



Cavalier Johnson
Mayor, City of Milwaukee

November 14, 2023

The Honorable Members of the Common Council
City of Milwaukee
City Hall, Room 205
200 East Wells Street
Milwaukee, Wisconsin

Members for the Council:

The 2024 City Budget is an extraordinary one for Milwaukee. For the first time in over a generation, our shared revenue from the State of Wisconsin is increasing. This factor, combined with the remaining ARPA money from the federal government – and a new local sales tax – has allowed us to adopt a budget that does not reduce any services – and will increase public-facing service delivery in three of our largest departments: police, fire, and libraries.

The Milwaukee Common Council displayed tremendous leadership this year while bringing an end to the fiscal crisis that had been threatening our city for decades. Together we have increased our current and future revenues, stabilized our workforce, solidified our reserve funds, and invested in long-deferred and necessary maintenance for vital infrastructure.

Several amendments were made to my proposed budget, and while I do not agree with all of them, I do agree with most of them. And in the few cases where the Council's priorities differed from my own, I found the reasoning behind those new investments to be solid and clear. I recognize that the budget crafting process is a collaboration between the executive and legislative branches, and I respect that the Council has displayed remarkable effort and consideration in their review of the budget.

Therefore, I am not vetoing any of the service increases which the Council has added to the budget I proposed, but I am vetoing one line item in File #230001, the 2024 City Budget.

This veto, if sustained, would limit the property tax increases our residents must pay in the coming year. Instead of further increasing the City's property tax levy by 2.09% instead of 2%, I am asking the Common Council to use the One Milwaukee Citizen-Led Transformational Fund to fund several of the standalone budget amendments – specifically amendments 5A, 21, 22, and 39.

I had proposed that \$5 million be put into this Citizen-Led Transformational Fund, and the Council's actions lowered it to \$2.4 million in order to fund many important service additions. My requested substitute action, if enacted, would further lower that Fund to \$2.13 million.

In a year when we have had to make tough decisions in order to stabilize our fiscal future – and many of those necessary decisions have increased what our residents will pay next year in sales taxes, fees, and property taxes, I would ask that we use our existing resources before we ask them for even more.

Sincerely,

Cavalier Johnson
Mayor

SPECIAL PURPOSE ACCOUNTS - MISCELLANEOUS, FUNDING SOURCE FOR AMENDMENTS 5A, 21, 22, 39

A. DISAPPROVAL ACTION

The Mayor disapproves of the following budget line(s) in the 2024 budget: (which were affected by Common Council Amendment 1A - which amended funding for the One Milwaukee Citizen-Led Transformational Fund special purpose account):

<u>BMD-2 Page and Line No.</u>	<u>Item Description</u>	<u>2024 Positions or Units</u>	<u>2024 Amount</u>
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES		
	SPECIAL PURPOSE ACCOUNTS - MISCELLANEOUS		
340.4-22	One Milwaukee Citizen-Led Transformational Fund	--	\$2,400,000

In lieu of the above disapproved item I recommend adoption of the following substitute action (which would have the effect of replacing the property tax levy increases created by Amendments 5A, 21, 22, and 39 with funding from the One Milwaukee Citizen-Led Transformational Fund special purpose account):

B. SUBSTITUTE ACTION

<u>BMD-2 Page and Line No.</u>	<u>Item Description</u>	<u>2024 Positions or Units</u>	<u>2024 Amount</u>
	SECTION I.A.1. BUDGETS FOR GENERAL CITY PURPOSES		
	SPECIAL PURPOSE ACCOUNTS - MISCELLANEOUS		
340.4-22	One Milwaukee Citizen-Led Transformational Fund	--	\$2,130,152

C. COMBINED EFFECT OF ACTIONS A & B ABOVE:

- 1. Budget Effect = \$-269,848
- 2. Levy Effect = \$-269,848
- 3. Rate Effect = \$-0.008