

2024 Proposed Budget Overview



City Treasurer

Mission: To fulfill the duties and responsibilities of the independently elected City Treasurer, who serves as the chief investment and revenue collection officer of the City of Milwaukee.

2024 Budget Summary

| | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|-----------------------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| FTEs – O&M | 30.08 | 11.11 | -18.97 | -63.1% |
| FTEs – Other | 0.00 | 19.17 | 19.17 | 0 |
| Total Positions Authorized | 50.00 | 45.00 | -5.00 | -10.0% |
| | | | | |
| Salaries & Wages | \$1,710,135 | \$695,955 | -\$1,014,180 | -59.3% |
| Fringe Benefits | \$769,561 | \$313,180 | -\$456,381 | -59.3% |
| Operating Expenditures | \$725,295 | \$673,655 | -\$51,640 | -7.1% |
| Equipment | \$5,320 | \$0 | -\$5,320 | -100.0% |
| Special Funds | \$758,435 | \$775,850 | \$17,415 | 2.3% |
| TOTAL | \$3,968,746 | \$2,458,640 | -\$1,510,106 | -38.0% |
| ARPA Salary Allocation | \$0 | \$1,200,000 | \$1,200,000 | 0 |
| ARPA Fringe Allocations | \$0 | \$540,000 | \$540,000 | 0 |
| TOTAL + ARPA | \$3,968,746 | \$4,198,640 | \$229,894 | 5.8% |

Salaries and Positions

| | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|---------------------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| FTEs – O&M | 30.08 | 11.11 | -18.97 | -63.1% |
| FTEs – Other | 0.00 | 19.17 | 19.17 | 0 |
| FTEs – TOTAL | 30.08 | 30.28 | 0.20 | 0.7% |
| Total Positions Authorized | 50.00 | 45.00 | -5.00 | -10.0% |
| | | | | |
| Salaries & Wages | \$1,710,135 | \$695,955 | -\$1,014,180 | -59.3% |
| ARPA Salary Allocation | \$0 | \$1,200,000 | \$1,200,000 | 0 |
| TOTAL Salaries and Wages | \$1,710,135 | \$1,895,955 | \$185,820 | 10.9% |

- Increase of 0.2 FTEs from 2023 as temporary customer service reps anticipated to work slightly more hours in 2024 than 2023
- 9 FTEs reclassified, increasing salaries by \$134,496
- Raises, COLAs, and longevity pay increased salaries by \$44,432
- Reduced Personnel Cost Adjustment by -\$6,892

Operating Expenses

| | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|------------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| Operating Expenditures | \$725,295 | \$673,655 | -\$51,640 | -7.1% |

- Decrease of \$51,640 in operating expenses from 2023
 - Aligns operating lines to prior years' actual expenses and current vendor contracts

Equipment Expenses

| | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|-----------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| Equipment | \$5,320 | \$0 | -\$5,320 | -100.0% |

- No equipment purchases in 2024

Special Funds

| Account | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|---------------------------------|---------------------------|----------------------------|------------------|-------------------|
| Information Systems | \$18,300 | \$18,300 | \$0 | 0.0% |
| Property Tax Collection Forms | \$15,730 | \$20,035 | \$4,305 | 27.4% |
| Information Technology Services | \$724,405 | \$737,515 | \$13,110 | 1.8% |
| TOTAL | \$758,435 | \$775,850 | \$17,415 | 2.3% |

- Increase of \$4,305 for Property Tax Collection Forms
 - Vendor contract increased \$1,260
 - In-house procurements increased \$3,045
- Increase in Information Technology Services of \$13,110
 - Increase in ITMD services by \$1,240 from 2023
 - Increase in vendor contract with Tyler Technologies tax system of \$18,145 from 2023
 - Decrease in iNovah cashier system contract of -\$6,275 from 2023

Special Purpose Accounts

| Account | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|--|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| City Collection Contract (Treasurer's Allocation) | \$530,000 | \$530,000 | \$0 | 0.0% |

- Funds the fees (\$530,000 in total) associated with the collection of delinquent property taxes (\$350,000) and other general accounts receivables (\$180,000) by the City's collection law firm processed through the City Treasurer's Office

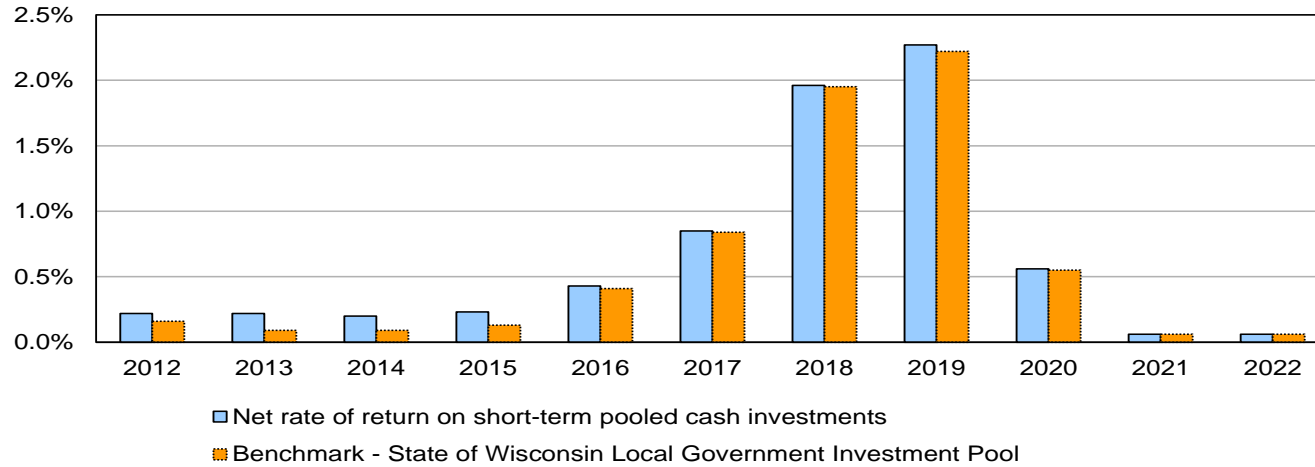
Revenues

| Category | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|----------------------|---------------------------|----------------------------|--------------------|-------------------|
| Charges for Service | \$121,000 | \$119,000 | -\$2,000 | -1.7% |
| Licenses and Permits | \$86,000 | \$89,000 | \$3,000 | 3.5% |
| Miscellaneous | \$2,542,000 | \$6,667,000 | \$4,125,000 | 162.3% |
| TOTAL | \$2,749,000 | \$6,875,000 | \$4,126,000 | 150.1% |

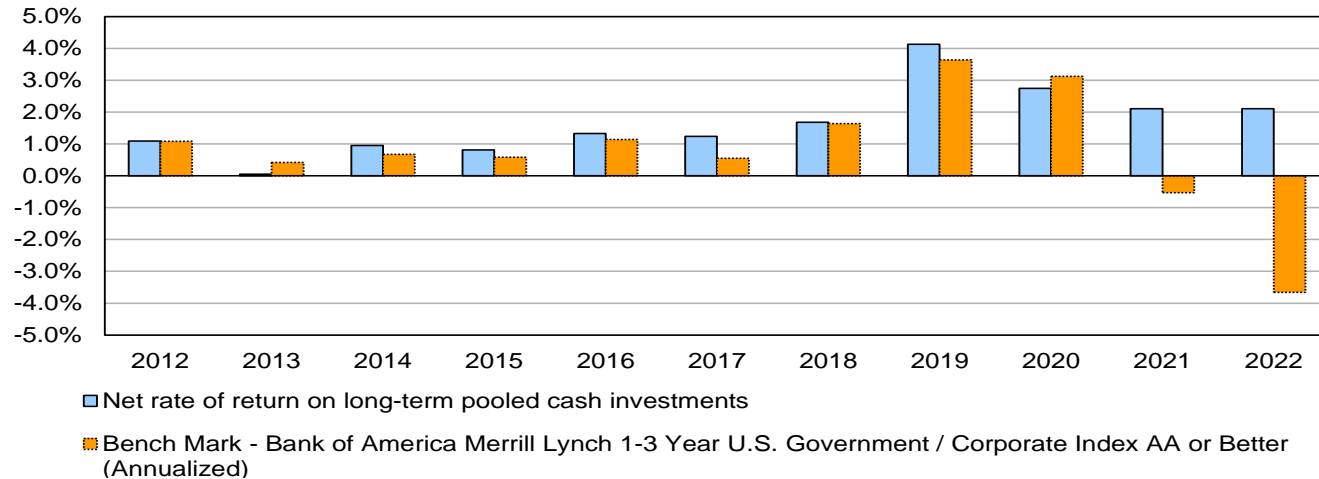
- Slight change in anticipated revenues for charges for service and licenses and permits
- Anticipated \$6,667,000 of General Fund investment revenue, a significant increase over recent prior years, as interest rates have increased due to the FOMC raising the Fed Funds Rate

Key Performance Indicators

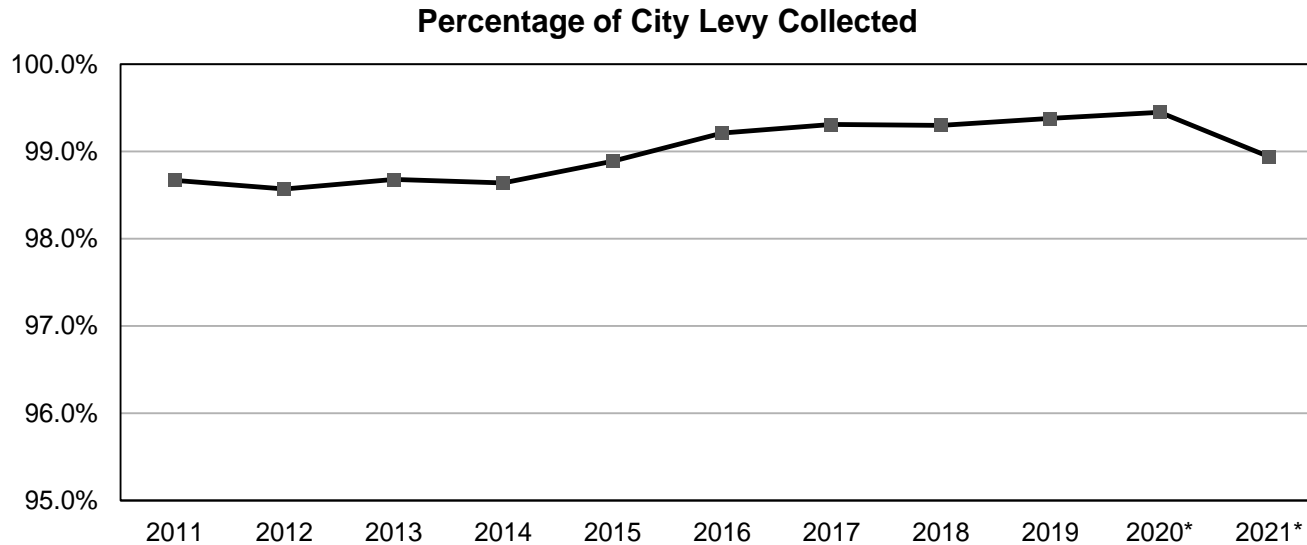
Net Rate of Return on Short-Term Pooled Cash Investments



Net Rate of Return on Long-Term Pooled Cash Investments



Key Performance Indicators



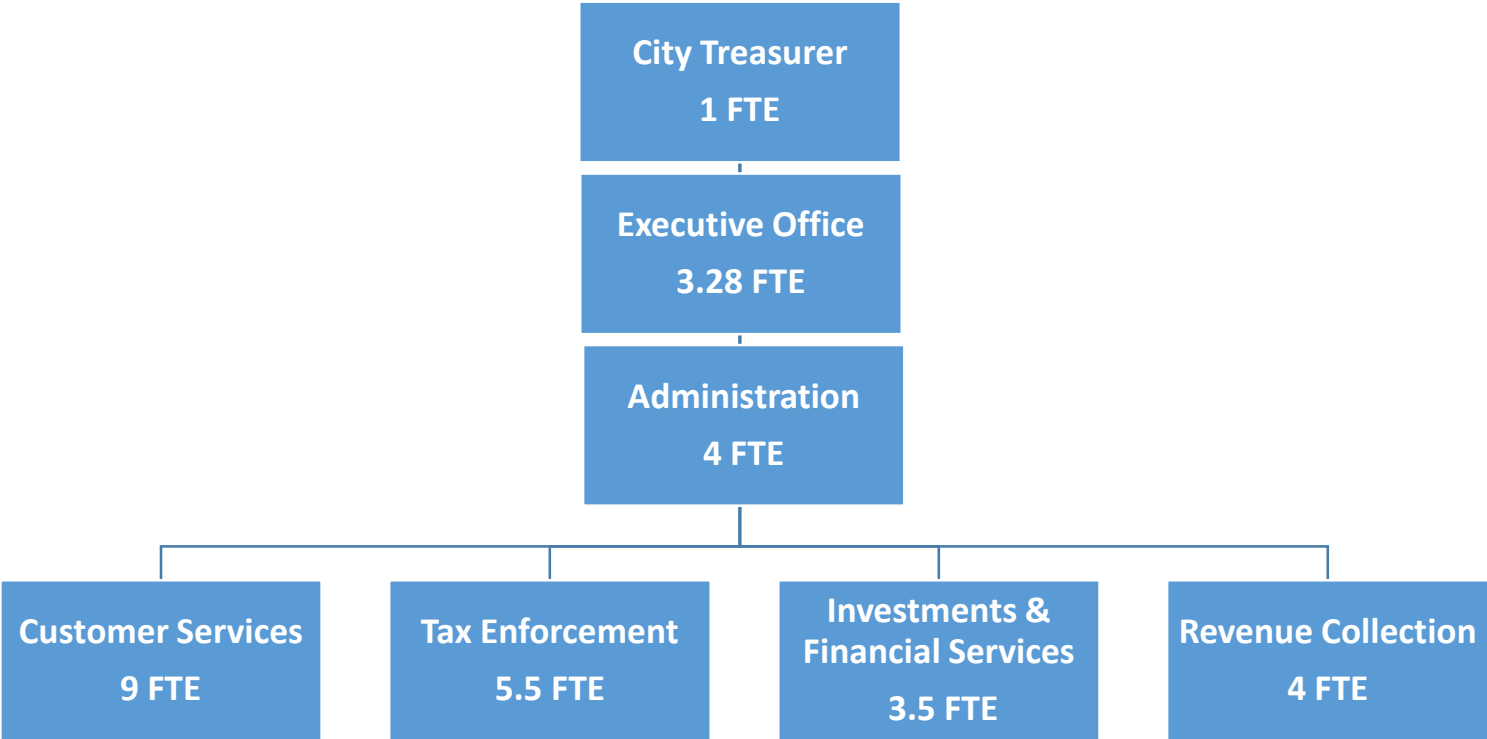
**3-year collection cycle incomplete for the 2020 and 2021 levy years*

- Over 99% of the city tax levy has been collected in recent years. The City Treasurer anticipates this trend continuing by the end of the three year collection cycles for levy years 2021, 2022, and 2023.
 - The ten-month interest-free installment payment plan remains a strong taxpayer incentive for keeping collections high
 - In 2022, 5,920 delinquent 2021 real estate tax accounts were referred to collection agencies. As of September 1, 2023, 64.4% of what was referred for collection has been collected.
- Cost of tax collection anticipated to remain under \$0.60 per \$100 collected

Service Highlights

- In 2022, the City Treasurer's Office collected over \$896 Million in property taxes and processed nearly \$3.5 Billion of in-house financial transactions.
- In 2022, the City Treasurer's Office filed in rem tax foreclosure against 569 delinquent tax parcels of which 200 were acquired by an in rem tax foreclosure judgment. The redemption rate continued to rise from 60.89% in 2021 to 64.85% in 2022, while the acquisition rate declined from 39.11% in 2021 to 35.15% in 2022.
- In 2022, the City Treasurer's Office exceeded the benchmark on both the long-term and short-term investment portfolios, realizing nearly one million dollars in total investment revenue.
- In 2024, the department will continue to deliver efficient and cost-effective property tax billing, collection, and enforcement and the requisite financial and revenue collection services. The department will also continue to provide effective investment portfolio management.

Organizational Chart



Core Services

➤ **Executive Office and Administration Division**

- Budget Administration
- Communications and Information Services
- Contract Administration
- Facilities Management
- Information Systems Development and Support
- Office Administration
- Personnel Administration
- Procurement Services
- Records Management Coordination

➤ **Customer Services**

- Administration of the State Lottery Credit Program
- Administration of the EFT Installment Payment Plan
- Process All Incoming Mail
- Tax Account Billing and Collection
- Special Improvement Bonds Billing and Collection
- Maintain Tax Account Mailing Addresses

Core Services-Continued

➤ Tax Enforcement

- Bankruptcy Administration
- Collection Agent Administration
- Tax Account Maintenance and Coding
- In Rem Tax Foreclosure Filings
- Vacated Judgment Administration

➤ Revenue Collection

- Revenue Collection
- Cashiering Control

➤ Investments and Financial Services

- Daily Bank Deposits
- Cash Management
- Fund Accounting
- Investment Portfolio Management
- Payment Distribution
- Accounts Receivable Billing
- Tax Levy Settlements

Department Demographics

| | Female | Male | Total | % |
|-----------------|------------|------------|-------------|-----|
| Black | 5 | 1 | 6 | 21% |
| White | 9 | 4 | 13 | 46% |
| Hispanic | 7 | 1 | 8 | 29% |
| Asian | 1 | 0 | 1 | 4% |
| American Indian | 0 | 0 | 0 | 0% |
| Total | 22 | 6 | 28 | |
| % | 79% | 21% | 100% | |

- 82% City of Milwaukee Residents

Racial Equity and Inclusion

- The City Treasurer's Office employs a diverse workforce with 51.72% of the staff belonging to underrepresented racial groups.
- The office has seven Spanish speakers and one Hmong speaker, who are available on an on-going basis to assist taxpayers who may not speak English.
- The office website provides the back side of the annual combined tax bill, frequently asked questions, and the overview of the delinquent general real estate property tax collection process in English, Spanish, and Hmong.
- During the annual combined tax bill collection period (December and January), tax payment drop boxes are installed at Police District Stations 2-7, providing a secure tax payment option to constituents in their respective neighborhoods.
- As the Wisconsin State Constitution mandates uniform taxation and enforcement, the office treats every taxpayer similarly situated the same without fear or favor.