

2024 Proposed Budget Overview



Capital Improvements

Support the regional economy and protect the environment and public health

Source of Funds Comparison

Source of Funds	2023 Budget	2024 Proposed	Difference
<u>General City</u>			
Levy-Supported Borrowing	\$ 95,573,000	\$ 94,999,084	\$ (573,916)
Tax Levy	965,000	36,779,000	35,814,000
Cash Revenues	38,280,000	31,496,174	(6,783,826)
Tax Incremental District	25,000,000	25,000,000	-
Special Assessments	3,720,000	5,510,000	1,790,000
Total: General City	\$ 163,538,000	\$ 193,784,258	\$ 30,246,258
<u>Enterprise Funds</u>			
Transportation Fund	\$ 2,410,000	\$ 3,411,989	\$ 1,001,989
Sewer Maintenance Fund	28,400,000	26,400,000	(2,000,000)
Water Works	47,010,000	50,495,000	3,485,000
Total: Enterprise Funds	\$ 77,820,000	\$ 80,306,989	\$ 2,486,989

Capital Budget By Department

City Funded Projects	2023 Budget	2024 Request	2024 Proposed
Special Projects	\$ 10,115,000	\$ 10,515,000	\$ 10,515,000
Administration	2,095,000	9,225,000	8,945,000
Assessor	-	936,157	-
City Attorney	750,000	925,000	-
Common Council City Clerk	-	7,308,320	95,000
City Development	40,100,000	40,700,000	42,600,000
Emergency Communications	789,000	128,000	113,000
Employee Relations	-	241,270	-
Fire Department	3,000,000	30,906,320	6,260,000
Fire & Police Commission	-	-	-
Health Department	-	550,000	-
Milwaukee Public Library	1,600,000	6,010,000	3,470,000
Municipal Court	265,000	750,000	760,000
Neighborhood Services	3,200,000	6,437,052	4,064,000
Police Department	17,930,000	22,960,690	20,335,000
Port Milwaukee	3,319,000	4,040,258	3,589,714
Public Works	80,875,000	135,441,313	93,037,544
Total City Funded	\$ 164,038,000	\$ 277,074,380	\$ 193,784,258

Levy-Supported Borrowing

Levy Borrowing

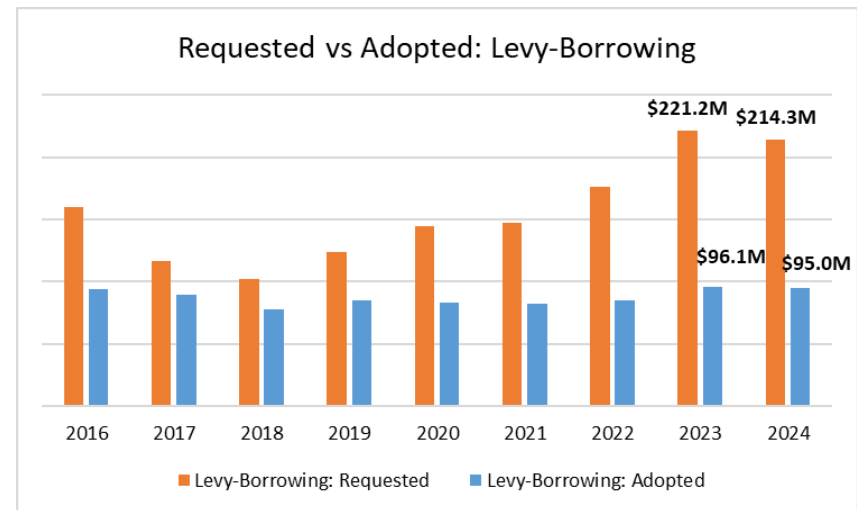
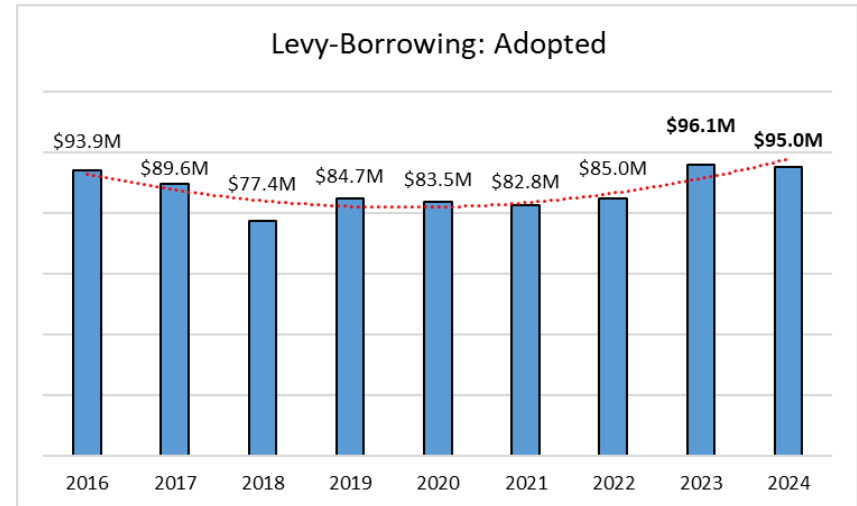
- \$95.0 million
- Consistent borrowing since 2016
- Reduction of \$1.1 million from 2023

Consistent Borrowing vs Need

- Annual Request: +\$200 million
- Balancing deferred maintenance with borrowing & debt service is key
- As debt service increases monies available for general city services decrease

Prioritizing Capital Needs

- Leverage outside funding such as State & Federal Road Aid
- Use of Contingent Energy Financing to leverage energy savings

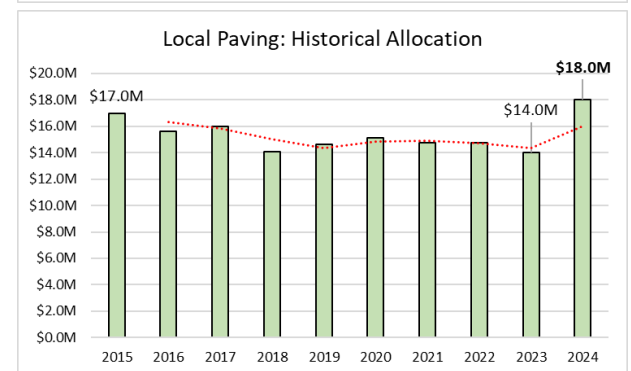
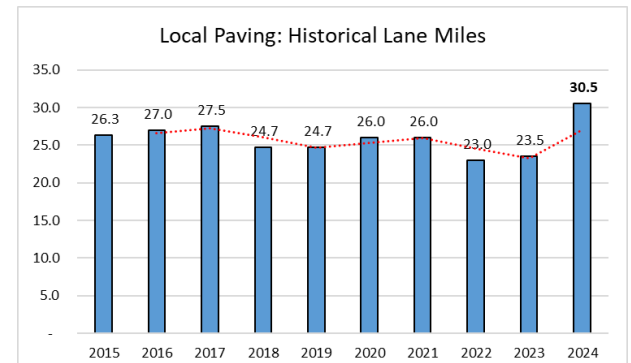


Infrastructure - Major Streets

Major Streets Program						
Project	Cash Levy	Levy - Borrowing	Assessment	Cash Revenues	Grant & Aid	Total
State & Federal Paving	\$ -	\$ 17,893,170	\$ 385,000	\$ -	\$ 43,472,681	\$ 61,750,851
Street Reconstruction	1,000,000	7,000,000	1,000,000	-	-	9,000,000
High Impact Paving	1,000,000	8,000,000	-	-	-	9,000,000
Alley Reconstruction	-	850,000	450,000	-	-	1,300,000
Sidewalks Improvements	-	1,500,000	375,000	-	-	1,875,000
Total	\$ 2,000,000	\$ 35,243,170	\$ 2,210,000	\$ -	\$ 43,472,681	\$ 82,925,851

Local Paving Programs

- *Street Reconstruction*
 - Total Lane Miles: 8.0 (33% increase over 2023)
- *High Impact Paving*
 - Total Lane Miles: 22.5 (29% increase over 2023)
- *Alley Reconstruction*
 - 10 - 12 alleys
- *Sidewalk Improvements*
 - Funds both the scattered site and quarter section program



Infrastructure - Street Improvements

Street Improvements						
Project	Cash Levy	Levy - Borrowing	Assessment	Cash Revenues	Grant & Aid	Total
Sidewalks - Curb & Gutter	\$ -	\$ 1,500,000	\$ 375,000	\$ -	\$ -	\$ 1,875,000
Street Lighting	500,000	12,000,000	-	-	3,400,000	15,900,000
Street Lighting Knockdowns	-	3,000,000	-	-	-	3,000,000
Traffic Control Facilities	-	3,600,000	-	-	-	3,600,000
Multimodal Transportation	-	1,350,000	-	-	-	1,350,000
Bike Infrastructure	500,000	-	-	-	-	500,000
Conduit & Manholes	-	1,250,000	-	-	-	1,250,000
Underground Electrical	-	900,000	-	-	-	900,000
Total	\$ 1,000,000	\$ 23,600,000	\$ 375,000	\$ -	\$ 3,400,000	\$ 28,375,000

Street Lighting: Increase of 37% or \$4.3M

- \$12.5 million: Street Lighting System Upgrades (Multiple Circuits & LED Upgrades)
- \$3.4 million: Carbon Reduction Grant (LED Upgrades)

Street Lighting Knockdowns: Increase of 25% or \$600K

- Reimbursable Balance (\$3.8M)
- Knockdowns funded in capital with remaining funds for paydown reimbursable balance

Multimodal Transportation: Increase of 2% or \$25K

- Develop and enhance bicycle and pedestrian infrastructure
- Road diets, safe routes to school, and protected bike ways

Capital Budget - Facilities

Key Facilities Projects						
Project	Cash Levy	Levy - Borrowing	Assessment	Cash Revenues	Grant & Aid	Total
Library - Central	\$ 1,150,000	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000
Library - New Construction	2,000,000	-	-	-	-	2,000,000
Fire - Facility Program	600,000	1,000,000	-	-	-	1,600,000
Police - Data Communications	-	1,200,000	-	-	-	1,200,000
Police - PAB Repairs	-	1,500,000	-	-	-	1,500,000
Police - District Repairs	-	335,000	-	-	-	335,000
ISD - Facility Systems	-	2,800,000	-	-	-	2,800,000
ISD - Facilities Exeriors	-	1,500,000	-	-	-	1,500,000
ISD - Municipal Services Repairs	-	1,500,000	-	-	-	1,500,000
Total	\$ 3,750,000	\$ 9,835,000	\$ -	\$ -	\$ -	\$ 13,585,000

Milwaukee Public Library

- Deferred Maintenance: Elevator replacement at Central Library with cash levy
- New Library Construction: Funding final year of MLK Library with cash levy

Fire Facilities Program

- Deferred Maintenance: Roofs, HVAC units, boilers, and vehicle lift removal / concrete

Facilities Systems

- Deferred Maintenance: HVAC, boilers, building automation, and emergency mechanical repairs

Capital - Equipment

Equipment						
Project	Cash Levy	Levy - Borrowing	Assessment	Cash Revenues	Grant & Aid	Total
Fire - Capital Equipment	\$ 4,660,000	\$ -	\$ -	\$ -	\$ -	\$ 4,660,000
Police - Vehicles	-	-	-	-	-	-
Police - Motorcycles	-	-	-	-	-	-
Fleet - Capital Equipment	6,613,826	-	-	2,286,174	-	8,900,000
Total	\$ 11,273,826	\$ -	\$ -	\$ 2,286,174	\$ -	\$ 13,560,000

Fire Capital Equipment

- Engines: 3 units
- Medical Units: 3 units

Police Capital Equipment

- \$4.8 million moved to the Police Department's O+M budget for replacement vehicles

Fleet Capital Equipment

- \$2.3 million cash revenues (Forestry Related)
- \$6.6 million cash levy (General Fleet Equipment)

Capital - Equipment Continued

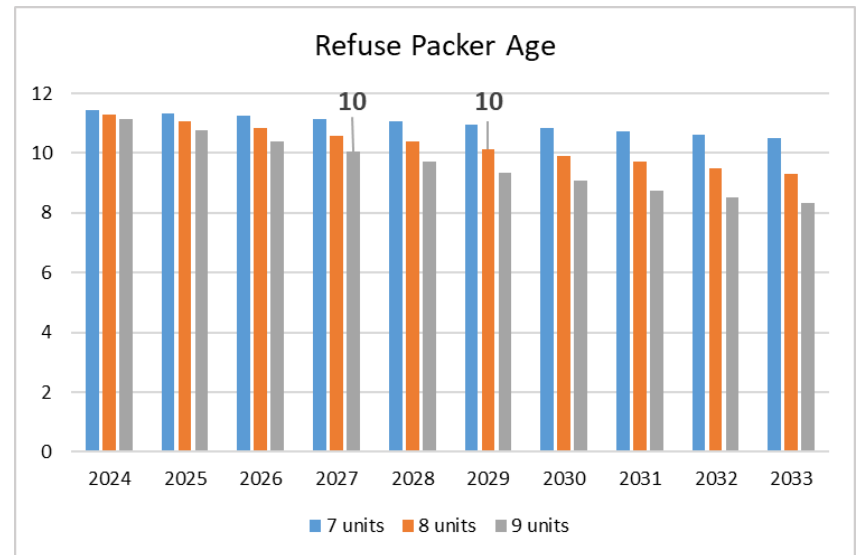
Fleet Age: Refuse Packer										
Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Refuse Packers: 7 units	11.5	11.3	11.3	11.1	11.1	11.0	10.8	10.7	10.6	10.5
Refuse Packers: 8 units	11.3	11.0	10.8	10.6	10.4	10.1	9.9	9.7	9.5	9.3
Refuse Packers: 9 units	11.1	10.8	10.4	10.1	9.7	9.3	9.1	8.8	8.5	8.3

Refuse Packer Replacement Plan

- **7 unit annual goal: 10 year age by 2038**
- **8 unit annual goal: 10 year age by 2029**
- **9 unit annual goal: 10 year age by 2027**
- Ideal Age: 6 years

Takeaways

- Age of vehicle increases maintenance costs
- Small changes in funding has outsized impacts on replacement schedules
- Investments should increase with inflation
- Consistent investment is key



Capital - Key Projects

Key Capital Projects: Funding Plan					
Project	2023	2024	2025	2026	Total
Enterprise Resource System	\$ 1,250,000	\$ 8,000,000	\$ 10,000,000	\$ 5,320,000	\$ 24,570,000
Public Safety Radio System	11,500,000	16,900,000	5,800,000	5,800,000	40,000,000
City Hall Chiller Plant Replacement	-	-	5,100,000	5,100,000	10,200,000
Total	\$ 12,750,000	\$ 24,900,000	\$ 20,900,000	\$ 16,220,000	\$ 74,770,000

Key Capital Projects

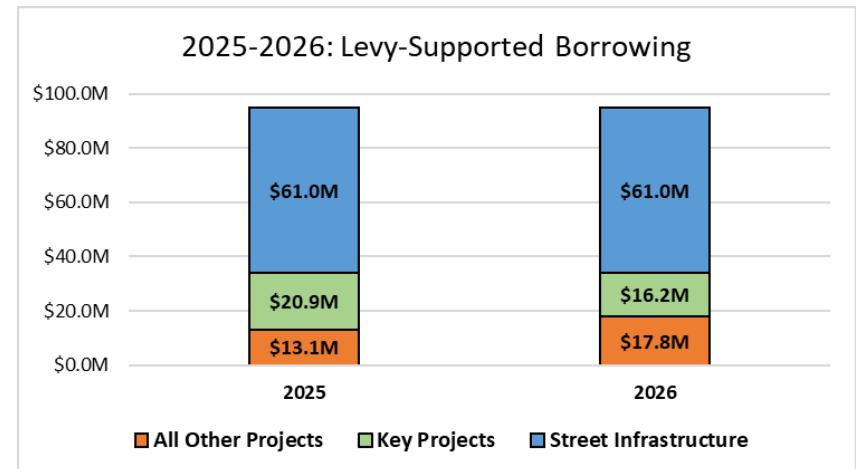
- Street Infrastructure and Key Projects planned for 2025 and 2026 account for 81% to 85% of all levy-supported borrowing

Use of one-time cash

- Without use of cash financing in 2024, likely reduction in street infrastructure projects

Levy-Supported Borrowing

- Maintain borrowing @ \$95 million
- Limit increase in debt levy



Capital - Demolition

Demolition				
Project	2023 - Cash Revenues	2024 - Cash Levy	Difference	
Concentrated Blight Elimination	\$ 2,200,000	\$ 3,064,000	\$	864,000
Total	2,200,000	3,064,000		864,000

- 2023 demolition funded with American Rescue Plan Act
- 2024 demolition funded with Cash Levy

Department of Neighborhood Services

- 90 units: Abatement, utility shut-off, and removal via contract: \$2,200,000
- 90 units: Abatement and utility shut-off: \$864,000

DPW-Operations

- 90 units: In-house removal of DNS prepped properties in 2024 (O+M funded)
- Total Cost: 180 units prepped and removed (\$4,846,831)

Capital - Forestry

Forestry Services: Capital Projects						
Project	Cash Levy	Levy - Borrowing	Assessment	Cash Revenues	Grant & Aid	Total
Concealed Irrigation & Landscaping	\$ -	\$ -	\$ -	\$ 360,000	\$ -	\$ 360,000
Planting & Production	-	-	-	1,400,000	-	1,400,000
Stump Removal	-	-	-	1,175,000	-	1,175,000
Emerald Ash Borer Response	-	-	-	930,000	-	930,000
Total	\$ -	\$ -	\$ -	\$ 3,865,000	\$ -	\$ 3,865,000

Concealed Irrigation & Landscaping

- Maintain, modify, and update city boulevard irrigation systems
- Approximately 60 deep taps on major street construction projects

Planting and Production

- Production and replacement of street tree population
- Approximately 3,400 trees to be planted in 2024

Stump Removal

- Removal of tree stumps for planting
- Approximately 3,400 stumps to be removed in 2024

Emerald Ash Borer

- Treat 1/3 of the cities 26,230 ash trees in 2024

American Rescue Plan Act

American Rescue Plan Funded Projects	2023 Adopted	2024 Proposed
Project	Cash Revenue	Cash Levy
Advanced Planning Fund	\$ 100,000	\$ 200,000
In Rem Property	400,000	400,000
Strong Homes Loan	1,000,000	1,000,000
Concentrated Blight Elimination	2,200,000	3,064,000
Code Compliance Program	1,000,000	1,000,000
Total	\$ 4,700,000	\$ 5,664,000

- American Rescue Plan Act funds utilized in 2023 for the above projects
- Additional funding for demolition
- If not for Cash Levy above projects would most likely go unfunded in the capital budget

Cash Levy

Cash Levy Projects	2023 Budget	2024 Request	2024 Proposed
Municipal Art Fund	\$ 25,000	\$ 25,000	\$ 25,000
Capital Improvements Committee	90,000	90,000	90,000
Space Planning Facilities	-	500,000	190,000
ERP System Replacements	250,000	-	-
Public Safety Radio Upgrade	-	-	10,400,000
Major Capital Equipment - Fire	-	-	4,660,000
Facilities Maintenance Program - Fire	-	-	600,000
Major Capital Equipment - Fleet	-	-	6,613,826
Central Library Improvements	-	-	1,150,000
Branch Library - New Construction	-	-	2,000,000
Municipal Court IT Upgrades	-	-	230,000
Materials Recycling Facility Repairs	-	-	456,174
Street Reconstruction & Resurfacing	-	-	1,000,000
High Impact Paving	-	-	1,000,000
Bike Infrastructure	-	-	500,000
Strategic Facilities Plan	500,000	-	200,000
Partnership in Homeownership	-	-	2,000,000
Advanced Planning Fund	100,000	-	200,000
In Rem Property	-	-	400,000
Strong Homes Loan	-	-	1,000,000
Concentrated Blight Elimination	-	-	3,064,000
Code Compliance Program	-	-	1,000,000
Total Cash Levy	\$ 965,000	\$ 615,000	\$ 36,779,000

2023 ARPA

Capital - Enterprise Funds

Transportation Fund: \$3.4M

- Structure Repairs (\$1.3M)
- MacArthur Square (\$750K)

Sewer Maintenance Fund: \$26.4M

- Sewer Relay Program (\$18M)
- I&I Reduction Program (\$3.2M)

Water Works: \$50.5M

- Distribution Mains, Hydrants, and Extensions (\$28.6M)
- Plant, Pump Facilities, and Storage Facilities (\$21.8M)

Capital - Looking Forward

Levy-Supported Borrowing

- Limit borrowing to reduce growth in future debt service without forgoing critical projects

Continue to invest in Major Capital Equipment (MFD & DPW)

- Maintain key fleet equipment under 10 years of age
- Reduce O+M repair costs
- More vehicles on the road instead of in the shop

Continue to invest in Street Infrastructure

- Matching State & Federal road aid is priority one
- Street Lighting System Upgrades
- Increase circuit conversions
- Increase LED upgrades to support energy saving and public safety

Facilities

- Continue to invest in facilities (Mechanicals, Interior, and Exterior) to reduce influx in future costs
 - Example: Electrical Shop (+\$1.5M annually to address decades of deferred maintenance)

Fund Key Projects

- Fund major projects to free up levy-borrowing in future years when cash is not available
- Enterprise Resource System / Public Safety Radio System / City Hall Chiller Plant Replacement