

Capital Improvements 2025 Proposed Executive Budget

Support the regional economy and protect the environment and public health



Source of Funds Comparison



Source of Funds	2024 Adopted Budget	2025 Proposed Budget	Amount Change	Percent Change
<i>Levy-Supported Borrowing</i>	\$ 95,999,084	\$ 115,950,826	\$ 19,951,742	21%
Tax Levy	38,879,000	565,000	(38,314,000)	-99%
Cash Revenues	31,496,174	68,083,823	36,587,649	116%
Tax Incremental District	25,000,000	25,000,000	-	0%
Special Assessments	5,510,000	2,015,000	(3,495,000)	-63%
Total - General City	\$ 196,884,258	\$ 211,614,649	\$ 14,730,391	7.5%

Transportation Fund	\$ 3,411,989	\$ 2,338,820	\$ (1,073,169)	-31%
Water Works	50,495,000	50,310,000	(185,000)	0%
Sewer Maintenance Fund	26,400,000	26,900,000	500,000	2%
Total - Enterprise Funds	\$ 80,306,989	\$ 79,548,820	\$ (758,169)	-29.9%

Capital Budget By Department



Department	2024 Adopted Budget	2025 Requested Budget	2025 Proposed Budget	Percent
Special Projects	\$ 10,515,000	\$ 10,162,000	\$ 10,465,000	4.9%
Administration	8,945,000	12,225,000	10,725,000	5.1%
Assessor	-	-	-	0.0%
City Attorney	-	3,000,000	-	0.0%
City Development	43,100,000	53,350,000	52,850,000	25.0%
Election Commission	-	-	80,000	0.0%
Common Council City Clerk	95,000	7,790,000	-	0.0%
Emergency Communication	113,000	-	-	0.0%
Employee Relations	-	870,000	-	0.0%
Fire Department	6,260,000	31,690,000	3,247,000	1.5%
Fire & Police Commission	-	-	-	0.0%
Health Department	-	3,910,000	300,000	0.1%
Library	3,470,000	10,750,000	2,635,000	1.2%
Municipal Court	760,000	375,000	100,000	0.0%
Neighborhood Services	4,064,000	4,104,000	3,300,000	1.6%
Police Department	20,835,000	16,170,000	8,300,000	3.9%
Port Milwaukee	3,589,714	8,240,000	6,350,000	3.0%
Public Works	95,137,544	161,277,649	113,262,649	53.5%
Total	\$ 196,884,258	\$ 323,913,649	\$ 211,614,649	100%

Levy-Supported Borrowing

Levy-Supported Borrowing

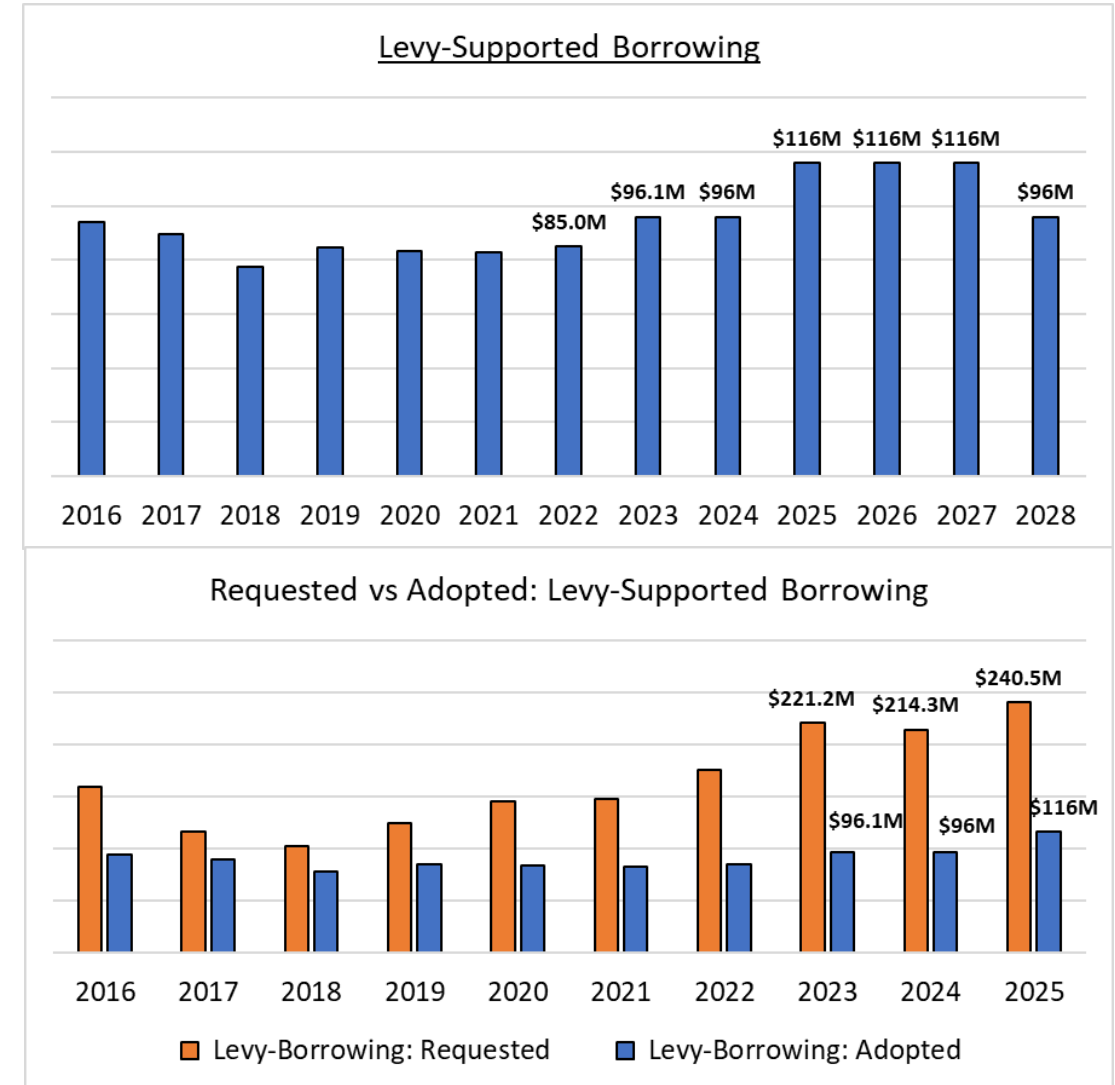
- \$116 million
- Increase of \$20 million from 2024

Borrowing Level vs Capital Needs

- +\$200 million – Annual Request
- Balancing deferred maintenance, borrowing levels, & debt service
- As debt service increases monies available for general city services decrease

Prioritizing Capital Needs

- Leverage outside funding such as State & Federal street aid
- Investing in city facilities
- Reducing fleet age



Streets Program



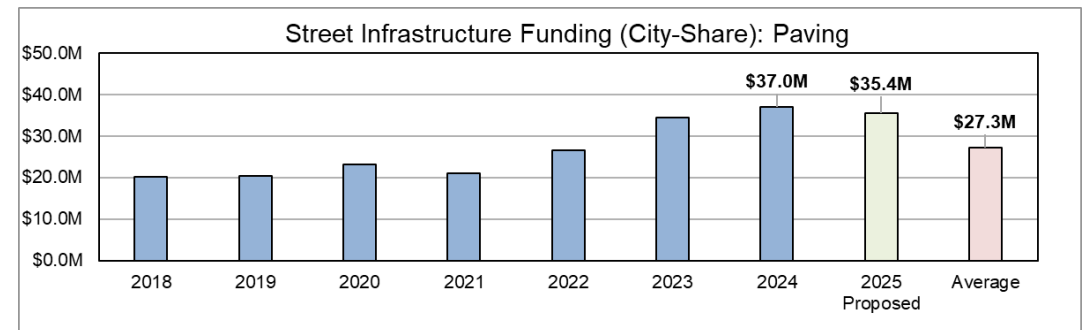
Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Paving - State & Federal	\$ -	\$ 23,425,000	\$ 10,000	\$ -	\$ 11,323,732	\$ 34,758,732
Paving - Local Reconstruction	-	5,500,000	500,000	-	-	6,000,000
Paving - Local High Impact	-	6,000,000	-	-	-	6,000,000
Paving - New Streets	-	200,000	150,000	-	-	350,000
Paving - Alley Reconstruction	-	400,000	180,000	-	-	580,000
Sidewalks - Curb & Gutter	-	1,500,000	375,000	-	-	1,875,000
Total	\$ -	\$ 37,025,000	\$ 1,215,000	\$ -	\$ 11,323,732	\$ 49,563,732

State & Federal Paving Program

- City maintains 1,144 lane miles of major and minor arterials
- Arterials are part of the Federal Aid Transportation System and are eligible for State & Federal funding
- State & Federal funding generally covers 50% of project costs**

Local Paving Program

- City maintains 3,948 lane miles of local streets
- Local streets are generally not eligible for State & Federal funding requiring the city to cover 100% of project costs**



Infrastructure - Streets Outlook



Description	2026	2027	2028	2029	2030	2026-2030
State & Federal Aid	\$ 53,646,866	\$ 53,646,866	\$ 53,646,866	\$ 53,646,866	\$ 53,646,866	\$ 268,234,329
Local Match - 37%	19,783,837	19,783,837	19,783,837	19,783,837	19,783,837	\$ 98,919,185
Local Match - 50%	26,823,433	26,823,433	26,823,433	26,823,433	26,823,433	\$ 134,117,165

State & Federal Paving Program

- \$268.2 million in signed agreements through 2030
- Local match = 37% to 50%
- **Average = \$23.8 million (20% of total borrowing)**

Local Match Factors

- State design changes after agreement is finalized
- Local scope changes above and beyond initial agreement
- Cost of labor & materials

Looking to the future

- City cannot maintain +2,300 lane miles of city streets without capitalizing on State & Federal Aid
- **Deferring local projects or forgoing acceptance of State & Federal aid increases future costs**

Capital – Facility Improvements



Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Fire Facilities Programs	\$ -	\$ 1,247,000	\$ -	\$ -	\$ -	\$ 1,247,000
Health Facilities Programs	-	300,000	-	-	-	300,000
Police Facilities Programs	-	3,000,000	-	-	-	3,000,000
Library - Central	-	2,100,000	-	-	-	2,100,000
Library - Neighborhood	-	535,000	-	-	-	535,000
ISD - City Facilities	250,000	6,803,750	-	46,250	-	7,100,000
Total	\$ 250,000	\$ 13,985,750	\$ -	\$ 46,250	\$ -	\$ 14,282,000

Public Health & Safety Facilities: \$4,547,000

- Fire Department District Station roof replacements
- Police Department Data Communications building boilers, chillers, VAV, Fire Suppression, and Police Academy upgrades

Milwaukee Public Library: \$2,635,000

- Central Library fire suppression system upgrade & modernization
- Zablocki Library roof and window replacement

General City Facilities: \$7,100,00

- Funds space planning, ADA, mechanical (heating, ventilation, air conditioning, and electrical), exterior façade, and building security upgrades
- Allocations are based on probability and consequences of asset failure, in addition to the costs associated with each project

Capital - Major Projects

Project	2023	2024	2025	2026	2027	Total Cost	Funded	Remaining
ERP System Replacement	\$ 1,250,000	\$ 8,000,000	\$ 8,600,000	\$ 5,000,000	\$ 3,200,000	\$ 26,050,000	\$ 9,250,000	\$ 16,800,000
New Borrowing	1,000,000	8,000,000	8,600,000	5,000,000	3,200,000	25,800,000	9,000,000	16,800,000
Cash Levy	250,000	-	-	-	-	250,000	250,000	-
Cash Revenues	-	-	-	-	-	-	-	-
Grant & Aid	-	-	-	-	-	-	-	-
Joint Public Radio Upgrades	\$ 11,500,000	\$ 17,383,000	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ 38,783,000	\$ 28,883,000	\$ 9,900,000
New Borrowing	5,500,000	6,500,000	3,300,000	3,300,000	3,300,000	21,900,000	12,000,000	9,900,000
Cash Levy	-	9,900,000	-	-	-	9,900,000	9,900,000	-
Cash Revenues	6,000,000	-	-	-	-	6,000,000	6,000,000	-
Grant & Aid	-	983,000	-	-	-	983,000	983,000	-
Materials Recycling Facility	\$ -	\$ 206,174	\$ 9,387,649	\$ 26,312,352	\$ -	\$ 35,906,175	\$ 206,174	\$ 35,700,001
New Borrowing	-	-	-	9,733,742	-	9,733,742	-	9,733,742
Cash Levy	-	206,174	-	-	-	206,174	206,174	-
Cash Revenues	-	-	9,387,649	12,578,610	-	21,966,259	-	21,966,259
Grant & Aid	-	-	-	4,000,000	-	4,000,000	-	4,000,000
Total	\$ 12,750,000	\$ 25,589,174	\$ 21,287,649	\$ 34,612,352	\$ 6,500,000	\$ 100,739,175	\$ 38,339,174	\$ 62,400,001

Major Capital Projects

- Major projects and street infrastructure funding accounts for 69% of all borrowing in 2025

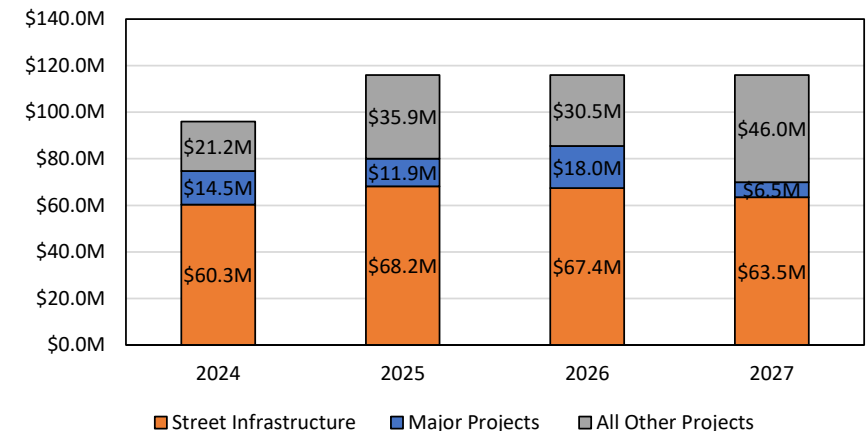
Additional Projects

- Municipal Services Building, Fire Repair Facility, and CNG Filling Station

Levy-Supported Borrowing

- Maintaining borrowing @ \$96 million would result in forgoing signed State & Federal street projects, reducing local paving, and further deferral major facility projects

2024-2027: Levy-Supported Borrowing



Capital - Raze & Revive

Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Raze & Revive	\$ -	\$ 3,300,000	\$ -	\$ -	\$ -	\$ 3,300,000
Total	\$ -	\$ 3,300,000	\$ -	\$ -	\$ -	\$ 3,300,000

Raze & Revive Program Costs

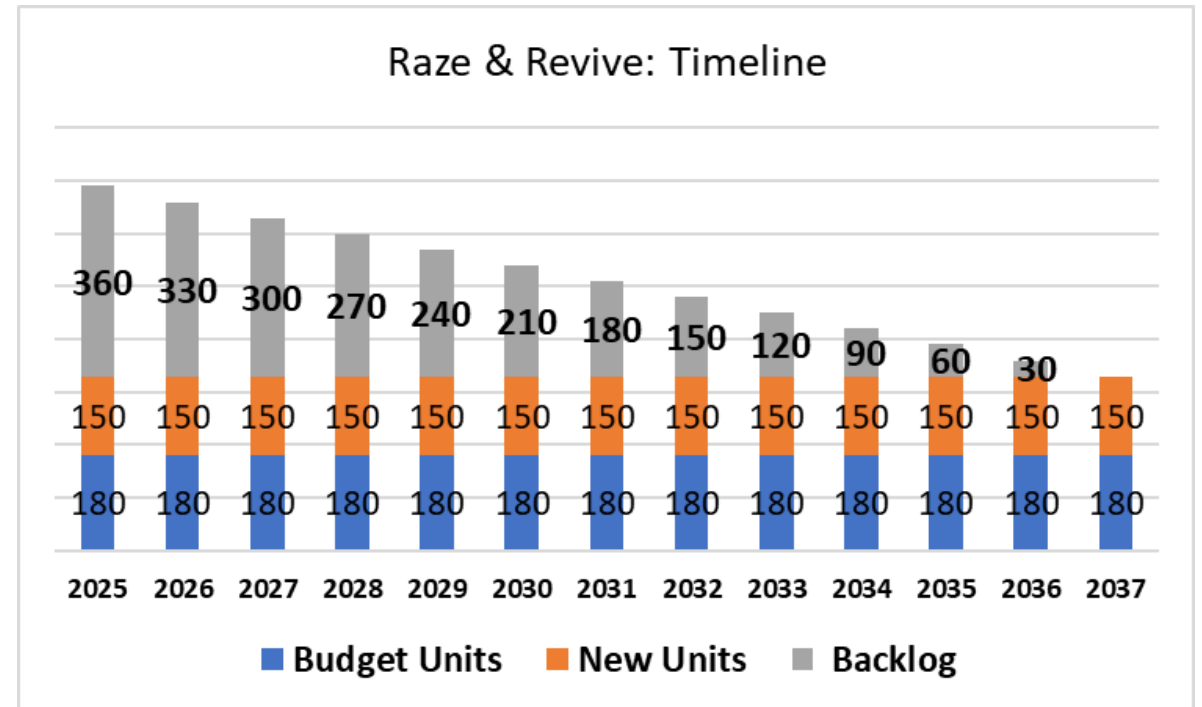
- O+M = \$1,025,901 (Labor, equipment, fuel, & disposal)
- Capital = \$3,442,697 (Utility disconnect, abatement, & contract costs)
- **Total = \$4,468,598 / \$24,826 per unit**

In-House Demolition

- DPW-Operations
- 90 units
- Residential

Contracted

- Neighborhood Services (4 - Contractors)
- 90 units
- Commercial & multi-Family



Capital – Looking Forward

Levy-Supported Borrowing

- ❑ Annual borrowing requests constantly tops \$200 million
- ❑ \$95 million requested for Street Infrastructure and Facilities
 - \$96 million = deferral of facility upgrades, local road projects, and inadequate funding for major fleet replacements
 - Replacing aging facilities and capitalizing on State & Federal road aid not in the picture

The Big 3

❑ Street Infrastructure

- Leverage city funds to match **ALL AVAILABLE** State & Federal aid
- Continue investments in the cities street lighting system to increase energy savings and public safety

❑ Facilities

- Deferral of facilities projects does not = savings
- **Replace facilities that are beyond their useful life (Example: +\$1,000,000 annual to address deferred maintenance at the Electrical Services Building)**
- **Future Facilities: Electrical Services Building, Materials Recycling Facility, CNG Filling Station, and Fire Repair Facility**

❑ Major Fleet Replacements

- Reducing the age of vehicles will require a three-pronged approach
- **Greater funding in future budgets (Fleet is purchasing fewer vehicles at a higher cost)**
- **Reduce overall fleet size (one in and one out at a minimum)**
- **Replace vehicles before repairs reach 100% of replacement cost**