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MEMORANDUM

To: Ald. Scott Spiker
 From: Gunnar Raasch, Legislative and Fiscal Services Specialist
 Date: 11/7/2025
 Subject: Median Income and 2026 Raise Data

This memorandum is in response to your inquiry for statistics relating to average wages and how categories of City employees would be affected by the 2026 Proposed Budget and the proposed Omnibus Amendment. It should be stressed that the figures included in this memorandum are estimates, and could be over- or under- estimates due to a number of factors. Table 1 presents the estimated salary figures for each category, and Table 2 shows the potential raises for general City employees depending on residency in dollar-increase form. The remainder of the memo explains the methodology used to estimate these averages.

Table 1. Estimated Average Income by Category and Year/Budget

Category	2025 Estimated Income	2026 Proposed Budget	2026 Proposed Budget with Omnibus
Per Capita Income (Milwaukee County)	\$60,144	N/A	N/A
Median Household Income (Milwaukee County)	\$63,304	N/A	N/A
Median Household Income (City of Milwaukee, 2023)	\$51,888	N/A	N/A
City Employee Mean	\$71,666	N/A	N/A
Resident City Employee Mean	\$72,203	N/A	N/A
Non-Resident City Employee Mean	\$70,053	N/A	N/A
General City Employee Mean	\$65,562	\$66,873	\$68,021
Resident General City Employee Mean	\$66,053	\$67,374	\$68,695
Non-Resident General City Employee Mean	\$64,069	\$65,350	\$65,991
Non-Elected Exempt Employee Mean	\$114,611	\$116,903	\$118,908
Resident Non-Elected Exempt Mean	\$115,471	\$117,780	\$120,089
Non-resident Non-Elected Exempt Mean	\$112,032	\$114,272	\$115,392
Elected Officials	\$107,273	*See Table 2	*See Table 2

Table 2. Dollar-Increase Estimates for General City Employees

Category	2025 Estimated Income	2026 Proposed Budget	2026 Proposed Budget with Omnibus
General City Employee Mean	\$65,562	\$1,311	\$2,458
Resident General City Employee Mean	\$66,053	\$1,321	\$2,642
Non-Resident General City Employee Mean	\$64,069	\$1,281	\$1,922
Non-Elected Exempt Employee Mean	\$114,611	\$2,292	\$4,297
Resident Non-Elected Exempt Mean	\$115,471	\$2,309	\$4,618
Non-resident Non-Elected Exempt Mean	\$112,032	\$2,240	\$3,360
Council Members	\$84,205	\$1,684	\$2,526
Council President	\$94,310	\$1,886	\$2,829
Mayor	\$169,436	\$3,388	\$5,083

Median Wage for Milwaukee Residents

The Federal Reserve Bank of St. Louis (FRED) lists two relevant metrics: estimated median household income for Milwaukee County, and estimated per capita personal income for Milwaukee County. Both figures were last updated in December of 2024.

Per Capita Personal Income in Milwaukee County: \$60,144

Median Household Income for Milwaukee County: \$63,304

According to Neilsberg.com, drawing from the U.S. Census Bureau's American Community Survey data from 2021, the estimated median income for households within the City of Milwaukee was \$51,888 in 2023.

Mean Income for City Employees and General City Employees

To calculate an estimated mean for all city employees (including general City employees and sworn members of the Police and Fire departments), the FTE's and budgeted amounts from every 'Gross Salaries & Wages Total' line item in the 2025 Proposed Budget were compiled in a spreadsheet, summed, and averaged. Gross salaries and positions from the Election Commission were excluded, as over 2,000 employees who work only on election days would severely distort the average. This method generated an estimated mean for City Employees of \$71,666.

To estimate the mean for general City employees, the gross salary lines from the Police and Fire departments were excluded, which lowered the average to \$65,562. Using the approximate rate of 75% of general City employees being residents, the mean for resident City employees should be 0.75% higher than the general mean, and the mean for non-

residents should be 2.25% lower.

Wage Increases and Omnibus Increases

The Proposed 2026 Budget reportedly provides a 2% raise for general City employees. The assumption is made that, like previous raises for general City employees, the raise would not apply to members of the applicable unions for the Police and Fire Departments, or to temporary election or Health Department workers, or to elected officials (although the Mayor and Common Council Members will receive a separate matching raise). Amendment 1E (Omnibus) increases the raise for general City employees by 1% (from 2% to 3%) and increases the residency incentive by 1% (from 3% to 4%). Thus, non-resident general City employees would receive a 2% raise without its passage and a 3% raise with its passage. Resident general City employees would receive a 2% raise without its passage and a 4% raise with its passage. With the passage of the omnibus, the mean for general City employees including both residents and non-residents would rise roughly 3.75%.

Civil-Service Exempt Positions

To calculate the mean for exempt positions, a database was created using the Department of Employee Relations exempt positions list from June 2025. Each position was matched to the corresponding amount funded in the 2025 Adopted Budget. Part time, seasonal, and elected positions were excluded, as were a small number of positions whose salaries could not be accurately identified by this methodology. The same assumptions made for general City employees regarding residency rates are made for exempt City employees. While the average salaries for exempt positions are generally significantly higher than for general City employees, it should be noted that this category has a wide range and that several exempt employees make significantly less than this estimated average.

Elected Positions

The mean for elected positions is based on the salaries of the Mayor, 14 Council Members, the Comptroller, the City Attorney, the City Treasurer, and 3 Municipal Judges. According to the Code, Council Members, the Council President, and the Mayor would receive a matching raise up to 3% if general City employee raises are issued. The code does not indicate any similar matching raises for other elected positions.

Effect of Eliminating Exempt Position Raises

The total funding in the Wages and Supplement fund for the 2% raise provided in the 2026 Proposed Budget is estimated at \$4.6 million. Based on the exempt employee data gathered,

the funding for exempt raises is \$351,836. To adjust for position salaries missing from the dataset, this figure can be estimated at roughly \$360,000. This translates to roughly \$4,240,000 in current funding proposed for non-exempt general City employees.

If the funding for exempt-employee raises in the Proposed Budget was instead used to increase the raises for all city employees, I estimate those raises would increase from 2% to roughly 2.17%.

Please let me know if you need any additional information.

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