

General City Revenues

2023 Budget Overview

Finance & Personnel Committee

September 29, 2022

General City Purposes Budget Revenue

Category	2022 Adopted Budget	2023 Proposed Budget	Amount Change	Percent Change
Taxes & PILOT's	\$18,249,000	\$20,489,000	\$2,240,000	12%
Licenses & Permits	16,743,000	17,247,000	504,000	3%
Intergovernmental	273,451,000	273,039,000	-412,000	0%
Charges for Service	144,666,288	147,824,600	3,158,312	2%
Fines & Forfeitures	2,602,000	3,302,000	700,000	27%
Miscellaneous	34,299,000	35,890,000	1,591,000	5%
Fringe Benefit Offset	31,897,107	52,000,000	20,102,893	63%
TSF (sustainable)	4,000,000	0	-4,000,000	-100%
TSF (omnibus)	0	1,272,000	1,272,000	100%
Tax Levy	85,038,772	88,471,529	3,432,757	4%
TOTAL	\$610,946,167	\$639,535,129	\$28,588,962	4.7%

Revenue Strategic Overview

Challenges

- End of State commitment to Shared Revenue growth
- Municipal Levy limit
- Limited local revenue options
- Diminishing fund reserves

Opportunities

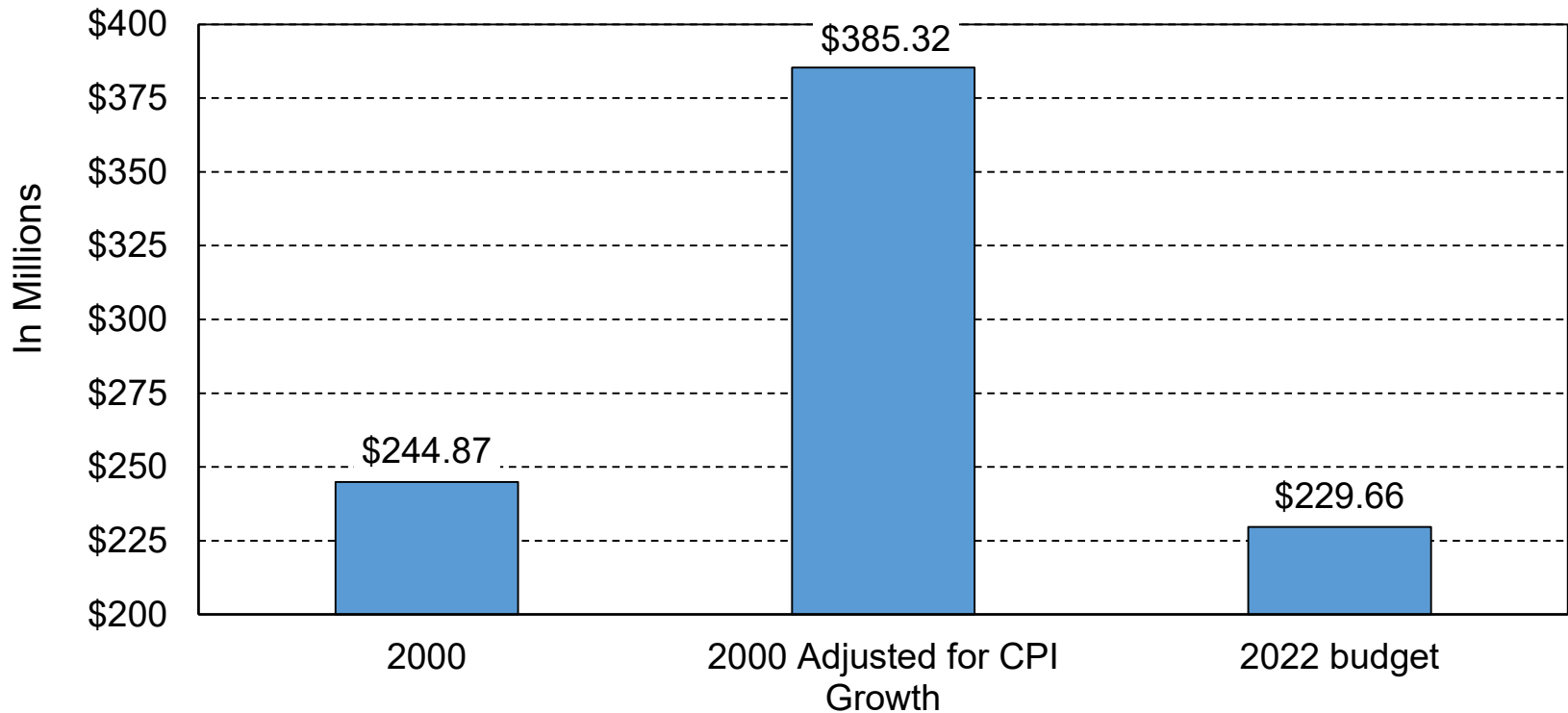
- Cost-recovery through service charges reduces pressure on tax levy

Result

- Ongoing service costs exceed ongoing revenue and cause persistent structural imbalance
- New revenue sources would reduce structural imbalance

State Shared Revenue/ERP Trend

Decline in State Shared Revenue and Expenditure
Restraint Program (ERP) Payments to Milwaukee 2000 and 2023

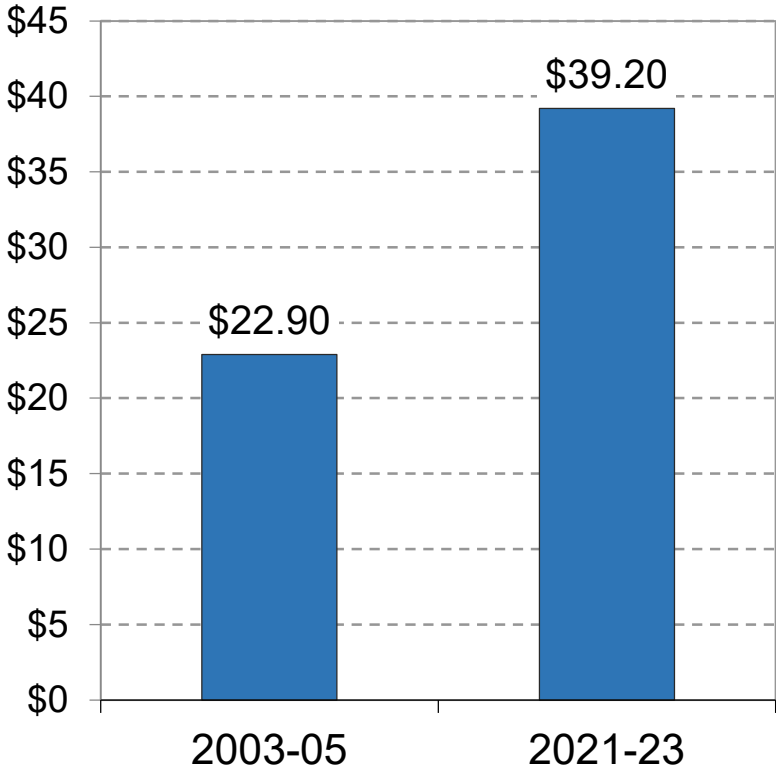


Source: US Bureau of Labor Statistics: CPI-U Tables; City Budget Documents;
WI Legislative Fiscal Bureau.

Trends in State General Purpose Revenue (GPR) and City Shared Revenue/ERP Aid: 2003 and 2023

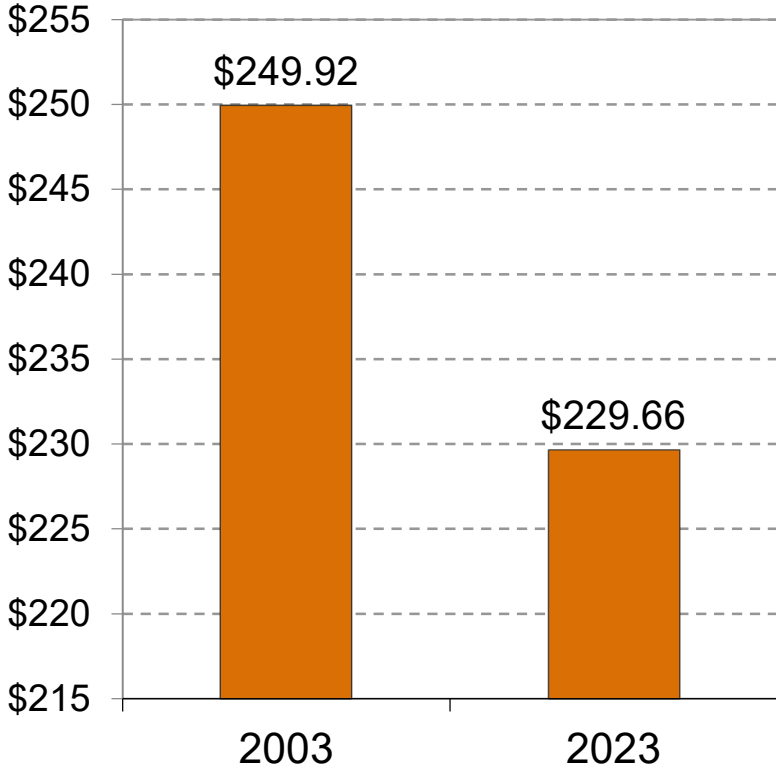
State GPR

In Billions



City Shared Revenue/ERP Aid

In Millions



2023 Proposed Budget Changes

- 4% increase to major user fees

Fee	2022	2023	Change
Solid Waste	\$241.56	\$251.22	\$9.66
Local Sewerage	\$104.76	\$108.95	\$4.19
Storm Water	\$92.76	\$96.47	\$3.71
Snow & Ice Removal	\$42.80	\$44.40	\$1.60
Street Lighting Fee	\$40.00	\$41.60	\$1.60
Total	\$521.88	\$542.64	\$20.76

2023 Proposed Budget Changes

- State aids decrease \$0.4 million
- Fringe Benefit Offset increases \$20.1 million
- Charges for Services increase \$3.2 million
 - \$2.3 million in major user fees
- Taxes and Pilots increase \$2.2 million
 - \$853,000 increase in Water Pilot
- Miscellaneous revenue increases \$1.6 million
 - Interest on Investments increase \$1.8 million
- Fine and Forfeitures increase \$0.7 million
- Licenses and Permits increase \$0.5 million

2023 Proposed Budget Changes

Reserve Use

- Budget proposes \$13.0 million from reserve funds
- \$6 million (-31.6%) lower use compared to 2022

Transfer	2022	2023	Difference
TSF	\$4,000,000	\$0	-\$4,000,000
PDAF	\$5,000,000	\$3,000,000	-\$2,000,000
Transportation	\$10,000,000	\$10,000,000	\$0
Total	\$19,000,000	\$13,000,000	-\$6,000,000

2023 Proposed Budget Changes

Proposed TSF withdrawal

- Balance of \$14.7 million
 - Decrease from \$23.9 million at 12/31/2020
- No withdrawal recommended in 2023
 - Decrease of \$4.0 million from 2022