FOR INFORMATION CALL

November 5, 2010

Ald. Willie L. Hines, Jr. Ald. Michael Murphy (414) 286-2221

Council Approves 2011 Budget that Lowers Property Taxes, Reduces Solid Waste fee

The Milwaukee Common Council today approved a 2011 amended city budget that lowers the tax levy by \$51,255 over 2010 and trims the solid waste fee by \$2 per year.

The 2011 tax levy approved by the Common Council is \$246.703 million, or down \$51,255 from 2010's \$246.754 million levy, and more than \$49,000 less than the Mayor's proposed 2011 budget levy.

The new tax levy means the owner of an average city home valued last year at \$127,764 – and now valued this year at \$123,071 – will see a \$6.67 decrease in the city portion of the tax bill.

Ald. Michael J. Murphy, chair of the Council's Finance and Personnel Committee, said the 2011 adopted budget reflects the Council's affirmation of residents' wishes for lower taxes, lower fees, and continued austerity. "This Council was very prudent with this year's budget, given the tough economic times that Milwaukeeans are continuing to struggle with," he said.

As part of the budget, the Council approved a voluntary \$17.35 million payment to the pension reserve fund, meant to lessen the impact of large required pension contributions in coming years. Alderman Murphy, who credited Mayor Barrett for the "courage to recommend" the large reserve fund payment, said the move is unprecedented among large U.S. cities. "I'm proud of my colleagues for their courage in moving forward with this payment, and for not being tempted to pull off chunks here and there to fund additions to the tax levy," he said. "The temptation to siphon some of the money away would have been politically expedient but fiscally reckless."

Also, Council members voted to freeze their own wages (and the Mayor's wages) through April 2012.

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Common Council Adopts 2010 Budget/ADD ONE

Common Council President Willie L. Hines, Jr. said the Finance and Personnel Committee and the Council put in "loads of hard work" to make sure the tax levy would either hold steady or go down. "To have actually reduced the tax levy is no small thing. I'm proud of the Council, especially of Alderman Murphy and the members of the Finance and Personnel Committee, for getting the job done. They brought in a number that lowers property taxes and maintains essential services for all Milwaukee residents," President Hines said.

The Council also approved moving forward with the "Milwaukee Promise" – an initiative to track all city dollars spent to abate poverty and joblessness. The initiative will assess the most successfully funded programs and then look to duplicate those outcomes when possible.

Championed by Alderman Ashanti Hamilton, Alderman Nik Kovac, Alderwoman Milele A. Coggs and with several other supporting cosponsors, the Milwaukee Promise does not add one cent to the budget in its inaugural year or make changes to the allocation of funds in the budget. It identifies those resources in the budget that will be subjected to a heightened level of scrutiny throughout 2011 to determine how well they are being used.

A small increase in the storm water charge (88 cents) will allow the city to speed up its forestry maintenance, which includes pruning the city's vast stock of trees, valued by the Department of Public Works at more than \$100 million.