

**COMMUNICATION FROM THE
BUDGET & MANAGEMENT
DIVISION ON THE 2006 BUDGET**

Finance & Personnel Committee

April 27, 2005

APPROACH TO THE 2006 BUDGET

- Direct attention to community needs
- Focus on the “keeps” not the “cuts”
- Establish levy & revenue targets with service impacts in mind

BUDGET INSTRUCTIONS: MAJOR COMPONENTS

- Key Outcomes as the focus
- Services as the “Building Block”
- Initial Budget Targets limit requests
- Initial Targets are not a “final” allocation

KEY OUTCOMES: PURPOSE

- Community, not internal, focus
- Address competitive advantage issues
- Basis for a Proposed 3-Year Strategic Plan
- Budget process will shape specific objectives & performance measures
- Basis for a CityStats reporting system

KEY OUTCOMES

- Make Milwaukee safe from crime
- Nurture investment throughout the City
- Develop workforce as a competitive advantage & increase opportunities for youth workforce success
- Create early childhood conditions that lead to success
- Provide for a healthy environment

MAKE MILWAUKEE SAFE FROM CRIME

- Crime plays major role in disinvestment
- Uppermost citizen concern
- Perception lags improvement
- Opportunities for multiple departments

NURTURE INVESTMENT

- Major theme of “State of the City”
- Build on recent success
- Preventive & proactive dimensions
- Leverage regional cooperation

WORKFORCE ADVANTAGE & YOUTH WORKFORCE SUCCESS

- A primary business location factor
- Knowledge and quality extend to all sectors
- Key to future manufacturing success
- “Skilled work” = key to increasing incomes
- Identify & improve partnerships

EARLY CHILDHOOD CONDITIONS

- Interface with multiple community needs
- Drive success in school & society
- Potential to leverage grantor interest
- Identify & improve partnerships

HEALTHY ENVIRONMENT

- Interface with other key outcomes
- Environmental quality is a growing investment location factor
- Neighborhood & natural resource dimensions
- Prepare for MMSD 2020 Plan

INITIAL BUDGET TARGETS

- Focus on value for money
- Less restrictive than current Budget scenarios
- Final decisions based on “best package” of expenditures & revenues

OTHER CONSIDERATIONS

- Maintain capital borrowing discipline
- Manage reserves within a 3-year context
- Impact of fuel & electricity prices on service capacity
- Prioritizing IT expenditures
- Budgeting for contingencies

Public Involvement Process

- Engage and inform public
- Inform 2006 Budget decisions
- Discuss priorities for improving Milwaukee

Focus Group Approach

- Based on Concord Coalition
- Interactive engagement with citizens on budget basics
- Focuses feedback so that it can influence decisions
- Allows citizens to grapple with policy tradeoffs

QUESTIONS & DISCUSSION

- Budget Requests are a first step
- Public Involvement
- Communication with Council

