,000	0	1,000,000	0	7,000,000	0	7,000,000
High Impact Street Program								
Budget	0	7,000,000	0	0	0	7,000,000	0	7,000,000
Alley Reconstruction Program								
Budget	0	850,000	0	450,000	0	1,300,000	0	1,300,000
Street Improvements Sidewalk Replacement								
Budget	0	1,500,000	0	375,000	0	1,875,000	0	1,875,000
Street Improvements Street Lighting								
Budget	0	11,100,000	0	0	500,000	11,600,000	0	11,600,000
Street Improvements Traffic Control Facilities								
Budget	0	2,300,000	0	0	0	2,300,000	0	2,300,000
Street Light & Traffic Light Knockdowns								
Budget	0	2,400,000	0	0	0	2,400,000	0	2,400,000
Multimodal Transportation Program								
Budget	0	1,325,000	0	0	0	1,325,000	0	1,325,000
Street Improvements Underground Conduit and Manholes								
Budget	0	800,000	0	0	0	800,000	0	800,000
Underground Electrical Manhole Reconstruction								
Budget	0	900,000	0	0	0	900,000	0	900,000
Lead Service Line Replacement Program								
Budget	0	0	0	1,750,000	0	1,750,000	0	1,750,000
Total	\$0	\$54,375,000	\$0	\$3,720,000	\$500,000	\$58,595,000	\$37,240,000	\$95,835,000
Building Projects								
Space Planning Facilities								
Budget	\$0	\$400,000	\$0	\$0	\$0	\$400,000	\$0	\$400,000
MKE Plays Initiative								
Budget	0	550,000	0	0	0	550,000	0	550,000
Facility Systems Program								
Budget	0	1,500,000	0	0	0	1,500,000	0	1,500,000
Environmental Remediation Program								
Budget	0	130,000	0	0	45,000	175,000	0	175,000
ADA Compliance Program								
Budget	0	525,000	0	0	0	525,000	0	525,000
Strategic Facilities Plan								
Budget	500,000	0	0	0	0	500,000	0	500,000
Municipal Services Building Repairs								
Budget	0	1,500,000	0	0	0	1,500,000	0	1,500,000
Facilities Security Program								
Budget	0	250,000	0	0	0	250,000	0	250,000
Buildings Interior Program								
Budget	0	200,000	0	0	0	200,000	0	200,000
Facilities Exterior Upgrades Program								
Budget	0	1,500,000	0	0	0	1,500,000	0	1,500,000

C. CAPITAL IMPROVEMENTS

	Tax Levy	General Obligation	TID	Special Assessments	Cash Revenues	City Budget Total	Grant and Aid Financing	Project Total
City Hall Foundation Repair								
Budget	0	0	0	0	0	0	0	0
Total	\$500,000	\$6,555,000	\$0	\$0	\$45,000	\$7,100,000	\$0	\$7,100,000
Infrastructure Services Division Total	\$500,000	\$62,693,000	\$0	\$3,720,000	\$2,145,000	\$69,058,000	\$47,595,000	\$116,653,000
<u>Operations Division</u>								
Fleet Section								
Brine Equipment								
Budget	\$0	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$100,000
On-board Garbage Truck Computer System								
Budget	0	482,000	0	0	0	482,000	0	482,000
Major Capital Equipment								
Budget	0	7,800,000	0	0	0	7,800,000	0	7,800,000
Total	\$0	\$8,382,000	\$0	\$0	\$0	\$8,382,000	\$0	\$8,382,000
Forestry Section								
Concealed Irrigation and General Landscaping								
Budget	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$0	\$200,000
Production and Planting Program								
Budget	0	0	0	0	1,200,000	1,200,000	0	1,200,000
Stump Removal								
Budget	0	0	0	0	1,175,000	1,175,000	0	1,175,000
Emerald Ash Borer Readiness & Response								
Budget	0	0	0	0	860,000	860,000	0	860,000
Total	\$0	\$0	\$0	\$0	\$3,435,000	\$3,435,000	\$0	\$3,435,000
Total Budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operations Division Total	\$0	\$8,382,000	\$0	\$0	\$3,435,000	\$11,817,000	\$0	\$11,817,000
Public Works, Department of Total	\$500,000	\$71,075,000	\$0	\$3,720,000	\$5,580,000	\$80,875,000	\$47,595,000	\$128,470,000
Capital Projects Grand Total	\$965,000	\$95,573,000	\$25,000,000	\$3,720,000	\$38,280,000	\$163,538,000	\$48,395,000	\$211,933,000

D. CITY DEBT

EXECUTIVE SUMMARY

- MISSION:** Manage and control outstanding debt through equitable financing of capital improvements.
- OBJECTIVES:** Limit annual growth in the debt service tax levy to sustainable levels.
- STRATEGIES:** Stabilize the debt service property tax levy by developing a comprehensive debt policy for debt capacity and capital financing to reduce the amount of debt issued annually.
- Ensure compliance with debt policy by developing a working debt forecast model that analyzes the impact of debt financing in future years.
- Use liquidity in a responsible manner to limit the impact of debt on taxpayers.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Effective management that stabilizes debt service costs and controls outstanding debt supports the goal of delivering services at competitive cost and improving fiscal capacity.

Milwaukee has aging infrastructure and comparably lower income levels than surrounding areas. The city’s overall capacity to meet its financial obligations remains robust.

The city has maintained investment grade bond ratings for general obligation debt. Fitch rated the City as AA-, and S&P Global Ratings now rates the City as A. Table 1 details the city’s performance on several commonly used debt indicators.

Table 1

City Debt Indicators Relationship to S&P Global Ratings Debt Benchmarks		
Debt Indicators		S & P Rating
Economic		
Per Capita Effective Buying Income (% of National)	65.3%	Weak
Market Value Per Capita	\$60,136	
Management		
S&P Financial Management Assessment	Standard	Adequate
Budgetary Performance		
General Fund Net Result	3.8%	Adequate
Total Government Funds Net Result	-0.1%	
Budgetary Flexibility		
Available Reserves as a Percentage of Expenditures	6.6%	Adequate
Liquidity		
Available Cash as a Percentage of Expenditures	31.9%	Very Strong
Available Cash Coverage of Debt Service	2.4x	
Debt and Contingent Liability Profile		
Debt Service as a Percentage of Expenditures	13.1%	Very Weak
Net Direct Debt as a Percentage of Revenue	119.6%	
Institutional Framework		
		Strong

OVERVIEW

Debt expenditures for 2023 total \$325.1 million, an increase of \$68.5 million from 2022. A large portion of this increase is offset by a transfer into the debt service fund to pay for the \$61.1 maturing on the City’s 2018 ERS contribution prepayment borrowing. Table 2 shows expenditures for self-supporting and tax levy supported city debt. Highlights of the major changes in city debt expenditures and funding sources follow.

CITY DEBT EXPENDITURES AND SOURCES OF FUNDS

General City Excluding Schools and Revenue Anticipation Notes (RAN): Debt service associated with city borrowing for capital improvement projects, not including RAN borrowing, is \$215.1 million in 2023, an increase of

\$62.9 million from 2022. This increase is largely offset by the \$61.1 million transfer in to the debt service fund previously mentioned. The property tax levy for debt service is \$98.5 million, an increase of \$13 million from 2022.

Table 2

CITY DEBT EXPENDITURES AND SOURCES OF FUNDS			
	2022 Adopted Budget	2023 Proposed Budget	Change 2023 Proposed Versus 2022 Adopted
Total City Debt Expenditures	\$256,601,818	\$325,083,090	\$68,481,272
<u>Debt Funding Sources</u>			
<i>Self Supporting Debt</i>			
Brewer MEDC Loan	\$1,063,000	\$1,063,000	\$0
Delinquent Tax Financing	12,884,502	13,892,708	1,008,206
MPS Reimbursed	8,555,075	8,187,010	-368,065
Parking	2,091,347	2,600,441	509,094
Sewer Maintenance Fund	880,750	843,271	-37,479
Tax Increment Districts	25,835,305	22,128,326	-3,706,979
Water Works	949,375	0	-949,375
Subtotal	\$52,259,354	\$48,714,756	\$-3,544,598
<i>General Obligation Debt Financing</i>			
Other Sources of Funds	\$118,907,915	\$177,832,708	\$58,924,793
Tax Levy	85,434,549	98,535,626	13,101,077
Subtotal	\$204,342,464	\$276,368,334	\$72,025,870
Total Debt Funding Sources	\$256,601,818	\$325,083,090	\$68,481,272

Milwaukee Public Schools (MPS): The debt service cost for school borrowing will be \$8.2 million in 2023, a decrease of \$368,065 from 2022. Since 1989, the city has provided MPS with \$182.3 million in tax levy supported borrowing authority for school improvements.

Tax Incremental Districts (TIDs): The incremental property taxes collected on the value increment portion of the TID property retire the debt incurred for city funded district improvements. In the 2023 budget, debt service for TIDs is \$22.1 million with revenues from tax increments supporting that debt service cost. This is a \$3.7 million decrease from 2022.

Delinquent Taxes: The 2023 budget includes \$13.9 million to finance delinquent tax borrowing, which is \$1.0 million more than 2022.

Parking Debt: A transfer from the parking fund, equivalent to the amount of annual outstanding debt service, entirely offsets parking related debt service costs. In the 2023 debt budget, the parking fund provides \$2.6 million to finance debt service costs associated with parking capital projects.

Water Works: The 2023 debt budget does not include any payments for Water Works as all Water Works borrowings have been converted to revenue bonds.

Sewer Maintenance: Debt service for sewer capital projects in 2023 totals \$843,271, a decrease from 2022 of \$37,479.

Miller Park Stadium Project: The 2023 budget includes \$1.1 million in revenue to offset debt service costs related to the Miller Park Stadium project. This amount reflects an agreement with the Milwaukee Economic Development Corporation and the Southeastern Wisconsin Professional Baseball Park District.

Field Operations Facility Lease Payment: The city constructed a new facility for the Sewer Maintenance Fund and Water Works at the Tower Automotive site. Annual rental payments from the Sewer Maintenance Fund and Water Works will offset this debt. In 2023, the rental payment is \$2.1 million.

DEBT TAX LEVY STABILITY

The city has structural budget problems created by limited revenue sources and substantial wage, health care benefit, and pension cost commitments. A debt stability plan requires a solid capital improvements plan. Limits on the level of borrowing directly influence future debt payments. Annual borrowing must be as close as possible to the level of annual debt retirements to stabilize the debt tax levy.

Despite efforts to limit annual increases in the debt tax levy, the 2023 budget adds \$13.1 million or 15% to the debt tax levy. Recent budgets have utilized debt service fund balance to limit growth in the debt tax levy, but debt service fund balance has declined to the point where the fund cannot support a drawdown on fund balance in 2023. Rising interest rates also contribute to a higher debt levy. In addition, rising interest rates limit the amount of premium that can be generated to support debt service. Finally, a declining balance in the Public Debt Amortization Fund has the impact of increasing the debt levy.

PUBLIC DEBT AMORTIZATION FUND

The Public Debt Commission oversees the use of the Public Debt Amortization Fund (PDAF). The primary sources of revenue for the fund are one-third of earnings on city investments and earnings on the fund’s investments.

The PDAF withdrawal for the 2023 budget is \$3 million, a decrease of \$2 million from the 2022 withdrawal. The annual withdrawal balances the competing goals of reducing the tax levy for debt service versus maintaining a sufficient reserve balance. Figure 1 illustrates how the unsegregated balance of the PDAF rose to over \$60 million in 2014, but has been drawn down to the lowest level in 20 years.

The 2023 PDAF withdrawal reflects the need to control the debt service property tax levy. Figure 2 shows the ratio of the PDAF withdrawal to the debt tax levy. The 2023 budget reflects a 3.0% ratio.

Figure 1

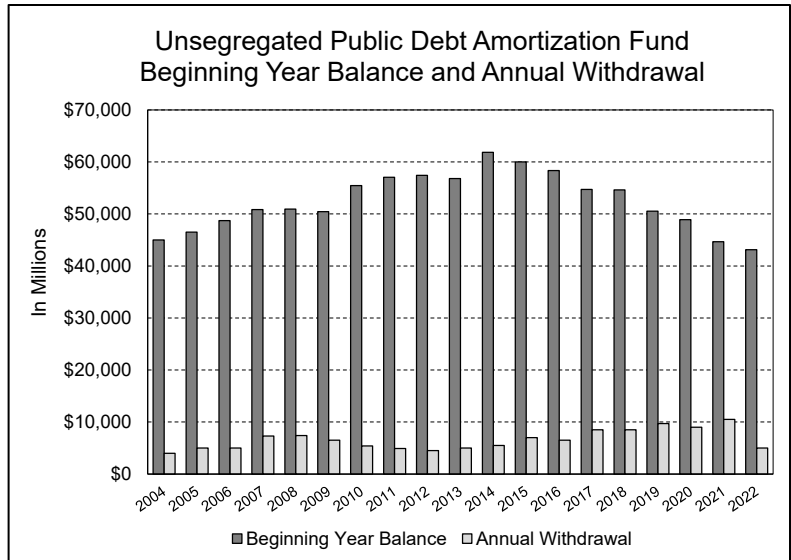
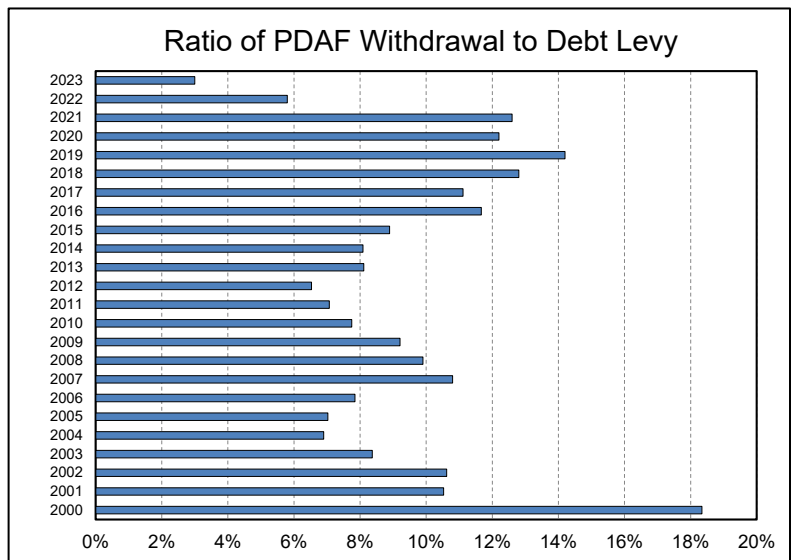


Figure 2



F. COMMON COUNCIL CONTINGENT FUND

EXECUTIVE SUMMARY

- MISSION:** Provide budgetary authority and funding to pay for emergencies that arise during the year for which no express provisions have been made elsewhere in the budget.
- OBJECTIVES:** Allow funding of unauthorized emergency expenditures on a timely basis.
- STRATEGIES:** Adhere to guidelines and standards in considering requests for withdrawals. Maintain the fund's integrity as an "emergencies only" source of funds.

SUMMARY OF EXPENDITURES

	2021 Actual Expenditure	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Common Council Contingent Fund	[4,983,523]	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0
Total	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0

SOURCE OF FUNDS

	2021 Actual Expenditure	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Property Tax Levy	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0
Total	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Common Council Contingent Fund provides funding for emergency situations that require expenditures above budget authorizations. Requests must be approved by three-quarters of the Common Council before funds can be used. Requests should meet one of the following criteria:

- Emergency circumstances;
- Obligatory circumstances; or
- Fiscal advantage and/or compliance with fiscal management principles.

Additional established guidelines and standards must be met relative to the Finance and Personnel Committee's review of contingent fund requests. Guidelines and standards focus on:

- Timelines and process requirements; and
- Information that must be provided to the Finance and Personnel Committee, including:
 - Statement of action requested, including the account needing a contingent fund transfer;
 - Purpose of action, including the impact on program service or activity and program objectives; and
 - A description of the emergency that prompts the request.

Limiting contingent fund requests to these criteria requires departments to manage within their allocated budgets and discourages use of the fund for initiating new projects or programs. Over the last ten years, an average of 80.6% of the contingent fund has been expended. Over the last five years, an average of 79.0% of the contingent fund has been expended.

SPECIAL REVENUE FUNDS

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
G. Transportation Fund	\$47,885,429	\$41,281,533	\$42,186,125	\$42,186,125	\$904,592	\$0
H. Grant and Aid Project Fund	115,309,990	267,330,723	116,841,112	116,841,112	-150,489,611	0
I. Economic Development Fund	5,396,207	13,420,602	0	0	-13,420,602	0
J. Water Works	117,791,905	150,610,741	156,986,885	159,756,683	9,145,942	2,769,798
K. Sewer Maintenance Fund	73,984,581	112,995,194	109,831,203	109,951,203	-3,043,991	120,000
M. Delinquent County Taxes Fund	8,253,663	9,000,000	9,500,000	9,505,000	505,000	5,000
Total	\$368,621,775	\$594,638,793	\$435,345,325	\$438,240,123	\$-156,398,670	\$2,894,798

This section of the budget includes funds supported by revenues other than the city property tax levy. Revenues other than the city property tax offset the appropriations in this section. Any property tax levies related to these special revenue funds are provided in other sections of the city's budget.

G. TRANSPORTATION FUND

EXECUTIVE SUMMARY

- MISSION:** Leverage city transportation assets and programs to support city goals and diversify the city's financial base.
- Manage and operate the Milwaukee Streetcar to support economic development.
- OBJECTIVES:** Maintain parking assets to ensure clean and safe on- and off-street parking.
- Ensure the best possible customer experience.
- Ensure parking is appropriately priced and effectively collect parking revenues.
- Maintain a sustainable annual transfer to the general fund.
- Support operation of the Milwaukee Streetcar.
- STRATEGIES:** Utilize technology to enhance customer service and increase cost effectiveness.
- Maintain competitive and economically efficient pricing for parking facilities.
- Make payment simple and accessible and maximize revenue collections.
- Mitigate risk and provide safe conditions for public parking and tow facilities.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	118.00	118.00	118.00	119.00	1.00	1.00
FTEs - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Positions Authorized	118	122	122	123	1	1
Expenditures						
Salaries and Wages	\$4,835,013	\$5,080,984	\$5,256,171	\$5,300,755	\$219,771	\$44,584
Fringe Benefits	3,735,784	3,353,449	2,102,468	2,120,302	-1,233,147	17,834
Operating Expenditures	16,817,446	16,751,100	17,440,486	17,378,068	626,968	-62,418
Equipment	425,066	332,000	513,000	513,000	181,000	0
Special Funds	3,186,015	4,464,000	4,464,000	4,464,000	0	0
Transfer to General Fund	16,000,000	10,000,000	10,000,000	10,000,000	0	0
Total Operating	\$44,999,324	\$39,981,533	\$39,776,125	\$39,776,125	-\$205,408	\$0
Capital Projects	\$2,886,105	\$1,300,000	\$2,410,000	\$2,410,000	\$1,110,000	\$0
Total Budget	\$47,885,429	\$41,281,533	\$42,186,125	\$42,186,125	\$904,592	\$0

STATEMENT OF REVENUES

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Operating Revenues						
Structures & Lots	\$4,647,354	\$5,549,000	\$5,415,716	\$5,415,716	\$-133,284	\$0
Meters	4,254,184	5,243,000	4,795,000	4,795,000	-448,000	0
Permits	3,934,356	4,552,200	3,941,000	3,941,000	-611,200	0
Towing	3,659,452	4,000,000	3,500,100	3,500,100	-499,900	0
Parking Citation Revenue	13,154,371	16,000,000	15,000,000	15,000,000	-1,000,000	0
Miscellaneous	930,162	600,000	500,000	500,000	-100,000	0
Vehicle Disposal	3,178,732	2,600,000	3,100,000	3,100,000	500,000	0
Sale of Real Property	0	0	0	0	0	0
Streetcar Revenue	838,332	1,437,333	3,524,309	3,524,309	2,086,976	0
Withdrawal From Reserves	10,402,381	0	0	0	0	0
Total Operating Revenues	\$44,999,324	\$39,981,533	\$39,776,125	\$39,776,125	\$-205,408	\$0
Capital Financing						
Permanent Improvement Reserve	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Borrowing	2,886,105	1,300,000	2,410,000	2,410,000	1,110,000	0
Retained Earnings	0	0	0	0	0	0
Total Capital Financing	\$2,886,105	\$1,300,000	\$2,410,000	\$2,410,000	\$1,110,000	\$0
Total Source of Funds	\$47,885,429	\$41,281,533	\$42,186,125	\$42,186,125	\$904,592	\$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
 - Provide safe and convenient parking for residents, visitors, and businesses.
 - Enforce parking and motor vehicle regulations.
 - Manage and operate the Milwaukee Streetcar.
2. Improve the city’s fiscal capacity.
 - Diversify the city’s revenue base.
 - Maintain a sustainable annual transfer to the general fund.

The Transportation Fund is an enterprise fund administered by the Department of Public Works (DPW) and finances the city’s on- and off-street parking and Streetcar services through revenues received from these services. The Transportation Fund’s responsibilities include:

- Managing city owned parking structures and lots,
- Vehicle towing, storing, and disposal,
- Parking enforcement,
- Information desk operations,
- Citation processing, and
- Managing the Milwaukee Streetcar.

The Transportation Fund operates four parking structures, operates and maintains more than 6,000 metered parking spaces, manages over 40 parking lots, issues approximately 600,000 parking citations each year, annually tows over 20,000 illegally parked and abandoned vehicles, and annually issues approximately 170,000 night parking permits.

These activities provide convenient, efficient, and cost effective on- and off-street parking for Milwaukee’s residents, businesses, and visitors.

The Milwaukee streetcar, known as The Hop, began operations in November 2018. The Hop creates a more connected city by providing an easy and efficient way for visitors and residents to access destinations and events in Milwaukee and contributing to economic development and increased property values along the route. Ridership in 2020 declined due to the COVID-19 pandemic. In 2022, ridership has steadily increased and is expected to further increase in 2023.

In 2023, streetcar operating costs are projected to be \$4.7 million. The contract with Transdev Services, Inc. to operate and maintain the streetcar system is \$4.3 million and is the largest single component of the streetcar budget. Other costs include marketing, insurance, energy, and two city positions to manage the streetcar and ensure safe operations.

DPW-Transportation Fund continues to maximize streetcar revenue through available state and federal operating assistance, federal preventative maintenance assistance, advertising and sponsorships. In 2023, streetcar revenue is estimated at \$3.5 million with \$1.2 million coming from both advertising and sponsorships, and an additional \$2.3 from state, and federal grants.

STRATEGY IMPLEMENTATION

Financial Management: The Transportation Fund’s financial strength results from its diverse revenue sources (see Figure 2). This diversity provides financial stability by limiting the impact if one revenue source underperforms in any given year. The largest revenue source is citations, which generated \$13.2 million in 2021. Citation revenue is driven by issuance, which is impacted by economic factors, changing regulations and compliance.

Technology Improvements: Parking payment flexibility has increased with *MKE Park*, a mobile payment system implemented in 2015. *MKE Park* allows customers to pay for parking using a smart phone, by voice, or any internet based device. Costs are covered by users through a convenience fee.

In 2018, installation of new “Smart meters” began, to enhance customer service by allowing payment via coins, credit cards and *MKE Park* at every metered space. These “Smart meters” have a modem, which allows them to send real-time alerts to staff, and also provides the ability to update meters remotely. Smart meters will replace all current multi-space meters and coin-only single space meters. The Smart meter installation will be completed by the end of 2022, providing enhanced operational efficiencies and improved customer service.

Figure 1

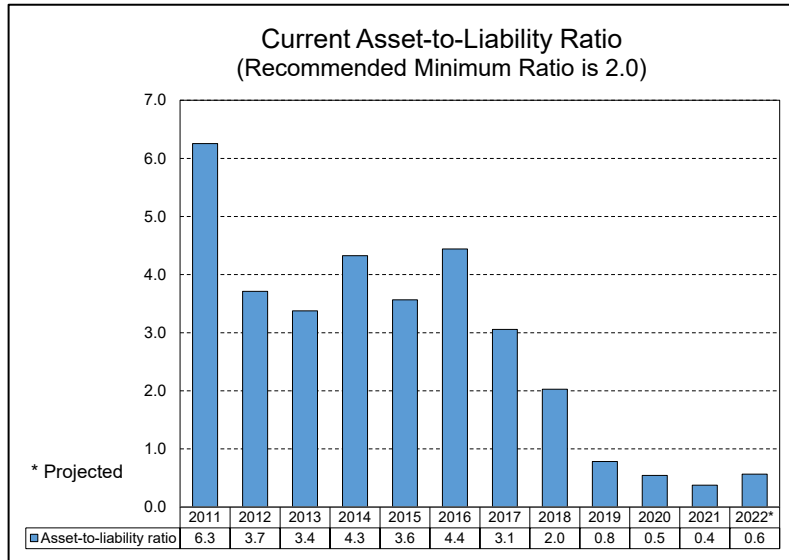
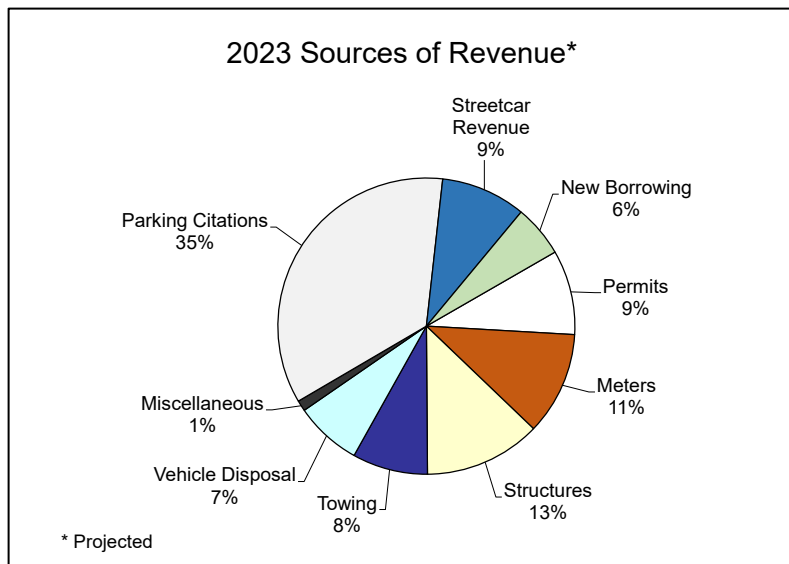


Figure 2



Overnight on-street parking in the city requires a permit. Virtual permitting, which allows for night parking permits to be issued and tracked electronically, began in 2014. This enhanced customer service and increased cost effectiveness by eliminating physical permits. Virtual permits can be purchased online or at kiosks located in all Police district stations.

The online appeal system allows customer to remotely appeal parking citations. This customer service initiative has grown significantly.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Number of parking citations issued	303,087	531,061	600,000
Number of vehicles towed to the city’s tow lot	15,873	25,000	25,000
Number of night parking permits issued	116,034	147,270	170,000

Parking Revenue Collection Strategies: DPW takes a proactive approach to increase the collection of unpaid parking citations and outstanding towing and storage fees. Various initiatives have increased the collection of these fees.

- **Tax Revenue Intercept Program (TRIP):** Beginning in 2009, all persons with vehicles registered in Wisconsin who have unpaid parking citation balances exceeding \$40 are certified with the Wisconsin Department of Revenue. Since inception of the TRIP program, over \$46.4 million in outstanding parking debt has been collected by the city. In 2021, TRIP collections were \$2.1 million and are estimated to be approximately \$2.8 million in 2022.
- **Citation Payment Plans:** The citation processing contract allows persons seeing the Citation Review Manager to pay their citations over a period of up to one year without having to schedule a hearing in Municipal Court. Since 2010, more than 48,000 payment plans have been initiated, covering more than 288,000 citations.

RESIZE, RESTRUCTURE, AND REINVEST

The 2023 budget includes a \$10 million transfer to the general fund. This transfer provides a meaningful level of relief to property taxpayers. Two major spending pressures on the Transportation Fund are debt service and future payments toward accrued pension liability. Approximately \$3 million is included in the 2023 budget for these costs. Debt and pension costs and constraints on revenue growth may require the Transportation Fund to further reduce the general fund transfer in future years, in order to maintain adequate reserves.

Parking Services staff has increased efficiency in recent years with the implementation of technology based tools such as license plate recognition, virtual permits, and *MKE Park*. These tools have also increased compliance.

Capital improvement funding for Parking projects total \$2.4 million. In 2023, these projects will replace and modernize elevators at the 1000 N. Water St. parking structure, resurface several parking lots, and make ADA accessibility improvements at various sites.

In a collaborative effort with MMSD and Great Lakes Restoration, the Parking Division is redeveloping the surface parking lot and alley at several parking lot sites to improve stormwater management while creating a vibrant and active community space. In 2023, the Parking Division will continue to collaborate with MMSD on opportunities to improve stormwater management and green infrastructure at City parking lots and structures.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00	0.00	Tow Lot Supervisor	Position Increase
-1	-1.00	0.00	Tow Lot Assistant IV	Position Decrease
1	1.00	0.00	Tow Lot Attendant	Position Increase
1	1.00	0.00	Totals	

H. GRANT AND AID FUND

EXECUTIVE SUMMARY

OBJECTIVES: The Grant and Aid Fund provides expenditure authority for federal, state, and other grants whose proceeds are restricted to operating expenditures for specific purposes. Expenditures must comply with the grant and aid process established in city ordinances. Grants support the objectives and strategies of departments.

STRATEGIES: Manage changes in Community Development Block Grant (CDBG) and HOME funding, including potential changes in the allowable uses of grant funding.

Identify and obtain new grant funding sources.

Assist departments in identifying and applying for potential grant funding.

Manage the American Rescue Plan Act grant.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Grantor Share (Non-City)	\$115,309,990	\$267,330,723	\$116,841,112	\$116,841,112	\$-150,489,611	\$0
TOTAL	\$115,309,990	\$267,330,723	\$116,841,112	\$116,841,112	\$-150,489,611	\$0

The Grant and Aid Fund is a “parent” account that accumulates grant funds prior to allocation on a project-by-project basis during the fiscal year. In order to expend funds, the Common Council adopts a resolution that authorizes a specific project, creates a sub-account, and allocates specific funding from the “parent” account. The fund provides expenditure authority for both planned and potential or unanticipated grants.

OTHER SERVICE AND BUDGET CHANGES

The 2023 grant and aid budget is \$116.8 million, a \$150.5 million decrease from 2022. The primary reason for the significant decrease in grant funding

is the \$197.1 million under the American Rescue Plan Act (ARPA) received in 2022. The City was awarded a total of \$394.2 million in the Local Fiscal Recovery Fund under ARPA, and \$197.1 million of this award was received in 2021 and another \$197.1 million was awarded in 2022. In anticipation of the second award amount, the unanticipated grant appropriation amount in 2022 was significantly increased. This additional unanticipated authority is not needed in 2023. The reduction in the one-time additional authority for ARPA is reflected in the unanticipated grant amount in Table 1. Other grant funding by department is shown in Table 1.

Table 1

Comparison of Projected Grant Activity (Grantor Share)			
<u>Department</u>	<u>2022</u>	<u>2023</u>	<u>Difference</u>
Administration	\$22,670,110	\$22,708,854	\$38,744
City Development	275,000	25,000	-250,000
Fire	700,000	900,000	200,000
Health	16,753,556	57,458,536	40,704,980
Library	1,244,725	1,306,961	62,236
Police	2,372,332	2,126,761	-245,571
Public Works	2,315,000	2,315,000	0
Unanticipated	221,000,000	30,000,000	-191,000,000
Totals	\$267,330,723	\$116,841,112	\$-150,489,611

The Community Development Grants Administration (CDGA) anticipates receiving approximately \$22.7 million in grant funds. This is approximately the same as in the 2022 budget. Anticipated funding for the Community Development Block Grant and the HOME grant are the same in 2023 as in 2022, at \$15 million and \$5.2 million respectively. The only anticipated increase is in the Continuum of Care grant, with an increase of \$38,744.

Department of City Development grant funding is \$25,000, a \$250,000 decrease from the 2022 budget based on no expected funding from the Community Development Investment grant from the Wisconsin Economic Development Corporation.

Fire Department grant funding increases by \$200,000 to \$900,000 from 2022. The department anticipates receiving \$100,000 in a Special Teams/Emergency Management Funding grant, \$300,000 in the Assistance to Firefighters Grant, and \$500,000 in a Community Paramedics grant.

Health Department grant funding increases by \$40.7 million to \$57.4 million. There are decreases and increases to various grants. Some significant grants are the Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) grants (three grants totaling \$12.1 million), a CDC grant to Address Health Disparities (\$6.6 million), HUD lead hazard reduction grants (\$9.1 million), continuation of the Resiliency in Communities After Stress and Trauma (ReCAST) grant of \$4 million; a State ARPA Violent Prevention Initiative grant (\$8.4 million) and a State ARPA COVID-19 Recovery grant (\$3.7 million).

In 2023, Library grant funding increases by \$62,236 from 2022. The Library receives two grants, the Interlibrary Loan Services grant (\$114,078) and the Talking Book and Braille Library grant (\$1,192,883). The majority of the increase is in the Talking Book and Braille Library grant, with anticipated funding increasing by \$56,804.

Police Department grant funding in 2023 of \$2.1 million reflects a decrease of \$245,771 from 2022.

In 2023, Department of Public Works grant funding is \$2.3 million, the same as in 2022. The department anticipates receiving one grant, the State of Wisconsin Recycling grant.

Unanticipated grant funding is \$30 million in 2023, a decrease of \$191 million from 2022. The primary reason for this significant decrease in unanticipated grant funding is the receipt of all ARPA grant funding in 2022, eliminating the need for most of the unanticipated authority provided in the 2022 budget.

Capital Grant Funding: In addition to operating grants, certain city departments, particularly the Department of Public Works, also receive significant grant funding for capital improvement projects. For information on capital grants, refer to the *Capital Improvements* section of the *2023 Proposed Plan and Executive Budget Summary*.

I. ECONOMIC DEVELOPMENT FUND

EXECUTIVE SUMMARY

MISSION: Provide expenditure authority for excess Tax Incremental District (TID) revenue.

OBJECTIVES: Promote development via TID cooperation with other taxing jurisdictions.

STRATEGIES: Ensure budget authority to repay all taxing jurisdictions.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
Business Improvement Districts	\$0	\$11,920,602	\$0	\$0	\$-11,920,602	\$0
Excess TID Revenue	5,396,207	1,500,000	0	0	-1,500,000	0
Total	\$5,396,207	\$13,420,602	\$0	\$0	\$-13,420,602	\$0

STRATEGY IMPLEMENTATION

Business improvement districts (BIDs) are special assessment districts created at the petition of local commercial property owners. In accordance with section 66.608 of the Wisconsin Statutes, the City has established over 50 business improvement districts. Each year the BIDs work with the City to develop a plan and budget. This budget is the basis for an assessment charged to businesses in the BID area.

In addition to BIDs, starting in 2009, the city established its first neighborhood improvement district (NID). NIDs are districts with mixed use (residential and commercial) and multi-family or multi-unit housing. Districts are established and administered in accordance with section 66.1110 of the Wisconsin Statutes, to provide services and enhancements to the street and landscapes within the district.

Because the BIDs and NIDs do not have taxing authority, the City collects the assessment on their behalf. Previously the City provided the dollars it collects to the BIDs through an appropriation in the budget. Starting in the 2023 budget, there will be no revenues recognized or expenditures budgeted in the Economic Development Fund for BIDs or NIDs. The assessments collected by the City for the BIDs and NIDs do not belong to the City, it simply collects and distributes them on the districts' behalf.

In years when there is an expected closing of an existing Tax Increment District, the City may need to budget for the distribution of remaining funds collected for the closing district. Those remaining funds are then distributed to the taxing jurisdictions.

SERVICES

For information, there are 29 active BIDs and 9 active NIDs throughout Milwaukee; each is governed by a local board. The following is a list of active BIDs and NIDs for 2022:

2023 Business Improvement Districts

BID #2 Historic Third Ward	BID #39 Center Street Market Place
BID #4 Historic Mitchell Street	BID #40 Gateway to Milwaukee
BID #5 Westown	BID #41 Downer Avenue
BID #8 Historic King Drive	BID #43 South 27 th Street
BID #10 Near West Side	BID #48 Granville
BID #11 Brady Street	BID #49 Reed Street Yards
BID #13 Oak & Loc	BID #50 Cristol Corridor
BID #15 Milwaukee Riverwalk	BID #51 Harbor District
BID #16 Uptown Crossing	BID #53 Deer District
BID #19 Villard Avenue	<u>2023 Neighborhood Improvement Districts</u>
BID #20 The East Side	NID #1 The Brewery
BID #21 Milwaukee Downtown	NID #3 Washington Park
BID #25 Riverworks	NID #4 Sherman Park
BID #26 Menomonee Valley	NID #5 Heritage Heights
BID #27 West Burleigh Street	NID #6 Historic Garden Homes
BID #28 North Avenue Gateway	NID #7 Harambee
BID #31 Havenwoods	NID #9 Havenwoods
BID #32 North Avenue Marketplace	NID #10 Riverview
BID #35 Kinnickinnic River	NID #11 River Ridge
BID #37 30 th Street Industrial Corridor	NID #12 Lindsay Heights
BID #38 Cesar Chavez Drive	

J. WATER WORKS

EXECUTIVE SUMMARY

- MISSION:** Provide a safe and reliable supply of water to customers at a competitive price.
- OBJECTIVES:** Improve the utility's rate of return while maintaining a strong competitive position in the national and regional water market.
- Reliably treat, store, and distribute high quality water to all customers.
- Achieve 100% compliance with Safe Drinking Water Act standards.
- Minimize disruption to the water service of customers.
- STRATEGIES:** Invest in treatment plants and pumps to maintain reliable operation of the multiple barrier treatment process.
- Replace 20 miles of water main with the highest probability of failure in 2023.
- Replace lead service lines to limit lead in water during construction and for at risk populations.
- Market Milwaukee water to surrounding communities consistent with the Great Lakes Compact.
- Balance cost recovery and a manageable debt to equity ratio with affordable and reasonable rates.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change 2023 Proposed Budget Versus	
					2022 Adopted	2023 Requested
<u>Personnel</u>						
FTEs-Operations and Maintenance	335.83	401.38	409.63	402.38	1.00	-7.25
FTEs-Other	13.76	21.54	21.54	21.54	0.00	0.00
Total Positions Authorized	439	437	439	435	-2	-4
<u>Expenditure Authorizations</u>						
Salaries and Wages	\$19,928,469	\$22,543,661	\$24,043,682	\$23,978,813	\$1,435,152	\$-64,869
Fringe Benefits	13,190,012	15,115,718	15,896,163	15,880,830	765,112	-15,333
Operating Expenditures	54,305,352	56,549,962	57,601,240	60,451,240	3,901,278	2,850,000
Equipment	3,030,122	3,532,400	3,611,500	3,611,500	79,100	0
Special Funds	10,648,118	9,809,000	8,824,300	8,824,300	-984,700	0
Total	\$101,102,073	\$107,550,741	\$109,976,885	\$112,746,683	\$5,195,942	\$2,769,798

CAPITAL BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Capital Budget						
Mains Program	\$15,970,546	\$32,580,000	\$32,560,000	\$32,560,000	\$-20,000	\$0
Plants and Other	719,286	10,480,000	14,450,000	14,450,000	3,970,000	0
Total Capital Budget	\$16,689,832	\$43,060,000	\$47,010,000	\$47,010,000	\$3,950,000	\$0
Capital Financing						
Retained Earnings/Cash	\$0	\$0	\$0	\$0	\$0	\$0
Bond Issue	16,689,832	43,050,000	47,000,000	47,000,000	3,950,000	0
Assessments	0	5,000	5,000	5,000	0	0
Developer Financed	191	5,000	5,000	5,000	0	0
Total Capital Financing	\$16,690,023	\$43,060,000	\$47,010,000	\$47,010,000	\$3,950,000	\$0

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Revenues						
Operating	\$94,018,359	\$94,033,030	\$93,179,600	\$93,179,600	\$-853,430	\$0
Non-Operating	7,574,740	7,600,000	7,683,000	7,683,000	83,000	0
Developer Capital and Assessments	191	10,000	10,000	10,000	0	0
Bond Issue	16,689,832	43,050,000	47,000,000	47,000,000	3,950,000	0
LSL Replacement- City Share	3,369,447	4,000,000	4,000,000	4,000,000	0	0
LSL Replacement- Special Assess	166,172	1,500,000	1,500,000	1,750,000	250,000	250,000
Withdrawal From Retained Earnings	0	417,711	3,614,285	6,134,083	5,716,372	2,519,798
Total Revenues	\$121,818,741	\$150,610,741	\$156,986,885	\$159,756,683	\$9,145,942	\$2,769,798
Expenditure Authorizations						
Operating	\$101,102,073	\$107,550,741	\$109,976,885	\$112,746,683	\$5,195,942	\$2,769,798
Capital Funding	16,689,832	43,060,000	47,010,000	47,010,000	3,950,000	0
Deposit To Retained Earnings	0	0	0	0	0	0
Total Authorizations & Deposits	\$117,791,905	\$150,610,741	\$156,986,885	\$159,756,683	\$9,145,942	\$2,769,798

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

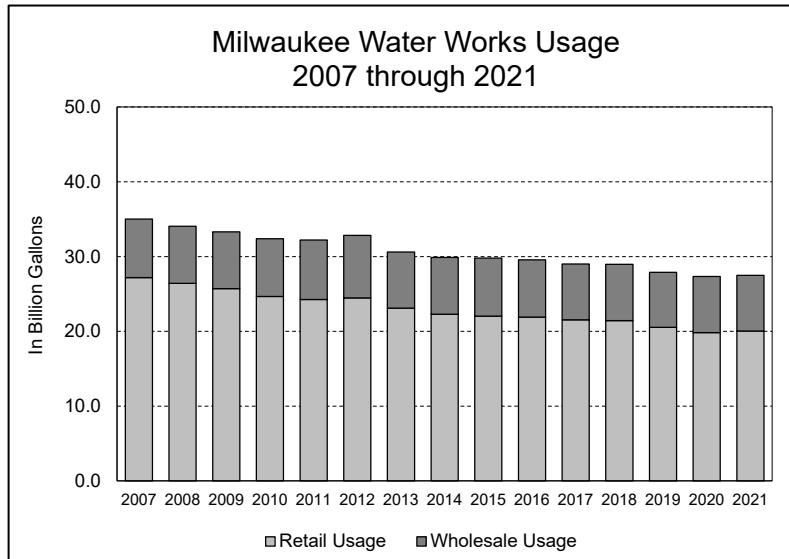
- Increase investment and economic vitality throughout the city.
- Ensure the quality and safety of drinking water.
- Maintain a regular and effective replacement cycle for water mains.
- Maintain competitive rates and generate an appropriate rate of return for the utility.
- Ensure the treatment and distribution system’s capacity to accommodate changes in customer water usage allowing downsizing to meet reduced demands as well as growth.

A safe, reliable supply of water is critical to public health and economic development. Milwaukee’s advanced multi-barrier treatment process, which includes ozone disinfection, provides some of the cleanest water in the country. The Great Lakes are the world’s largest source of fresh water and Milwaukee’s proximity to Lake Michigan gives it an economic advantage. A sustainable drinking water supply supports industries and promotes long term business and residential growth.

The Milwaukee Water Works (MWW) is a municipally owned water utility regulated by the Wisconsin Public Service Commission (PSC) and the Wisconsin Department of Natural Resources (DNR). From its Howard Avenue and Linnwood water treatment plants, MWW pumps and treats water from Lake Michigan for distribution throughout the area. It delivers this water through 1,960 miles of mains to approximately 861,000 customers in the City of Milwaukee and 15 suburbs.

Through June 2022, water consumption increased by 0.4% or 53 million gallons compared to the same period in 2021. Revenue through June 2022 decreased by 0.2% compared to the same period in 2021. From 2007 to 2021, total annual water consumption fell by nearly 7.8 billion gallons or 22%, reflecting national trends. Increased water efficiency, slower population growth, and a changing industrial customer base have reduced water sales for utilities nationwide. Figure 1 shows retail and wholesale water sales since 2007.

Figure 1



Consumption decreases, however, do not proportionally decrease the cost for electricity, chemicals, and construction and maintenance of the water distribution system. Despite decreased consumption, from 2010 through 2014 electricity costs for the utility increased by \$1 million to over \$6,000,000 per year. From 2014 to 2020, Milwaukee Water Works reduced electricity costs by approximately \$800,000, a 14% reduction. The implementation of peak hour plans at some facilities in 2016 has reduced energy usage and cost, and replacing oversized pumps in 2019 and 2020 helped control energy costs.

RATES

Water rates are based on a rate of return established by the PSC. The rate formula allows the utility to recover operating costs and make capital investments in the treatment and distribution system. Continuing decreases in the volume of water sold contribute to rate increases.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Rank of highest rate for 1 ccf of water residential customer among class AB utilities in the seven-county metro area.	24 of 27	26 of 27	19 of 27
Rate of return.	1.08%	2.61%	5.00%
Percent of days in full compliance with water quality parameters of the Safe Drinking Water Act.	100%	100%	100%
Main breaks.	430	400	440

In 2023, Milwaukee Water Works anticipates recovering approximately \$93.1 million of revenue through fees for water service, in addition to \$7.7 million of non-operating revenue. In 2023, the average single family residential customer will pay approximately \$240 for a full year of water service. The department has sought approval for a

conventional rate increase made necessary by increasing costs related to treatment plant updates, main replacement, service line replacement, and cross connection inspections. The conventional rate case was initiated in February 2022.

MWW provides reliable, high quality water at competitive rates for residential, commercial and industrial customers. Rates for high volume industrial customers remain the second lowest among the 90 largest U.S. water utilities, and the lowest in southeastern Wisconsin. MWW's three tiered declining block structure for large industrial customers decreases the cost per gallon with increased consumption. The utility's cost structure directly affects water rates. Water rates are based on a rate of return requested by the City and established by the PSC, and the rate formula allows the utility to recover operating costs and make investments in the treatment and distribution system. Continuing decreases in the volume of water sold have reduced revenue growth and put pressure on MWW to both control spending and increase rates.

In July 2019, MWW implemented a 3% "simplified" rate increase for all customers. In the winter of 2022, MWW applied for a "conventional" rate increase anticipated to be effective in spring of 2023. This increase is designed to bring the utility's finances back into structural balance and avoid large future increases. A full year of increased rates in 2024 will generate more net revenue and increase investment in plants and water mains. In addition, MWW will begin selling water to Waukesha in September 2023, increasing revenue by approximately \$3 million. The PSC has mandated that MWW file a conventional rate case no later than 24 months after commencement of service to Waukesha to ensure the increased revenue is accounted for in the rate structure.

QUALITY AND RELIABILITY

In 2021, the department achieved its goal of providing safe, high quality drinking water and fully complied with the Safe Drinking Water Act. Water Works also continued participation in the Partnership for Safe Water, which requires stringent evaluation of metrics to optimize the distribution system.

MWW's capital budget emphasizes funding for water main replacements, essential to the system's long term sustainability and the provision of high quality, healthy drinking water to customers. The Capital Improvements Committee and Public Service Commission have endorsed this approach. As of June 30, 2022, 3.6 miles of water main have been installed and an additional 16.2 miles of water mains have been designed. While every effort has been made to reach a replacement goal of 20 miles in 2022, the availability of service line and water main parts and fittings due to nationwide supply chain issues will prevent Water Works from reaching the 20 mile replacement goal in 2022. Water Works management and staff are working with suppliers to secure the necessary valves, fittings, and other critical components that have been difficult to obtain. If supply chain challenges persist into 2023, Water Works will have difficulty reaching the 20 mile replacement goal.

In an added effort to ensure water quality, MWW began a Corrosion Control Treatment (CCT) Study in 2020 to analyze current water quality parameters. MWW worked with a consultant to harvest lead service lines from replacement locations and study optimal water quality parameters in a pipe loop located at the Howard Ave water treatment plant, including the optimal concentration of orthophosphate needed to protect from corrosion of lead and copper within service lines and interior plumbing or fixtures. The CCT Study was completed and submitted to the DNR for review in 2021. The DNR approved the report recommendation to continue the current target concentrations of orthophosphate at the Howard and Linnwood water treatment plants. Per DNR requirements, Water Works is currently conducting enhanced monitoring to confirm optimization.

RESIZE, RESTRUCTURE, AND REINVEST

The 2023 proposed Water Works capital budget provides \$32.6 million for 20 miles of water main replacement. The main replacement program goal remains 20 miles per year in 2023, due to an order from the Wisconsin Public Service Commission (PSC). The conventional Rate Case seeks to reduce this goal due to the necessary resource allocation. This level of main replacement provides for a 100 year replacement cycle. Water main segments are selected for replacement using risk based prioritization that analyzes the probability and consequence of failure for each segment.

Variables include the history of breaks, the remaining useful life, and the location of critical users. The primary goal of the main replacement program is to ensure uninterrupted service delivery to all customers.

The 2023 budget includes \$14.5 million for improvements to Milwaukee Water Works plants, pumping and storage facilities. At the Linnwood treatment plant, filter beds will be upgraded and filter media replaced, as well as improvements and maintenance to the plant's recovery basin. At the Howard Avenue water treatment plant, a multi-year upgrade of the filter beds that started in 2021 will continue into 2023.

MWW has the capacity to annually treat, pump, and distribute 131.4 billion gallons of water. In 2020, just over 27 billion gallons were consumed by customers, meaning that just 21% of Water Works' capacity was utilized. Much of MWW's pumping and treatment infrastructure was optimized for greater levels of demand and consumption. Water Works engineering and plants divisions continue identifying initiatives to optimize treatment and pumping operations for the current level of demand in order to streamline operations and control future ratepayer costs.

In 2018, the main replacement program began replacing lead service lines that are connected to mains that are being replaced. MWW estimates 200 lead service lines will be replaced in conjunction with the 2023 main replacement program. In 2020, MWW began replacing lead service lines associated with local or state road reconstruction projects and anticipates an additional 300 replacements in 2023 prior to paving projects.

Water Works crews replace the utility owned portion of lead service lines in emergency situations to return water service to customers in a cost effective and timely manner. Water Works crews are not permitted to perform work on private property, therefore these crews are limited to replacing only the utility owned portion of the lead service line. MWW will utilize its crews to replace the utility owned portion when leaks are reported that require immediate attention, reducing the time customers are out of service. Water filter pitchers are provided to every lead service line replacement customer to reduce the risk of lead exposure from water during and after the replacement project.

Overall, the 2023 budget includes funding to replace 1,200 lead service lines. Replacement of lead service lines is required when a lead service line has failed or is found to be leaking or is scheduled for replacement as part of a planned project, such as a water main replacement or road reconstruction. Lead service lines at certified or licensed child care facilities in Milwaukee are required to be replaced.

The cost of replacing the utility owned portion of a lead service line is paid for by ratepayers through the Water Works operating budget. The average cost to replace the utility owned portion of a lead service line is estimated to be \$5,000 in 2023. The average cost of replacing the privately owned portion of a lead service line is estimated to be \$5,500. The cost of replacing the privately owned portion of a lead service line serving a child care facility is fully paid for by the City, and eligible residential properties pay a maximum of \$1,723 as of March 1, 2022 to have their service line replaced. The City Clerk adjusts the maximum cost for eligible residential properties on March 1 of each year.

Replacement of the privately owned portion of lead service lines in 2023 is funded by \$4 million of levy supported City capital funds that were allocated in prior years, and \$1.75 million of special assessments to property owners. MWW expects to be eligible for an increase in principal forgiveness funding from the Safe Drinking Water Loan Program for the privately owned section of lead service line replacements. The Wisconsin DNR was allocated significant amounts of funding for lead service line replacement from the Bipartisan Infrastructure Law (BIL) passed in 2021. The DNR will be releasing the Intended Use Plan for the SDWLP Lead Service Program in 2022. The funding award is anticipated in late summer of 2023. This additional BIL funding could help offset City borrowing. The Water Works is currently developing a lead service line prioritization plan utilizing socioeconomic factors in anticipation of accelerating the replacement rate.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00		Human Resource Assistant	Increased HR workload from high levels of turnover and vacancies
-1	-1.00		Office Assistant IV	Reclassification
1	1.00		Administrative Assistant IV	Reclassification
-2	-2.00		Accounting Assistant II	Reclassification
2	2.00		Accounting Assistant III	Reclassification
1	1.00		Water Billing Specialist	Increased water customer billing interactions
1	1.00		Custodial Worker III	Additional maintenance/custodial needs at Meter Shop
-3	-3.00		Water Meter Technician (Aux.)	Scaling down of meter replacement program
-4	-2.00		Water Distribution Repair Worker I (Aux.)	Reduction to meet budget target
-1	-0.50	-0.50	Civil Engineer II	Reclassification
1	0.50	0.50	Management Engineer	Reclassification
1	1.00		Program Assistant III	Additional administrative work related to LSL replacement program
1	1.00		Program Assistant II	Additional administrative work related to new EPA lead and copper rules
	1.00		N/A	Net change of technical adjustments
-2	1.00	0.00	Totals	

K. SEWER MAINTENANCE FUND

EXECUTIVE SUMMARY

- MISSION:** Protect people, property, and the environment from sewage, flooding, erosion, and polluted runoff.
- OBJECTIVES:** Improve surface water quality by eliminating sanitary sewer overflows and addressing nonpoint pollution sources.
- Reduce the risk of property damage due to flooding and basement backups.
- STRATEGIES:** Maintain a 90 year or better sewer replacement cycle.
- Reduce stormwater infiltration and inflow into the sanitary sewer system.
- Design and install green infrastructure facilities, such as bioretention beds and permeable pavements to help reduce pollutants in waterways.
- Conduct projects for private lateral rehabilitation on private property to assess its effectiveness at reducing infiltration and inflow into sanitary basins that the Milwaukee Metropolitan Sewerage District has stipulated for correction.
- Develop and implement a capacity, management, operations and maintenance program to govern operations.

BUDGET SUMMARY

	2021 Actual Expenditures	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Personnel						
FTEs - Operations & Maintenance	108.30	112.05	117.15	115.65	3.60	-1.50
FTEs - Other	15.70	25.95	26.35	26.85	0.90	0.50
Total Positions Authorized	156	160	164	165	5	1
Expenditures						
Salaries and Wages	\$4,180,059	\$5,208,037	\$5,413,299	\$5,413,299	\$205,262	\$0
Fringe Benefits	4,180,201	3,906,028	4,059,974	4,059,974	153,946	0
Operating Expenditures	5,026,655	6,643,000	5,903,000	6,003,000	-640,000	100,000
Equipment	568,792	976,000	1,567,000	1,567,000	591,000	0
Special Funds	36,302,094	63,262,129	64,487,930	64,507,930	1,245,801	20,000
O&M Total	\$50,257,801	\$79,995,194	\$81,431,203	\$81,551,203	\$1,556,009	\$120,000
Capital Projects	\$23,726,780	\$33,000,000	\$28,400,000	\$28,400,000	\$-4,600,000	\$0
Deposit to Retained Earnings	0	0	0	0	0	0
Total	\$73,984,581	\$112,995,194	\$109,831,203	\$109,951,203	\$-3,043,991	\$120,000
Revenues						
Sewer Maintenance Fee	\$32,047,747	\$32,463,687	\$29,454,141	\$33,762,234	\$1,298,547	\$4,308,093
Stormwater Management Fee	38,202,008	38,682,972	38,202,008	40,230,290	1,547,318	2,028,282
Charges for Services	16,114	1,749,000	1,749,000	1,749,000	0	0
Interest Revenue	116,341	206,000	206,000	206,000	0	0
Miscellaneous Revenue	3,618	0	0	0	0	0
Developer Financed	0	1,000,000	1,000,000	1,000,000	0	0
Proceeds from Borrowing	21,394,484	29,000,000	21,500,000	22,700,000	-6,300,000	1,200,000
Grant and Aid	6,285,466	2,000,000	2,000,000	3,700,000	1,700,000	1,700,000
Assessable	0	0	0	0	0	0
Withdrawal from Retained Earnings	-24,081,197	7,893,535	15,720,054	6,603,679	-1,289,856	-9,116,375
Total	\$73,984,581	\$112,995,194	\$109,831,203	\$109,951,203	\$-3,043,991	\$120,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Sustain, enhance, and promote Milwaukee’s natural environmental assets.
 - Improve surface water quality by eliminating sanitary sewer overflows and addressing nonpoint pollution sources.
 - Reduce the risk of property damage due to flooding and basement backups.

A sewer system’s core purpose is to deliver all sanitary sewer flows to treatment plants, minimize surface flooding, and reduce the risk of basement backups in homes. The city maintains a system of 2,461 miles of public sewers, which connect to hundreds of miles of privately owned sewer laterals and the Milwaukee Metropolitan Sewerage District (MMSD) system. The system transports sanitary sewage to MMSD facilities for treatment. By treating wastewater before returning it to rivers and Lake Michigan, the sewerage system reduces the risk of waterborne illnesses and protects water quality. The sewer system also protects property by mitigating flooding.

The regional sewer system contributes to the goal of sustaining, enhancing and promoting Milwaukee’s natural environmental assets. The integrated nature of the region’s systems requires coordinated management strategies across various stakeholders. Milwaukee’s regional sewer system operates effectively, as measured by the number of annual sewer overflows. However, leaky sewers and private laterals, coupled with the increasing frequency of large storms, present challenges to the regional sewer system. During large storms, excess stormwater can overwhelm the sanitary sewer system and result in sanitary sewer overflows (SSOs) and/or basement backups.

Key Performance Measures	2021 Actual	2022 Projected	2023 Planned
Sanitary sewer overflows	7	0	0
Number of basement backups reported	20	21	22
Miles of sewers replaced or relined	15	14	12

STRATEGY IMPLEMENTATION

Replacing and lining sewers is a critical aspect of maintaining the sewer system and reducing the amount of rainwater that enters the sanitary sewer system. In order to minimize sanitary sewer overflows the city aims for a sewer replacement cycle of 90 years, which requires annually replacing or lining 27 miles of sewer main. Since 2012, the city has averaged replacing or lining 33 miles annually, approximately 20% above the required replacement rate. Figure 1 shows the recent history of replacing and lining sewers. The 2023 capital budget includes \$20 million to replace and line 7 miles of medium to large diameter combined, storm and sanitary sewer mains and an additional \$2 million to line 5 miles of small diameter sanitary sewer main and inspect sanitary sewer manholes. This work will target sewer sheds with the highest levels of infiltration and inflow and the greatest risk of basement backups.

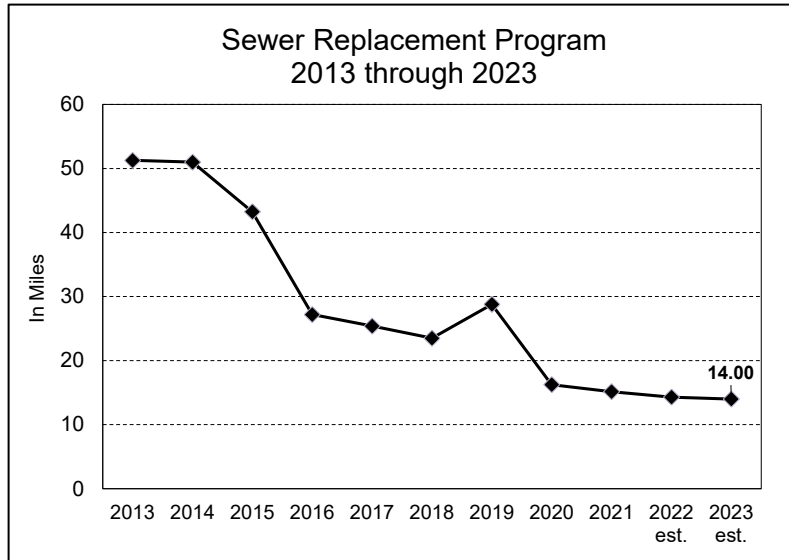
Leaky sewer laterals located on private property are a major contributor to infiltration and inflow (I&I). Private property sources account for between 60% and 80% of the clear water that enters sanitary sewer systems. Since 2011, the city has completed several projects to address private property I&I. The department compares flows from before and after projects are completed to determine effectiveness. Analysis indicates approximately a 30% to 40% reduction of I&I in the project areas, depending on location and rehabilitation methods utilized.

In 2023, the department plans three neighborhood projects to reduce I&I from private property.

Even as DPW and MMSD phase in larger system improvements, extremely large storms will trigger the system’s bypass pumps to discharge effluent from the system to reduce the risk of basement backups in residents’ homes. The 2023 capital budget includes \$500,000 for rehabilitation of three bypass pumps and maintenance and replacement of electrical equipment. Bypass pumps play a critical role in reducing the risk of basement backups.

Green infrastructure is a strategy to manage stormwater where it falls, and improve water quality by using natural processes. These projects reduce total suspended solids (TSS) and phosphorus and help meet the water quality requirements of the Total Maximum Daily Loads (TMDLs). TMDL levels have been established by MMSD in conjunction with the Wisconsin Department of Natural Resources (DNR). The implementation plan and timeline for meeting the TMDLs will be evaluated now that the Environmental Protection Agency has approved the TMDLs. The 2023 capital budget includes \$3 million, of which \$2 million is grant funding from MMSD, for the installation of bioretention facilities and other green infrastructure projects in conjunction with street repair projects.

Figure 1



RESIZE, RESTRUCTURE, AND REINVEST

Downspout Disconnection Program: The downspout disconnection program began in 2019. MMSD’s regulations require residential parcels that contain up to four units to disconnect their downspouts from the combined sewer system by January 1, 2025. The program affects approximately 50,000 residential properties. The program will be completed in 2024 at a cost of approximately \$7.2 million.

Flood Mitigation Projects: Design has started on the West Basin project near North 35th Street and West Capitol Drive. The City is partnering with MMSD on design and construction elements for this project and related infrastructure. The project will be constructed over three years from 2023 and 2025. The current cost estimate is \$16 million, with \$1 million included in the 2023 budget.

Stormwater Management Fee: The 2023 stormwater management fee per quarter per equivalent residential unit (ERU) will increase by 4% to \$24.12. The annual impact on the typical residential user will be \$96.47. In 2023, this will generate \$40.2 million, an increase of \$1.5 million. Charges for all one to four unit residential properties are one ERU per quarter. Charges for other properties are determined based on their impervious surface (one ERU is equivalent to 1,610 square feet of impervious surface). Regular rate increases are necessary to fund increased investment in private property work and debt service related to the improved sewer replacement cycle.

Local Sewerage Charge: The 2023 local sewerage charge rate per 100 cubic feet of water (CCF) per quarter will increase to \$1.65 per CCF, resulting in a charge of \$27.24 per quarter. The annual impact on the typical residential user will be \$108.95. In 2023, this will generate \$33.8 million, an increase of \$1.3 million.

Payment to the General Fund: The Sewer Maintenance Fund makes an annual transfer to the general fund to pay for all tree care costs and pension payments associated with street sweeping, leaf collection, brush collection, and pruning services provided by the Department of Public Works Operations Division. Street trees reduce stormwater flows by absorbing water through their root system. The 2023 budget will transfer \$24.4 million. An additional

\$5.1 million transfer to the capital fund will support tree planting and stump removal, the emerald ash borer prevention program, the environmental remediation program, concealed irrigation on city boulevards, and flood mitigation enhancements at local bridges.

Capital Financing: In the 2023 capital budget, the city will cash finance \$1.0 million in sewer capital to improve fund sustainability. This cash financing will cover the pump replacement projects, salary, and fringe benefits associated with the design and project management of sewer capital projects and manhole inspection projects.

Debt Fund Transfer: The 2023 budget includes an approximate \$850,000 transfer from the Sewer Maintenance Fund to the debt fund for sewer related general obligation debt service.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-2	-1.96	-0.04	Sewer Repair Crew Leader	Position reduction
-4	-4.00	-0.04	Sewer Crew Leader	
-4	-4.00	0.00	Sewer Laborer II	
-2	-1.96	0.00	Sewer Mason	
-3	-3.00	0.00	Sewer Laborer I	
1	0.00	0.00	Operations Driver/Worker	Add unfunded Auxiliary Authority
1	0.00	0.00	Sewer Operations Supervisor	
3	0.00	0.00	Sewer Repair Crew Leader	
4	0.00	0.00	Sewer Crew Leader	
4	0.00	0.00	Sewer Laborer II	
2	0.00	0.00	Sewer Mason	
3	0.00	0.00	Sewer Laborer I	
1	0.00	0.00	Sewer Field Investigator	
1	0.00	0.00	Sewer Examiner	Technical Correction
0	18.52	0.98	Various positions	
5	3.60	0.90	Totals	

M. COUNTY DELINQUENT TAX FUND

EXECUTIVE SUMMARY

- MISSION:** Provide appropriation authority to purchase County of Milwaukee delinquent property taxes.
- OBJECTIVES:** Provide a funding mechanism to purchase delinquent county property taxes without affecting the city's tax levy.
- STRATEGIES:** Return tax delinquent properties to the tax roll and increase future city revenue.

SUMMARY OF EXPENDITURES

	2021 Actual Expenditure	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
Purchase of Delinquent County Taxes	\$8,253,663	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000
Total	\$8,253,663	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000

SOURCE OF FUNDS

	2021 Actual Expenditure	2022 Adopted Budget	2023 Requested Budget	2023 Proposed Budget	Change	
					2023 Proposed Budget Versus 2022 Adopted	2023 Requested
County Delinquent Taxes Collected	\$8,253,663	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000
Total	\$8,253,663	\$9,000,000	\$9,500,000	\$9,505,000	\$505,000	\$5,000

In accordance with s. 74.83 Wis. Stats., the City of Milwaukee is authorized to enter into an agreement with the County of Milwaukee to purchase county delinquent personal property taxes and real estate tax certificates. The initial agreement was executed in December 1987.

The authority to collect county delinquent property taxes enables the City Treasurer to consolidate the collection of delinquent taxes. Consolidation of the delinquent taxes provides a more efficient and effective tax collection administration by eliminating the burden of duplicate collections by the city and county.

The city purchases the county's delinquent personal property and real estate taxes at the close of the current tax collection period each February. In addition, the city also purchases the county's real estate taxes that become delinquent during the installment collection cycle each month. The city acquires an asset, delinquent county property taxes receivable, and generates revenue by keeping the interest and penalty charges collected on the delinquent taxes outstanding.

This account is the city's mechanism to purchase the county's delinquent property taxes. It is related to other delinquent tax collection efforts in the city debt budget.

II. BORROWING AUTHORIZATIONS

General Obligation Bonds or Short Term Notes

	<u>New 2023 Authority</u>
A. Renewal and Development Projects	
1. For providing financial assistance to blight elimination, slum clearance, redevelopment and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337, and 66.1105. MEDC Loan Program.	
Subtotal Renewal and Development Projects.	\$1,000,000
B. Public Improvements	
1. Public buildings for housing machinery and equipment.	\$9,736,000
2. Harbor improvements.	3,319,000
3. Parking facility improvements.	2,410,000
4. All Fire borrowing.	3,000,000
5. All Police borrowing.	11,930,000
6. Bridge and viaduct.	1,763,000
7. Sewage disposal, sewer improvement, and construction.	
8. Street improvements and construction.	54,875,000
9. Parks and public grounds.	550,000
10. Library improvements authorized under section 229.11 and 229.17.	1,600,000
11. Rubbish.	7,800,000
12. Water Infrastructure.	0
Subtotal General Obligation Bonds or Short Term Notes (Sections A and B).	\$97,983,000
C. Contingent Borrowing	
Borrowing for a public purpose not contemplated at the time the budget was adopted.	
Contingent borrowing.	\$200,000,000
Subtotal General Obligation Bonds or Short Term Notes.	\$200,000,000
D. School Board Borrowing	
1. School purposes (1).	\$2,000,000
Subtotal General Obligation Bonds or Short Term Notes.	\$2,000,000
E. Borrowing for Special Assessments	
1. To finance public improvements in anticipation of special assessments levied against property.	
2. General city.	
3. Water Infrastructure.	\$0
Subtotal General Obligation Bonds or Local Improvements Bonds.	\$0
F. Tax Incremental Districts	
1. For paying project costs in accordance with project plans for Tax Incremental Districts.	\$25,000,000
Subtotal General Obligation Bonds, Short Term Notes, or Revenue Bonds.	\$25,000,000
G. Borrowing for Delinquent Taxes	
To finance general city purposes for anticipated delinquent taxes.	\$37,000,000
Subtotal General Obligation Bonds or Short Term Notes.	\$37,000,000
H. Revenue Anticipation Borrowing	
To borrow in anticipation of revenue in accordance with Section 67.12 of the Wisconsin State Statutes.	\$400,000,000
Subtotal General Obligation Bonds or Short Term Notes.	\$400,000,000
I. Water Works Borrowing	
Water Works mortgage revenue bonds or general obligation bonds.	\$47,000,000
Subtotal Revenue Bonds or General Obligation Bonds.	\$47,000,000
J. Sewer Maintenance Fund Borrowing	
Sewer Maintenance Fund revenue bonds or general obligation bonds.	\$22,700,000
Subtotal Revenue Bonds or General Obligation Bonds.	\$22,700,000
Total General Obligation Bonds or Short Term Notes	\$831,683,000

(1) Design plans for any alteration to building exteriors and interiors shall be reviewed and approved by the city.

III. CLARIFICATION OF INTENT

Employee Fringe Benefits

Employee fringe benefit costs are allocated to operating and capital budgets on an estimated basis for informational purposes only. Such estimated expenditures are 100% appropriation offset for operating budgets and 100% revenue offset for the capital budget to avoid any impact on the city's tax levy. Actual fringe benefit costs, such as health care benefits, life insurance, and pensions, are budgeted separately in non-departmental accounts, which are funded from the property tax levy.

The amount included in each departmental (or budgetary control unit) operating budget on the line entitled "Estimated Employee Fringe Benefits" is subject to adjustment by unilateral action of the City Comptroller, during the budget year, if the actual rate charged against salaries paid is at variance with the estimated rate used in calculating the budgeted amount.

Departmental Salary Appropriations

Department net salary and wage appropriations reflect current wage rates and expenditures and are limited to these amounts. Funding of future salary increases is provided in the Wages Supplement Fund.

Footnotes

Section 18-06-12 of the Milwaukee City Charter states that the adoption of the budget shall be the authority for the expenditure by a department for the purposes therein provided and of the amounts assigned to the department thereby and no further action by the Common Council shall be necessary to authorize any department to make such expenditures. The City Attorney has advised that footnotes contained in the line item budget are informational only and not controlling over expenditures unless a corresponding resolution specifying the footnote's intent is also adopted by the Common Council.

**POSITIONS ORDINANCE AND
SALARY ORDINANCE**

The Positions Ordinance and the Salary Ordinance for the City may be obtained from the City Clerk's Office upon request, or on the City Clerk's website. They have not been included in this publication.

TAX LEVY TO RATE CONVERSION TABLE

Assessed Value Used in Conversion Calculation as of August 30 2022: \$33,981,340,340

Tax Rate Per \$1,000 of Assessed Valuation	<u>Levy Change</u>	<u>Levy Change</u>	Tax Rate Per \$1,000 of Assessed Valuation
\$0.01	\$339,813	\$5,000	\$0.00
\$0.05	\$1,699,067	\$10,000	\$0.00
\$0.10	\$3,398,134	\$50,000	\$0.00
\$0.25	\$8,495,335	\$100,000	\$0.00
\$0.50	\$16,990,670	\$500,000	\$0.01
\$1.00	\$33,981,340	\$1,000,000	\$0.03

Formula for deriving tax rate per \$1,000 of assessed value from known assessed value and levy:

$$\text{TAX RATE} = \frac{\text{TAX LEVY}}{\text{ASSESSED VALUE}/1,000}$$

Formula for deriving levy from known rate and assessed value:

$$\text{TAX LEVY} = \text{TAX RATE} \times (\text{ASSESSED VALUE}/1,000)$$

Formula for deriving assessed value from known rate and levy:

$$\text{ASSESSED VALUE} = (\text{TAX LEVY}/\text{TAX RATE}) \times 1,000$$

Note: Results are Approximate Due to Rounding