

Capital Improvements Overview

2022 Budget Overview

Finance & Personnel Committee

October 1, 2021

Community Goal & Objectives

Community Goal

Support the regional economy and protect the environment and public health

Objectives

Improve core infrastructure condition

Improve the efficiency of City operations

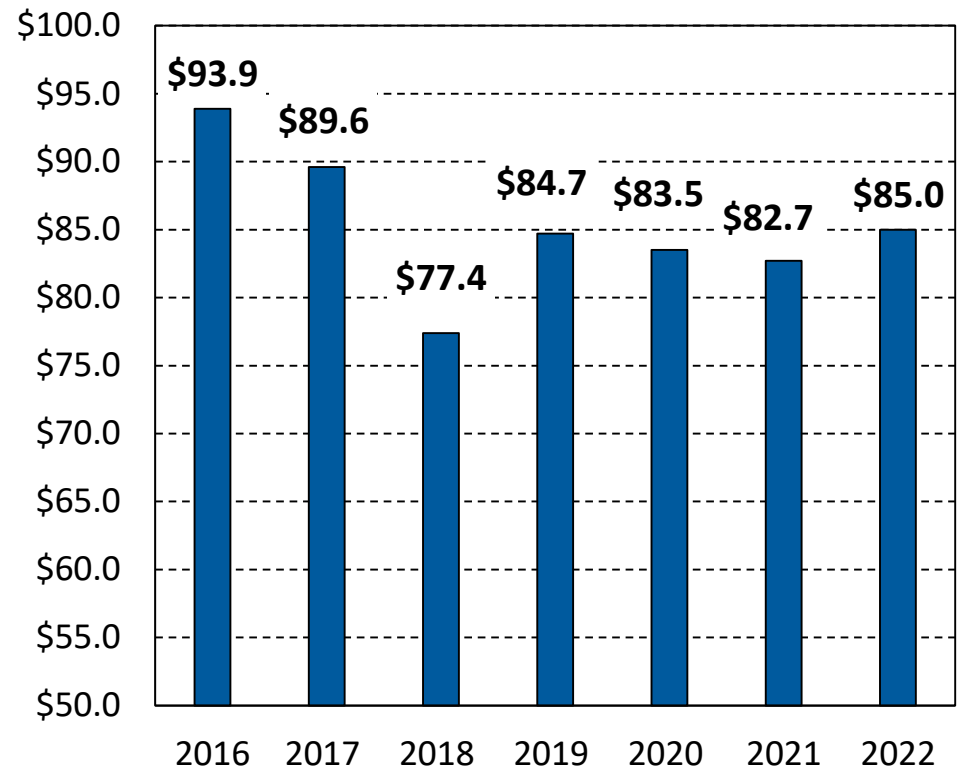
Capital Source of Funds Comparison: 2021 Adopted vs. 2022 Proposed

Source of Funds	2021 Budget	2022 Proposed	Difference
<u>General City</u>			
Levy-supported Borrowing	\$82,766,300	\$84,956,000	\$2,189,700
Tax Levy	620,115	315,000	-305,115
Tax Incremental District	25,000,000	25,000,000	0
Grant & Aid	21,634,815	43,744,000	22,109,185
Cash Revenues	26,560,000	23,370,000	-3,190,000
Special Assessments	3,535,000	3,034,000	-501,000
Total General City	\$160,916,230	\$180,419,000	\$19,502,770
<u>Enterprise Funds</u>			
Transportation Fund	\$1,800,000	\$1,300,000	-\$500,000
Sewer Maintenance Fund	45,350,000	33,000,000	-7,350,000
Water Works	40,300,000	43,060,000	2,760,000
Total Enterprise Funds	\$82,450,000	\$77,360,000	-\$5,090,000

2022 Proposed Capital Budget Overview: Levy-supported Capital

- 2022 proposed levy-supported borrowing: **\$85 million**
- Reduction of \$8.9 million from 2016
- Limiting levy-supported borrowing helps control growth in future debt service

Levy-supported G.O. Borrowing:
2016-2021 Adopted, 2022 Proposed



(In Millions)

American Rescue Plan Act- Impact on 2022 Proposed Capital Budget

- ARPA funds are proposed to be used to fund several projects and programs that would have otherwise been funded with levy-supported borrowing
- ARPA funds, if approved by Council, will be used to supplement levy-supported capital funding for these DPW Capital Programs:
 - Street Lighting Program
 - Mutlimodal & Traffic Control Programs (Reckless Driving)
- ARPA funds, if approved by Council, would replace levy-supported funding for:
 - In Rem Property Program (DCD)
 - Code Compliance Program (DNS)
 - Martin Luther King Jr. Library (MPL)
 - Demolition/Deconstruction (DNS)
 - Strong Homes Program (DCD)
 - Housing Trust Fund (DCD)
 - Housing Infrastructure Preservation Fund (DCD)
 - Lead Abatement (MHD)

Capital Budget by Department: 2021 Adopted, 2022 Requested & 2022 Proposed

<u>Department</u>	<u>2021 Adopted Budget</u>	<u>2022 Requested Budget</u>	<u>2022 Proposed Budget</u>
Special Projects	\$9,114,000	\$9,115,000	\$8,115,000
Department of Administration	2,057,000	2,435,000	1,592,000
City Attorney	0	5,237,000	0
City Development	40,825,000	38,950,000	36,450,000
Common Council City Clerk	56,115	5,343,000	0
Employee Relations	0	242,000	0
Fire Department	1,800,000	22,109,000	1,830,000
Fire and Police Commission	0	0	685,000
Health Department	1,550,000	1,220,000	160,000
Library	1,680,000	4,864,000	664,000
Municipal Court	0	259,000	259,000
Neighborhood Services	3,000,000	5,948,000	0
Police Department	6,337,500	11,032,000	6,812,500
Port of Milwaukee	675,000	2,812,000	2,812,000
Department of Public Works	71,386,800	117,412,000	76,888,000
City Funded Total	\$138,481,412	\$226,978,000	\$136,675,000

Highlights of General City 2022 Proposed Capital Budget

Infrastructure Projects

- Major Streets Program- \$42.5m
 - \$11.4m of City Funding (+\$5.3m)
 - \$30.7m of Grant Funding (+16.4m)
 - Includes design or construction funding for:
 - 7 paving projects
 - 6 bridge projects (paving-related portion)
 - 10 intersection improvement projects
 - 4 bicycle and pedestrian improvement projects
 - Does not include matching funds for any potential opportunities resulting from federal Infrastructure Bill

Highlights of 2022 Proposed Capital Budget (cont'd)

Infrastructure Projects

- Street Lighting Program (\$10.9m)
 - \$10.5m of City borrowing, \$400k of cash revenue from Street Lighting Charge
 - Increase of \$1.6m from 2021
 - \$2.7m for Series Circuit Conversion
 - Replace 3 circuits with highest failure rate
 - \$2.4m for LED Lamp Conversion
- City funding for Alleys (\$600k) and Sidewalks (\$1m) remains at 2021 level
- Port Milwaukee- Year 1 of Capital Asset Renewal Plan

Highlights of 2022 Proposed Capital Budget (cont'd)

Facility Projects

- Includes remaining \$10m needed to finish the City Hall Foundation Repair project
 - Work related to the project may continue into 2023
- Increased funding for Facilities Systems/Exterior Programs, ADA Compliance
 - \$400k combined increase from 2021

Highlights of 2022 Proposed Capital Budget (cont'd)

Equipment

- \$6.7m for DPW Fleet Equipment (same as 2021)
- \$700k for Brine Equipment
- \$1.38m for Fire Capital Equipment (+\$30k)
- \$3.62m for Police Vehicles (+\$470k)

Highlights of 2022 Proposed Capital Budget (cont'd)

Other Capital Budget Highlights

- \$2.5m for replacing/upgrading Police IT Systems
- \$500k to upgrade License Division's business license software
- \$685k for Fire/Police CAD Upgrade project
- Use previously authorized funding for Lead Service Line Property Owner subsidy- no new capital funding

2022 Proposed Capital Budget Overview: Enterprise Funds

- Transportation Fund (\$1.3m)
 - \$600k for Green Lots; \$575k for structure repairs
- Sewer Maintenance Fund (\$33m)
 - \$22m for Sewer Relay & Relining; \$5m for Flood Mitigation
- Water Works (\$43.1m)
 - \$32.6m for Main Replacement; \$8.3m for Treatment Plant Improvements

Outlook for 2022-2027

Capital Improvements Plan

- Continue to limit levy-supported borrowing to limit growth in future debt service
- Completion of City Hall Foundation Repair will help provide budgetary flexibility required for upcoming needs:
 - Enterprise Resource Program replacement (FMIS/HRMS)
 - Street Lighting & Core Infrastructure
 - Major Capital Equipment
 - Facilities
 - Remodeling & upgrading existing facilities
 - Future facility needs and opportunities
- Ensure coordination, flexibility with potential alternate funding sources (ARPA, Infrastructure Bill, etc.)