2020 PLAN AND BUDGET SUMMARY

CITY OF MILWAUKEE

STATE OF WISCONSIN

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Mayor

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GUIDE TO BUDGET DOCUMENTS

PLAN AND BUDGET SUMMARY

A document containing a fiscal summary of the 2020 budget; a budget forecast for Milwaukee; detailed narrative descriptions of each department's mission, services, outcome measures and related activities; and a summary of appropriations by expenditure category. This document is printed annually in Adopted and final form as follows: the *Proposed Plan and Executive Budget Summary* contains the Mayor's Executive Budget as presented to the Common Council for review. The *Plan and Budget Summary* contains the budget as adopted by the Common Council.

BUDGET

The official City of Milwaukee line-item budget provides a listing of all appropriation accounts by department and is published after the final budget adoption.

SIX-YEAR CAPITAL PLAN

A presentation of the city's six year capital program. Includes details on planning, financing, infrastructure, and urban development undertakings involved in the capital plan.

To obtain copies of the: *Adopted Plan and Executive Budget Summary, Plan and Budget Summary,* and *Detailed Budget* contact the:

Budget and Management Division
City Hall - Room 603
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3741
(414) 286-5475 (Fax)

or

Visit the Budget and Management website at:
www.city.milwaukee.gov/budget

BUDGET AND PLANNING PROCESS

City Strategic Plan

Citywide Objectives
Citywide Strategies

↓

Unified Strategic Plans and Budget

Department Objectives
Department Strategies
Department Performance Measures
Department Annual Budget

↓

Annual Budget

Executive Budget

↓

Adopted City Budget

Calendar Date	Activity
January - March	Departments Prepare Plans, Objectives, and Performance Measures
Mid-March	Departments Receive Budget Materials
Early May*	Plans and Budget Requests Due
Mid-August	Mayor's Public Hearing on Plans and Budgets
July - September	Mayor's Executive Plan and Budget Review
Late September**	Plan and Budget Submitted to Common Council
October	Legislative Hearings
Early November	Finance and Personnel Committee Budget Amendment Day
Early November ***	Common Council Action on Budget

* Legal Deadline Second Tuesday in May
** Legal Deadline September 28
*** Legal Deadline November 14

ELECTED OFFICIALS

Mayor ..... Tom Barrett

City Attorney ..... Grant F. Langley

City Comptroller ..... Martin Matson

City Treasurer ..... Spencer Coggs

COMMON COUNCIL

President ..... Ashanti Hamilton

District	Alderperson
First	Ashanti Hamilton
Second	Cavalier Johnson
Third	Nik Kovac
Fourth	Robert Bauman
Fifth	Nikiya Dodd
Sixth	Milele A. Coggs
Seventh	Khalif J. Rainey
Eighth	Robert G. Donovan
Ninth	Chantia Lewis
Tenth	Michael J. Murphy
Eleventh	Mark A. Borkowski
Twelfth	Jose G. Perez
Thirteenth	Scott Spiker
Fourteenth	Tony Zielinski
Fifteenth	Russell W. Stamper, II

MUNICIPAL JUDGES

Branch 1 ..... Valarie A. Hill

Branch 2 ..... Derek C. Mosley

Branch 3 ..... Phillip M. Chavez

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Tom Barrett
Mayor, City of Milwaukee

Mayor Barrett's 2020 Executive Budget Address

September 24, 2019

As Delivered

Thank you Mr. President.

Mr. President, Council Members— including the newest council member, Alderman Spiker — City Attorney Langley, Treasurer Coggs, Comptroller Matson – the city budget follows a defined schedule, a timeline laid out in law. So, in a way, it is predictable and familiar year-in and year-out. While that schedule repeats itself for the 2020 budget, the context and the content of this year's budget are far from ordinary.

Here's the biggest problem heading our way. By 2023, we will face challenges to the levy-supported budget that put us in an untenable situation. Our employer pension contribution, driven by public safety, is currently projected to rise dramatically. Our state shared revenue payment remains flat, certainly not keeping up with inflation. And, our costs of providing basic and necessary city services climb every year.

Council members, you know where we stand. In past budgets we have reduced costs and eliminated hundreds of vacant positions. Innovation has kept health insurance costs down. In fact, we've done a remarkable job with our health insurance. Partnerships with local not-for-profit agencies and businesses have kept us moving in the right direction. But, as you also know, state law restricts our property tax and service fees. State law also prohibits us from implementing other revenue sources.

The budget I present today includes difficult cuts throughout city government. At the same time, we will, as we've done in the past, produce a balanced budget. We will, as we have always done, make our payment to the pension system. In fact, with this budget I propose we will do more than that. To prepare for the anticipated pension contribution increase in 2023, I am proposing we set aside $8 million dollars to begin meeting that obligation.

But, even with these unprecedented pressures, City government will continue to provide the core functions that our residents expect and deserve. That means the snow will be plowed and potholes will be filled. Streets will continue to be repaved. We will respond to emergencies and protect the health and safety of our residents. And to provide these core services, we will be increasing the tax levy by 3.5%.

An average residential property will see property taxes climb about $37. Fees will be up about $22. So, a property taxpayer in that average home will pay about $59 more next year. Increases in property values also mean our property tax rate will actually decrease by a penny.

Now I hope we can all agree that nothing is more important than protecting our youngest residents. We have every reason to be proud of the reductions we've achieved in childhood lead poisoning. Since 2004, the number of kids with elevated blood levels is down over 70%.

My 2020 budget includes over $21 million to continue to reduce lead exposure. Over $8 million of that funding will go to assess and abate lead hazards in homes where children have been affected.

We will also provide safe home kits and education to families at risk in our most impacted ZIP codes. This budget has $13.6 million for lead service line replacement, testing, and filters for at-risk households. Over 1,000 properties will have their service lines replaced. Next year, working with home owners, and the state and federal government, our Health Department will nearly double the number of lead-abated homes.

But looking forward, the most formidable challenge before us is fulfilling our obligation to fund the city's pension system. This deserves a little explanation. Until 2009, the city enjoyed an extended period in which no, zero, employer pension contributions were required. That changed ten years ago and, in the years since, our obligation has trended up – so currently we are contributing about $70 million dollars annually. I commend each and every one of you for supporting these payments.

But here's the shocker – in three years, 2023, our required annual contribution could rise by almost $100 million. We have to prepare for that. That's why I have included the $8 million payment to our pension reserve fund to help smooth the impending impact. That's a necessary step, because if we wait until 2023, nearly all the increase would have to come from budget reductions that year.

One hundred million dollars— Obviously, I hope and pray we don't reach that number. But, to reach that number, you'd have to entirely eliminate the budgets of the Health Department, Employee Relations, City Development, the Department of Administration, the Treasurer, Neighborhood Services, the Library, and the Common Council-City Clerk. And, even after eliminating all those departments, you'd still be millions short.

Now, our employer contribution is affected by several factors. The anticipated rate of return, the amount that we expect to make on our investments, is one of those. To bring us in line with accepted actuarial standards, the Pension Board— the independent Pension Board —reduced our anticipated rate of return from eight percent to seven-and-a-half percent. That brings us in line with

other municipalities and state pensions. It actually doesn't even reach where the state is, but it's obviously a reduction. This is part of what is driving the higher required contribution.

What also drives our pension costs are the benefits received by sworn public safety employees. More than eighty percent of the estimated 2020 employer pension contributions are attributable to uniformed police and fire employees. That's 80% of the cost for 44% of active employees in the pension system.

Now, these numbers are in no way a knock against our police and firefighters. I want to be clear: our public safety employees do a great job under challenging conditions. In fact, we should all be pleased that when we look at key crime statistics they're down. Homicides are down. Non-fatal shootings are down. Robberies are down. Even with this success, the budget forces us, forces us, to take a hard look at the sworn staffing levels at the police department.

But, the reality is, our pension structure is not fiscally sustainable. Pension changes are required going forward. We need to move to a new benefit structure, one more akin to the state employee retirement system. We need stability – for our retirees, our current employees, our future employees, and of course for our taxpayers.

We also have to face a practical reality— and many of you have heard me talk about this before, but has to be said again. For the fifth consecutive year, the budget of the police department exceeds the entire property tax levy for the City of Milwaukee.

The budget for the Milwaukee Police Department exceeds the entire property tax levy for the City of Milwaukee. Not surprisingly, police and fire costs are the areas where we've seen the biggest increases. Next year, the increase in the police and fire budgets are larger than all other city departments combined. Why is that? In part because we have little control over those costs as result of state law. State law drives a lot of what we're talking about here.

So, in my next budget you will see we are increasing the line item for police salaries. But, even with that increase in the police department budget, the sworn strength will go from 1,864 to 1,804. This is a reduction of 60 positions. We are not laying officers off. Any reductions come through retirements. This will have no effect on security plans for the Democratic National Convention.

This reduction is fiscal; it is not philosophical. In fact, if the state and our voters approve it, I have a plan to preserve these positions. A group of city and county officials have publicly promoted a locally-approved sales tax for Milwaukee County. Diversifying our tax revenue would be an important step forward and give us the increased ability to maintain the number of police officers, purchase equipment for the Fire Department, repair more roads, and provide additional protection from lead hazards that Milwaukee children face.

I recognize it's an uphill battle, but we have to have an additional tool to allow us to help ourselves. Let me be clear: We are not asking the state for more money. We are asking for the ability to go to our voters and to address the pressing financial issues that we face.

Both the Metropolitan Milwaukee Association of Commerce and the Greater Milwaukee Committee are supportive of our efforts— absolutely supportive of our efforts. They understand the importance of Milwaukee controlling its own destiny, limiting cuts and providing property tax relief.

We need to go to referendum in April. With that, we could start getting the revenue we need later in the year. Given our needs, we have already started costing out what we can do with the sales tax revenue that we will begin collecting next year. It's not part of this budget, but this is why this is pressing. And, I'll tell you exactly how I would propose the money could be spent. We could eliminate the staff reductions to the police department. Instead of 60, it would be zero. We could provide equipment for the fire department and ramp up our efforts to fix our streets and abate lead.

Sales tax proceeds will let us expand our efforts to reduce threats from lead paint and replace more lead service lines. Funding from a sales tax would allow the Health department to offer assessment and abatement for up to 300 more homes a year, and provide nursing and case supervision to more children beyond what the federal government requires.

That funding could also increase lead service line replacements by up to 300 homes where children have higher blood lead levels and provide training to lead-safe workers and contractors for both home abatement and lead service line replacements.

I appreciate the work many of you have done to support the local option sales tax. I'm hopeful that this will add to our fiscal stability this coming year, and for the long term. Colleagues, I'm asking each and every one of you to understand the gravity of our situation and to focus on the big picture. Citizens, I ask you the same. Let's work together to try to convince the legislature to allow our citizens to decide the level of services they need.

But, we know we have challenges in front of us. We face challenges that are larger than we have faced before. I need your help. Our residents need your help. The City is at a crossroads. We need all hands on deck, and that means each and every one of you. It's about the future of the city we all love.

Thank you very much

Tom Barrett
Mayor

COMMITTEE ASSIGNMENTS

CHAIR
- Finance and Personnel

VICE CHAIR
- Steering and Rules

MEMBER
- Licenses Committee
- Library Board
- Neighborhood Improvement Development Corporation Board
- Special Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes
- Wisconsin Center District Board
- Zoning, Neighborhoods and Development

MILELE A. COGGS
ALDERWOMAN, 6TH DISTRICT

FINANCE AND PERSONNEL COMMITTEE REPORT ON THE 2020 ADOPTED CITY BUDGET

Recognizing the fiscal challenges facing the City, particularly the need to meet pension obligations to our current and retired employees and the continually increasing proportion of the City's budget devoted to police and fire services, the Common Council amended the 2020 Budget to intensify the City's efforts directed toward improving residents' quality of life.

The Common Council's Adopted Budget includes amendments to improve the health and wellness of Milwaukee's most vulnerable residents:

- Establish a $240,000 Birthing Moms Pilot Project to provide lead-safety kits, including water filters and educational materials, to all new parents in the most at-risk areas in Milwaukee.
- Establish a new, $20,000 Trauma Informed Care marketing initiative to educate victims of violence and their families about the importance and availability of specialized services.
- Create a $300,000 Emergency Housing program for temporarily housing families that have been displaced by lead hazards, victims of human trafficking, and the homeless.
- Provide $72,000 to supplement the hourly wages of the City's Summer Youth Internship Program so that participants earn a living wage during the summer initiative.
- Create a new Healthy Food Access coordinator position in the Health Department to improve access to healthy foods and develop strategies to eliminate food deserts in Milwaukee.
- Subsidize vital records requests for vulnerable populations, including young adults aging out of foster care. This will help eliminate barriers to education and employment.

The Common Council's Adopted Budget also includes amendments to promote peace and public safety:

- Provide $300,000 in additional funding for violence reduction activities, including training and staffing violence interrupters to de-escalate conflicts in the city's most vulnerable neighborhoods.
- Provide $110,000 to implement recommendations of the City-County Carjacking and Reckless Driving Task Force to make the city's streets safer and add $500,000 to improve pedestrian safety along the city's most dangerous corridors.
- Create a new $100,000 Street Prostitution Partner patrol program to aid police in cracking down in the city's high prostitution areas, particularly during summer months.
- Renew $50,000 in funding for the MKE Community Excellence Fund. This fund will be used to support community events that promote peace and violence prevention, including Onward Milwaukee, Bronzeville Week and Heal the Hood. Allocations from the MKE Community Excellence Fund will be matched by contributions from local organizations.
- Add $20,000 to the City Clerk's budget to fund Hip-Hop Week MKE in 2020. Hip-Hop Week MKE seeks to promote partnership with schools, local and national community groups to use Hip-Hop as a tool to teach youth and adults about financial literacy, political awareness and health issues.
- Provide an additional $200,000 for development of community resource hubs in City-owned properties in Promise Zones. Once renovated, the properties will be used as Resource Houses to provide satellite locations where the City and community organizations can engage residents.

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- Add funding for a new Recruiter and Testing Coordinator in the Fire and Police Commission, and $50,000 for contracted testing and examination services. These steps will aid the Police and Fire Departments in developing a qualified, diverse workforce and in more quickly filling vacant positions.
- Add $130,000 in funding for the Police Ambassador program, an initiative that exposes the City's youth to careers in public safety, provides on the job experience and develops foundational life skills.
- Restore position authority for 18 unfunded Community Service Officers in the Police Department; this will allow the Police Department to fill these positions without delay should funding become available.

The Common Council's Adopted Budget also includes amendments to invest in Milwaukee neighborhoods:

- Increase funding for razing City-owned, tax foreclosed properties by $500,000. At least $250,000 of the additional funds will be used to perform less-expensive mechanical demolitions of such properties, rather than costlier deconstructions, with priority given to high-density areas and fire-damaged structures.
- Add $200,000 to the Housing Trust Fund for creating affordable housing units.
- Provide $10,000 to support a new Central City Economic Development Commission. The Commission will make recommendations for achieving equitable economic investment in Milwaukee's central city.
- Purchase 6,200 additional refuse carts to replenish City supplies and replace damaged carts upon request.
- Fund a new on-call, Rapid Response Team to respond to garbage and illegal dumping complaints, and purchase 320 additional litter cans for placement in neighborhood areas to discourage littering and improve the city's appearance.

In addition, the Common Council's Adopted Budget includes amendments to invest in local amenities and public infrastructure that benefits all residents and visitors to Milwaukee:

- Provide $1.2 million for reconstructing the City's most dilapidated alleys.
- Eliminate a planned 10-minute reduction in street lighting burn time; the Common Council's action will maintain the current street lighting schedule in the next year as a public and traffic safety measure.
- Restore biweekly street sweeping in the Combined Sewer Area. More frequent street sweeping helps to prevent localized flooding from drains and sewers clogged with litter, leaves and brush.
- Provide $10,245 for installing baby-changing stations in publicly-accessible City library and clinic restrooms.

The property tax levy under the 2020 Adopted Budget tax levy will increase $10,022,634 (or 3.6%). The property tax rate is reduced 1 cent to $10.58 per $1,000 of assessed value. Reflecting increases in property values and the decreased property tax rate, the overall tax on an average-valued $117,601 home will increase $36.81. Municipal fees for solid waste collection, snow and ice control, storm water, and sewer maintenance will increase by an average of $22.77, resulting in a combined cost increase of $59.58 for an average-value home.

The 2020 Budget is fiscally sound, preserves public safety and services, and intensely focuses on improving the health and wellness of the city's most vulnerable residents, promoting peace and public safety, and improving local neighborhoods and city infrastructure.

Peace, Love & Justice,

Milele A. Coggs

Alderwoman Milele A. Coggs, Chair
Finance and Personnel Committee

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THE VALUE OF MILWAUKEE

Milwaukee is a cohesive, talent rich, diverse, safe and economically vibrant community. It is nationally recognized for its manufacturing, arts, recreation, museums, academic institutions, revitalized lakefront and rivers, beautiful neighborhoods and well-maintained housing.

Milwaukee is the economic hub of the southeast region and entire State of Wisconsin, the "Fresh Coast City" that is rising fast in national stature and prominence. It is a premiere center for advanced manufacturing, fresh water research and development, clean and green technology, health care, biomedical technology and financial services. These core industries spur productivity, innovation, heightened rates of business formation and growth, a strong and growing entrepreneurial climate, and a boost in Milwaukee's national and global competitiveness. Milwaukee's dynamic and accessible markets attract people, business and investment in large and increasing numbers, and its transportation system is a gateway for tourism, conventions, commerce, business growth and economic development.

OUR VISION FOR MILWAUKEE

We want Milwaukee to become an even more desirable place to live and work. Our vision is a Milwaukee where opportunity is abundant and accessible to all residents - a Milwaukee where:

- Neighborhoods are safe, healthy, thriving and culturally rich;
- Children are empowered with the tools they need to reach their full potential, including a superior education;
- Residents have equal access to good family supporting jobs and benefits; and
- Our environment and economy support and sustain the quality of life for this generation and the next.

MISSION

The mission of city government is to enhance the safety, prosperity, and quality of life of all of our residents by working directly and through partnerships with our community stakeholders.

City government is dedicated to delivering services at a competitive cost and achieving customer satisfaction and responsiveness to residents. This enables the city to deliver the highest quality services possible to residents and businesses. These services enhance the value of Milwaukee by:

- Building safe and healthy neighborhoods;
- Increasing investment and economic vitality throughout Milwaukee;
- Improving workforce development and connecting more residents to family supporting jobs;
- Helping children succeed, prepare for post-secondary education, and meet their full potential;
- Promoting racial, social and economic equity for all residents; and
- Sustaining, enhancing and promoting Milwaukee's natural environmental assets.

2020 BUDGET INTRODUCTION

The City of Milwaukee's mission is to make Milwaukee a great place to live, work, and do business. City government meets that mission by funding and providing police and fire response, infrastructure and utility services, and preserving public health and neighborhood stability.

In recent years, the City has made significant structural improvements to its budget to maximize the availability and quality of City services. Long-term challenges to the City's structural finances remain, including State aid decreases, increasing employer pension contributions, and commitments to infrastructure and neighborhood improvements.

The current tax structure for local governments and school districts in Wisconsin established by the State government limits local choices to fund public safety, streets, and health to only one: property tax increases. Recently proposed local options sales taxes would help the City continue to provide service and infrastructure by capturing the full value of Milwaukee's dynamic economy.

CITYWIDE PRIORITIES

The following priorities guide the city's budget:

- Provide safety and stability for all Milwaukee neighborhoods
- Increase economic opportunity and family supporting employment for all residents
- Protect children's health and support their educational success from birth to adulthood
- Preserve and leverage the city's environmental and physical assets

FINANCIAL OBJECTIVES

To develop the 2020 Budget, the City established two primary financial objectives:

- Fund mission critical services while limiting the increase in tax levy and municipal service charge on the typical residential property to 3% or less.
- Manage long term obligations such as core infrastructure, debt, and pension benefits in a manner that stabilizes ongoing funding requirements.

BUDGET STRATEGY

The city's strategy to achieve structural balance includes three main components:

- **Resize:** Reduce the scale of city government operations
- **Restructure:** Increase productivity and reduce staffing through technology, automation, and functional consolidations
- **Reinvest:** Make strategic investments in equipment, data applications, process improvements, and people; and engage in redevelopment to improve the tax base and economic opportunities

STATE SHARED REVENUE

Wisconsin's tax system collects sales, income, and various business and excise taxes, and redistributes a portion of them to municipal governments as "shared revenue." The State Shared Revenue Program distributes payments to municipalities based on their ability to generate revenues. Since 2003, the State Legislature and Governor have chosen to keep shared revenues to local government near zero growth. In 2004 and again in 2011, the State reduced the city's shared revenue payment by a total of $21.8 million. Given inflation in major costs for local government,

that means that the value of state aid for local budgets has decreased considerably since 2003. Figure 1 shows 2003 shared revenue, the shared revenue payment if increased by the rate of inflation and the 2019 shared revenue payment.

Limits by State law on the property tax levy growth and charging fees for service force the City to rely heavily on the property tax levy. Many local governments and school districts in Wisconsin are facing the same structural financing issue.

Prior to 2011, the City of Milwaukee received more in aids from the State than the taxes paid by the City to the State. By 2015 the City paid the State $464.7 million more than it received in State aids and over the period of 2011 to 2015 paid $1.1 billion more.

Figure 1

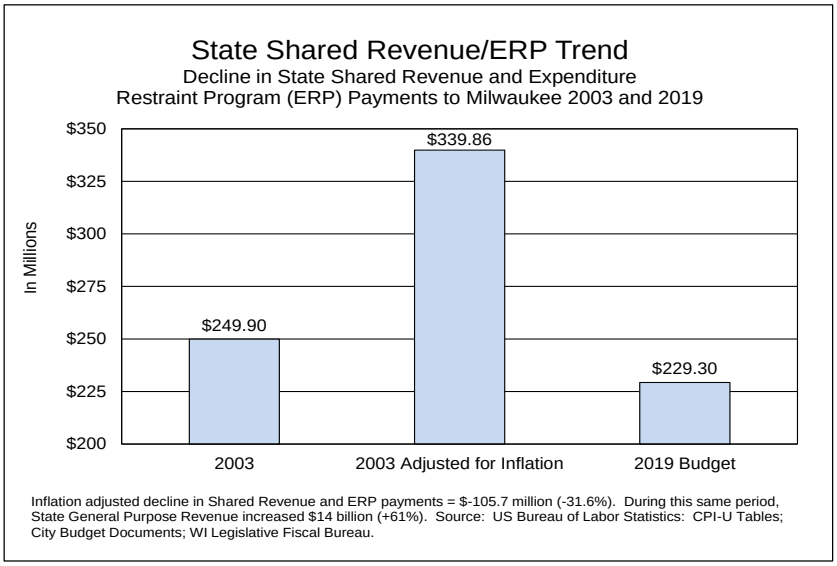
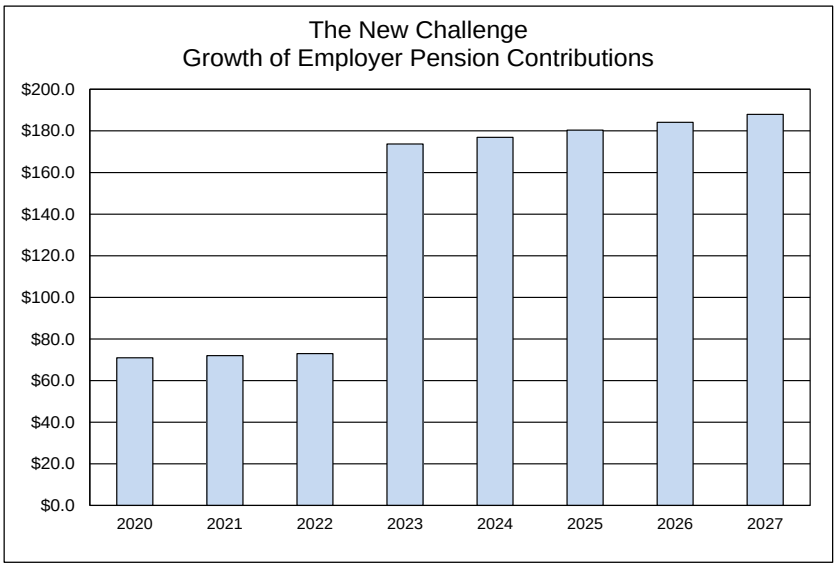


Figure 2



PENSION FUNDING

Costs for current and future pension benefits present another fiscal challenge. The City of Milwaukee, as the plan sponsor for the City's Employee Retirement System, has proactively addressed pension costs with innovative strategies. Those include setting a 5-year "stable contribution" policy, working with employees to share funding costs, changing benefits for new employees, and creating a reserve fund to cushion against large changes in pension funding requirements.

The current stable contribution period runs through 2022, and requires approximately $70 million per year in City pension payments. Investment income earned by the Employees Retirement System fund is the other source of funding for pensions.

The Pension Board approved a lower rate of return on investments beginning with the 2019 Actuarial Valuation. Reducing the rate of return for investments from 8% to 7.5% increases the required contribution from the City.

Figure 2 shows the magnitude of the pension contribution that the City expects to experience in 2023.

Actuarial forecasts for the next 5-year stable contribution period project an increase of nearly $100 million per year in required pension funding. Beginning in 2020, City budgets will set aside funds in the pension reserve fund to assist in smoothing the large increase in future pension contributions. This increased cost will put tremendous pressure on the property tax levy.

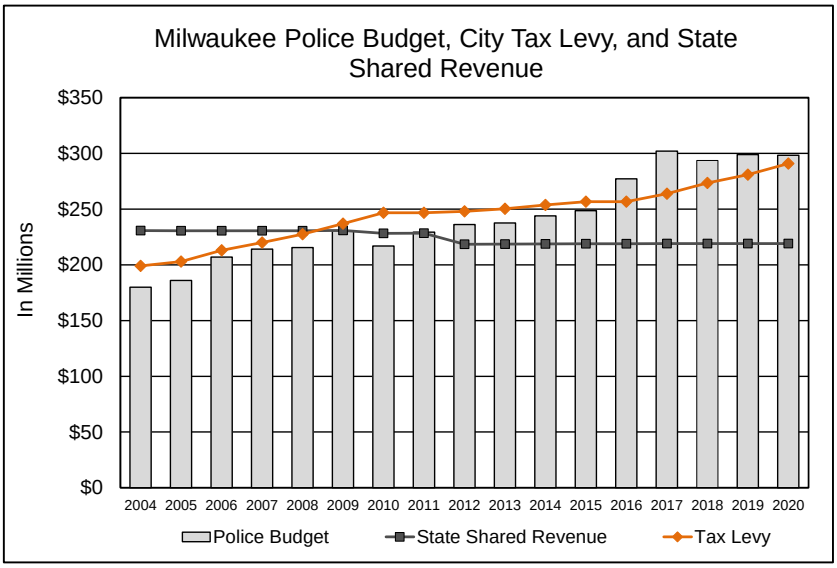
LOCAL OPTION TAXES

Since 2016, the City's police budget is larger than State shared revenue and the property tax levy, as shown in Figure 3. The Police department budget is 94% salaries and benefits. Despite relatively stable staffing, Police costs continue to grow due to wage increases and associated future pension benefits.

This trend's implications are particularly evident upon examination of funding for the Milwaukee Police Department. As Figure 3 illustrates, in 2004 the State Shared Revenue payment to Milwaukee was almost $52 million larger than the total operating budget for the Police Department. In 2016, the police budget was greater than the City's property tax levy.

By 2020, the Police Department's budget exceeded the city's State Shared Revenue payment by almost $78.3 million. This increasing financial commitment to Police services demonstrates the need for revenue diversification to fund City services.

Figure 3



The City normally faces an annual structural gap of $20 million to deliver the same service levels. Starting in 2020, an additional $15 million in annual pension reserve funding will be required. A 4% annual increase in property taxes, which is above state property tax limits, could not keep up with cost growth in existing Police and Fire budgets. The gap that remains would be roughly equivalent to the Library and Health Department budgets.

Milwaukee is at a fiscal crossroads. Future budgets cannot sustain core City services and continue meeting the City's pension obligations. To preserve critical City services and current police and fire staffing, a local sales tax has been proposed that would require adoption of a referendum for approval.

State approval by the Legislature and Governor is required to allow the County to put the sales tax to a voter referendum. A referendum on the April 2020 ballot, if approved by the voters, could fund police and fire services and lead abatement as early as October 2020.

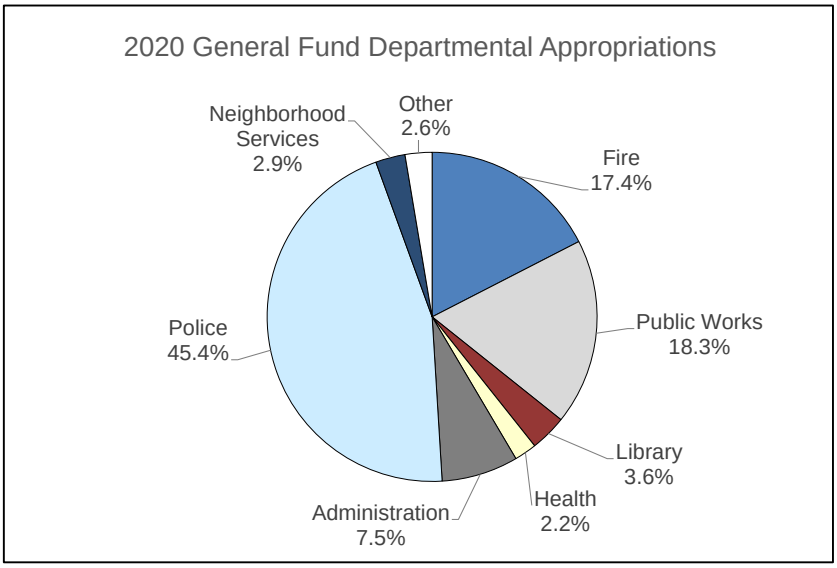
MAJOR PROGRAM INITIATIVES AND CHANGES

A majority of the general fund is allocated to police, fire and public works. Figure 4 shows the general fund by department. This is followed by funding highlights for the 2020 Budget.

Public Safety

- The Police Department uses strategic staffing practices to optimize patrol capacity. The 2020 budget includes funding for an average of 1,802 sworn officers. This is a decrease of 62 sworn officers from the 2019 strength level. However, even with the sworn strength reduction the 2020 budget increases the department's salary appropriation by $6.7 million. The budget includes funding to hire a total of 65 new police officer recruits through recruit class. If the sales tax is approved, the 60 sworn officers would be added back.

Figure 4



- The Fire Department's community paramedic program ensures that the 9-1-1 system is utilized appropriately and provides Milwaukee's citizens with the appropriate care for their health care needs. During 2016 an initial pilot program focused on proactively visiting frequent 9-1-1 callers at scheduled times to assist the patient through the health care system. In 2019, the program has reduced 9-1-1 calls by 77% for callers in the program since it began.

- The 2020 budget maintains funding for all Fire Department heavy apparatus and med units that were funded in 2019. Response times to fire and emergency medical service calls are expected to remain superior to national standards. If the sales tax is approved, the City would add an additional med unit.

- Continued funding for the 5-year community collaborative and monitoring outlined in the settlement with the American Civil Liberties Union of Wisconsin. The 2020 Budget includes $300,000 in the Police budget for this effort.

Public Works

- Core infrastructure programs including streets, bridges, street lighting, and sewers total $70.6 million in the 2020 budget. The 2020 Budget repaves and reconstructs 26.3 miles of major streets, local streets, and high traffic streets serving commercial corridors.

- New Self Help rules will allow resident contractors to bring construction debris to Self Help Centers for a fee. Single-car loads without large electronic items will remain free. This change will assist DPW and DNS in enforcing and controlling illegal dumping.

- Funding to replace 1,100 lead water service lines. The City assists with funding of the private side of the replacement, and the Water Works funds the public side. Total City funding for 2020 will be $4 million, including $2.2 million from the City's agreement to provide water service to Waukesha. Another $5.3 million will be provided with utility funding.

- Funding to replace and line 10 miles of medium to large combined storm and sanitary sewer mains and an additional $2 million to line 11 miles of small diameter sanitary sewer main and inspect sanitary sewer manholes.

- Funding for the downspout disconnection program. The program provides incentives for residential properties that contain up to four units to disconnect their downspouts from the combined sewer system by 2025. An estimated 50,000 residential parcels will need their downspout disconnected.

- Replacement of 20 miles of water mains and $10 million for the reconstruction of the Oklahoma Avenue pumping station to support new water service to the City of Waukesha.

- Includes $1.3 million to purchase 4 additional garbage packers. This will reduce the replacement cycle for garbage packers and over time, reduce maintenance costs. These additional packers are funded through a 4% increase in the Solid Waste Fee.

Neighborhoods and Development

- Funding for neighborhood investment, affordable housing and homeownership totaling $9.4 million. This funding supports Mayor Barrett's commitment to creating or funding 10,000 affordable housing units in 10 years, starting in 2018.

- Improvements to the nuisance garbage policies to facilitate more timely abatement. Potential violations are referred sooner to contractors in order to expedite clean-up and technology has been implemented to enable timely intake and routing of garbage complaints.

- Continued funding for the Strong Loan Program and the Code Compliance Loan Program as well as commercial corridor revitalization.

Culture and Recreation

- Continued service levels at Milwaukee's libraries, including after-school and employment resource programs. Library hours will remain the same in 2020.

- There is $300,000 in capital funding for the MKE Plays program which replaces City playgrounds. Additional funds are raised through donations.

Health

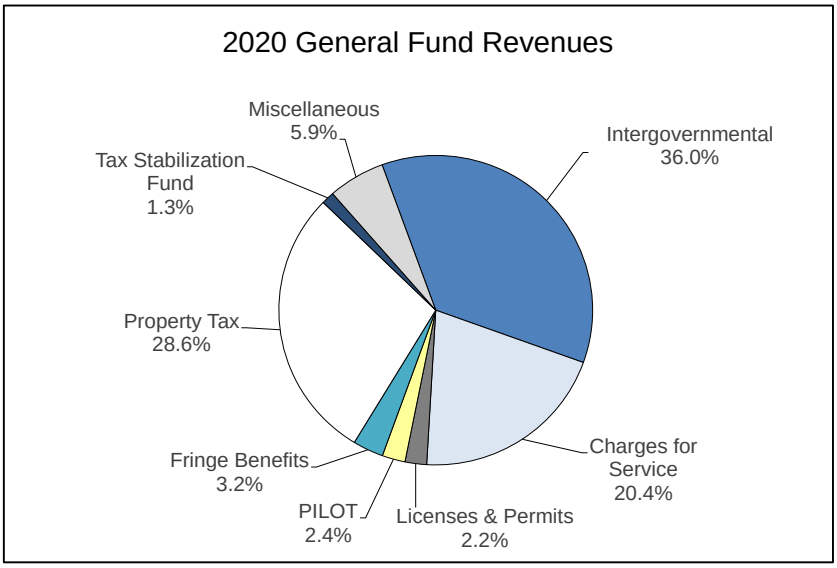
- Total funding, including Community Development Block Grant funding, of $8.1 million for lead hazard abatement and lead risk assessment and education. The City has applied for the 2019 HUD lead grant, which would add additional lead abatement capacity in 2020.

- Additional positions in the Health Department's Domestic Violence and Sexual Assault prevention programs to fight human trafficking and sexual assault. The 2020 Budget adds $20,000 to the taskforce on Domestic Violence and Sexual Assault to expand efforts to prevent and reduce family violence.

- A joint effort by the Health Department and the Department of Administration Information and Technology Management Division (DOA IT) to upgrade the Health department's electronic records systems.

REVENUES

Figure 5



The City of Milwaukee is unusual in its reliance on intergovernmental revenues (35.9%) and property taxes (28.4%) for general fund revenue (see Figure 5). Research from the Wisconsin Policy Forum pertaining to a peer group of 39 cities (including Milwaukee) with populations between 300,000 and one million indicates that Milwaukee's revenue structure is highly unusual. For example, in 2012, property taxes comprised 96% of Milwaukee's local tax revenues. No other city in the peer group approached this level of property tax reliance as a percentage of local tax funds.

Research indicates that intergovernmental aid does not provide Milwaukee with an unusual level of total revenue. In fact, Milwaukee ranks 8% lower than average in total revenue per capita among its peers.

The City relies much more than its national peers on a limited number of revenue sources, namely the property tax and intergovernmental revenues (comprised mostly of State aids). The decline in State aids requires the City to lean on property taxes and service charges to bridge the gap. For example, between 2004 and 2019 the City increased charges for service as a percentage of general city purposes revenue from 11.6% to 20.7%. See Figure 5 for a breakdown of City general fund revenues and the large reliance on intergovernmental revenue, property taxes and charges for service.

BUDGET BOTTOM LINE

The city's property tax levy for the 2020 budget is $291.0 million. This is an increase of $10 million from the 2019 property tax levy or a 3.57% increase.

The impact of the property tax levy and municipal service charges on the typical residential property is $60.39 or 3.7%. This is based on the following factors:

- The average residential property value increased from $113,990 in 2018 to $117,601 in 2019
- The tax rate per $1,000 of assessed value decreased from the 2019 rate of $10.59 to the 2020 rate of $10.58
- City property taxes on the average-valued home increase $37.62
- 2020 municipal service fees increases $22.77 for the typical homeowner

The city's structural imbalance is, in large part, the challenge of public safety funding.

The 2020 capital budget tax levy supported GO borrowing is reduced by $1.2 million. It was difficult to meet the borrowing goal of $80 million. Borrowing for 2020 will be above the goal at $83.5 million.

CONCLUSION

The city's structural imbalance needs to be corrected. Milwaukee's huge and dynamic economy brings millions of people into the city, creating jobs throughout the city and making the city a great place to live. Yet the City is not

able to capture the value of major sports events, festivals, and all the economic activity our city generates to fund critical services and invest in streets and infrastructure. Adding a local sales tax is critical to the City's financial future, and makes funding local government more fair for city residents and property taxpayers.

The City of Milwaukee has persistent challenges to structural balance over the last two decades. Independent third party analysts as well as credit rating agencies conclude that the primary factor behind this challenge has been a revenue system that fails to generate even inflationary annual growth. This reality forms the rationale for the sales tax proposal.

2020 ADOPTED BUDGET AND TAX RATE COMPARED TO PRIOR YEAR

Purpose Of Expenditure And Funding Source	2019 Adopted Budget	2020 Adopted Budget	CHANGE 2020 Minus 2019 Adopted	2019 Adopted Budget	2020 Adopted Budget	CHANGE 2020 Minus 2019 Adopted
A. GENERAL CITY PURPOSES						
1. Budget (Expenditure Authority)	$634,116,281	$637,625,198	$3,508,917			
2. Non Tax Levy Funding	514,412,155	522,395,200	7,983,045			
3. Tax Levy Funding	119,704,126	115,229,998	-4,474,128	$4.51	$4.19	$-0.32
B. EMPLOYEE RETIREMENT						
1. Budget (Expenditure Authority)	$112,763,536	$120,023,177	$7,259,641			
2. Non Tax Levy Funding	26,144,255	23,312,834	-2,831,421			
3. Tax Levy Funding	86,619,281	96,710,343	10,091,062	$3.26	$3.52	$0.25
C. CAPITAL IMPROVEMENTS						
1. Budget (Expenditure Authority)	$154,078,000	$155,624,000	$1,546,000			
2. Non Tax Levy Funding	152,964,000	155,058,000	2,094,000			
3. Tax Levy Funding	1,114,000	566,000	-548,000	$0.04	$0.02	$-0.02
D. CITY DEBT						
1. Budget (Expenditure Authority)	$275,152,500	$267,569,200	$-7,583,300			
2. Non Tax Levy Funding	206,594,000	194,057,000	-12,537,000			
3. Tax Levy Funding	68,558,500	73,512,200	4,953,700	$2.58	$2.67	$0.09
F. CONTINGENT FUND						
1. Budget (Expenditure Authority)	$5,000,000	$5,000,000	$0			
2. Non Tax Levy Funding	0	-	0			
3. Tax Levy Funding	5,000,000	5,000,000	0	$0.19	$0.18	$-0.01
SUBTOTAL (A+B+C+D+E+F)						
1. Budget (Expenditure Authority)	**$1,181,110,317**	**$1,185,841,575**	**$4,731,258**			
2. Non Tax Levy Funding	**900,114,410**	**894,823,034**	**-5,291,376**			
3. Tax Levy Funding	**280,995,907**	**291,018,541**	**10,022,634**	**$10.59**	**$10.58**	**$0.00**
G. TRANSPORTATION FUND						
1. Budget (Expenditure Authority)	$50,330,892	$51,037,376	$706,484			
2. Non Tax Levy Funding	50,330,892	51,037,376	706,484			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
H. GRANT AND AID						
1. Budget (Expenditure Authority)	$48,244,023	$94,946,990	$46,702,967			
2. Non Tax Levy Funding	48,244,023	94,946,990	46,702,967			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
I. DEVELOPMENT FUND						
1. Budget (Expenditure Authority)	$11,286,498	$11,484,600	$198,102			
2. Non Tax Levy Funding	11,286,498	11,484,600	198,102			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
J. WATER DEPARTMENT						
1. Budget (Expenditure Authority)	$136,258,000	$152,461,000	$16,203,000			
2. Non Tax Levy Funding	136,258,000	152,461,000	16,203,000			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
K. SEWER MAINTENANCE FUND						
1. Budget (Expenditure Authority)	$105,155,744	$107,495,178	$2,339,434			
2. Non Tax Levy Funding	105,155,744	107,495,178	2,339,434			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
M. COUNTY DELINQUENT TAXES FUND						
1. Budget (Expenditure Authority)	$8,000,000	$8,000,000	$0			
2. Non Tax Levy Funding	8,000,000	8,000,000	0			
3. Tax Levy Funding	0	0	0	$0.00	$0.00	$0.00
SUBTOTAL (G+H+I+J+K+M)						
1. Budget (Expenditure Authority)	**$359,275,157**	**$425,425,144**	**$66,149,987**			
2. Non Tax Levy Funding	**359,275,157**	**425,425,144**	**66,149,987**			
3. Tax Levy Funding	**0**	**0**	**0**	**$0.00**	**$0.00**	**$0.00**
TOTAL (A thru M)						
1. Budget (Expenditure Authority)	**$1,540,385,474**	**$1,611,266,719**	**$70,881,245**			
2. Non Tax Levy Funding	**1,259,389,567**	**1,320,248,178**	**60,858,611**			
3. Tax Levy Funding	**280,995,907**	**291,018,541**	**10,022,634**	**$10.59**	**$10.58**	**$0.00**

Tax Rates and Assessed Value - 2020 rate column is based on an estimated assessed value of: $27,499,324,495 as of December 2, 2019.

PROPERTY TAX PROFILE COMBINED PROPERTY TAX RATES 2016 THROUGH 2020

(Per $1,000 Assessed Valuation, Rounded to the Nearest Full Cent. Rates May Not Add Due to Rounding)

City of Milwaukee (Controlled by the Common Council)	2016	2017	2018	2019	2020
General City Purposes	$4.46	$4.70	$4.22	$4.51	$4.19
Provision for Employee Retirement	3.37	3.18	3.70	3.26	3.52
Capital Improvement Program	0.04	0.01	0.03	0.04	0.02
City Debt (Including School Debt)	2.53	2.66	2.60	2.58	2.67
Common Council Contingent Fund	0.21	0.20	0.20	0.19	0.18
Subtotal City of Milwaukee	**$10.61**	**$10.75**	**$10.75**	**$10.59**	**$10.58**
Area Board of Vocation, Technical and Adult Education District Nine	$1.29	$1.31	$1.26	$1.23	$1.19
Milwaukee School Board	12.43	11.46	10.71	9.44	9.57
Metropolitan Sewerage District	1.79	1.82	1.72	1.69	1.66
State Forestry	0.18	0.18	0.00	0.00	0.00
Milwaukee County	5.28	5.31	5.05	4.90	4.83
Subtotal Other Taxing Bodies	**$20.97**	**$20.08**	**$18.74**	**$17.26**	**$17.25**
Total Combined Tax Rate	**$31.58**	**$30.83**	**$29.49**	**$27.85**	**$27.83**
State Tax Credit	$-2.23	$-2.13	$-2.19	$-1.97	$-1.76
Net Tax Rate	$29.35	$28.70	$27.30	$25.88	$26.07

PROPERTY TAX LEVIES FOR COMMON COUNCIL CONTROLLED PURPOSES

	2016	2017	2018	2019	2020
General City Purposes	$107,996,533	$115,212,740	$107,191,811	$119,704,126	$115,229,998
Provision for Employee Retirement	81,632,883	77,982,361	94,188,661	86,619,281	96,710,343
Capital Improvement Program	949,000	300,000	889,000	1,114,000	566,000
City Debt	61,160,365	65,280,205	66,215,500	68,558,500	73,512,200
Common Council Contingent Fund	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Property Tax Levies for Common Council Controlled Purposes	**$256,738,781**	**$263,775,306**	**$273,484,972**	**$280,995,907**	**$291,018,541**

TAXABLE ASSESSED VALUATION

	2016	2017	2018	2019	2020
Residential	$14,254,964,300	$14,438,034,368	$14,854,223,750	$15,647,625,900	$16,098,608,880
Commercial	9,430,293,399	9,964,809,169	10,496,050,788	11,255,216,460	11,915,465,884
Manufacturing	726,810,200	728,863,500	765,075,100	763,522,500	790,548,200
Total Real Estate	**$24,412,067,899**	**$25,131,707,037**	**$26,115,349,638**	**$27,666,364,860**	**$28,804,622,964**
Personal Property	$850,895,518	$842,551,928	$822,009,672	$682,203,143	$685,223,248
Total Taxable Assessed Valuation*	**$25,262,963,417 (a)**	**$25,974,258,965 (b)**	**$26,937,359,310 (c)**	**$28,348,568,003 (d)**	**$29,489,846,212 (e)**

*Amount Includes Tax Increment District Assessed Value

(a) Based upon assessed values as of December 2, 2015.

(b) Based upon assessed values as of December 1, 2016.

(c) Based upon assessed values as of December 7, 2017.

(d) Based upon assessed values as of December 5, 2018.

(e) Based upon assessed values as of December 2, 2019.

Comparisons by Budget Sections Between 2020 Adopted Budget Versus 2019 Adopted Budgets, Revenues, Tax Levies, and Resulting Changes

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
A. General City Purposes			
Appropriations			
Salaries and Wages	$400,590,310	$394,326,673	$-6,263,637
Fringe Benefits	178,664,499	163,374,201	-15,290,298
Operating Expenditures	77,630,930	79,333,010	1,702,080
Equipment Purchases	4,452,865	6,503,493	2,050,628
Special Funds	12,714,449	14,024,420	1,309,971
Special Purpose Account Miscellaneous*	17,992,727	18,787,602	794,875
Workers Compensation Special Purpose Accounts	11,500,000	12,500,000	1,000,000
Employee Health Care Special Purpose Accounts	109,235,000	112,150,000	2,915,000
Fringe Benefit Offset	-178,664,499	-163,374,201	15,290,298
Total Appropriations	$634,116,281	$637,625,198	$3,508,917
Funding Sources			
General City Revenues	$498,412,155	$512,395,200	$13,983,045
Tax Stabilization Fund Withdrawal	16,000,000	10,000,000	-6,000,000
Property Tax Levy	119,704,126	115,229,998	-4,474,128
Total Revenues	$634,116,281	$637,625,198	$3,508,917
B. Employee Retirement			
Total Appropriations	$112,763,536	$120,023,177	$7,259,641
Funding Sources			
Non-Property Tax Revenue	$26,144,255	$23,312,834	$-2,831,421
Property Tax Levy	86,619,281	96,710,343	10,091,062
Total Revenues	$112,763,536	$120,023,177	$7,259,641
C. Capital Improvements			
Total Capital Improvements Program			
Appropriations	$154,078,000	$155,624,000	$1,546,000
Funding Sources			
1. Borrowing (General Obligation)			
a. New	$84,709,000	$83,543,000	$-1,166,000
2. Borrowing (Tax Incremental Districts)			
a. New	$44,000,000	$44,000,000	$0
3. Special Assessments (Internal Borrowing)			
a. New	$3,000,000	$3,830,000	$830,000
4. Cash Financed			
a. From Revenues	$21,255,000	$23,685,000	$2,430,000
c. From Tax Levy	1,114,000	566,000	-548,000
d. Total Cash Financed	22,369,000	24,251,000	1,882,000
Total Revenues (Capital Improvements)	$154,078,000	$155,624,000	$1,546,000

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
D. City Debt			
Total Appropriations			
(Includes Borrowing for Milwaukee Public Schools)	$275,152,500	$267,569,200	$-7,583,300
Funding Sources			
Revenues	$42,042,000	$37,529,000	$-4,513,000
TID Increments	30,957,000	31,130,000	173,000
Delinquent Tax Revenue	23,595,000	15,398,000	-8,197,000
Offset and Premium	110,000,000	110,000,000	0
Property Tax Levy	68,558,500	73,512,200	4,953,700
Total Revenues	$275,152,500	$267,569,200	$-7,583,300
F. Common Council Contingent Fund			
Total Appropriations	$5,000,000	$5,000,000	$0
Funding Sources			
Total Revenue (Property Tax Levy)	$5,000,000	$5,000,000	$0
Subtotals (Items A through F)			
City Budget Appropriations	$1,181,110,317	$1,185,841,575	$4,731,258
Less: Non-Property Tax Revenues	$900,114,410	$894,823,034	$-5,291,376
Property Tax Levies	$280,995,907	$291,018,541	$10,022,634
Special Revenue Accounts (Items G through M)			
G. Transportation Fund			
Total Appropriations	$50,330,892	$51,037,376	$706,484
Funding Sources			
Current Revenues	$26,858,624	$28,437,936	$1,579,312
Capital Improvements from Reserves	0	0	0
Withdrawal from Reserves	5,087,268	3,674,440	-1,412,828
Citation Revenue and Processing	15,000,000	16,200,000	1,200,000
New Borrowing	3,385,000	2,725,000	-660,000
Total Revenues	$50,330,892	$51,037,376	$706,484
H. Grant and Aid			
Total Appropriations	$48,244,023	$94,946,990	$46,702,967
Funding Sources			
Grantor Share	$48,244,023	$94,946,990	$46,702,967
Total Revenues	$48,244,023	$94,946,990	$46,702,967
I. Economic Development			
Total Appropriations	$11,286,498	$11,484,600	$198,102
Funding Sources			
BID Assessment/Excess TID Revenue	$11,286,498	$11,484,600	$198,102
Total Revenues	$11,286,498	$11,484,600	$198,102

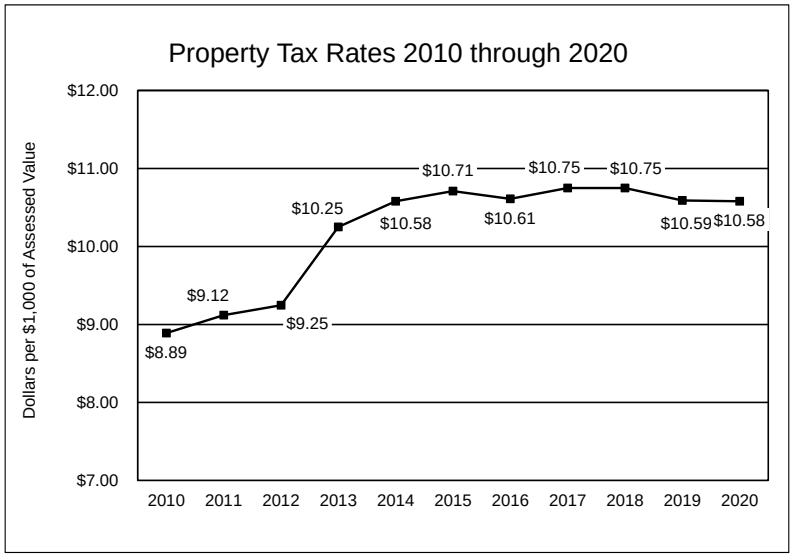
	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
J. Water Works			
Appropriations			
Operating Budget	$98,568,222	$94,531,772	$-4,036,450
Capital Improvements Program	31,385,000	44,570,000	13,185,000
Debt Service (Principal and Interest)	5,587,000	8,901,000	3,314,000
Capital Funding from Borrowing and Other Sources	0	0	0
Capital Funding from Retained Earnings	717,778	4,458,228	3,740,450
Total Appropriations	$136,258,000	$152,461,000	$16,203,000
Funding Sources			
Current Operating Revenues	$92,871,000	$94,675,000	$1,804,000
Non-Operating Revenues	12,012,000	13,226,000	1,214,000
Proceeds from Borrowing	30,657,222	40,101,772	9,444,550
Use of Retained Earnings	717,778	4,458,228	3,740,450
Total Revenues	$136,258,000	$152,461,000	$16,203,000
K. Sewer Maintenance			
Appropriations			
Operating Budget	$71,205,744	$73,345,178	$2,139,434
Capital Improvements Program	33,950,000	34,150,000	200,000
Total Appropriations	$105,155,744	$107,495,178	$2,339,434
Funding Sources			
Sewer User Fee	$31,956,653	$32,371,573	$414,920
Storm Water Management Fee	34,120,814	37,118,714	2,997,900
Charges for Services	1,673,500	1,706,600	33,100
Miscellaneous Revenue and Retained Earnings	8,104,777	6,998,291	-1,106,486
Proceeds from Borrowing	29,300,000	29,300,000	0
Total Revenues	$105,155,744	$107,495,178	$2,339,434
M. County Delinquent Taxes			
Appropriations			
Operating Budget	$8,000,000	$8,000,000	$0
Total Appropriations	$8,000,000	$8,000,000	$0
Funding Sources			
Operating Revenue	$8,000,000	$8,000,000	$0
Total Revenues	$8,000,000	$8,000,000	$0
Subtotals Special Revenue Account Budgets (Items G through M)			
Total Budgets	$359,275,157	$425,425,144	$66,149,987
Total Revenues (Non-Property Tax)	$359,275,157	$425,425,144	$66,149,987
Grand Totals (Items A through M)			
Budget Appropriations	$1,540,385,474	$1,611,266,719	$70,881,245
Less: Non-Property Tax Revenues	$1,259,389,567	$1,320,248,178	$60,858,611
Property Tax Levies	$280,995,907	$291,018,541	$10,022,634

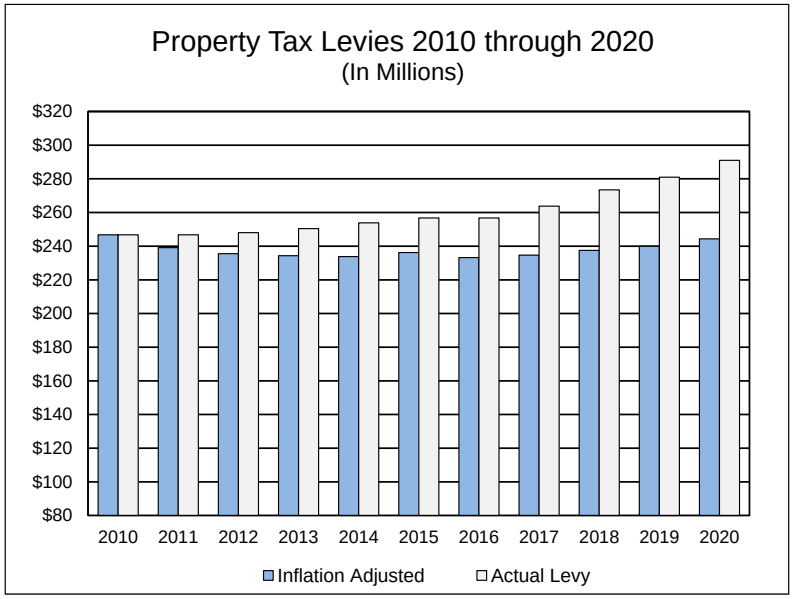
Note: All adopted budgets for governmental funds are prepared in accordance with the modified accrual basis of accounting, except for the treatment of the fund balance reserved for tax stabilization. For budget purposes, the fund balance reserved for tax stabilization is reflected as other financing sources. However, for accounting purposes it is reflected as part of the overall fund balance.

* The Wages Supplement Fund appropriation for pending labor agreements is shown in this table under "Salaries and Wages" but is budgeted under "Special Purpose Accounts Miscellaneous" in the line budget.

PROPERTY TAX RATE AND LEVY COMPARISON

The graphs below show property tax rates and levies for the City of Milwaukee from 2010 through the 2020 budget. The 2020 tax rate of $10.58 is $0.01 lower than the 2019 rate of $10.59. The 2020 tax levy of $291.0 million is $10.0 million higher than the 2019 levy. The property tax rate has increased by $1.69 from $8.89 in 2010 to the 2020 rate of $10.58. During this same period, the "real" or inflation adjusted property tax levy has decreased by $2.4 million.

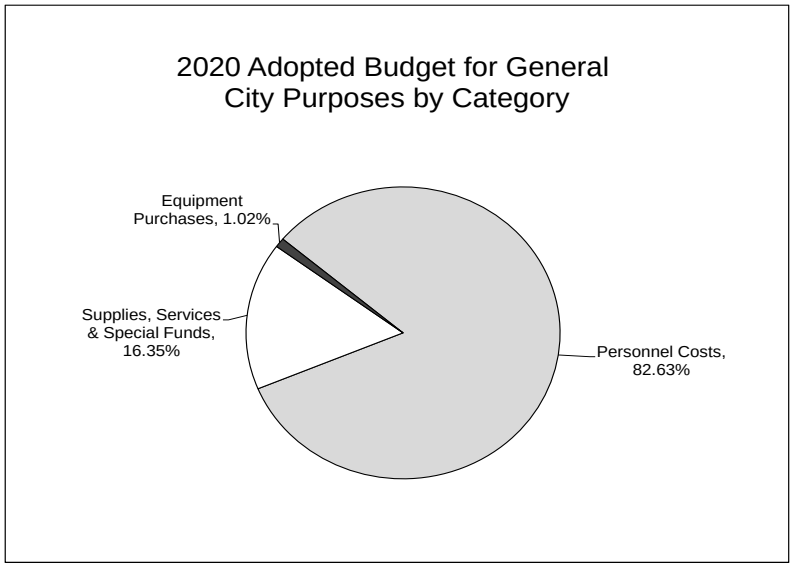




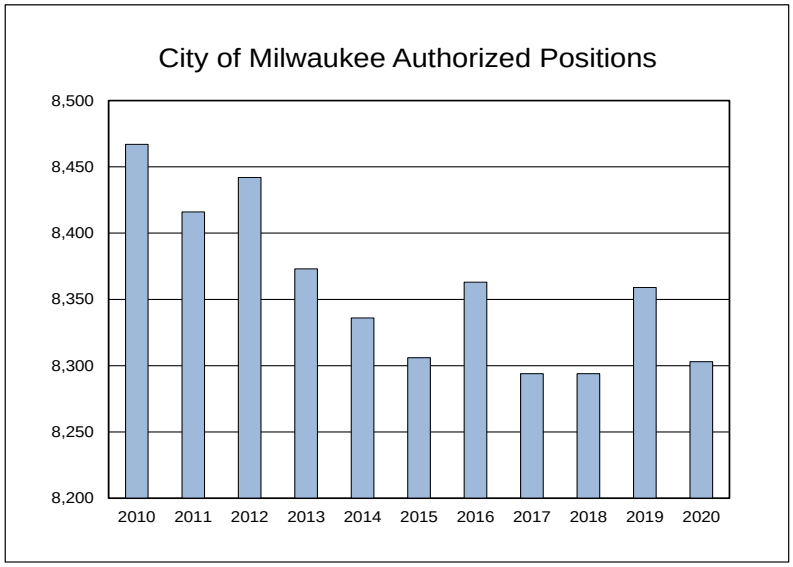
GENERAL CITY PURPOSES SPENDING

The pie chart below depicts the proportions of general city purposes spending allocated to personnel costs (82.6%), supplies, services, and special funds (16.4%), and equipment purchases (1.0%) in the 2020 budget.

It should be noted that the 2020 budget also funds approximately $11.3 (DPW, FIRE, MPD) million of major equipment purchases in the capital budget.



The following bar graph indicates changes in authorized positions from 2010 to 2020. Funding for personnel costs (which include salary and wages) relates directly to the number of positions authorized citywide. Excluding temporary and seasonal staff, the 2020 budget reflects a decrease of 56 positions from 2019 levels (8,359 in 2019 to 8,303 in 2020).



CHANGE IN POSITIONS

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
General City Purposes			
Administration, Department of	171	167	-4
Assessor's Office	59	59	0
City Attorney	65	64	-1
City Development, Department of	125	121	-4
Common Council City Clerk	127	125	-2
Comptroller's Office	64	59	-5
Election Commission	1,517	2,531	1,014
Employee Relations, Department of	79	81	2
Fire and Police Commission	30	34	4
Fire Department	871	874	3
Health Department	280	285	5
Library	377	364	-13
Mayor's Office	16	16	0
Municipal Court	40	39	-1
Neighborhood Services, Department of	292	289	-3
Police Department	2,828	2,828	0
Port Milwaukee	35	35	0
Public Works, Department of **(Total)**	**(2,303)**	**(2,261)**	**(-42)**
Administrative Services Division	46	45	-1
Infrastructure Services Division	822	820	-2
Operations Division	1,435	1,396	-39
Special Purpose Account	11	11	0
Treasurer's Office	48	50	2
General City Purposes Total	**9,338**	**10,293**	**955**
General City Purposes Total *	**7,833**	**7,773**	**-60**
Pensions	0	0	0
Deferred Compensation	3	3	0
Employees' Retirement System	61	57	-4
Pensions Total	**64**	**60**	**- 4**
Special Revenue Funds			
Transportation Fund	126	127	1
Sewer Maintenance Fund	147	148	1
Water Works	430	436	6
Special Revenue Funds Total	**703**	**711**	**8**
Subtotal Budgeted Positions	**10,105**	**11,064**	**959**
Less Temporary Positions	1,746	2,761	1,015
Total Budgeted Positions	**8,359**	**8,303**	**-56**

*Does not include Election Commission temporary election workers (1,505 in 2019 and 2,520 in 2020) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS
O&M Funded

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
General City Purposes			
Administration, Department of	98.80	96.30	-2.50
Assessor's Office	49.00	48.00	-1.00
City Attorney	60.00	58.50	-1.50
Common Council City Clerk	101.57	99.57	-2.00
Comptroller's Office	50.02	48.40	-1.62
Department of City Development	52.85	50.50	-2.35
Election Commission *	9.00	8.00	-1.00
Employee Relations, Department of	42.71	44.83	2.12
Fire and Police Commission	19.90	22.40	2.50
Fire Department	883.50	875.90	-7.60
Health Department	146.70	164.26	17.56
Library	292.33	298.28	5.95
Mayor's Office	13.75	13.75	0.00
Municipal Court	32.00	32.00	0.00
Neighborhood Services, Department of	194.02	192.02	-2.00
Police Department	2,717.60	2,627.00	-90.60
Port Milwaukee	19.00	19.00	0.00
Public Works, Department of **(Total)**	(-1,049.24)	(-995.03)	(-54.21)
Administrative Services Division	35.10	35.90	0.80
Infrastructure Services Division	356.89	355.39	-1.50
Operations Division	657.25	603.74	-53.51
Special Purpose Accounts	4.33	4.33	0.00
Treasurer's Office	29.99	31.52	1.53
General City Purposes Total	**5,866.31**	**5,729.59**	**-136.72**
Pensions			
Deferred Compensation	3.00	3.00	0.00
Employees' Retirement System	48.50	48.50	0.00
Pensions Total	**51.50**	**51.50**	**0.00**
Special Revenue Funds			
Transportation Fund	118.00	119.00	1.00
Sewer Maintenance Fund	101.15	101.30	0.15
Water Works	396.37	401.49	5.12
Special Revenue Funds Total	**615.52**	**621.79**	**6.27**
Grand Total	**6,533.33**	**6,402.88**	**-130.45**

* Election Commission does not include temporary election workers (2.63 FTEs in 2019 and 42.00 FTEs in 2020) due to staffing fluctuations between election and non-election years.

ESTIMATED FULL TIME EQUIVALENTS
Non-O&M Funded

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
General City Purposes			
Administration, Department of	35.85	37.55	1.70
Assessor's Office	0.00	0.00	0.00
City Attorney	2.00	2.50	0.50
Common Council City Clerk	1.40	1.40	0.00
Comptroller's Office	5.98	7.60	1.62
Department of City Development	42.25	41.25	-1.00
Election Commission	0.00	0.00	0.00
Employee Relations, Department of	16.67	16.67	0.00
Fire and Police Commission	0.00	0.00	0.00
Fire Department	0.50	11.10	10.60
Health Department	124.45	120.71	-3.74
Library	22.23	20.43	-1.80
Mayor's Office	0.00	0.00	0.00
Municipal Court	0.00	0.00	0.00
Neighborhood Services, Department of	59.48	56.48	-3.00
Police Department	37.50	40.60	3.10
Port Milwaukee	0.00	0.00	0.00
Public Works, Department of **(Total)**	(389.03)	(-390.40)	(1.37)
Administrative Services Division	9.90	9.10	-0.80
Infrastructure Services Division	315.54	320.04	4.50
Operations Division	63.59	61.26	-2.33
Special Purpose Accounts	0.00	0.00	0.00
Treasurer's Office	0.00	0.00	0.00
General City Purposes Total	**737.34**	**746.69**	**9.35**
Pensions			
Deferred Compensation	0.00	0.00	0.00
Employees' Retirement System	0.00	0.00	0.00
Pensions Total	**0.00**	**0.00**	**0.00**
Special Revenue Funds			
Transportation Fund	0.00	0.00	0.00
Sewer Maintenance Fund	13.05	13.00	-0.05
Water Works	20.05	20.43	0.38
Special Revenue Funds Total	**33.10**	**33.43**	**0.33**
Grand Total	**770.44**	**780.12**	**9.68**

ESTIMATED FULL TIME EQUIVALENTS
All Funding Sources

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
General City Purposes			
Administration, Department of	134.65	133.85	-0.80
Assessor's Office	49.00	48.00	-1.00
City Attorney	62.00	61.00	-1.00
Common Council City Clerk	102.97	100.97	-2.00
Comptroller's Office	56.00	56.00	0.00
Department of City Development	95.10	91.75	-3.35
Election Commission *	9.00	8.00	-1.00
Employee Relations, Department of	59.38	61.50	2.12
Fire and Police Commission	19.90	22.40	2.50
Fire Department	884.00	887.00	3.00
Health Department	271.15	284.97	13.82
Library	314.56	318.71	4.15
Mayor's Office	13.75	13.75	0.00
Municipal Court	32.00	32.00	0.00
Neighborhood Services, Department of	253.50	248.50	-5.00
Police Department	2,755.10	2,667.60	-87.50
Port Milwaukee	19.00	19.00	0.00
Public Works, Department of **(Total)**	(1,438.27)	(1,385.43)	(-52.84)
Administrative Services Division	45.00	45.00	0.00
Infrastructure Services Division	672.43	675.43	3.00
Operations Division	720.84	665.00	-55.84
Special Purpose Accounts	4.33	4.33	0.00
Treasurer's Office	29.99	31.52	1.53
General City Purposes Total	**6,603.65**	**6,476.28**	**-127.37**
Pensions			
Deferred Compensation	3.00	3.00	0.00
Employees' Retirement System	48.50	48.50	0.00
Pensions Total	**51.50**	**51.50**	**0.00**
Special Revenue Funds			
Transportation Fund	118.00	119.00	1.00
Sewer Maintenance Fund	114.20	114.30	0.10
Water Works	416.42	421.92	5.50
Special Revenue Funds Total	**648.62**	**655.22**	**6.60**
Grand Total	**7,303.77**	**7,183.00**	**-120.77**

* Election Commission does not include temporary election workers (2.63 FTEs in 2019 and 42.00 FTEs in 2020) due to staffing fluctuations between election and non-election years.

Comparison of 2020 Adopted Expenditures and Funding Sources with Prior Years by Major Budget Sections and Subsections

Section 1. City Budgets Under Control of the Common Council

	2017 Actual** Expenditures	2018 Actual** Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
A. General City Purposes					
1. Budgets for General City Purposes					
Administration, Department of	$12,731,392	$12,392,960	$12,808,910	$12,735,064	$-73,846
Assessor's Office	4,533,725	4,595,879	4,518,537	4,301,630	-216,907
City Attorney	7,403,126	7,206,231	7,083,725	6,970,897	-112,828
City Development, Department of	5,078,506	4,907,682	5,173,501	4,816,171	-357,330
City Treasurer	2,764,579	2,977,715	3,514,648	3,817,595	302,947
Common Council City Clerk	9,243,533	9,196,411	9,239,595	9,065,868	-173,727
Comptroller	4,915,616	4,575,994	4,744,777	4,555,508	-189,269
Election Commission	1,281,482	2,941,560	1,311,372	3,162,037	1,850,665
Employee Relations, Department of	3,885,216	3,870,906	3,988,802	4,095,114	106,312
Fire and Police Commission	2,215,136	2,099,930	3,018,522	2,727,999	-290,523
Fire Department	123,508,289	118,889,620	112,039,599	114,496,084	2,456,485
Health Department	13,409,735	12,989,753	14,459,698	14,743,321	283,623
Library	23,591,512	24,154,727	22,951,785	23,559,805	608,020
Mayor's Office	1,423,340	1,425,680	1,348,285	1,364,487	16,202
Municipal Court	3,054,476	2,995,481	2,983,300	2,904,191	-79,109
Neighborhood Services, Department of	19,201,821	19,608,956	19,586,218	19,045,478	-540,740
Police Department	308,327,269	309,090,104	298,922,696	297,366,419	-1,556,277
Port Milwaukee	4,860,458	5,904,942	4,953,155	6,483,900	1,530,745
Public Works Department **(Total)**	(124,987,488)	(127,734,592)	(121,603,209)	(121,026,227)	(576,982)
Administrative Services Division	3,053,810	3,199,677	3,068,308	2,962,516	-105,792
Infrastructure Services Division	39,265,408	38,099,942	38,828,990	38,198,572	-630,418
Operations Division	82,668,270	86,434,973	79,705,911	79,865,139	159,228
Special Purpose Accounts	132,792,912	137,505,124	158,530,446	143,761,604	-14,768,842
Fringe Benefit Offset	-188,032,844	-183,404,411	-178,664,499	-163,374,201	15,290,298
Total Budgets for General City Purposes	$621,176,767	$631,659,836	$634,116,281	$637,625,198	$3,508,917

* Special Purpose Account expenditures do not include wage supplement funding, these funds are reflected in departmental expenditures.

2. Source of Funds for General City Purposes					
Revenues					
Taxes and Payment in Lieu of Taxes	$18,931,097	$18,131,516	$17,984,000	$18,031,200	$47,200
Licenses and Permits	15,597,298	17,232,423	16,125,000	17,165,350	1,040,350
Intergovernmental Revenue	265,700,346	268,791,901	270,081,000	273,505,000	3,424,000
Charges for Services	123,245,889	124,698,237	129,077,155	134,770,150	5,692,995
Fines and Forfeitures	3,274,953	3,295,757	3,251,000	3,276,000	25,000
Miscellaneous Revenue	38,722,995	41,392,846	38,894,000	41,647,500	2,753,500
Fringe Benefits	22,527,543	22,643,333	23,000,000	24,000,000	1,000,000
Total Revenues	$488,000,121	$496,186,013	$498,412,155	$512,395,200	$13,983,045
Tax Stabilization Fund Withdrawals	$27,579,000	$19,000,000	$16,000,000	$10,000,000	$-6,000,000
Property Tax Levy	112,354,318	112,235,239	119,704,126	115,229,998	-4,474,128
Total Financing for General City Purposes	$627,933,439	$627,421,252	$634,116,281	$637,625,198	$3,508,917
B. Employees' Retirement					
1. Budgets for Employees' Retirement					
Firemen's Pension Fund					
Pension Contribution	$0	$0	$0	$0	$0
Lump Sum Supplement Contribution	$38,000	$29,000	$25,000	$18,000	$-7,000

	2017 Actual** Expenditures	2018 Actual** Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Policemen's Pension Fund					
Pension Contribution	176,239	142,054	135,000	98,400	-36,600
Lump Sum Supplement Contribution	10,000	10,000	10,000	10,000	0
Employees' Retirement Fund					
Pension Contribution	$67,938,024	$77,094,964	$56,600,000	$71,000,000	$14,400,000
Administration	18,376,299	18,004,305	23,205,973	20,923,077	-2,282,896
Employers' Share of Employees' Annuity Contribution	0	0	0	0	0
Annuity Contribution Employer's Reserve Fund	0	11,938,024	13,400,000	8,000,000	-5,400,000
Social Security					
Social Security Tax	$18,895,891	$19,095,664	$18,911,080	$19,500,000	$588,920
Former Town of Lake Employees' Retirement Fund					
Pension Contribution	$7,300	$0	$0	$0	$0
Deferred Compensation	335,560	336,071	476,483	473,700	-2,783
Total Budgets for Employees' Retirement	$105,777,313	$126,650,082	$112,763,536	$120,023,177	$7,259,641
2. Source of Funds for Employees' Retirement					
Fringe Benefits Pension	$1,163,665	$1,302,100	$1,489,647	$1,344,308	$-145,339
Charges to Retirement Fund	18,209,109	17,665,333	22,870,125	20,485,826	-2,384,299
Charges to Deferred Compensation	335,560	336,071	476,483	473,700	-2,783
Miscellanous and Other	991,775	96,300	1,308,000	1,009,000	-299,000
Reserve Fund	0	5,000,000	0	0	0
Property Tax Levy	77,982,361	94,188,661	86,619,281	96,710,343	10,091,062
Total Financing for Employees' Retirement	$98,682,470	$118,588,465	$112,763,536	$120,023,177	$7,259,641
C. Capital Improvements					
1. Budgets for Capital Improvements					
Special Capital Projects or Purposes	$786,218	$554,679	$8,514,000	$9,016,000	$502,000
Administration, Department of	2,928,285	2,222,782	2,590,000	1,533,000	-1,057,000
Assessor's Office	388,135	353,440	0	0	0
City Development, Department of	54,107,039	37,931,168	56,015,000	55,400,000	-615,000
Common Council City Clerk	3,132	364,579	150,000	25,000	-125,000
Election Commission	0	206,372	0	0	0
Fire and Police Commission	0	0	150,000	5,000,000	4,850,000
Fire Department	1,193,995	1,479,672	3,324,000	1,950,000	-1,374,000
Health Department	38,862	957,357	760,000	690,000	-70,000
Library	6,602,975	4,448,988	2,150,000	1,290,000	-860,000
Municipal Court	128,491	325,720	0	0	0
Neighborhood Services, Department of	2,197,553	2,062,775	3,550,000	3,000,000	-550,000
Police Department	5,892,263	7,570,178	6,416,000	3,995,000	-2,421,000
Port Milwaukee	260,697	217,261	1,450,000	475,000	-975,000
Public Works, Department of **(Total)**	(88,971,074)	(103,460,944)	(69,009,000)	(73,250,000)	4,241,000
Administration Division	0	0	0	0	0
Infrastructure Services Division	85,400,695	94,173,205	59,999,000	63,665,000	3,666,000
Operations Division	3,570,379	9,287,739	9,010,000	9,585,000	575,000
Total Budgets for Capital Improvements					
(Other than Transportation, Water Works and Sewer Maint.)	$163,498,719	$162,155,915	$154,078,000	$155,624,000	$1,546,000
2. Source of Funds for Capital Improvements					
General Obligation Borrowings					
New Borrowing	$108,113,105	$121,433,568	$84,709,000	$83,543,000	$-1,166,000
Tax Increment District Public Improvements					
New Borrowing	$48,708,050	$25,625,619	$44,000,000	$44,000,000	0

	2017 Actual** Expenditures	2018 Actual** Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Anticipated Special Assessments					
New Authorizations	$2,297,540	$2,314,394	$3,000,000	$3,830,000	830,000
Capital Improvement Revenues					
Cash Revenues	$3,907,890	$12,338,940	$21,255,000	$23,685,000	2,430,000
Property Tax Levy	472,134	443,394	1,114,000	566,000	-548,000
Total Financing for Capital Improvements					
(Other than Transportation, Water Works and Sewer Maint.)	$163,498,719	$162,155,915	$154,078,000	$155,624,000	$1,546,000
* Does not include School Board expenditures.					
D. City Debt (Including School Purposes)					
1. Budget for City Debt					
Bonded Debt (Principal)	$263,486,636	$272,906,610	$229,085,000	$223,636,000	$-5,449,000
Bonded Debt (Interest)	40,366,238	56,401,009	53,705,500	51,920,200	-1,785,300
Bonded Debt (Fees)	165,909	263,486	325,000	250,000	-75,000
Bonded Debt (Issuance Expenses)	1,357,835	1,106,149	1,761,000	763,000	-998,000
Subtotal	$305,376,618	$330,677,254	$284,876,500	$276,569,200	$-8,307,300
Less: Prepayment					
Prepayment Deduction (PDAF)	$-8,500,000	$-9,700,000	$-9,700,000	$-9,000,000	$700,000
Special Assessment	0	0	-24,000	0	24,000
Total Budget for City Debt	$296,876,618	$320,977,254	$275,152,500	$267,569,200	$-7,583,300
2. Source of Funds for City Debt					
Revenues	$43,696,549	$33,955,485	$42,042,000	$37,529,000	$-4,513,000
TID Increments from Prior Year	42,617,342	29,059,831	30,957,000	31,130,000	173,000
Delinquent Tax Revenues	29,640,633	16,900,332	23,595,000	15,398,000	-8,197,000
Offsets and Premium	124,363,201	128,050,000	110,000,000	110,000,000	0
Property Tax Levy	65,280,205	66,215,500	68,558,500	73,512,200	4,953,700
Total Financing for City Debt	$305,597,930	$274,181,148	$275,152,500	$267,569,200	$-7,583,300
F. Common Council Contingent Fund					
1. Budget for Common Council Contingent Fund					
Common Council Contingent Fund	[2,328,014]	[4,996,634]	$5,000,000	$5,000,000	$0
2. Source of Funds for Common Council Contingent Fund					
Property Tax Levy	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$0
* 2017 and 2018 experience shown for informational purposes only.					
Expenditure experience represents transfers and expenditures authorized by resolution.					
Subtotal Budget Authorizations Common Council Controlled Purposes					
(Except Water and Special Revenue Accounts)	$1,187,329,417	$1,241,443,087	$1,181,110,317	$1,185,841,575	$4,731,258
Non-Tax Levy	$939,623,540	$909,263,986	$900,114,410	$894,823,034	$-5,291,376
Tax Levy	$261,089,018	$278,082,794	$280,995,907	$291,018,541	$10,022,634
Subtotal Financing for (Estimated Revenues) Common Council Controlled Budgets					
(Except Water and Special Revenue Accounts)	$1,200,712,558	$1,187,346,780	$1,181,110,317	$1,185,841,575	$4,731,258
Special Revenue Accounts Sections G through M					
G. Transportation Fund					
1. Budget for Transportation Fund					
Operating and Maintenance Expense	$25,747,442	$27,374,868	$30,945,892	$32,202,376	$1,256,484
Transfer to General Fund	16,600,000	17,123,005	16,000,000	16,110,000	110,000
Capital Improvement Program	1,132,411	1,687,278	3,385,000	2,725,000	-660,000
Total Budget for Transportation Fund	$43,479,853	$46,185,151	$50,330,892	$51,037,376	$706,484
2. Source of Funds for Transportation					
Parking Permits	$4,131,028	$4,694,159	$4,391,600	$4,845,000	$453,400
Meters	4,984,644	4,610,037	4,765,400	5,184,000	418,600
Rental and Lease of Facilities	7,352,182	7,414,769	6,797,000	6,965,000	168,000

	2017 Actual** Expenditures	2018 Actual** Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Towing of Vehicles	3,886,825	3,911,301	3,700,000	3,700,000	0
Vehicle Disposal	2,155,253	2,202,251	1,718,900	2,000,000	281,100
Miscellaneous and Other	-502,474	1,041,354	5,485,724	5,743,936	258,212
Subtotal Financing for Transportation	$22,007,458	$23,873,871	$26,858,624	$28,437,936	$1,579,312
Other Funding Sources					
Withdrawal from Reserves	$0	$4,413,786	$5,087,268	$3,674,440	$-1,412,828
Citation Revenue	15,042,911	16,210,216	15,000,000	16,200,000	1,200,000
Capital Improvements to be Financed from Available:					
Cash Reserves	$0	$0	$0	$0	$0
New Borrowing	6,240,997	1,687,278	3,385,000	2,725,000	-660,000
Subtotal Other Funding Sources	$21,283,908	$22,311,280	$23,472,268	$22,599,440	$-872,828
Total Financing for Transportation	$43,291,366	$46,185,151	$50,330,892	$51,037,376	$706,484
H. Grants and Aids Projects (Except Capital Projects)					
1. Budget for Grants and Aids Projects					
Grantor Share (Non-City)	$42,518,323	$41,464,029	$48,244,023	$94,946,990	$46,702,967
Total for Grants and Aids Projects	$42,518,323	$41,464,029	$48,244,023	$94,946,990	$46,702,967
2. Source of Funds for Grants and Aids Projects					
Grantor Share (Non-City)	$42,518,323	$41,464,029	$48,244,023	$94,946,990	$46,702,967
Total Financing for Grants and Aids Projects					
(Except Capital Projects)	$42,518,323	$41,464,029	$48,244,023	$94,946,990	$46,702,967
I. Economic Development Fund					
1. Budget for Economic Development Fund					
Business Improvement Districts	$10,172,352	$9,868,817	$11,286,498	$11,484,600	$198,102
Total Budget for Economic Development Fund	$10,172,352	$9,868,817	$11,286,498	$11,484,600	$198,102
2. Source of Funds for Economic Development Fund					
Business Improvement District Assessments/Excess TID Revenue	$10,172,352	$9,868,817	$11,286,498	$11,484,600	$198,102
Total Source of Funds for Economic Development Fund	$10,172,352	$9,868,817	$11,286,498	$11,484,600	$198,102
J. Water Works					
1. Budget for Water Works, Department of Public Works					
Operating Budget	$85,016,158	$91,901,422	$104,155,222	$103,432,772	$-722,450
Capital Improvements Program	20,989,710	49,841,325	31,385,000	44,570,000	13,185,000
Retained Earnings, Borrowing, and Other Accounts	43,291,721	28,056,998	717,778	4,458,228	3,740,450
Total Expenditures and Deposits	$149,297,589	$169,799,745	$136,258,000	$152,461,000	$16,203,000
2. Source of Funds for Water Works					
Operating Revenue	$92,262,027	$94,583,450	$92,871,000	$94,675,000	$1,804,000
Non-Operating Revenue	28,841,537	8,641,631	7,602,000	7,916,000	314,000
Proceeds from Borrowing	20,360,922	20,168,521	30,657,222	40,101,772	9,444,550
Retained Earnings/Miscellaneous	7,833,103	46,406,143	5,127,778	9,768,228	4,640,450
Total Source of Funds for Water Works	$149,297,589	$169,799,745	$136,258,000	$152,461,000	$16,203,000
K. Sewer Maintenance					
1. Budget for Sewer Maintenance					
Operating Budget	$51,623,808	$55,488,034	$71,205,744	$73,345,178	$2,139,434
Capital Budget	35,159,473	20,320,441	33,950,000	34,150,000	200,000
Deposit to Retained Earnings	17,007,604	11,081,552	0	0	0
Total Budget for Sewer Maintenance	$103,790,885	$86,890,027	$105,155,744	$107,495,178	$2,339,434
2. Source of Funds for Sewer Maintenance					
Sewer User Fee	$30,865,122	$30,949,526	$31,956,653	$32,371,573	$414,920
Storm Water Fee	32,621,896	33,953,264	34,120,814	37,118,714	2,997,900
Charges for Services	1,652,503	1,683,487	1,673,500	1,706,600	33,100

	2017 Actual** Expenditures	2018 Actual** Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Miscellaneous Revenue	133,892	272,386	137,000	185,200	48,200
Retained Earnings	0	0	4,317,777	3,163,091	-1,154,686
Proceeds from Borrowing/Grants/Developer	38,517,472	20,031,364	32,950,000	32,950,000	0
Total Source of Funds for Sewer Maintenance	$103,790,885	$86,890,027	$105,155,744	$107,495,178	$2,339,434
M. Delinquent County Taxes					
1. Budget for Delinquent County Taxes					
Delinquent County Taxes and Tax Certificate Purchases	$7,627,921	$10,626,078	$8,000,000	$8,000,000	$0
2. Source of Funds for Delinquent County Taxes	$7,627,921	$10,626,078	$8,000,000	$8,000,000	$0
Purchase of Milwaukee County Delinquent Taxes	$7,627,921	$10,626,078	$8,000,000	$8,000,000	$0
Total Source of Funds for Delinquent County Taxes	$7,627,921	$10,626,078	$8,000,000	$8,000,000	$0
Subtotal Budget Authorization for Special Revenue Accounts	$356,886,923	$364,833,847	$359,275,157	$425,425,144	$66,149,987
Subtotal Estimated Revenues for Special Revenue Accounts	$356,698,436	$364,833,847	$359,275,157	$425,425,144	$66,149,987
Total All Budgets Under the Control of the Common Council					
(Includes Water and Special Revenue Accounts)	$1,544,216,340	$1,606,276,934	$1,540,385,474	$1,611,266,719	$70,881,245
Total Financing Revenues of Budgets Under the Control of the Common Council					
(Includes Water and Special Revenue Accounts)	$1,557,410,994	$1,552,180,627	$1,540,385,474	$1,611,266,719	$70,881,245

** Expenditures include funding carried over from prior year.

SCHOOL BOARD BUDGET
(NOT UNDER THE CONTROL OF THE COMMON COUNCIL)
(FOR INFORMATIONAL PURPOSES ONLY)

A. BUDGET FOR SCHOOL BOARD*

	2016 - 2017 Budget	2017 - 2018 Budget	2018 - 2019 Budget	2019 - 2020 Budget
Appropriations and Expenditures	$1,035,955,866	$1,020,463,954	$1,027,316,315	$1,038,133,353
Total Appropriations and Expenditures	**$1,035,955,866**	**$1,020,463,954**	**$1,027,316,315**	**$1,038,133,353**

B. SOURCE OF FUNDS FOR SCHOOL BOARD*

	2016 - 2017 Budget	2017 - 2018 Budget	2018 - 2019 Budget	2019 - 2020 Budget
Non-Property Tax Revenue and Surpluses	$739,294,789	$755,201,927	$776,926,142	$775,245,708
Tax Levies				
Property Tax Levy	$281,169,165	$272,114,388	$250,390,173	$262,887,645
Total Financing of School Board Budget	**$1,020,463,954**	**$1,027,316,315**	**$1,027,316,315**	**$1,038,133,353**

* School Board budget is based on fiscal year ending June 30.
The Milwaukee Public Schools budget is not under the control of the Mayor or the Common Council. The Board of School Directors adopted a final 2019- 2020 budget, including each fund levy amount, on October 31, 2019.

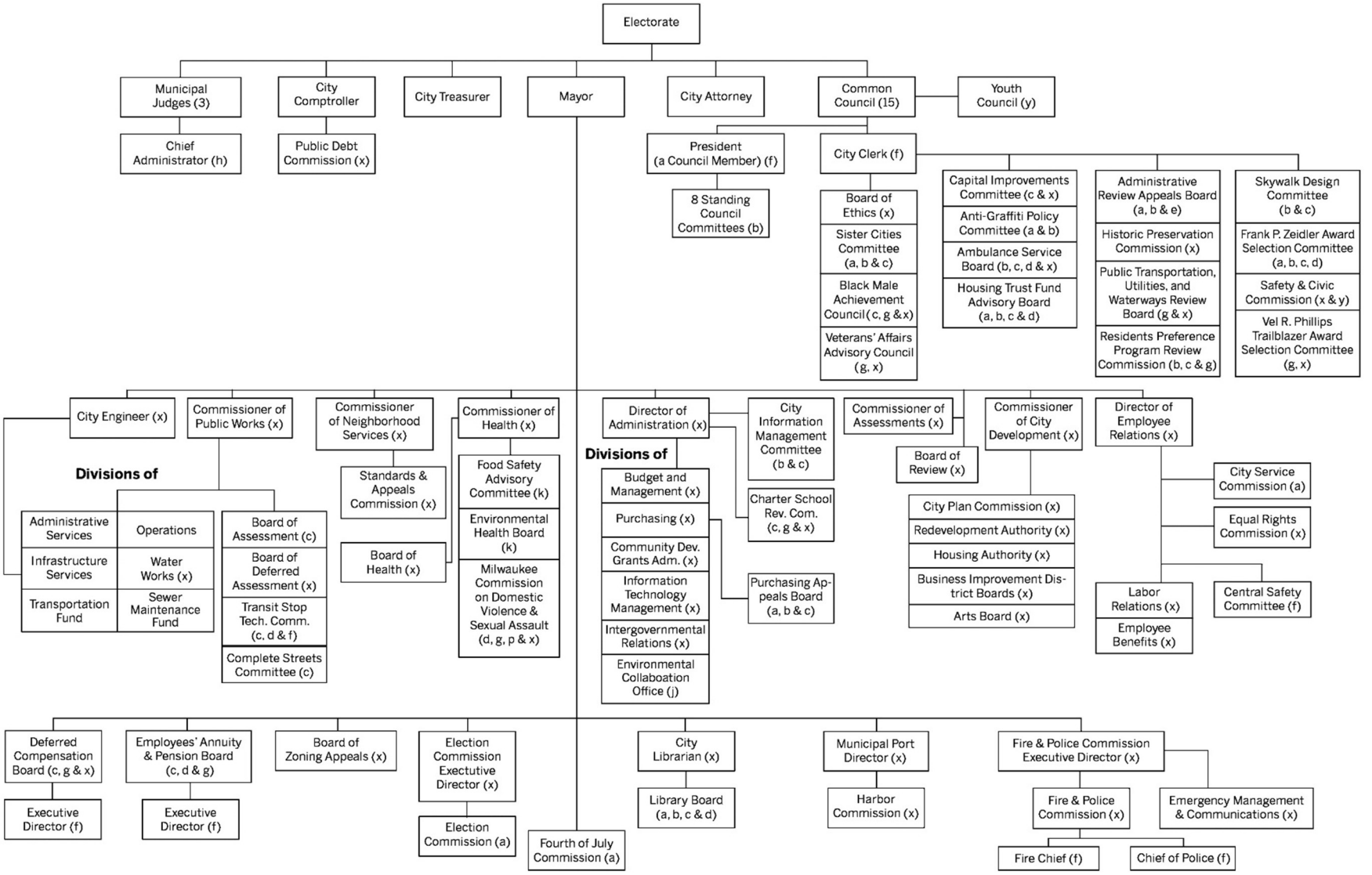
Milwaukee Public Schools' levy contains $31,797,312 that is being levied for the Milwaukee Parental Choice Program.

SECTION II. SUMMARY OF BORROWING AUTHORIZATIONS
(Including School Purposes)

	2018	2019	2020
General Obligation Bonds or Short Term Notes			
New Borrowing			
General City Purposes	$80,848,500	$88,094,000	$86,268,000
Schools	2,000,000	2,000,000	2,000,000
Subtotal	**$82,848,500**	**$90,094,000**	**$88,268,000**
Special Assessment Borrowing			
New Borrowing	$2,885,000	$3,000,000	$3,830,000
Subtotal	**$2,885,000**	**$3,000,000**	**$3,830,000**
Contingency Borrowing			
New Borrowing	$200,000,000	$200,000,000	$200,000,000
Subtotal	**$200,000,000**	**$200,000,000**	**$200,000,000**
Tax Incremental District Borrowing			
New Borrowing	$44,000,000	$44,000,000	$44,000,000
Subtotal	**$44,000,000**	**$44,000,000**	**$44,000,000**
Delinquent Taxes Borrowing			
New Borrowing	$37,000,000	$37,000,000	$37,000,000
Subtotal	**$37,000,000**	**$37,000,000**	**$37,000,000**
Revenue Anticipation Borrowing			
New Borrowing	$400,000,000	$400,000,000	$400,000,000
Subtotal	**$400,000,000**	**$400,000,000**	**$400,000,000**
Water Works Borrowing			
New Borrowing	$27,307,000	$30,657,222	$40,101,772
Subtotal	**$27,307,000**	**$30,657,222**	**$40,101,772**
Sewer Maintenance Fund Borrowing			
New Borrowing	$32,500,000	$29,300,000	$29,300,000
Subtotal	**$32,500,000**	**$29,300,000**	**$29,300,000**
Total All Borrowing			
New Borrowing	$826,540,500	$834,051,222	$842,499,772
Total	**$826,540,500**	**$834,051,222**	**$842,499,772**

CITY OF MILWAUKEE ORGANIZATION CHART

Source: City Clerk's Office • December 2019



I. CITY BUDGETS UNDER THE CONTROL OF THE COMMON COUNCIL

PROPERTY TAX SUPPLEMENTED FUNDS
SUMMARY OF EXPENDITURES

	Expense Category	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
A.	General City Purposes	$631,659,836	$634,116,281	$637,625,198	$3,508,917
B.	Employees' Retirement	126,650,082	112,763,536	120,023,177	7,259,641
C.	Capital Improvements	162,155,915	154,078,000	155,624,000	1,546,000
D.	City Debt	320,977,254	275,152,500	267,569,200	-7,583,300
F.	Contingent Fund	[4,996,634]	5,000,000	5,000,000	0
	Total	$1,241,443,087	$1,181,110,317	$1,185,841,575	$4,731,258

*Contingent Fund experience shown for informational purposes only. Expenditure experience represents transfers to other expense categories and is not included in the total to prevent double counting.

A. GENERAL CITY PURPOSES

1. BUDGET APPROPRIATIONS AND EXPENDITURES

DEPARTMENT OF ADMINISTRATION

EXECUTIVE SUMMARY

MISSION: To make Milwaukee one of the nation's most attractive cities in which to live, work, and do business.

OBJECTIVES: Increase training and employment opportunities for Milwaukee residents.

Provide city services through annual budgets that limit tax levy and municipal service charge changes on the average value residential property to 3% or less.

Limit the proportion of the city tax levies allocated to debt service and employer pension contributions to 60% or lower in a fiscally responsible manner.

Provide reliable and quick access to City data for internal and external use.

Help Milwaukee become a world class eco-City by taking practical action to address climate change and restore the natural environment.

STRATEGIES: Implement budget stabilization actions that achieve ongoing structural budget balance.

Maintain a stable employer pension contribution policy that is consistent with actuarial principles.

Focus grant funding on economic development and employment generation.

Implement programs that increase the number of small business enterprise (SBE) firms located in Milwaukee.

Promote cost effective sustainability practices for residents, businesses, and city departments through citywide implementation of the *ReFresh Milwaukee* sustainability plan.

Maintain and promote the City's Open Data Portal and collaborate with city departments to identify and provide commonly requested data sets.

Provide management oversight of city operations through the Accountability in Management (AIM) program.

Reduce Milwaukee's reliance on fossil fuels through energy efficiency and renewable energy.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	88.24	98.80	96.30	-2.50
FTEs - Other	26.80	35.85	37.55	1.70
Total Positions Authorized	152	171	167	-4
Expenditures				
Salaries and Wages	$5,750,343	$6,026,377	$5,844,260	$-182,117
Fringe Benefits	2,556,708	2,711,870	2,337,705	-374,165
Operating Expenditures	2,149,440	1,919,910	2,504,748	584,838
Equipment	23,720	25,300	25,300	0
Special Funds	1,912,749	2,125,453	2,023,051	-102,402
Total	$12,392,960	$12,808,910	$12,735,064	$-73,846
Revenues				
Charges for Services	$9,987	$82,000	$75,000	$-7,000
Miscellaneous	271,700	291,000	265,000	-26,000
Total	$281,687	$373,000	$340,000	$-33,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

Goals

The Department of Administration supports the city's mission delivery goals through policy, planning, financial management, procurement, sustainability, and information technology services. The city's goals are:

1. Build safe and healthy neighborhoods.
2. Increase investment and economic vitality throughout the city.
3. Improve workforce development and connect more residents to family supporting jobs.
4. Help children succeed, prepare for post-secondary education, and meet their full potential.
5. Sustain Milwaukee's natural environmental assets.
6. Promote racial, social, and economic equity for all residents.

Objectives

1. Increase training and employment opportunities for Milwaukee residents.
2. Provide critical city services through annual budgets that limit the impact of tax levy and municipal service charge changes on the typical residential property to 3% or less.
3. Limit the proportion of the city tax levy allocated to debt service and employer pension contributions to 60% or lower in a fiscally responsible manner.
4. As a result of stagnant State Shared Revenue, seek additional revenue sources to support infrastructure needs and to maintain local services.
5. Improve transparency of City operations and performance.
6. Increase energy efficiency and renewable energy in municipal operations, homes and business firms.

The Department of Administration (DOA) provides planning, policy, and management functions that assist the Mayor, Common Council, and city departments. Through these efforts, DOA supports the city's community goals. Key functions include providing analysis and recommendations on fiscal issues that affect the city, developing the

annual city budget, influencing local, state and federal government policy actions, increasing grant funding, distributing grant funding to city agencies and neighborhood organizations, managing citywide procurement processes, supporting the growth of emerging and local businesses, developing policy and programs for environmental sustainability, and supporting the development of information technology and use of technology in delivering city services.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Combined percentage increase from prior year of changes to the property tax levy and municipal service charges on the average valued residential property.	3.1%	3.5%	3.6%
Percent of tax levy allocated to debt service and employer pension contribution.	54.7%	55.2%	58.1%
Combined number of jobs created and persons trained and placed in jobs through CDBG funded projects.	626	475	475
Number of firms receiving SBE certification.*	81	90	115
RPP hours worked as a percentage of total project hours.**	43%	40%	40%
Percentage of contracts awarded to SBE firms			
Construction	26%	25%	25%
Goods and Services	13%	16%	25%
Professional Services	26%	18%	18%
Procurement requests processed within 100 days.	73%	80%	80%
Average speed time for response at Unified Contact Center {minutes:seconds}.	:52	:35	:35
Datasets available on the Open Data Portal.	70	76	85
Solar energy installed citywide (KW)	582	800	2,250
Green infrastructure, pocket parks, and community gardens created	3	6	5
PACE projects funded	2	2	5
Number of homes receiving energy efficiency upgrades via *Me2* and *Milwaukee Shines*.	5	30	20

* The number of certifications reported represents both new and renewal certifications. Only new certifications were reported in previous budgets.

** Refers to RPP participation on private development agreements. Participation on city let contracts is reported by the Department of Public Works Administrative Services Division.

STRATEGY IMPLEMENTATION

Fiscal Sustainability: The City faces challenges to structural balance as a result of changes in State Shared Revenue policy, limited revenue growth, the growing costs of employee pensions, benefits and debt service.

DOA's annual budget objective is to provide critical city services through annual budgets that limit the impact of tax levy and municipal service charge changes on the typical residential property to 3% or less. The 2020 budget includes a 5% increase to the four city municipal service charges. Combined with the property tax levy charge, this equates to an increased city government cost of approximately $58.58 or 3.6% to the owner of an average valued city home. The increase above target level reflects stagnation of state aid and the increasing costs of pensions.

The city cannot maintain critical services within the 3% guideline unless it gains an additional revenue source. This requires the state government to take action to enable improvement to the city's fiscal capacity. The Mayor has proposed a state law change to allow the city to hold a referendum to approve a half cent sales tax to sustain core city services. If approved, the sales tax would generate $38 million annually. Between 40% and 50% of the estimated sales tax revenue would be paid by non-residents.

Intergovernmental Relations Division (IRD): The challenging political environment facing Milwaukee continues to evolve with the election of Governor Evers and his recognition of Milwaukee as the hub of economic contribution to the State. IRD continues to seek bipartisan opportunities, build collaborative partnerships with other jurisdictions and state departments, and works to maintain local control and flexibility. IRD provides strong representation at the local, state, and federal levels and supports the ability of local leaders to make decisions that address their constituents' needs. The division aids the City in seeking additional, diverse sources of revenue, which are needed to maintain the services provided to Milwaukee's residents and businesses.

IRD's lobbying efforts are defined through the city's state and federal legislative packages which contain hundreds of issue items. The items are chosen and prioritized by working with the Mayor and Common Council. IRD's efforts focus on furthering job creation and workforce development, securing funds for public works infrastructure such as local streets and water service lines, advocating for policies that prevent juvenile violence and improve the justice system, improving educational outcomes for the city's youth, and addressing residential property issues such as foreclosures and problem landlords.

Milwaukee is hosting its inaugural presidential candidate nominating convention in July 2020. IRD is working to secure all federal grants associated with funding the national presidential convention.

Milwaukee is the heart of Wisconsin's economy and is a net contributor to the state's tax base. As the largest contributor to the state's economy, investment in Milwaukee reaps dividends for the rest of the state. IRD will continue to advance the message that Milwaukee's health is worthy of more investment by the state and federal governments.

Purchasing Division: The Purchasing Division is the city's centralized buying and supply management agency responsible for procuring approximately $85 million in goods and services annually and administering guidelines for the disposal of surplus, obsolete, and confiscated goods. The division manages the procurement process in a transparent, socially conscious and ethical manner and negotiates cost savings for approximately 600 requisitions received annually from city departments.

Purchasing's core functions include maximizing cost savings and achieving efficiencies. In 2020, the division will explore the possibility of leveraging existing technology to further digitize the evaluation process for the bidding process. Since 2015, the division has used BonFire, a web based solution, to streamline the request for proposal (RFP)

process. Purchasing is exploring the use of BonFire for bids, to include a more efficient method to tabulate bid responses. With the continued use of BonFire and other efficiency measures, the division projects an average completion of informal bids within 60 days, formal bids within 90 days, and RFPs within 200 days. In 2020, the division will also focus on creating efficiencies through the small dollar procurement method.

The Purchasing Division implements and supports best practices that foster inclusion in the city's procurement practices. These efforts include releasing the Disparity Study RFP, and supporting other contracting goals (e.g., local businesses, Buy American, and socially responsibly contractor bid incentives) that contribute to the socio-economic well-being of the community.

Office of Small Business Development: The Office of Small Business Development (OSBD) helps small businesses succeed by providing small business enterprise (SBE) certifications and access to resources such as the revolving loan and business capacity building programs. In 2018, OSBD processed a total of 81 applications and approved 60 certifications including 10 new applications and 50 renewal applications. Loans totaling $49,880 were issued to three small businesses that created six jobs and retained five jobs.

OSBD works with the Department of City Development to track and report on the resident preference program on private development agreements. Private development projects that obtain more than $1 million in combined city financial assistance are required to provide employment for unemployed or underemployed residents, with a goal of 40% of total work hours. In 2018, RPP workers completed 323,126 hours of work or 43% of the total work hours on these projects.

OSBD uses LCPTracker, a workforce compliance software, to track workforce data across development agreements with RPP requirements. OSBD also works with the Residents Preference Program Review Commission, which was established to identify improvements to the administration and policies of the RPP Program.

In 2020, the Business Capacity Building Program (BCBP) will continue to improve program administration and outcomes for both the SBE and RPP programs. The program prepares small businesses for sustainable growth through increased revenues, new contracting opportunities, and job creation. The program offers business and personal coaching, business solidification assistance, development and growth workshops, networking events, and learning development sessions. SBE's that successfully complete the program are eligible to receive grant funds for capital needs, a significant barrier for these firms. In 2018, four firms completed the BCBP and reported growth through municipal contract awards, increased capacity by hiring permanent full-time staff, and increased relationships with prospective customers. OSBD will host the annual Milwaukee Small Business Week, which includes events such as the Small Business Conference, and will explore ways to increase businesses certified as SBEs and the number of SBE firms actively engaged in the city's contracting process. OSBD, in collaboration with city departments and community stakeholders, will host events and review administrative and policy changes to address barriers impacting small business participation.

2020 Census: In March 2020, the U. S. Census Bureau will mail postcards to every household in the United States requesting completion of a 2020 Census survey by mail, telephone, or online by April 1, 2020. The census counts everyone who lives in the United States, regardless of their immigration or citizenship status.

The census is mandated by the U. S. Constitution every ten years. The census provides an accurate population count. Census data also determines the:

- Distribution of Federal Dollars. Wisconsin receives nearly $12.6 billion every year for a wide range of programs based on total population counts and census data. Programs include Medicare, Medicaid, schools and Head Start, highway planning and construction, nutrition and housing assistance programs for low-income families. For every person not counted, our community loses $1,300 in funding per year for ten years.
- Political Representation. Census data determines state legislative districts and seats in the United States Congress, directly affecting Milwaukee's representation in Madison and Washington, D.C.

The Department of Administration is leading Milwaukee's efforts to achieve a complete population count through public education, outreach, and community engagement. DOA has formed the greater Milwaukee Complete Count Committee (CCC). The CCC is comprised of government, business, education, foundations, faith-based, and other community leaders, and will conduct outreach to historically undercounted populations, such as people of color, low-income households, foreign born residents, and individuals who do not speak English. Key partners include Milwaukee County, Intergovernmental Cooperation Council, Milwaukee's Congressional Representative and U. S. Senators, and dozens of community organizations and groups. The budget includes $50,000 to support census efforts.

Promoting Equity and Inclusion in Milwaukee: The Mayor and City Council joined efforts to advance the Office of African American Affairs (OAAA). In addition to being responsible for the administration, coordination, and implementation of city policies relating to the special needs of African Americans, an important function of the OAAA is providing direct services and resources for African American residents in areas including employment, job training, education, business ownership, financial literacy and asset building, and health care.

The Mayor identified funding for the project and tasked the Department of Administration and Department of Public Works with managing the renovation of a City-owned foreclosed property that will house the OAAA. The building is located on 4830 N. Fond du Lac Avenue and is approximately 12,600 square feet, with three floors.

The OAAA will house multiple service organizations, including non-profits, in order to enable African American residents and other people of color to access quality of life programs and services in one central location. The budget includes a Program Assistant III position to assist with office administration tasks related to the OAAA. The City will also leverage other positions to support the OAAA, including the Community Engagement and Achievement Collaborative (CEAC) Manager, the position that leads the Milwaukee Fatherhood and My Brother's Keeper citywide initiatives.

The Milwaukee Fatherhood Initiative (MFI) will be the anchor organization at the OAAA. MFI will build partnerships to increase awareness within Milwaukee of resources available through the Black Male Achievement (BMA) and My Brother's Keeper (MBK) initiatives. The BMA and MBK initiatives work to address disparities in communities of color and develop partnerships to leverage additional resources from the business, philanthropic, and faith communities. MFI focuses on younger fathers from 25 to 35 years of age and preventative education for middle and high school age youth. The MBK initiative held listening sessions in 2019 for both the faith and LGBTQ communities and plans to hold additional sessions. The MBK initiative will partner with committed businesses and churches throughout Milwaukee, to build stronger relationships with community-based organizations and to work with residents on issues involving boys and men of color. The MBK Action Plan helps guide the work, measure success, and identify areas for improvement.

Government Alliance on Race and Equity (GARE): In July 2019, the City of Milwaukee officially joined the Government Alliance on Race and Equity (GARE), a national network of government entities working to achieve racial equity and advance opportunities for all. The alliance is a joint project of the new Race Forward and the Haas Institute for a Fair and Inclusive Society.

The Department of Administration will lead the City's GARE efforts. DOA will work with City departments to ensure that Milwaukee's government approaches its mission mindful of racial equity. To advance equity, the City will focus on improving individual programs as well as policy and institutional strategies to improve equity. Additional strategies for GARE efforts include building organizational capacity to create ambassadors and teams within city government to advance racial equity and internal and external coalition building.

Accountability will be achieved through data and reporting consistent with Council File 190098, which commits the City to take actions toward achieving racial equity and transforming the systems and institutions of racism that impact the health and well-being of the community.

Equal Rights Commission: The Equal Rights Commission consists of nine members appointed by the Mayor and the Common Council and is staffed by the Equal Rights Specialist. The commission provides internal accountability, enforces housing and employment discrimination ordinances, and works with the business community, educational institutions, and other community based organizations to implement awareness, prevention, and education strategies to address equal rights challenges.

ERC will be actively involved with GARE and will lead and support efforts to elevate the needs of Milwaukee's diverse communities. Through monthly meetings, listening sessions, celebrations, and community outreach, the ERC builds partnerships with community members and stakeholders and creates a space for community voices to be heard.

ERC will lead efforts to bring gender inclusive restrooms to city-owned buildings, and eventually to the City as a whole. Work on this issue has begun through a select committee created in April 2019, made up of representatives from DOA, ERC, DPW, DNS, and several community organizations. Next steps include working with DPW to label existing single-user restrooms as inclusive, passing an inclusive restrooms resolution, partnering with LGBTQ+ organizations on messaging and signage, and supporting state-wide changes to the plumbing and building code.

The ERC works closely with the Mayor, Common Council, DOA, DER, and the Health Department to take action on achieving racial equity, a commitment established in Council File 190098. The ERC will collect data and reports from city departments, identify and recommend a process to ensure that racial equity is a core element of departmental operations, and assist in community alliance building.

In accordance with Chapter 109, the ERC acts on discrimination complaints for protected classes that are not otherwise protected by state or federal law. After initial review of the complaint and a finding of probable cause, the ERC holds a hearing and oversees mediation and possible reparations.

Fund My Future Milwaukee Children's Savings Accounts: Fund My Future Milwaukee (FMFM) is a public-private effort driven by individuals and organizations committed to putting all children, and especially low- and moderate-income children, on a path to higher education and economic prosperity. Children's Savings Accounts (CSAs) is a strategy to increase the educational aspirations of Milwaukee youth, boost college completion rates, and prepare children to succeed in higher education and Milwaukee's workforce. Program partners include Employ Milwaukee, Edvest College Savings Plan, Kohl Philanthropies, Bader Philanthropies, Greater Milwaukee Foundation, Associated Bank, and United Way of Greater Milwaukee and Waukesha County.

The overarching goal of FMFM is to provide every K5 kindergartner in Milwaukee a CSA with an initial seed deposit of $25 through Edvest. Low- and moderate-income children with some college savings are more likely to enroll in and graduate from postsecondary education than those who have no savings. Additionally, the program offers students the opportunity to receive comparable bonus deposits for achieving positive behavioral milestones such as good attendance. It connects students and families to banking and other programs and services to help them meet their financial needs and build assets. The 2020 budget includes a $25,000 Special Purpose Account for FMFM.

Environmental Collaboration Office: The Environmental Collaboration Office (ECO) strives to make Milwaukee a world class eco-city on America's Fresh Coast. ECO develops practical solutions that improve people's lives and the economy while working to protect and restore the natural ecosystems that are integral to long term prosperity. ECO collaborates with the community, develops global partnerships, implements award winning programs, and is responsible for the city's *Refresh Milwaukee* sustainability plan. *ReFresh Milwaukee* is the city's roadmap to a more sustainable future. The plan sets goals, targets, and strategies in the following areas:

- Buildings
- Energy
- Food systems
- Human capital

- Land and urban ecosystems
- Mobility
- Resource recovery
- Water

ECO operates several core programs including the *Better Buildings Challenge* for municipal and commercial buildings including property assessed clean energy (PACE) financing, *Me2* home energy efficiency program, *HOME GR/OWN* vacant lot revitalization program, and *Milwaukee Shines* solar program. In 2017, ECO launched the *Water Centric City* initiative to demonstrate the city's global leadership in sustainable management of water resources. In 2020, ECO will serve on the newly created City-County Task Force on Climate and Economic Equity.

ECO has been heavily engaged with opening pathways for solar energy in Milwaukee, with an eye toward achieving the City's 25% by 2025 goal. ECO is pursuing an "All of the Above" strategy for solar energy that supports city investments in solar energy, a robust and competitive rooftop solar market, and potential partnerships with We Energies to support their transition to renewable energy. In 2019, ECO installed 209 kw of solar on three City libraries, a subset of what was intended to be a total of 1.1 MW on six city buildings using an innovative financing strategy. The City is seeking regulatory clarification on this financing strategy after the electric utility declined to approve the larger project. ECO also partnered with Milwaukee County, Milwaukee Metropolitan Sewerage District, Milwaukee Area Technical College, University of Wisconsin-Milwaukee, and Marquette University to support We Energies in the creation of new renewable energy offerings for large customers. ECO is evaluating those programs as a primary pathway to achieving the 25% renewable energy target. ECO's Milwaukee Shines program also ran a "group-buy" program to provide bulk pricing for homeowners.

ECO contributes to the city's beautification efforts through its HOME GR/OWN program. HOME GR/OWN empowers residents to transform neighborhoods by repurposing vacant lots into community assets that foster new economic opportunities around local, healthy food production, and distribution. The signature HOME GR/OWN project was the design and construction of Fondy Park next to the Fondy Farmers Market. This award-winning park helps the city manage over 70,000 gallons of stormwater per rain event, offers an ADA accessible stage for performances, beautiful plants and seating, and public Wi-Fi. In 2019 and 2020, HOME GR/OWN is concentrating its vacant lot beautification efforts on commercial corridors, particularly North Avenue. By adding signage. landscaping, and stormwater improvements, ECO seeks to demonstrate how improved green spaces can improve the natural environment and support vibrant business districts. Other key projects include Victory over Violence Park on MLK Drive. Funding from the Neighborhood Investment Beautification Program also supported litter reduction efforts through Keep Greater Milwaukee Beautiful and placement of new litter cans. HOME GR/OWN also supported green job creation through green infrastructure and solar energy projects in the Lindsay Heights Neighborhood in partnership with Walnut Way and the Institute for Sustainable Communities.

Taking action on climate change, ECO collaborates with facility managers from various City departments, which comprise the Energy Reduction Team. The Energy Reduction Team works towards the City's energy efficiency and renewable energy goals as outlined in *ReFresh Milwaukee*. This includes working to increase efficiency in municipal buildings by 20% from the year 2009 and getting 25% of the City's electric power from renewable energy sources by 2025. In 2019, ECO worked with the Milwaukee Public Libraries to execute a large energy saving performance contract at Central Library. Coupled with the new solar installation, the Central Library is expected to achieve a 20% energy reduction from its 2009 baseline. ECO is also working to complete an energy reduction plan for all city facilities and the municipal fleet. The 2020 budget includes $100,000 in a Better Buildings Challenge capital account to implement projects identified in the Energy Reduction Plan.

ECO expanded the Better Buildings Challenge to include a comprehensive energy efficiency program for commercial building owners. Over 100 buildings have joined the Challenge. ECO's PACE financing program has been bundled under the Better Buildings Challenge with other services like free energy assessments, workforce development, technology transfer, and operations training. Since its inception, PACE has leveraged private capital to finance 11

building retrofits totaling over $14.3 million in commercial energy efficiency projects since 2014. The U.S. Department of Energy has designated the city's PACE program as a national "implementation model".

The Water Centric City initiative demonstrates Milwaukee's leadership on water across seven principles:

- Water leadership
- Water technology
- Green infrastructure
- Applied water research and policy
- Fishable and swimmable rivers and water bodies
- Sustainable and Healthy water supply
- Arts, Talent, Culture, and Education

ECO completed a Comprehensive Green Infrastructure Plan for Milwaukee to help the City adapt to climate change and meet the Water Centric City vision. Through this plan, the City is partnering with Milwaukee Public Schools and the Green Schools Consortium of Milwaukee to replace pavement with functional green space at schools and creating a new Sustainability Specialist position at MPS. The City now also requires green infrastructure on all large redevelopment projects and is supporting green infrastructure in commercial parking lots and on city street reconstruction projects. Also in support of the Water Centric City initiative, ECO is working with non-profit partners to identify strategies to reduce the amount of single-use plastics that become litter in our waterways and streets.

ECO worked with ITMD, the Midwest Energy Research Consortium (MWERC), and private sector technology leaders to develop "Smart Tech" recommendations for the City. As a result of this report, ECO is exploring smart street lights for Victory over Violence Park and Smart Kiosks to support the Milwaukee's streetcar, "The Hop."

Community Development Grants Administration: The Community Development Grants Administration (CDGA) division applies for, recommends the allocation of, and oversees the effective use of local, state, and federal funds for programs in targeted neighborhoods throughout the city. Funding assists lower income families, removes blight, and increases access to job training and placement services. In 2018, the combined number of jobs created, persons trained, and placed in jobs through Community Development Block Grant (CDBG) funded projects was 626. Of those individuals, 44% obtained full time positions. A total of 164 low income city residents received specialized training in areas including manufacturing, construction, and food services. Of those residents, 48% obtained a job in their respective field, 91% were full time.

The City of Milwaukee Block Grant entitlement allocation for 2020 totals $22.6 million, a reduction of approximately $1.1 million from the actual 2019 funding award. CDBG funds account for the largest portion of those funds with $15 million, a reduction of approximately $794,000 from the actual 2019 funding award.

Improving the Effectiveness and Transparency of Information Technology: The Information Technology Management Division (ITMD) provides services to departments such as desktop support, networks, phones, major deployments of citywide and departmental IT systems, and server maintenance. ITMD provides IT services, staffing, and the majority of purchasing for most cabinet level departments. The Municipal Court, Water Works, Police and Fire departments continue to purchase and maintain their own IT assets.

The City's new Open Data Portal launched in 2018. The Open Data Portal provides a centralized location for access to City data in machine readable, searchable, and easy to use formats. The data portal features a user-friendly interface that allows for simplified navigation and search functions, as well as a modern design that is responsive to mobile devices. Overall, the Open Data Portal provides a more effective, usable and coherent user experience for citizens to easily access and leverage City data.

The Chief Information Officer (CIO) is working with Public Information Division of the City Clerk's Office and public information officers in city departments to establish a coordinated social media strategy, including branding and

appearance. The CIO will also work with departments to develop a strategic plan for the development and implementation of information technology with the goal of reducing the City's dependence upon proprietary technology systems.

The 2020 budget includes several position changes. One Programmer Analyst position is reclassified to a Business Analyst Senior. The GIS Developer - Project Leader position has been eliminated and replaced by a Geographic Information Tech II. An additional position of IT Project Manager has been added to replace the ERP Manager position.

The 2020 capital budget provides $1.4 million for ITMD projects. New projects planned for 2020 include a new fleet scheduling system for DPW ($400,000) and $100,000 to begin planning replacement of the FMIS and HRMS enterprise systems. The 2020 budget includes funding for the continuation of the IT upgrades and replacements ($300,000), FMIS and HRMS enterprise system upgrades ($150,000) and public facilities communications programs ($483,000).

Unified Contact Center: The UCC provides residents with access to city information and non-emergency services through a single, multi-channel point of contact that includes the Call Center, online service request system, e-mail, and the *MKEmobile* application.

Since 2013, management initiatives and operational changes including multi-channel offerings have improved UCC's overall effectiveness. Multi-channel offerings allow residents to choose the option that best meets their needs while enabling staff to better prioritize more urgent requests which are more likely to be received via calls to 286-CITY.

The UCC handles more than 90% of parking information, permission, and complaint calls. The UCC has made progress with other departmental calls, including the creation of virtual call coordination with the city hall operator and continuing joint efforts with Parking, Water Works, the Department of Neighborhood Services, the Department of City Development, and several special programs in the areas of energy efficiency, housing programs, and city grants. The section provides critical assistance to the Election Commission during local and national elections by receiving overflow calls and ensuring that voters are accurately informed and routed appropriately for further assistance.

In order to improve the timeliness of call response, the 2019 budget added two Customer Service Representative III positions to the Call Center. In addition, twenty-one unfunded auxiliary Customer Service Representative III positions were added along with $30,000 in overtime funding. The intent is to use these auxiliary positions to provide additional staffing at the Call Center on high volume call days. There are no further changes to the UCC operations planned for 2020.

RESIZE, RESTRUCTURE, AND REINVEST

Improving Accessibility: The city is committed to providing programs, services, and activities that are accessible to all residents and will continue efforts to ensure compliance with the Americans with Disabilities Act (ADA). The 2020 budget does not include any additional funding for the ADA compliance special fund. Funding of $150,000 is provided in 2019 and this funding was supplemented by $275,193 in funds from prior years that have been carried over into 2019. The currently available funding will be sufficient to cover planned expenditures in 2020. Funding supports an independent licensed architect (ILA) and training for employees that interact with individuals with disabilities. The department's ADA Coordinator plans and manages compliance projects, completes Department of Justice mandated reporting, and coordinates employee training.

Since this effort began in 2016, significant progress has been made with inspections by the ILA and training for city employees. Almost 70% of the violations identified by U.S. Department of Justice (DOJ) have been remediated and nearly 4,000 employees have been trained in 19 city departments including the Police, Fire, and Health departments and the Milwaukee Public Library. The ILA has surveyed all city facilities not previously reviewed by the DOJ and

provided facilities survey reports. The ILA reviews all remediation work for ADA-compliance and generates Certificates of Compliance for corrected items.

As the demand for direct access to services and information increases, it is important to ensure that the city's websites are in compliance with ADA regulations. ITMD worked with a consultant to test the city's web pages and identify barriers for residents with disabilities. A total of $500,000 in capital funding was provided to ensure that the City maintains its website and public facing applications in accordance with the ADA. The project will update the website to ensure that online services and applications are accessible and comply with ADA requirements.

Street Prostitution Partner Patrol: The 2020 budget creates a new Street Prostitution Partner Patrol special fund in the Department of Administration, with funding of $100,000. The intent is to establish a program contracting with private and community organizations to supplement patrols and monitoring of high-prostitution areas in the months of April through September. DOA will collaborate with the Police Department to submit an expenditure plan for approval to the Common Council.

Other Budget Changes: One position of Budget and Management Special Assistant is not funded in 2020, funding is provided for some Graduate Interns in the Environmental Collaboration Office, three positions in the Information and Technology Management Division are reclassified to better align position authority with operational needs, and four unfunded auxiliary positions are eliminated. The Enterprise Resource Management Special Fund is increased by $77,598 to ensure continuing support of the financial and human resources enterprise systems. The Computer Maintenance/Upgrade Special Fund is reduced by $95,000 to achieve budget savings. This will result in a longer replacement cycle for desktop computers. Funding for the Neighborhood Investment Beautification Program Special Fund is reduced to $15,000. This funding will supplement unspent funds from 2019 that will be carried over into 2020 and CDBG funding that is provided for the program.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
0	-1.00	0.00	Budget & Management Special Assistant	Hold position vacant for budget savings
-1	-1.00	0.00	Fiscal Planning Specialist-Senior	Position reclassification
1	1.00	0.00	Capital and Debt Specialist	
0	-0.30	0.30	ADA Coordinator	Increased salary charged to capital
0	-0.50	0.50	Environ. Sustainability Program Coordinator	Increased grant funding
0	0.20	0.00	Graduate Intern	Fund intern positions
0	1.00	-1.00	Grant Monitor	Position funding moved to operating
-1	-1.00	0.00	Procurement Administrator	Position reclassification
1	1.00	0.00	Procurement Manager	
-1	-1.00	0.00	Programmer Analyst	Position reclassification
1	1.00	0.00	Business Analyst - Senior	
-1	-1.00	0.00	GIS Developer - Project Leader	
1	1.00	0.00	Geographic Info. Tech. II	
-1	-1.00	0.00	Enterprise Systems Manager	
1	1.00	0.00	IT Project Manager	
-1	0.00	0.00	Systems Analyst - Sr	Eliminate unfunded auxiliary positions
-3	0.00	0.00	UCC Customer Service Representative III	
0	-3.90	3.90	Various positions	Charge salaries to DOJ grant
0	2.00	-2.00	Various positions	Decrease in salaries charged to capital
-4	**-2.50**	**1.70**	**Totals**	

ASSESSOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Establish public confidence in the accuracy, efficiency, and fairness of the assessment process and ensure the equitable distribution of the city's property tax levy.

OBJECTIVES: Ensure and demonstrate consistency and transparency in assessment operations.

Maximize assessment accuracy reducing the need for appeals and changes to final property tax revenues.

STRATEGIES: Utilize technology to increase transparency, availability, and accuracy of information.

Actively monitor property sales and other housing market trends to assure ongoing assessment accuracy.

Utilize technology to increase ease of accessing, acquiring, and understanding real estate market information.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	44.32	49.00	48.00	-1.00
FTEs - Other	5.98	0.00	0.00	0.00
Total Positions Authorized	59	59	59	0
Expenditures				
Salaries and Wages	$2,875,138	$2,771,505	$2,801,638	$30,133
Fringe Benefits	1,256,788	1,247,177	1,120,655	-126,522
Operating Expenditures	393,953	429,855	309,337	-120,518
Equipment	0	0	0	0
Special Funds	70,000	70,000	70,000	0
Total	$4,595,879	$4,518,537	$4,301,630	$-216,907
Revenues				
Charges for Services	$882,540	$903,000	$843,000	$-60,000
Total	$882,540	$903,000	$843,000	$-60,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
   - Generate accurate, consistent, and fair assessments of the city's taxable property.
   - Provide an open, transparent, and responsive assessment process.

The Assessor's Office is responsible for uniformly and accurately assessing the value of taxable property in the City of Milwaukee. This includes estimating the market value of all locally assessable property, producing an annual assessment roll, and listing all taxable property as of January 1 of each year. The city seeks to deliver services in a manner that achieves customer satisfaction and distributes the cost of service as equitably as possible. Accurate assessments ensure that all areas of the city and classes of property pay an equitable share of taxes based on their value.

The internet has helped potential buyers and sellers of properties access information and significantly reduced the number of telephone inquiries received by the department. Recent technology upgrades have improved the primary departmental computer system. The Assessor's Office continues to upgrade technology-based solutions. In addition to providing better information to the public, technology upgrades offer increased access to assessment information by other city departments and create operational efficiencies. Future technology improvements will streamline office workflows and provide more detailed information to city employees and the public. The first of these projects will be the creation of geo-referenced digital sketches, a project planned for completion in 2020.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Contacts with Property Owners during Open Book	2.80%	3.62%	3.00%
Objection Forms provided to Property Owners during Open Book	1.07%	1.29%	1.15%
Formal Objections as a percentage of taxable parcels.	.85%	.97%	.90%
Appeals to the Board of Review as a percentage of taxable parcels.	.06%	.08%	.06%
Assessment ratio (assessed value/sale price) for all properties sold during the year.	100.1%	95%	100%

STRATEGY IMPLEMENTATION

The Assessor's Office performance in producing fair, accurate, and equitable assessments is measured through several statistics. One key statistic is the assessment ratio, which compares the assessed value of sold homes with their sale prices. The Assessor's Office exceeded its goal of residential assessments by being within 10% of sales prices in 2018. The assessment ratio of 1.012% for 2018 sales reflects continued assessment accuracy in a complicated housing market.

Staffing. The department uses innovative technology and other efficiency improvements to maintain productivity and manage an average parcel count per full time equivalent (FTE) of 3,200 between 2009 and 2019 (see Figure 1). FTEs have decreased from 50 to 45 in that time period. The Assessor's Office continues to meet customer service demands without a demonstrable decrease in accuracy or increase in contested assessments.

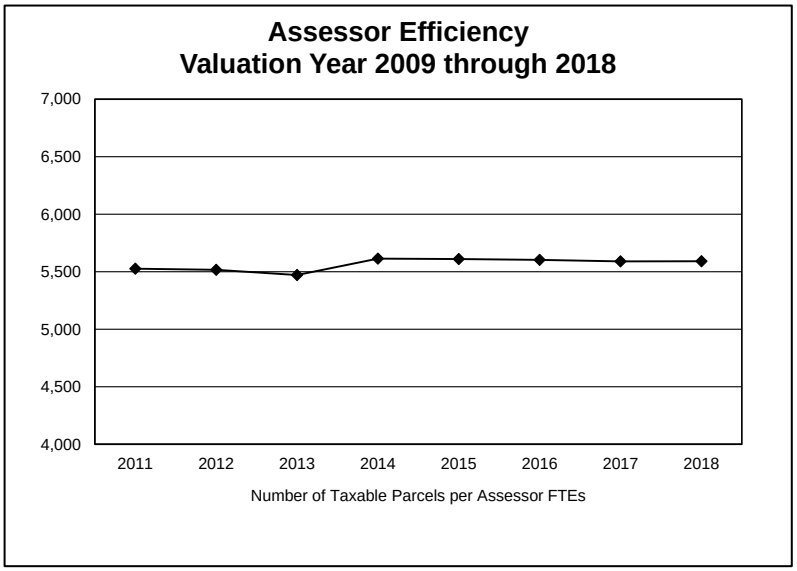
Oversight by DOR: The quality of assessments is continually monitored by the Wisconsin Department of Revenue. Initial statistics are provided by the DOR in the spring of each year and final ratio reports are sent to the City in December. Annual revaluations ensure the Milwaukee assessments are in compliance with Wisconsin standards.

Appeals: The Board of Assessors and the Board of Review hear assessment appeals, allowing property owners to voice concerns or contest their assessments. The Assessor's Office continues efforts to improve assessment accuracy,

provide public information, and educate the public. Increased access to assessment and sales data has reduced appeals significantly since 2008, and objections remain relatively low despite swings in the housing and commercial development markets (see Figure 2).

Litigation: The Assessor's Office is involved in litigation with a small percentage of property owners over valuation disputes under s. 74.37, Wis. Stats. Property owners can appeal property assessments through both a Board of Review and state courts. While the department's valuations have substantially stood in decided cases, litigation requires considerable resources and labor hours.

Figure 1



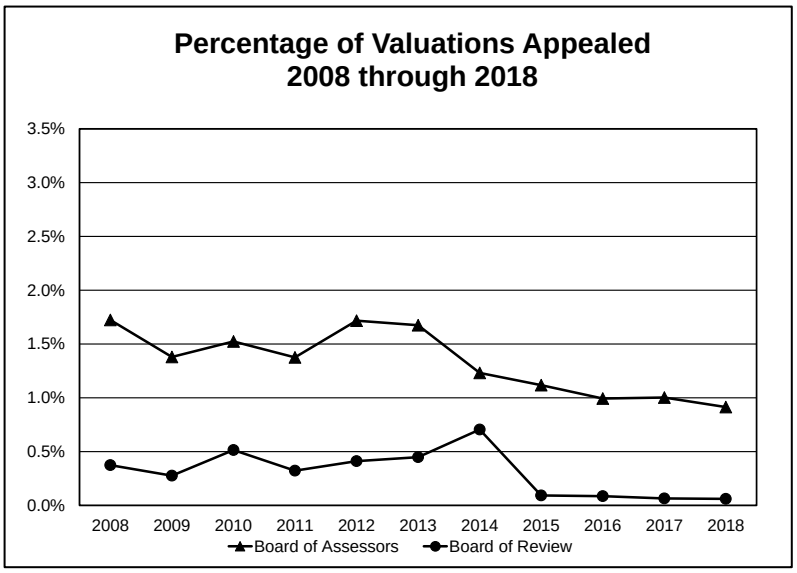
Exempt Properties: For 2019, the city has 9,670 tax-exempt properties with an estimated exempted value of more than $4.5 billion. To protect the city's tax base, the department carefully reviews tax exemptions on an ongoing basis to ensure that all exempt properties continue to serve the public good and provide the services that justify tax exemption.

PILOTS: The Assessor's Office has worked with some non-profit organizations and colleges and universities to have these organizations provide Payments in Lieu of Taxes (PILOTs) as part of agreements related to new developments. The Assessment Commissioner is working with the Mayor and Common Council to develop a plan and a strategy to increase the number of PILOTs entered into by these organizations.

RESIZE, RESTRUCTURE, AND REINVEST

As a result of retirements, the Assessor's Office continues to experience high turnover of property appraisers. In an effort to attract and retain individuals with the skills needed to maintain the standards of accuracy and efficiency, staff worked with the Department of Employee Relations to ensure the pay plan for property appraisers reflects the current market. The pay plan addresses pay progression by providing salary increases for property appraisers who meet pre-determined standards. The standards include earning or maintaining certifications, completing specific courses, and assuming additional responsibilities. The pay plan allows the Assessor's Office to attract new candidates and make salary offers above the minimum of the pay range to qualified candidates. As more property appraisers become eligible for retirement, the pay plan is an important recruitment and retention tool.

Figure 2



In 2013, the Wisconsin Department of Revenue changed its data management

requirements and the requirements for property inspections, requiring all data held by assessors to be stored electronically. The Milwaukee Assessor's Office has created a multiyear plan for implementing the required changes. New technologies and processes are being implemented as the budget permits. The improvements will include the creation and management of digital sketches, geo-referencing of these sketches, new street level imagery, GIS integration, and regular inspections and valuation updates. Best practices from the international Association of Assessing Officers were referenced while developing these changes. Funding these improvements has been a challenge. The Assessor's Office also reviews and reclassifies positions in order to maximize resources and accommodate these mandates.

In 2019, the Assessor's Office will complete a five-year project to upgrade its Computer Assisted Mass Appraisal (CAMA) system. The CAMA system accommodates tablet and mobile technologies for assessment work in the field and will reduce data entry time and errors by appraisers. The new CAMA system was used for the 2019 annual revaluation.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1		Assessment Appeals Director	Created position
-1	-1		Property Appraiser Senior	Eliminated position
	-1		Office Assistant III	
0	**-1.00**	**0.00**	**Totals**	

CITY ATTORNEY

EXECUTIVE SUMMARY

MISSION: Provide legal services and meet the City's legal needs in accordance with the City Charter and statutory requirements.

OBJECTIVES: Protect the City's interests in litigation.

Provide legal opinions on matters of significance to municipal corporations.

Manage risk so that liabilities do not disrupt finances.

Provide day to day legal advice to City officials and departments.

Reduce nuisances that detract from neighborhood quality of life.

Prosecute municipal ordinance violations.

STRATEGIES: Maintain active partnerships with City departments so that legal strategies are consistent with operational needs and coordinated among the different departments.

Maintain exceptional standards of integrity and legal expertise through continuing education, competitive recruitment, and professional opportunities.

Continue to implement neighborhood revitalization legal services including housing crisis response, nuisance abatement, community prosecution, and strategic code enforcement.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	55.52	60.00	58.50	-1.50
FTEs - Other	1.11	2.00	2.50	0.50
Total Positions Authorized	65	65	64	-1
Expenditures				
Salaries and Wages	$4,679,442	$4,624,294	$4,546,876	$-77,418
Fringe Benefits	2,103,119	2,080,931	2,046,094	-34,837
Operating Expenditures	360,310	342,500	341,927	-573
Equipment	63,360	36,000	36,000	0
Special Funds	0	0	0	0
Total	$7,206,231	$7,083,725	$6,970,897	$-112,828
Revenues				
Charges for Services	$1,055,446	$904,000	$947,000	$43,000
Total	$1,055,446	$904,000	$947,000	$43,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Improve the City's fiscal capacity by protecting the City's interests in litigation and managing risk so that liabilities do not disrupt finances.

2. Support the City's interests and policy initiatives.

3. Develop and sustain legal strategies to promote respect for individual civil liberties and the rule of law.

4. Sustain safe and healthy neighborhoods by reducing nuisances that detract from quality of life and prosecuting ordinance violations.

The City Attorney's Office supports the City's goals of building safe and healthy neighborhoods and improving fiscal capacity. It supports these goals by effectively prosecuting ordinance violations, providing legal services related to housing and neighborhood issues, assisting with economic development and affordable housing efforts, abating nuisances through community prosecution and related efforts, and managing financial liabilities resulting from claims and lawsuits.

The City Attorney is a publicly elected official and conducts all legal business for the City and its departments, boards, commissions, and other City governmental agencies including the Housing and Redevelopment Authorities and Milwaukee Public Schools. The City Attorney's Office handles litigation and maintains a docket of cases to which the City may be a party, provides legal advice and opinions, and prepares and examines legislation for the Common Council. In addition, the City Attorney drafts all legal documents required for conducting the business of the City, collects claims and delinquencies, and prosecutes City ordinance violations.

Key Performance Measures	2018 Actual		2019 Projected	2020 Planned
Number of assessment appeals successfully defended.	Opened (during 2018)	18	23	22
	Dismissed (during 2018)	18	10	10
	Pending (as of 12/31/2018)	38	43	40

STRATEGY IMPLEMENTATION

The City Attorney's Office is divided into four sections, including Neighborhood Revitalization and Ordinance Enforcement; Real Estate/Education/Housing; Employment/Labor/Benefits/Contracting; and Litigation. Each section has six to ten attorneys and is managed by a Deputy City Attorney.

The Neighborhood Revitalization and Ordinance Enforcement section improves the quality of life in Milwaukee's neighborhoods by prosecuting ordinance violations and abating public nuisance conditions. It helps improve public safety through litigation, legal opinions, education and outreach. The community prosecution team collaborates with other city departments and governmental agencies, local businesses, community based organizations and residents to resolve chronic neighborhood and housing-related problems. This includes investigating landlords and seeking receiverships where appropriate, initiating and defending condemnation proceedings against blighted properties, investigating and prosecuting appropriate actions against municipal license holders, and developing legal strategies to target problem properties.

The Neighborhood Revitalization and Ordinance Enforcement section continues to litigate several large scale receivership actions and bankruptcy adversarial proceedings against exploitative landlords and chronic debtors. It objects to foreclosure sales where bidders are tax delinquent or have outstanding municipal court judgments, resulting in payments of thousands of dollars owed to the City. The section conducts trainings for the Milwaukee Police Department, the Department of Neighborhood Services, the Health Department and the City Clerk Licenses Division. In 2018, the Ordinance Enforcement Division conducted approximately 11,373 pre-trial conferences and 1,582 trials in the Milwaukee Municipal Court, including the prosecution of 1,540 distinct building and zoning code cases. In addition, the section appears in circuit court for appeals of municipal court convictions and petitions for the return of seized property. The section works with the Municipal Court and the Milwaukee Area Technical College on numerous problem-oriented initiatives to reduce recidivism and promote public safety through remedial consequences such as traffic safety and addiction counseling to offenders. In 2020, the Neighborhood Revitalization and Ordinance Enforcement section will focus on the free speech, civil disturbance, licensing and permitting preparations associated with the Democratic National Convention.

The Real Estate/Education/Housing section provides legal services to Milwaukee Public Schools, the Housing Authority, the Redevelopment Authority and various City departments, boards and committees. The section manages the City's risk and liabilities through document drafting, works with City departments and elected officials to facilitate economic development and sales of City-owned property for development and housing, implements tax incremental and other financing necessary to assist in development, implements workforce development programs, addresses zoning and other land use issues, advises departments and City officials on the public records and open meetings laws and advises the City's Ethics Board, Board of Harbor Commissioners and Public Debt Commission. Examples of services provided by this section include:

- Negotiated and drafted the agreement for the 2020 Democratic National Convention and continued work on preparation for the convention including procurement policies under the security grant, intergovernmental agreements with outside law enforcement agencies, records requests, permitting and transportation matters.
- Assisted on development projects including the Komatsu development, the Ikon hotel project, Villard Commons, The Beacon/KinetiK Apartments, Soldier's Home redevelopment, Joy Farms and the "tiny homes" project for homeless Veterans.
- Assisted the City and RACM in partnering with MATC, JCP Construction and Social Development Commission on a program that provides hands-on experience and training to unemployed residents in the rehabilitation of tax-foreclosed homes.
- Provided legal assistance in the creation of seven new and the termination of one TID.
- Provided public records and open meeting training sessions to various City departments, boards/commissions and officials.
- Successfully argued in the 7th Circuit in the St. Joan Antida vs. MPS case regarding busing of students attending a voucher school.

The Employment/Labor/Benefits/Contracting section provides general legal services to City departments including drafting contracts; navigating purchasing requirements and providing essential training, legal counsel, and representation on state and federal employment law, including discrimination, civil service, the Fair Labor Standard Act, and the Family Medical Leave Act. In addition, the police and fire unions generate ongoing municipal labor relations work, including grievance arbitration and disciplinary matters before the Fire and Police Commission. The section also provides legal services to the Employees' Retirement System, the Deferred Compensation Plan, and medical, dental and other employment benefit plans the City sponsors. Examples of services provided by this section include:

- Successfully dissuaded the Wisconsin Department of Revenue's demand for approximately $500,000 in additional sales tax.
- Assisted in major requests for proposals, including legal services by outside counsel for debt collection services.
- Working with DPW on various streetcar related contracts and ordinances.
- Preparing legal opinions and ordinances relating to creation of the Board of Health.

- Review and advise on purchasing requirements for federal grants in connection with the Democratic National Convention.

The Litigation section handles litigation, property assessment challenges, licensing matters and bankruptcy cases in which the City is a debtor. The section aggressively defends the City's property assessments by actively litigating assessment cases in court and providing counsel to the Assessor's Office. Several court determinations within the last year provided rulings upholding the property valuations set by the Assessor or substantially compromising the refund amount sought by the taxpayer.

The Litigation section has also defended a number of significant police-related lawsuits in the past year. Several cases have led to settlements either before or during trial that have been in the best interests of the city. The section works to effect the obligations of the city, police department, and the Fire and Police Commission under the ACLU lawsuit relating to traffic and pedestrian stops and frisks conducted by police officers.

RESIZE, RESTRUCTURE, AND REINVEST

Staffing Issues: Although the City Attorney participated in the 3% salary increase for general city employees that provided a residency incentive policy, the City Attorney plans to resume its merit pay plan in 2021. The City Attorney considers merit pay to be the most significant factor in his ability to attract and retain qualified assistant city attorneys. Salary adjustments for merit are based upon performance evaluations, are contingent upon available funds, and are capped at 4% of an eligible employee's salary.

In 2019, the department utilized the auxiliary resource program to temporarily appoint a part time Graduate Intern through the State Bar of Wisconsin Diversity Clerkship Program. This program provides first year Wisconsin law school students with diverse backgrounds a full time summer clerkship experience with legal organizations. The department hired a summer clerk for ten weeks during 2019. The clerk worked on housing authority and city evictions and other general legal matters. This was the department's third year participating in the Diversity Clerkship Program. In recognition of the work the City Attorney's office has done for diversity and inclusion, the State Bar of Wisconsin Diversity and Oversight Committee awarded Deputy City Attorney Miriam Horwitz with the inaugural Diversity and Inclusion Trailblazer Award for 2019.

Technology: In 2019, an upgrade to a more current version of the document management system was completed.

Special Purpose Accounts: The City Attorney's Office uses various special purpose accounts to manage legal issues. These accounts pay expert witnesses, pay legal claims and settlements, and insure the City against loss. The 2020 budget provides $1,225,000 for the damages and claims fund for anticipated liability exposure. The outside counsel and expert witness account is used to prepare for lawsuits and is funded at $500,000, a decrease of $350,000. The insurance fund provides policy premiums for the local government insurance fund and is funded at $922,000, an increase of $267,000.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1		-1	Parking Citation Review Manager	Transferred to DPW Transportation Fund
-1	-1.00		Office Assistant IV	Position eliminated
1	1.00		Legal Office Assistant	Position created
	-1.50			Increased grant funding
		1.50		
-1	**-1.50**	**0.50**	**Totals**	

CITY TREASURER

EXECUTIVE SUMMARY

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.

OBJECTIVES: Collect current and delinquent property taxes in a timely and cost effective manner.

Earn more than the State's Local Government Investment Pool through prudent investment of city funds.

STRATEGIES: Coordinate efforts with the city's collection agency to collect delinquent property taxes.

Maintain high quality standards for property tax collection services to city residents and accounting of city funds.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	28.90	29.99	31.52	1.53
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	59	48	50	2
Expenditures				
Salaries and Wages	$1,619,791	$1,586,682	$1,677,591	$90,909
Fringe Benefits	705,174	714,006	671,036	-42,970
Operating Expenditures	633,099	556,650	734,968	178,318
Equipment	0	0	0	0
Special Funds	19,651	657,310	734,000	76,690
Total	$2,977,715	$3,514,648	$3,817,595	$302,947
Revenues				
Charges for Services	$164,486	$104,000	$117,000	$13,000
Licenses and Permits	96,733	89,000	92,000	3,000
Miscellaneous	3,012,902	2,260,000	2,615,000	355,000
Total	$3,274,121	$2,453,000	$2,824,000	$371,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The City Treasurer, under authority provided by Wisconsin State Statutes, the Milwaukee City Charter, and code of ordinances, receives and accounts for all monies paid to the city, makes disbursements vouchered for payment by the Comptroller, invests city funds that are not needed to meet current expenditures, collects current property taxes and delinquencies for all six tax levies within the City of Milwaukee, settles property tax collections on a prorated basis, and remits to each taxing jurisdiction their share of the monies collected.

The Treasurer's Office supports the city's efforts to improve fiscal capacity through its investment of city funds that are not needed immediately to meet current expenditures, including property taxes and lump sum revenue payments such as State Shared Revenue. In making investment decisions, the Treasurer's Office considers the safety, liquidity,

and rate of return of various investment instruments. The Treasurer's Office also supports the city's efforts to deliver services at a competitive cost by controlling tax collection costs.

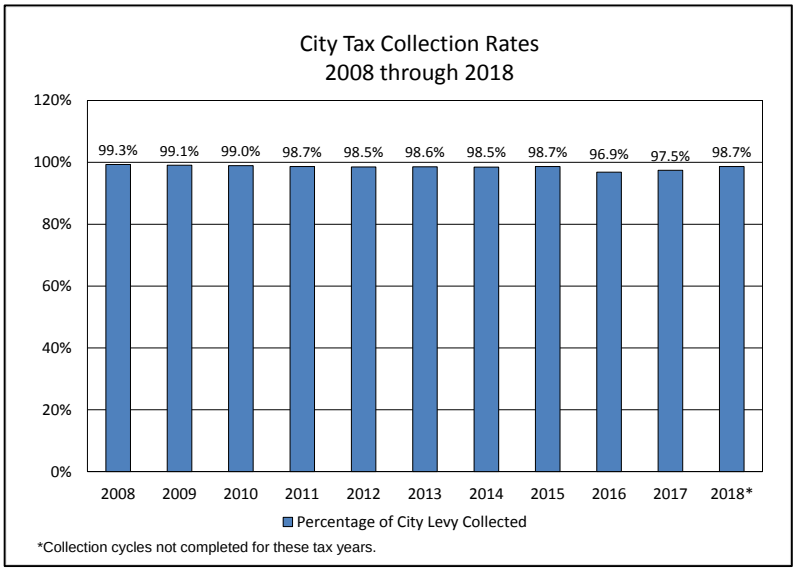
The department's 2020 budget totals $3.8 million, an increase of 8.7% or $305,614 from the 2019 budget. About 59% or $179,000 of this increase results from an escalation of various service contract costs.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Cost of property tax collection as a percentage of property taxes collected.	0.2703%	0. 2954%	0.4338%
General fund investment revenue realized on short term pooled cash investments.	$2,009,523	$1,630,200	$2,050,533
General fund investment revenue realized on long term pooled cash investments.	$841,123	$712,163	$851,133

STRATEGY IMPLEMENTATION

The City Treasurer collects property taxes, including delinquent taxes, for all six levies within the city. As seen in Figure 1, the Treasurer has successfully collected almost 100% of the total city levy and an average of over 98% of resulting delinquent accounts. The Treasurer's Office strives to collect all delinquent property tax accounts. Collection efforts have been improved by allowing special assessments and charges to be placed on the city's ten month, interest free installment payment plan. In addition the city's collection agent attempts to collect delinquent real estate property taxes for a period of 12 months prior to the city pursuing a foreclosure action. This lowers taxpayers' required monthly payments, which helps prevent *in rem* tax foreclosure.

Figure 1



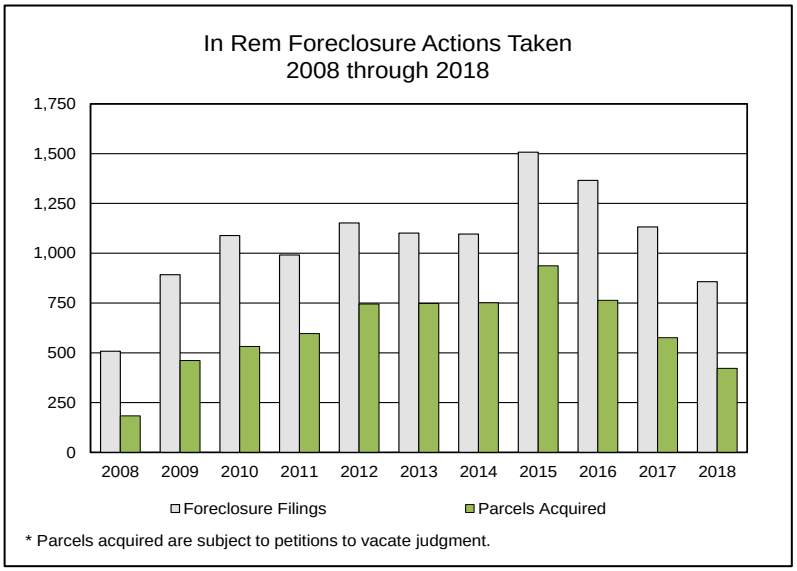
In 2018, the city filed against 857 properties through *in rem* foreclosure and acquired 422 of those properties. As shown in Figure 2, the trend in foreclosure filings and acquisitions has been decreasing since 2015.

RESIZE, RESTRUCTURE, AND REINVEST

***In Rem* Tax Foreclosure Filings:** The 2020 budget provides funding for five separate *in rem* tax foreclosure filings. Multiple filings help manage the large volume of properties entering foreclosure.

The 2020 budget continues the accelerated *in rem* foreclosure program. Begun in 2015, the program acquires vacant and abandoned properties sooner to expedite sale to a new, private owner, while preventing the properties from being vandalized or becoming a nuisance property. Accelerating the foreclosure process helps stabilize neighborhoods.

Figure 2



Tax Collection System Replacement: Since implementing the new Tax Collection System in late 2017, operational efficiencies have been realized including:

- Offering online tax payments year round, in addition to the current tax collection period.
- Reduced printing costs.

The 2020 budget adds two new positions, a Program Assistant II (0.5 FTE) and a Customer Service Specialist. These positions are needed to maintain current service levels.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	0.50		Program Assistant II (0.5 FTE)	New positions
1	1.00		Customer Service Specialist (Y)	
	0.03		Temp. Customer Service Rep. I	Increase temporary hours
2	**1.53**	**0.00**	**Totals**	

COMMON COUNCIL-CITY CLERK

EXECUTIVE SUMMARY

MISSION: Establish city policy and law, oversee the administration of city government, adopt the annual budget, ensure the delivery of services to constituents, and provide the public with information about the duties and actions of city government.

OBJECTIVES: Efficiently deliver city government information in a user friendly, understandable manner.

Manage an equitable and efficient licensing system that supports business operations while providing adequate protections for the public.

STRATEGIES: Use technology to reduce costs while increasing the productivity and efficiency of legislative constituent services and improving public access to government actions and meetings.

Streamline licensing operations and improve customer service with the use of internet transactions.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	95.77	101.57	99.57	-2.00
FTEs - Other	0.86	1.40	1.40	0.00
Total Positions Authorized	125	127	125	-2
Expenditures				
Salaries and Wages	$5,720,133	$5,683,145	$5,746,868	$63,723
Fringe Benefits	2,533,435	2,557,415	2,298,747	-258,668
Operating Expenditures	903,682	849,000	854,618	5,618
Equipment	12,819	8,000	28,600	20,600
Special Funds	26,342	142,035	137,035	-5,000
Total	$9,196,411	$9,239,595	$9,065,868	$-173,727
Revenues				
Charges for Services	$5,379,600	$4,830,000	$5,157,000	$327,000
Licenses and Permits	4,723,339	4,635,000	4,905,000	270,000
Total	$10,102,939	$9,465,000	$10,062,000	$597,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Enhance the safety, prosperity, and quality of life of Milwaukee's citizens.

   - Utilize legislation, regulations, and the annual budget to support this goal.

The mission of city government is to enhance the safety, prosperity, and quality of life of Milwaukee's citizens. Departments support this mission through the legislation and regulations enacted by the Common Council and using the resources the council provides through the annual budget.

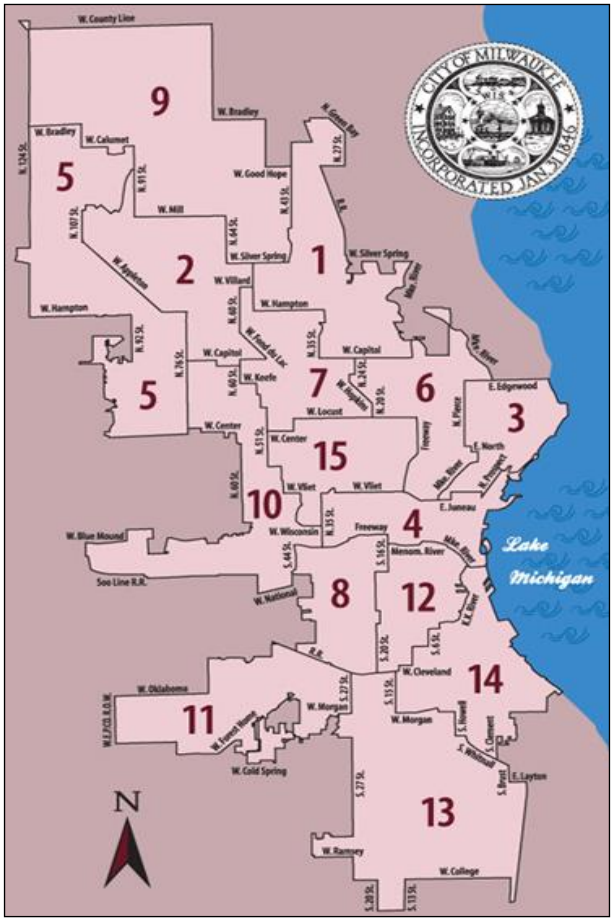
The City Clerk's Office performs city government and licensing functions with efficiency and fairness. In addition, the department maintains accurate and up-to-date records of city government actions and ordinances and keeps constituents informed of the actions of their council representatives. The City Clerk's Office also administers and assists in investigating various license applications and collects license revenues.

The Common Council is the legislative branch of city government with 15 members representing geographically distinct districts (see Map 1). The City Clerk's Office supports the council and other general operations of city government through five areas:

- Central Administration Division
- Public Information Division
- Legislative Reference Bureau
- License Division
- Municipal Research Center

Central Administration provides administrative support functions for the department, staffs council and committee meetings, and assists council members in their work with constituents. The Public Information Division produces public relations materials and operates the city's cable television channel, City Channel 25. Legislative Reference Bureau staff author and analyze legislative initiatives, and review and make recommendations on fiscal matters.

Map 1 City of Milwaukee Aldermanic Districts



The License Division registers lobbyists and administers various licenses including liquor, bartender, home improvement, and other occupational licenses.

The Municipal Research Center consolidates the functions of the City Records Center, the Municipal Research Library, and Historic Preservation Section to serve as repository for official City documents, maintain and provide access to Milwaukee-related publications, and serve as a resource for City employees and the general public for access to records and information on Milwaukee's municipal government and historic properties. Workforce Development Office is establishing a new approach to connecting Milwaukee job-seekers with the resources and opportunities they need to be successful.

RESIZE, RESTRUCTURE, AND REINVEST

The Common Council City Clerk's 2020 budget totals $9.0 million. Changes from the 2019 budget include adjustments to reflect current salary rates of employees, a $6,000 increase in operating expenditures, a $21,000 increase in equipment funding, and a $5,000 decrease in special funds.

Municipal Research Center: The MRC celebrated its "grand opening" in November 2018 in the basement suite of the Zeidler Municipal Building. Its constituent units, including City Records, Historic Preservation, and the newly-renamed Municipal Research Library, continue to work to improve access to City resources as part of the mission of the new Center. Efforts to facilitate this mission include catalog entries for archival materials in City Records, outreach to and collaboration with the Milwaukee Public Library to cross-promote resources, and employee training on records and information management best practices. Notably, the Municipal Research Library has entered into a

partnership agreement with Recollection Wisconsin, which will allow them to make digital content from their collection publicly available online.

City Records also executed a collaboration with Milwaukee Municipal Court to use the City's E-Vault document management system as a storage and delivery platform for the Court's case management records. This proof-of-concept integration of E-Vault with live systems will hopefully lead to additional integrations in the future, centralizing control of City information, improving efficiency, and reducing use of costly/redundant alternatives. The CRC is also in the final stages of procurement for a physical records system to replace its 30-year-old legacy database, which should greatly simplify Departmental transfer of records and requests for reference use.

Red Tape Rescue Program: The License Division receives and processes applications for 66 types of licenses and assists the Common Council in reviewing license applications. Staff process over 19,000 license applications and issue nearly 18,000 licenses annually.

In 2015, the city's Local Business Action Team (LBAT) provided the License Division with recommendations to facilitate a more business friendly approach to the licensing process. In 2016, the License Division began implementing the LBAT's recommendations, including simplifying and automating processes, addressing language barriers, and public education. The red tape rescue program was created to continue these efforts with the following goals:

- Make the city an easier, more welcoming place to do business through improvements to city rules and processes.
- Stimulate investment in the city, particularly through public private partnerships and interdepartmental collaboration.
- Create jobs and add to the tax base, with a particular emphasis on small and local businesses.

The program offers several unique tools:

- **StartSmart Online Tool:** Guides entrepreneurs to the proper city and state licenses and permits.
- **Pivot Program Business Workshops:** Provides prospective and existing entrepreneurs access to city and state departments in free, two-hour workshops to answer questions and provide guidance.
- **Clerk Notes Instructional Videos:** Videos covering a range of topics that provide direct access to the knowledge and expertise of License Division staff. All are easily accessed on the Common Council City Clerk's YouTube channel.

Growing Entrepreneurs in Milwaukee: A new program that teaches Milwaukee youth about entrepreneurship through online learning content. The Red Tape Rescue program also provides quarterly electronic newsletters and social media updates. License Division staff continually work to make resources more user-friendly, including simpler applications, modernized web pages, and online application functionality through integration into the Land Management System. Resources are made available in multiple languages. The License Division continues to evaluate opportunities to achieve greater efficiency, effectiveness, and sustained improvements that help businesses thrive in Milwaukee.

Workforce Development: The Council's Workforce Development Office has two functions:

- Provides expertise to the Common Council on Workforce Development policies and systems.
- Creates awareness of training and placement opportunities and introduces innovative and collaborative strategies for the city's emerging neighborhoods.

The Office is working on several initiatives, including:
- Finalize a Workforce Development Office landing page.

- Update Common Council Members' workforce development priority work plans and integrate these in a user-friendly function within the Workforce Development landing page.
- Enhance strategic and collaborative efforts with Milwaukee County's workforce board, Employ Milwaukee, including a seat on its Coordinating Council.
- Enhance the design of DirectConnectMKE (DCMKE) to include upgraded functions recommended by employment service agencies.
- Promote DCMKE through the e-notify application.
- Maintain existing DCMKE members and users, including Milwaukee Promise Zone partners.
- Expand DCMKE's reach and usage by 30% among job seekers, career mentors and corporate champions.

The Workforce Development Office also partners with the Office of Small Business Development to promote business procurement enhancements recommended by the City Accelerator Program to improve economic opportunity for businesses of color, and to implement the Disparity Study.

Position Changes: The 2020 budget reduces one Graphic Designer II, one Production Technician, one Code Enforcement Specialist, and one Librarian II. The 2020 budget also adds two Library Reference Assistant's, and includes one position title change from Community Outreach Liaison to Community Outreach Coordinator.

Inspector General: The 2020 budget retains position authority and fully funds the Inspector General position. The Inspector General is tasked with promoting ethical, fiscal, and legal accountability by monitoring and reporting on the administration and operations of City Departments.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00	0.00	Community Outreach Liaison (X)	Position change
1	1.00	0.00	Community Outreach Coordinator (X)	
2	2.00	0.00	Library Reference Assistant	Positions created
-1	-1.00	0.00	Librarian II	Positions eliminated
-1	-1.00	0.00	Code Information Specialist	
-1	-1.00	0.00	Graphic Designer II	
-1	-1.00	0.00	Production Technician	
-2	**-2.00**	**0.00**	**Totals**	

COMPTROLLER

EXECUTIVE SUMMARY

MISSION: Fulfill the responsibilities of the independently elected Comptroller of the City of Milwaukee.

OBJECTIVES: Provide essential financial services, continuously improve business processes, and guide decisions to support the city's financial strengths.

Maintain the city's high quality credit and manage debt in a manner that supports an improved fiscal environment.

STRATEGIES: Provide independent fiscal, financial and program analysis, revenue estimation, and auditing.

Process, maintain, and report on financial position, operating results, and cash flow projections to ensure accurate, efficient, and reliable financial operations.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	52.30	50.02	48.40	-1.62
FTEs - Other	5.70	5.98	7.60	1.62
Total Positions Authorized	64	64	59	-5
Expenditures				
Salaries and Wages	$3,060,170	$3,114,267	$3,132,645	$18,378
Fringe Benefits	1,353,180	1,401,420	1,253,058	-148,362
Operating Expenditures	157,880	224,090	164,805	-59,285
Equipment	4,764	5,000	5,000	0
Special Funds	0	0	0	0
Total	$4,575,994	$4,744,777	$4,555,508	$-189,269
Revenues				
Charges for Services	$654,160	$580,000	$580,000	$0
Total	$654,160	$580,000	$580,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

One of the city's goals is to deliver services at a competitive cost and improve its fiscal capacity. This requires that the city's financial operations are accurate, efficient, and reliable.

The City of Milwaukee Comptroller, an elected official, is responsible for managing the city's financial operations. The Comptroller's duties include general and grant accounting, payroll, debt issuance and management, and auditing. The Comptroller also provides general oversight of city activities to ensure compliance with Generally Accepted Accounting Principles (GAAP) and various other regulations imposed by city ordinance, state law, or grant contract.

The Comptroller advises city policymakers on financial matters and provides leadership and advice to city sponsored committees including the Common Council's Finance and Personnel Committee. The Comptroller also holds positions on the Wisconsin Center District Board, Charter School Review Committee, Pension Board, Pabst Theater

Board, City Information Management Committee, Milwaukee Economic Development Corporation, Neighborhood Improvement Development Corporation, Purchasing Appeals Board, and the Deferred Compensation Board.

The Public Debt Commission is the superintendent for city debt issuance. Responsibility includes determining the timing, structure, call provisions, and similar aspects of both city general obligation and revenue anticipation borrowings. The commission oversees the public debt amortization fund, which includes investment and the annual withdrawal to reduce the debt service tax levy. The commission is comprised of three city residents appointed by the Mayor and confirmed by the Common Council. The Comptroller serves as the ex-officio secretary and staff to the commission.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Percentage of actual revenues to revenue estimate.	99%	100%	100%
Internal audit work products.	7	12	7
Unqualified audit opinion by the city's independent auditor.	Yes	Yes	Yes
Bond rating (S & P Global/Fitch).	AA-/AA-	AA	AA

STRATEGY IMPLEMENTATION

A core function of the Comptroller's Office is to provide accurate budgeted revenue estimates. With a few exceptions, the Comptroller has estimated revenues within 2% of actual revenues.

If revenue estimates are too conservative, the Mayor and Common Council must make other fiscal changes to ensure a balanced budget. This may include reducing budget appropriations further than necessary, increasing the property tax levy higher than necessary, or making a larger withdrawal from the tax stabilization fund (TSF). If actual revenues are higher than revenue estimates, the surplus revenue is deposited in the TSF. The TSF withdrawal, in effect, recoups the unrecognized revenue from the prior budget. Use of the TSF is a prudent and responsible fiscal measure that minimizes property tax levy volatility.

Variances in TSF withdrawals are strongly affected by revenues that exceed estimates. The higher that actual revenue amounts exceed budget estimates, the larger the TSF balance that is available to withdraw.

Another core function of the Comptroller is conducting audits. Copies of major audit reports are provided on the Comptroller's web page. The Comptroller's Office performs four major types of audits, including:

- Financial audits to determine if financial records are accurate and proper controls are in place.
- Compliance audits to determine if departments comply with funding or regulatory guidelines.
- Program audits to determine if a program is operated in the most efficient and effective manner.
- Information technology audits to ensure that controls and security measures are in place to protect the city's technology networks and systems.

City operations rely on official accounting records. Without accurate and reliable information on accounts payable, accounts receivable, and payroll the city could not meet its obligations, bills would go unpaid, city employees would not receive paychecks, and important services could not be provided. Reliable accounting records help the city determine its present financial position and guide its future direction. Timely, reliable, and accurate accounting records are essential to the delivery of important public services such as garbage collection and public health services.

Systematic audits of the accounting system protect against failures in important information by ensuring that accurate accounting records are being kept.

The Comptroller also manages the city's debt. The Comptroller's goal is to retain the city's high "investment grade" bond ratings and maintain low borrowing costs. Low borrowing costs produce direct benefits to the taxpayer. The city continues to maintain high quality investment grade ratings of AA- from Fitch and AA- from S & P Global.

These ratings have remained in the AA range despite decreased state aids. As the ratings indicate, the city's capacity to meet its financial commitments on outstanding obligations is strong. The ratings reflect a combination of moderate overall debt burden, rapid debt repayment, and manageable capital needs. The city keeps the overall debt burden affordable by controlling the level of annual debt issued.

OTHER SERVICE AND BUDGET CHANGES

The Comptroller's Office continues to experience increased workload due to new Governmental Accounting Standards Board accounting requirements, changes in auditing standards, increased grant financial administration, increased demand for both financial analysis and internal audits, and the growing complexity of the bond market.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&MFTEs	Position Title	Reason
	-1.62	1.62	Various Positions	Increased grant funding
-1			Information Systems Auditor	Auxiliary position eliminated
-1			Auditor	
-1			Functional Applications Analyst Sr	
-1			Administrative Assistant II	
-1			Accounts Director	
-5	**-1.62**	**1.62**	**Totals**	

DEPARTMENT OF CITY DEVELOPMENT

EXECUTIVE SUMMARY

MISSION: Improve the quality of life in Milwaukee by guiding and promoting development that creates jobs, builds wealth, and strengthens the urban environment.

OBJECTIVES: Increase the annual amount of net new construction in the community by half of 1% or more.

Increase total employment and develop quality employment in the city.

Support stable and high quality housing and commercial developments throughout the city.

Increase total sales, rehabilitation efforts, and redevelopment of city owned real estate.

Increase commerce and neighborhood vitality in Milwaukee.

STRATEGIES: Reduce the impact of residential foreclosures in Milwaukee neighborhoods.

Support regional marketing of commercial real estate opportunities.

Identify 20 acres each year for brownfield redevelopment.

Improve neighborhood appearance and vitality by continuing the targeted investment neighborhood programs.

Support commercial revitalization efforts using grant and loan programs to catalyze small businesses and improve neighborhood commercial corridors.

Continue the Earn & Learn summer youth employment program.

Direct land use planning activities and implement plan recommendations.

Promote the city as a place to do business, raise families, and enjoy a high quality of life.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	59.86	52.85	50.50	-2.35
FTEs - Other	32.74	42.25	41.25	-1.00
Total Positions Authorized	125	125	121	-4
Expenditures				
Salaries and Wages	$3,199,398	$3,288,823	$3,207,092	$-81,731
Fringe Benefits	1,411,675	1,479,970	1,282,837	-197,133
Operating Expenditures	133,244	144,708	154,242	9,534
Equipment	0	0	0	0
Special Funds	163,365	260,000	172,000	-88,000
Total	$4,907,682	$5,173,501	$4,816,171	$-357,330
Revenues				
Taxes and PILOTS	$871,131	$780,000	$870,000	$90,000
Charges for Services	8,280	10,000	108,000	98,000
Licenses and Permits	48,600	80,000	55,000	-25,000
Miscellaneous	187,934	22,000	22,000	0
Total	$1,115,945	$892,000	$1,055,000	$163,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
   - Allocate significant resources to eliminating the impact of tax-foreclosed property.
   - Continue support for neighborhood business through business improvements district programs.
   - Administer and fund 4th of July festivities, Arts Board, and other cultural initiatives.

2. Increase investment and economic vitality throughout Milwaukee.
   - Invest strategically in housing and business development through targeted programs.
   - Leverage private and other investment to match city commitments.
   - Utilize tax increment financing as a development tool throughout Milwaukee.
   - Engage community stakeholders in land use planning activities.

3. Improve workforce development and connect more citizens to family supporting jobs.
   - Assist employers locating in Milwaukee and fund redevelopment of commercial and industrial sites.
   - Promote Milwaukee as a place to do business through the M7 and other strategic partnerships.

4. Help children succeed, prepare for post-secondary education, and meet their full potential.
   - Continue to place large numbers of Milwaukee teens in the Earn & Learn Summer Youth Employment Program.

The Department of City Development (DCD) supports the city's goals to increase investment and economic vitality throughout Milwaukee and to build safe and healthy neighborhoods. DCD has a wide range of responsibilities in housing, planning, development, business assistance, real estate, and marketing. These responsibilities and the department's corresponding goals are designed to meet the specific needs of various segments of the population, including entrepreneurs, job seekers, and city residents.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Net new construction (% of equalized value).	1.656%	1.125%	1.1%
Sales, transfers, and dispositions of tax foreclosed property.	369	250	250
Percentage increase in value of property for closing tax increment districts.	566%	632,733%	674%
Number of Strong Neighborhoods loans closed.	80	105	100

STRATEGY IMPLEMENTATION

DCD provides incentives for increased private sector employment and investment that grows the city's tax base. The department utilizes four key approaches to accomplish its mission:

- Direct financial assistance to small businesses,
- Use of tax incremental financing,
- Partnerships with organizations that represent businesses and employers, and
- Redevelopment project management.

Support to potential businesses and developers resulted in many development projects throughout Milwaukee, including more than 16,000 citywide housing units since 2004. Milwaukee residents benefit from this growth as developers and business owners support the City. Development agreements for new projects often include residential employment requirements and Payments in Lieu of Taxes (PILOTs) agreements.

Mayor Barrett's Strong Neighborhoods Plan: In 2014, the City of Milwaukee began a major citywide effort to reduce the number and mitigate the impacts of tax-foreclosed properties. In 2020, funding continues for Mayor Barrett's Strong Neighborhoods Plan, a citywide effort to address the tax foreclosure issue. Programs managed by various city departments address the following goals:

- Preventing foreclosures,
- Mitigating the impacts of foreclosed and blighted property,
- Revitalizing properties and neighborhoods, and
- Renewing abandoned and vacant spaces.

Collaborative efforts in multiple city departments have reduced demolition backlogs and placed foreclosed properties back in the hands of responsible owners. The city works on a concentrated basis to remove blighted properties, maintain city owned properties, and rehab and redevelop neighborhoods, maximizing the benefit to neighborhoods.

In 2018, Mayor Barrett announced the 10,000 Homes Initiative, which will improve the housing circumstances of 10,000 low and moderate income Milwaukee households over the next decade. The Initiative uses three key strategies: Develop new and preserve existing affordable housing units in neighborhoods, including units for rental and owner-occupancy; retain and promote homeownership; and maintain and improve the City's affordable housing stock. By the close of 2018, the Initiative created or improved more than 1,000 affordable units.

As part of the efforts, DCD administers programs that focus primarily on revitalization and renewal, including the sale of city owned properties to responsible private owner occupants and investors. In 2018, DCD sold 369 improved properties and 178 vacant lots. Forty percent of the sales were to individuals intending to live in the properties.

Rent-to-Own Program: Tenants of the previous owner occupy many properties acquired by the city through foreclosure. DCD operates a rent-to-own program that provides qualifying tenants the opportunity to purchase the property upon completion of home ownership and financial education. Through 2018, 64 tenants purchased their properties.

Strong Neighborhoods Loan Programs: DCD administers three Strong Neighborhoods loan programs. Strong Homes loans preserve homeowner occupancy by assisting owners with essential home repair needs. The program provides low interest, deferred payment loans and technical assistance for emergency and critical home repairs to homeowners who are not able to access conventional financing. The typical strong homes loan borrower owns a house built before 1939 and has owned the house for more than 15 years. During 2018, 57 Strong Homes Loans were closed totaling $872,000. DCD also operates the Homebuyer Assistance Program, which provides financial and technical help to prospective homeowners buying city-owned foreclosed houses for owner-occupancy. The Rental Rehabilitation Program provides forgivable loans to investors who buy city-owned foreclosed houses and renovate them for affordable rental. These two programs made 23 loans totaling $300,000 in 2018.

Real Estate Broker Partnership: Selling city owned properties to responsible owners and investors is an important part of neighborhood stabilization. DCD works with local real estate brokers specializing in foreclosed properties to list city owned properties for sale. In 2018, broker listed sales accounted for 37% of *in rem* property sales. This successful partnership will continue in 2020.

Milwaukee Employment/Renovation Initiative: In 2016, a $1 million grant from the Wisconsin Department of Financial Institutions facilitated creation of a special initiative to sell and renovate 100 city-owned foreclosed properties in the greater Sherman Park neighborhood. Six buyers selected for the program purchased multiple

houses for $1 each. Grant funds reimbursed a portion of the renovation expenses up to $10,000 per property. By July 1, 2019, when the program ended, 104 properties had been sold and renovated.

Vacant Lot Loan Program: This program offers residents the opportunity to purchase city-owned vacant lots to build owner occupied single-family homes. Residents who purchase a lot for $1 are eligible for a $10,000 forgivable loan to assist with construction costs. Purchasers must live in the home for seven years. While all city owned vacant lots are eligible, sale efforts are focused on central city development areas such as the Walnut Circle, Josey Heights, and Legacy subdivisions.

Kiva Milwaukee: In 2015, City funding provided support to a micro-lending partnership between the City of Milwaukee, Mayor Tom Barrett, the Wisconsin Women's Business Initiative Corp. (WWBIC), and Kiva. Kiva supports local entrepreneurial efforts by providing a crowdfunding platform for individual lenders and organizations to offer micro loans to local businesses. Kiva borrowers are predominately low income and ethnic minorities. From February 2015 through December 2018, the Kiva lender network made 216 loans totaling $1.22 million to support small businesses throughout Wisconsin. Of those, 127 loans totaling $742,000 financed entrepreneurs in greater Milwaukee.

Opportunity Zone: The federal Opportunity Zone program provides favorable capital gains tax credits for business and development investment in designated census tracts. During 2018, the US Treasury Department designated 34 Milwaukee census tracts as Opportunity Zone tracts, eligible for tax-advantaged investment by Qualified Opportunity Funds. Areas include the Menomonee Valley, Harbor District, Cesar Chavez Drive/National Avenue, Fond du Lac Avenue/North Avenue, Avenues West, and the sites of several surplus Milwaukee Public Schools buildings. DCD has established a web site to market OZ investment opportunities.

Anti-Displacement Plan: In February 2018, the Department of City Development released *"A Place in the Neighborhood: An Anti-Displacement Plan for Neighborhoods Surrounding Downtown Milwaukee."* The Plan analyzes neighborhood market and demographic data to determine if displacement is occurring in Milwaukee neighborhoods. The Plan offers a series of recommendations to reduce potential displacement.

Riverwalk recognition: The Urban Land Institute recognized the success of Milwaukee's Riverwalk by presenting a 2017-18 Award for Global Excellence. The project was one of only 13 developments throughout the world recognized by ULI. The 3-mile Riverwalk initiative began as a public-private partnership in 1993, and continues to expand in support of riverfront development.

Commercial Revitalization and Business Investment: DCD's commercial corridor staff serve as liaisons between the city and local business owners, connecting them to a variety of programs focused on commercial revitalization. During 2016, DCD entered into a cooperation agreement with the Milwaukee office of LISC to provide additional support to the city's commercial corridor activity. During 2018, that partnership developed pop-up commercial spaces in three Business Improvement Districts: King Drive, Chavez Drive, and West North Avenue.

Commercial grant programs help business and property owners improve the exterior appearance of commercial buildings, update outmoded interior space in order to attract tenants and purchase equipment that enables job expansion. In 2018, these programs made 99 grants totaling $1.32 million. The city's grant investment leveraged commercial development projects involving total investment of more than $9 million. Funds from the Zilber Family Foundation, US Bank, Old National Bank and several tax increment districts supplemented City commercial grant funds in selected neighborhoods. Commercial corridor staff also provide assistance and oversight to business improvement districts (BIDs) and neighborhood improvement districts. These organizations work in partnership with the city to strengthen commercial corridors.

Through tax incremental districts (TIDs), small business programs, and support for housing development, DCD achieved the following in 2018:

- Jobs created: 1,327
- New housing constructed: 1,720 units

DCD uses its economic development "toolbox" to encourage private investment throughout Milwaukee, with an emphasis on the following commercial areas:

- King Drive/Bronzeville
- Reed Street Yards
- 30th Street Industrial Corridor
- 27th Street and Wisconsin Avenue
- Menomonee Valley
- Harbor District
- Central city residential neighborhoods and commercial corridors
- Underused industrial properties

In 2018, the city created three tax increment financing (TIF) districts. These new TIFs supported public infrastructure, Riverwalk improvements and environmental clean-up for a site that will be developed by the Michels Corporation at First and Becher Streets; development of Villard Commons, a 43-unit apartment building, including 36 affordable units, on the south side of W. Villard Ave. between 36th and 37th Streets; and a new Global Mining headquarters to be constructed by Komatsu Mining Corp. in the Harbor District.

Other major developments completed in 2018 include seventy apartments and associated parking structure, constructed by Northwestern Mutual; Haymarket Lofts; three projects at The Brewery (Vim Apartments, a new Hyatt Place Hotel, and conversion of a former warehouse building into The Forty Two, which houses offices, a brewery and a restaurant); Chroma Apartments, concluding the multi-phase North End development; Fiserv Forum arena and live block entertainment space; multiple affordable housing developments, including 704 Place, Victory Manor, The Griot, Washington Park Townhomes, CityPlace, Welford Sanders Lofts, St. Anthony Apartments supportive housing and Fifth Street School Apartments for seniors; the new headquarters for Bader Philanthropies on Dr. Martin Luther King Jr. Drive, and Trestle Park, a new public open space near Erie and Jefferson Streets.

Earn & Learn Program: DCD works with Employ Milwaukee to administer the Earn & Learn program. The program assists young people in making a successful transition to adulthood by providing opportunities to develop work readiness skills while they earn wages working in government, community and faith based organizations, and private sector businesses. DCD also coordinates the City's participation as an employer in Earn & Learn. In 2018, the City's Summer Youth Internship Program placed 130 teens in City government departments. DCD also managed City participation in the Milwaukee Public Schools inaugural job shadowing program for high school students. A variety of City departments hosted sophomores from Vincent High School.

RESIZE, RESTRUCTURE, AND REINVEST

DCD continues to administer residential and commercial property programs as part of citywide efforts to reduce the impact of foreclosures. The department continually reviews performance of real estate programs in order to expand opportunities for owner occupants to purchase tax foreclosed properties and ensure that investor owners complete required repairs on properties to create safe housing for potential tenants.

The mission of the Redevelopment Authority of the City of Milwaukee (RACM) is aligned with the department's efforts to eliminate blight and foster business and reinvestment throughout the city. In recent years, positions supported by RACM have been transferred to city employment. In 2018, all remaining RACM positions were transferred to city employment. The positions will continue to be funded by RACM through reimbursement. This change places RACM positions under the rules of the City Service Commission.

CAPITAL PROJECTS

Advanced Planning Fund ($150,000): This funding supports land use, engineering, marketing, and economic studies related to economic and real estate development activities.

Tax Increment Districts: The 2020 budget provides the following TID borrowing authority:

- **New Borrowing for Potential New TIDs ($40 million):** Provides authority for potential new TIDs. The creation of TIDs must be approved by the Joint Review Board, Mayor, and Common Council.
- **Developer Revenues ($8.0 million):** Provides authority to pay the increment on current developer financed TIDs. There are offsetting revenues for these payments.
- **Capitalized Interest ($4 million):** Provides authority to pay for interest costs associated with TID borrowing for the first two years of debt service payments.

Brownfield Program ($250,000): This funding supports brownfield cleanup and provides funds to match federal grant funds for environmental remediation.

Housing Infrastructure Preservation Fund ($100,000): This program funds improvements to properties acquired through city foreclosure. Funding is provided for improvements to housing that is not habitable but worthy of rehabilitation and are historically or architecturally significant. The program prevents further deterioration of properties with potential for resale and renovation and reduces negative impacts of such properties on neighborhoods.

***In Rem* Property Maintenance ($300,000):** This funding supports code compliance, rehabilitation, and other work done on tax-foreclosed properties owned by the city in order to make them livable and marketable.

10,000 Homes Initiative ($1,000,000): This allocation supports activities that advance Mayor Barrett's goal of improving housing circumstances for 10,000 low and moderate-income households. Expenditures develop new and preserve existing affordable housing units in neighborhoods; retain and promote increased homeownership; and maintain and improve the City's affordable housing stock.

Commercial *In Rem* Program ($200,000): Since 2010, the city has acquired more than 250 commercial properties through *in rem* foreclosure. The commercial *in rem* program provides funding to market these properties for sale as well as incentives for buyers to make necessary renovations.

Commercial Investment Program ($1,000,000): This program improves the viability of neighborhood commercial corridors. Funding supports façade improvement and white box grants to businesses throughout the city. City funding leverages investment from property and business owners.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Personnel Payroll Assistant	Position eliminated
-1	-1.00		Administrative Assistant II	
-1		-1.00	Development Projects Coordinator	
-1	-0.35		Graduate Intern	
-4	**-2.35**	**-1.00**	**Totals**	

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

The Housing Authority of the City of Milwaukee (HACM) is a body politic and corporate of the State of Wisconsin and is responsible for construction, management, provision of safe, affordable, and quality housing with services that enhance residents' self-sufficiency. HACM is administered by a seven member Board of Commissioners. Members are appointed for staggered terms by the Mayor and confirmed by the Common Council.

HACM's principal funding source is the federal government through various programs administered by the U.S. Department of Housing and Urban Development (HUD). HUD provides an operating subsidy to help offset the difference between the expenses associated with managing public housing and the revenues received from 30% of resident's income (rental revenue). The Housing Authority anticipates additional reductions in future federal funding associated with the transition to asset based management. The Housing Authority continues to look for additional opportunities to maximize its resources.

HACM activities include:

- Low rent public housing management;
- Rent Assistance Program (Section 8);
- Development and rehabilitation;
- Affordable housing; and
- Homeownership and self-sufficiency services.

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

The Redevelopment Authority of the City of Milwaukee (RACM) is an independent corporation created by state statute in 1958 and derives its powers solely from state law. The Redevelopment Authority's relationship with the City of Milwaukee is more particularly described in the audited financial statements of the Redevelopment Authority.

A board whose members are appointed by the Mayor and confirmed by the Common Council oversees the Redevelopment Authority. The Redevelopment Authority relies upon the Department of City Development for the professional, technical, and administrative support necessary to carry out its mission. This is accomplished through an annual cooperation agreement with the City of Milwaukee that specifies that DCD will provide the following services:

- Management of financial affairs;
- Land use planning and urban design guidance;
- Real estate acquisition and disposition;
- Relocation assistance for displaced families and businesses;
- Property management and environmental investigation; and
- Housing and economic development project management.

The mission of the Redevelopment Authority is to eliminate blighting conditions that inhibit neighborhood reinvestment; foster and promote business expansion and job creation; and facilitate new business and housing development. Toward that end, the Redevelopment Authority:

- Prepares and implements comprehensive redevelopment plans;
- Assembles real estate for redevelopment;
- Is empowered to borrow money, issue bonds, and make loans; and
- Can condemn property (eminent domain) in furtherance of redevelopment objectives.

MILWAUKEE ECONOMIC DEVELOPMENT CORPORATION

The Milwaukee Economic Development Corporation (MEDC) is a non-stock, non-profit organization formed in 1971 to promote economic development for the benefit of the citizens of the City of Milwaukee. The principal objective of the corporation is to benefit the community by fostering the increase of employment opportunities and expansion of business and industry within the metropolitan Milwaukee area. The corporation uses its own funds to finance projects to achieve that objective. The corporation is exempt from federal and state income taxes under a provision of Section 501(c) (3) of the Internal Revenue Code.

A 27 member Board of Directors including the Mayor, the Comptroller, the President of the Common Council, 2 council members, and 13 representatives of the business community oversee MEDC's activities. MEDC's board has delegated authority for policy actions to its Executive Committee that consists of the Mayor, the Comptroller, the President of the Common Council, one council member, and six representatives of the business community.

MEDC uses its resources, as well as those of the U.S. Small Business Administration, to make financing available to businesses promising to create job opportunities and new investment in Milwaukee. The programs available through MEDC include:

- SBA 504 Debenture Program
- Second Mortgage Program
- Land Development Program
- Target Loan Program
- Partnership Loan Program
- Capital Access Program

NEIGHBORHOOD IMPROVEMENT DEVELOPMENT CORPORATION

The Neighborhood Improvement Development Corporation (NIDC) is a non-profit corporation established by the city in 1973 to promote reinvestment in housing and neighborhood development within the city. NIDC works with a broad range of partners to improve Milwaukee's neighborhoods and the quality of life for Milwaukee residents. Those partners include; various City departments, community-based agencies, financial institutions, residents, developers and the local philanthropic community.

A nine member Board of Directors that includes at least four city residents heads NIDC. NIDC's key neighborhood redevelopment strategy is its targeted investment neighborhood (TIN) program. The TIN program is a neighborhood revitalization strategy in which NIDC, working with neighborhood partners, focuses resources in a defined geographic area in an effort to stabilize and increase owner occupancy, strengthen property values, and assist property owners in improving the physical appearance and quality of life in their neighborhood.

NIDC also operates the community improvement project (CIP). CIP compliments NIDC's housing activities by providing small matching grants to neighborhood block clubs and groups to undertake projects that encourage resident involvement, relationship building, and grassroots neighborhood improvements.

ELECTION COMMISSION

EXECUTIVE SUMMARY

MISSION: Ensure elections comply with applicable laws and are administered with the highest level of professional standards, accountability, security and integrity; encourage voter participation; build public confidence in the electoral process.

OBJECTIVES: Conduct fair, accessible, accurate, and transparent elections.

STRATEGIES: Administer four scheduled elections in 2020:

- Spring Primary
- Spring Election/Presidential Primary
- Fall Partisan Primary
- Fall General Election.

Provide administrative oversight of the candidate filing and campaign finance reporting requirements for locally elected offices.

Follow all state and county protocols for ensuring the security of voter registration and election results data.

Ensure compliance with Wisconsin state law, with attention to Wisconsin's photo ID law.

Advocate for changes to election laws that encourage access to voting or eliminate barriers to voting.

Eliminate physical and language barriers at voting sites through compliance with Section 203 of the Voting Rights Act and meeting voting site accessibility requirements.

Provide trained and competent election workers at all voting sites.

Collaborate with community partners to promote the public's understanding of and participation in the electoral process.

Publish timely and accurate election results.

Maintain the highest level of public transparency for all election processes.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	27.91	11.63	50.00	38.37
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	2,262	1,517	2,531	1,014
Expenditures				
Salaries and Wages	$1,837,827	$860,733	$2,422,755	$1,562,022
Fringe Benefits	559,882	218,002	175,227	-42,775
Operating Expenditures	543,851	232,637	564,055	331,418
Equipment	0	0	0	0
Total	$2,941,560	$1,311,372	$3,162,037	$1,850,665

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Conduct fair, accessible, accurate, and transparent elections.
   - Support the pre-election voter registration of all eligible voters by disseminating voter registration information and promoting WisVote, the state's online voter registration system.
   - Maintain an accurate database of registered voters by promptly removing ineligible voters and maintaining accurate records for eligible voters.
   - Promptly respond to requests for absentee ballots and efficiently administer in-person "early" absentee voting.
   - Provide ADA accessible, neighborhood based voting sites.
   - Maintain trained election workers, including bilingual election workers, to reduce language barriers at voting sites.
   - Effectively address voter's concerns.
   - Maintain voting equipment that is properly and accurately programmed, reliable, and user friendly to voters.
   - Process timely and accurate election results to the public.

The Election Commission manages all aspects of public elections in the City of Milwaukee. The commission maintains a voter registration database of approximately 310,000 registered voters and operates approximately 190 polling locations which are staffed by approximately 1,200 to 2,500 election workers; provides the necessary documents, supplies, and ballots to each voting site on election days; oversees all aspects of absentee voting, including in-person absentee, absentee by mail, military, and overseas absentee voters; administers the statutory obligations for elected officials and potential candidates for municipal offices including the nomination process and campaign finance reporting; and collaborates with non-partisan voting rights groups to encourage voter education and participation. The Election Commission operates a comprehensive website where residents can locate their polling place and elected representatives, instructions for registration and absentee voting, and requirements for voter eligibility.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Enter 100% of voter registrations in a prompt and timely manner.	100%	100%	100%
Number of disenfranchised and provisional ballot voters.	170	12	250
Mail all absentee ballots within 48 hours of request receipt.	100%	100%	100%
Maintain an average wait time at voting sites of less than 15 minutes.	90%	95%	85%
Elections programming occurs with 100% accuracy.	90%	100%	100%
Election results are published within 60 minutes of the closing of polls and reviewed with 100% accuracy prior to the state's official canvass.	90%	95%	80%

STRATEGY IMPLEMENTATION

The Election Commission continues to eliminate language and accessibility barriers and improve voting access. The department recruits and retains a pool of poll workers to assist with elections. In 2016, the commission added one

staff position to evaluate and improve election worker training, assignment, and staffing. This helps ensure sufficient staffing and efficiencies at every voting site. Milwaukee's 190 polling locations require sufficient staffing on Election Day to check-in registered voters, conduct registration, monitor activity at the voting machines, and fulfill other duties. Chief inspectors manage polling site activities and ensure compliance with election law. The City of Milwaukee is subject to the Section 203 Bilingual Election Worker and Materials requirements of the Voting Rights Act. These requirements have been met successfully since implementation in 2012. The commission is increasing recruitment and retention efforts for bilingual election workers.

In 2020 the four scheduled elections include the Presidential Preference and General, Mayoral and Aldermanic races and County Supervisors, as well as other state and federal contests. The scheduled elections are:

- Spring Primary - February 18
- Spring Election/Presidential Primary – April 7
- Fall Partisan Primary – August 11
- Fall General /Presidential Election – November 3

Milwaukee uses neighborhood based voting to encourage accessible elections for city residents. The commission uses data gathered from voters and community members to make adjustments to the location and appropriateness of voting sites.

RESIZE, RESTRUCTURE, AND REINVEST

In recent years, numerous changes were made to the Wisconsin State Statutes that govern election administration. These changes disproportionately impact communities of color, particularly African American, Hispanic and Latino residents that live at or below the poverty rate.

The most significant changes relate to the elimination of "open registration", Special Registration Deputies and a photo ID requirement. These changes place hardships on persons in poverty to meet requirements to register to vote and receive a ballot. The changes significantly impact voter registration efforts in large urban areas such as Milwaukee. Despite these changes, the Election Commission works diligently with community groups to promote new online voter registration opportunities as well as other mechanisms to assist the public with the voter registration process.

While requests have been made to update election laws on early voting, no changes have occurred. Changes are needed to accommodate the 1,100% increase since 2000 in early voted ballots. Under current laws, these ballots must be processed on Election Day. The volume of ballots for processing on Election Day has grown at a substantial and nearly unmanageable rate.

Higher turnout is expected in the 2020 elections, as turnout historically increases during presidential election years. To minimize the impact of higher turnout, the 2020 budget includes funding to expand early voting in both the Spring Primary and the Fall General elections. The Spring Primary election includes three weeks of early voting at three sites. The Fall General election includes six weeks of early voting, with the first three weeks at three sites and the remaining three weeks at eight sites.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00	0.00	Election Services Coordinator	Outsource to professional contract
11	4.29	0.00	Temporary Office Assistant II (0.39 FTE)	Increase staffing for a projected high turnout election year
4	2.92	0.00	Temporary Election Laborer (0.73 FTE)	
1,000	32.16	0.00	Election Inspector (0.26 FTE)	
1,014	**38.37**	**0.00**	**Totals**	

DEPARTMENT OF EMPLOYEE RELATIONS

EXECUTIVE SUMMARY

MISSION: Recruit, develop, and retain a high performing and diverse workforce while delivering quality customer service to City departments.

OBJECTIVES: Ensure all recruitment and testing activities comply with applicable regulations and work with city departments to refer a diverse and qualified pool of candidates to fill vacancies in a timely manner.

Provide guidance and direction to departments in creating workforce and succession plans designed to address and respond to current and future staffing needs.

Design and implement pay administration practices that help attract and retain employees while ensuring internal equity and external competitiveness.

Control the growth rate in health care costs and encourage employee accountability and responsibility for care while providing incentives and options that support employee's wellbeing.

Design and administer benefits, programs and services that foster safe, productive and healthy workplaces and effectively address the needs of a multigenerational workforce.

STRATEGIES: Establish and administer organizational frameworks to effectively recruit, select, classify, compensate, develop, and reward employees in compliance with applicable employment laws and regulations.

Oversee, support, and promote harmonious and cooperative working relationships between departments, their employees, and employee representatives.

Monitor the effectiveness of the City's comprehensive health and wellness program and explore cost reduction opportunities through health care benefits, health care delivery systems and wellness initiatives and programming.

Enhance risk management and safety programs to ensure that departmental policies, practices, and decisions support the goal of minimizing workplace injuries, increasing management's accountability for employee safety, and controlling costs.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	43.08	42.71	44.83	2.12
FTEs - Other	10.32	16.67	16.67	0.00
Total Positions Authorized	68	79	81	2
Expenditures				
Salaries and Wages	$2,279,306	$2,430,829	$2,588,700	$157,871
Fringe Benefits	1,048,481	1,093,873	1,035,479	-58,394
Operating Expenditures	404,549	314,100	328,935	14,835
Equipment	2,000	2,000	2,000	0
Special Funds	136,570	148,000	140,000	-8,000
Total	$3,870,906	$3,988,802	$4,095,114	$106,312
Revenues				
Charges for Services	$189,246	$194,000	$213,000	$19,000
Miscellaneous	11,822	16,000	10,000	-6,000
Total	$201,068	$210,000	$223,000	$13,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Develop and deliver innovative human resource policies, programs, and services that support the city's mission by recruiting, developing, and retaining a high performing and diverse workforce while delivering quality customer service.
   - Establish and administer organizational frameworks to effectively recruit, select, classify, compensate, develop, and reward employees in compliance with applicable employment laws and regulations.
   - Develop and implement recruitment and examination practices that produce a qualified and diverse candidate pool to fill departmental vacancies.
   - Establish programs and services to maintain and improve employee health and wellbeing while minimizing growth in health care costs.
   - Establish and monitor risk management and safety programs to ensure safe and productive workplaces while controlling costs.

The Department of Employee Relations (DER) provides human resources support services to city agencies to attract, retain, and motivate a competent and diverse workforce. DER also ensures compliance with state and federal employment laws and civil service rules. It does this through four primary service areas:

- Employee and Labor Relations;
- Compensation and Employee Benefits;
- Recruitment and Selection; and
- Worker's Compensation and Safety.

DER staffs the City Service Commission, a civilian body that ensures compliance with civil service rules and applicable Wisconsin State Statutes.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Turnaround time between notification of position vacancy and establishment of eligible list.	105 days	102 days	98 days
Percentage of candidates referred who are minorities.	54%	56%	56%
Percentage of candidates referred who are women.	47%	56%	56%

STRATEGY IMPLEMENTATION

Recruitment, Staffing, and Selection: DER recruits and tests candidates for employment based on the rules of the City Service Commission (CSC) and the Fire and Police Commission. In 2018, DER processed 7,677 applications and managed 99 open and competitive exams, 31 continuous exams, 32 transfer and promotional opportunities, and 17 exempt advisory processes, in addition to other staffing requests.

DER works with City departments to address high rates of separations in the form of resignations and service retirements. While the number of general city resignations had stabilized in 2017 after significant increases since 2011, the number of resignation in 2018 increased by 10% from 146 to 161. Approximately 51% of the resignations occurred in the Milwaukee Health Department with a total of 35 (an increase of 66% from 2017) and the Operations Division of the Department of Public Works with a total of 47 (an increase of 74% from 2017). Given the large number of employees who are eligible for retirement, reducing the number of resignations is important to stabilize turnover rates. By 2020 a total of 950 or 27% of the general city workforce will be eligible to retire.

In order to effectively address the high rate of separations, DER established a workplace planning initiative that encourages departments to identify and better anticipate staffing needs, streamline placement processes, and develop targeted recruitment and retention efforts. The initiative relies on department specific workforce analysis data that is used to identify staffing needs, challenges, and opportunities. In 2018 DER realigned internal resources to support this effort by designating one position as a Workforce Planning and Certification Coordinator. This position works with departments to monitor changing workforce demographics and staffing levels and creates reports regarding vacancies, anticipated retirements, attrition and other factors related to retention, succession planning and recruitment. Meetings with departments to discuss workforce planning action plans were held throughout 2018. Departments were given information on how to identify strategies to better meet their staffing needs. Department specific workforce action will be presented to the Finance and Personnel Committee during 2019 and 2020.

DER's Diversity Recruiter works on multiple initiatives to encourage diverse candidates to apply for City positions. Partnerships are being developed with national and local organizations that focus upon mentoring and recruiting candidates of color, including those currently enrolled in college. The Diversity Recruiter is also identifying and marketing the internship and apprenticeship opportunities available with the City, so that students may be hired into a career path that leads to advancement in their chosen field. Additionally, the Diversity Recruiter is reviewing application data to assess at which steps of the selection process women and people of color are not proceeding, and identifying any barriers to employment. The Diversity Recruiter also appears at community and college job fairs and works with Compete Milwaukee to help participants navigate selection processes for City jobs and identify driver's license recovery and CDL permit financial resources.

One strategy to improve recruitment and retention is expanding internship and apprenticeship programs and offering alternative paths to successful full time and benefits- eligible employment. Opportunities such as the City's Management Trainee, Code Enforcement Inspector Intern, Library Associate (Intern), Library Circulation Aide, Engineering Intern, Graduate Intern, Urban Forestry Arborist Apprentice, and the Electrical Apprentice programs have provided the City with well qualified and trained individuals eligible for promotional opportunities. These

programs allow existing employees to share their expertise by mentoring new hires and play an integral role in training and developing the future workforce. These programs create connection and collaboration between Milwaukee academic institutions, including high schools, and the many opportunities associated with City employment.

DER's priority is to engage Milwaukee residents to recognize the City as an employer of choice. This requires, robust participation in community recruitment events. To date in 2019, DER is scheduled to participate in more than 34 job fairs, including those sponsored by high schools, colleges and universities, neighborhood groups, aldermen and various civic organizations. DER is also planning a job fair in 2020 dedicated to the City's many internship and apprenticeship opportunities. Working closely with the Workforce Development staff in the Common Council-City Clerk's Office, DER is the top user and champion of Direct Connect MKE, which has augmented local recruitment efforts, particularly reaching those who are new to the workforce or looking for a career change.

In order to convey what makes working for the City of Milwaukee unique, DER created a branding statement for recruitment and retention. The statement below is shared on social media sites to attract community-focused applicants and within workforce planning materials to guide the employee experience.

A Job with PURPOSE, Life with BALANCE
Perform work that impacts our community;
In a culture that supports your health and wellbeing;
Benefitting from job stability and security;
With career choices and opportunities;
While enjoying life outside of work!

In February 2019, utilizing the branding statement above, DER launched a social media campaign to promote the City of Milwaukee as an employer of choice, to highlight the many benefits of working for the City and to showcase the meaningful and critical work performed by City employees. In addition to advertising nearly 100 individual positions, DER uses Twitter, Facebook and Instagram to share departmental and employee success stories, community recruitment events, job fairs, employee profiles and important events sponsored by the City. Of the three social media sites, Facebook has been the most popular, with 1,400 *City of Milwaukee Department of Employee Relations* page followers. Social media presence is critical in engaging potential applicants. For example, one post for Operations Driver/Worker in the spring of 2019 reached 19,217 Facebook users, of which 2,716 either shared the post or clicked on the link. For all positions, DER received nearly as many applications in the first three quarters of 2019 (over 6,500) as were received for all of 2018.

Compensation and Salary Administration Practices: The residency incentive adjustment implemented in 2019 per Common Council action froze pay progression practices established for general city employees since 2012. Such pay progression practices included salary advancement based on the achievement of credentials and performance standards within a career ladder, salary adjustments based on achieving a "good standing" for employees in a non-supervisory positions, and adjustments based on performance for professional level and managerial positions.

DER is working with departments and the Budget Office to assess the viability of continuing some form of pay progression in 2020. Although this determination will be made in relation to financial resources available to the City, DER is committed to the principles of recognizing and rewarding employee contributions measured by the acquisition and application of knowledge, skills, and abilities as well as meeting or exceeding performance management standards. DER is also committed to assessing the extent to which compensation practices contribute to turnover rates by assessing labor market factors for positions that are difficult to recruit for and those with high rates of separations.

Employee Wellbeing, Health Care, Wellness, Worker's Compensation and Safety: The City of Milwaukee is committed to supporting the wellbeing of its employees and has worked to combine health, wellness, and safety programming efforts into an integrated model of total worker health. DER works with several partners to create a

workplace culture that enhances employee's lives and offers tools for employees to improve their health. This helps employees be well at work, well at home, and well into retirement. For information on health and safety and 2020 funding for these accounts, refer to the *Employee Health Care Benefits* and *Worker's Compensation* Special Purpose Account summaries.

RESIZE, RESTRUCTURE, AND REINVEST

DER works to improve current practices and processes with more effective and efficient systems that better meet the needs of the department and employees. Specific goals and initiatives for 2020 include:

- Continue the workforce planning initiative and support departments with action plans to align their strategic and operational needs with viable and efficient staffing options.
- Develop a coordinated approach to recruitment for internship and apprenticeship employment opportunities in the City and partner with national and local organizations that focus upon mentoring and recruiting candidates of color, including college students.
- Strengthen ties to Compete Milwaukee to help participants navigate and succeed in selection processes for City jobs as well as to identify driver's license recovery and CDL permit financial resources for applicants.
- Serve as a recognized presence at community recruitment events, ensuring that Milwaukee residents view the City as an employer of choice and are encouraged to apply for City jobs.
- Work with the benefits consultant to explore options for adding a voluntary benefits package as a recruitment and retention strategy.
- Assess the feasibility of conducting a workforce evaluation report to help the City understand how benefit plans align with workforce needs and interests.
- Work with the benefits consultant to conduct a forensic review of contracts with vendors to identify savings opportunities.
- Continue the social media strategy by focusing on great employment opportunities with generous wellness, healthcare and paid time off benefits and a strong commitment to work life balance.
- Work with the City's new occupational health provider, Froedtert Occupational Health, to prioritize job analysis and align pre-placement evaluations with physical job demands to minimize workplace injuries by enhancing screening mechanisms at the time of hire for jobs that have a high incidence rate of injuries.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00		Leave Administration Coordinator	New Position
1	0.97		Program Assistant I	
0	0.15		Various position changes	Changes in grant funding
2	**2.12**	**0.00**	**Totals**	

FIRE AND POLICE COMMISSION

EXECUTIVE SUMMARY

MISSION: To ensure that the Fire and Police departments are prepared to protect the lives and property of Milwaukee citizens.

OBJECTIVES: Ensure the quality and effectiveness of Fire and Police department policies, practices, and outcomes.

Ensure that complainants are heard and complaints are resolved within 90 days of filing.

Improve community relations and enhance public confidence.

Improve the diversity of the Fire and Police departments.

Prevent, respond to, and recover from major disruptive events.

Facilitate resilient, secure, and interoperable emergency communications.

STRATEGIES: Perform policy review and analysis concerning police and fire services including crime reduction strategies, fire prevention and suppression, and citizen complaints.

Conduct a citizen complaint process and address allegations of employee misconduct.

Monitor and audit complaints and investigations conducted by the Fire and Police departments.

Improve communications with the public and promote opportunities for citizen interaction with the Fire and Police Commission.

Promote diverse public service departments.

Increase community awareness of the mission of the Office of Emergency Management and Communications.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	19.72	19.90	22.40	2.50
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	29	30	34	4
Expenditures				
Salaries and Wages	$979,408	$1,339,088	$1,408,800	$69,712
Fringe Benefits	423,823	602,589	563,520	-39,069
Operating Expenditures	348,526	724,310	441,364	-282,946
Equipment	2,845	4,999	5,249	250
Special Funds	345,328	347,536	309,066	-38,470
Total	$2,099,930	$3,018,522	$2,727,999	$-290,523

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
   - Ensure quality and effectiveness of Fire and Police department policies, practices, and outcomes.
   - Ensure that complainants are heard and complaints are resolved within 90 days of filing.
   - Improve community relations and enhance public confidence.
   - Improve the diversity of the Fire and Police departments.
   - Prevent, respond to, and recover from major disruptive events.

One of the city's goals is to build safe and healthy neighborhoods. The Fire and Police departments are key to supporting this goal. The Fire and Police Commission provides oversight of these departments and supports their operations. This ensures that these departments are effective in protecting the lives and property of Milwaukee's residents and businesses.

The Fire and Police Commission is comprised of a board of nine part time citizen Commissioners and a full time professional staff led by an Executive Director. The Commissioners and the Executive Director are appointed by the Mayor and approved by the Common Council. The commission's authority and responsibility, including policy oversight, citizen complaints, disciplinary appeals, and recruitment and testing are specified in section 62.50 of the Wisconsin Statutes and the Milwaukee City Charter. Commissioners participate in extensive training, as required by city ordinances.

The commission conducts policy reviews of Fire and Police department operations, appoints and promotes department personnel, and prescribes general policies and standards. The commission's judicial function includes hearing appeals from departmental discipline actions, investigating citizen complaints filed against department members, and conducting citizen complaint hearings.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Average time to resolve formal complaints.	40 days	50 days	50 days
Average time to resolve disciplinary appeals.	112 days	160 days	160 days
Number of outreach events and community contacts.	165	200	200

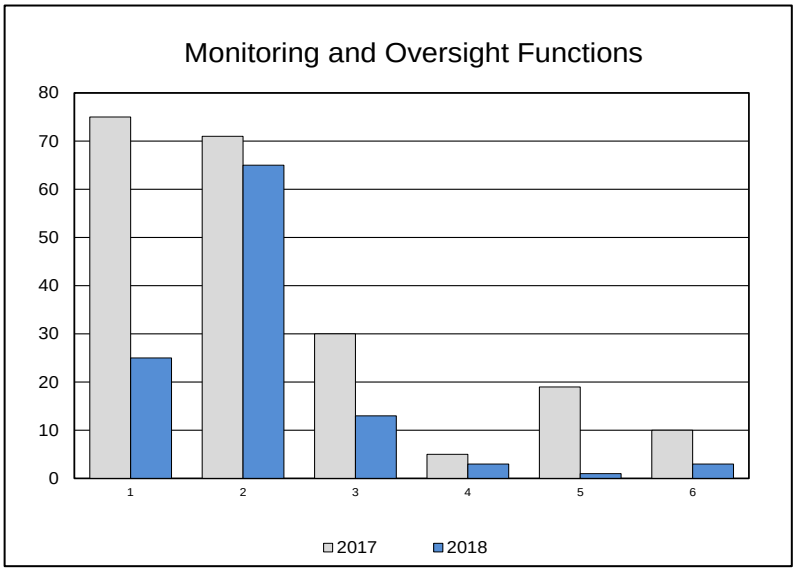
STRATEGY IMPLEMENTATION

Policy Oversight: The Fire and Police Commission's primary responsibility is policy oversight. The commission's statutory responsibility is to oversee and prescribe the policies and standards of both the Fire and Police departments. This oversight authority is exercised by board action and regular monitoring and research of Fire and Police department operational initiatives and disciplinary actions (see Figure 1).

The commission partners with a professional consultant to conduct ongoing analysis of the Milwaukee Police Department's (MPD) use of force incidents. This analysis serves as a foundation for policy and training improvement. The commission also issues an annual report on the use of force incidents involving firearm discharges and vehicle pursuits. Data from the annual reports is used to analyze MPD policies, procedures, and training. The commission provides periodic summaries of officer involved shootings and an evaluation of taser deployment and usage. The commission provides additional reports and issue papers to inform the public.

Citizen Complaints: The commission provides a citizen complaint process and has authority to independently investigate and recommend that chiefs consider discipline for misconduct by department employees. Complaints may be filed directly with the commission in writing, in person, by telephone, fax, e-mail, the commission's website, and recognized community referral organizations. Increased accessibility results in improved community confidence in the complaint process (see Figure 2 and Figure 3). The commission can refer complaints to the citizen board or Police Department for disciplinary action when rule violations are identified.

Figure 1

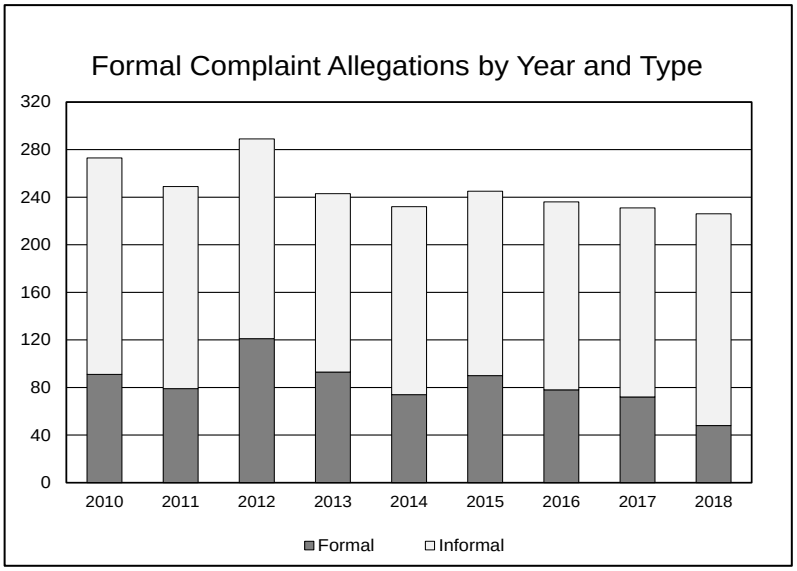


The citizen complaint process has five goals:

- Increase transparency and community confidence in the complaint process.
- Provide an independent system to receive, investigate, and discipline members for misconduct.
- Provide answers and resolutions to complainants about public safety concerns.
- Analyze complaints to identify both individual and systemic trends and patterns within the Fire and Police departments.
- Monitor and audit complaints and discipline investigations conducted by the Fire and Police departments to ensure a fair and thorough process.

The current complaint process has significantly shortened the time needed to resolve a complaint from an average of 270 days in 2008 to 40 days in 2018, surpassing the goal of 50 days or less. The complaint process includes an initial review and conversation with the complainant and an evaluation to determine a course of action.

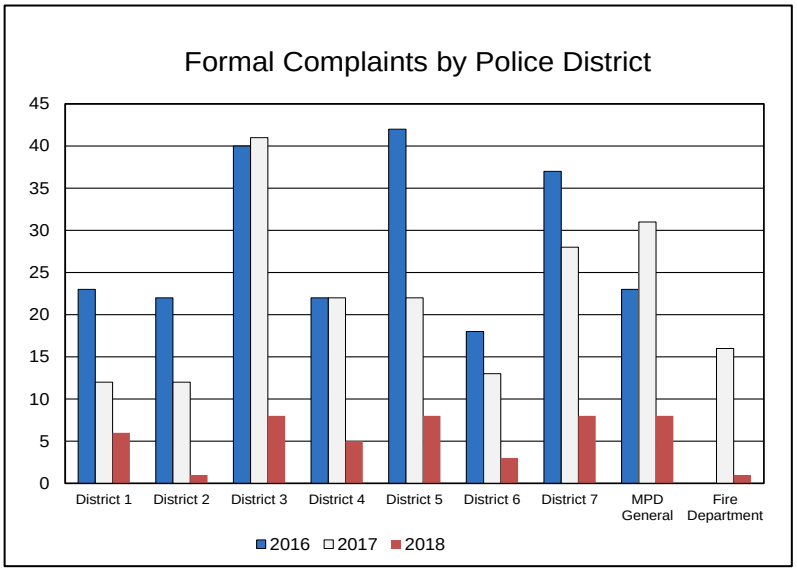
Figure 2



Cases may be resolved through alternatives to the traditional complaint process when appropriate. Alternatives include rapid resolution and mediation. Both processes provide citizens the opportunity to address and resolve questions and concerns directly with the employee and contribute to better community relations. Rapid resolution involves investigation of questionable conduct that does not appear to be a rule violation and can result in disciplinary action. If the citizen and employee agree to mediation, there is no citizen board trial or disciplinary action taken against the employee.

If a complaint does not qualify for mediation or rapid resolution and the commission's investigation determines that enough evidence exists to find that an employee violated a department rule, absent conciliation, the complaint is referred to a citizen board trial. The citizen board trial is a quasi-judicial process in which witnesses are sworn, testimony is taken, and evidence is presented. Each party may question the other, call witnesses, present exhibits, and testify. The citizen board, composed of Fire and Police Commissioners, reviews the evidence and makes its findings and final decision.

Figure 3

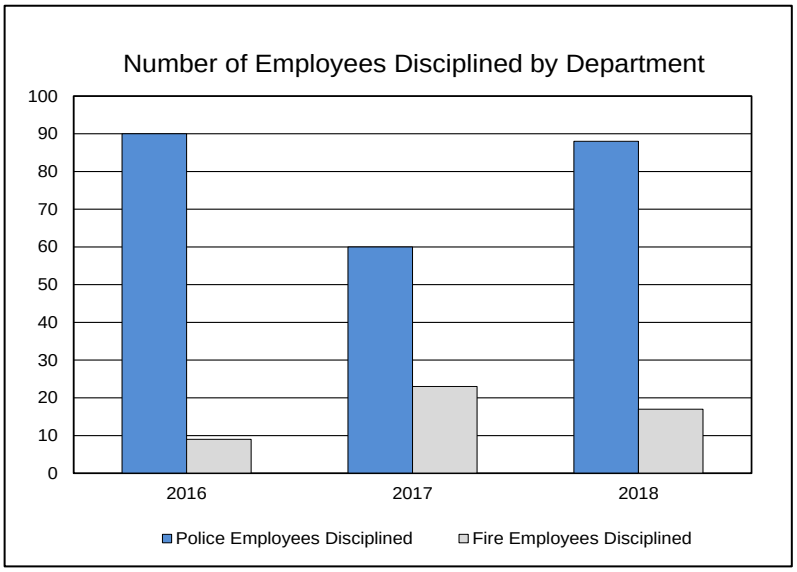


In March 2015, the commission's research committee studied the complaint process and made recommendations for improvements. As a result, complaint forms have been translated into Spanish and Hmong, a fillable form is now available on the FPC's website, and a notary signature will only be required if a finding of a rule or conduct violation is found. The commission has updated its network of advocates and community partners to provide additional assistance and advice to individuals who file complaints. The commission is working to improve response rates on periodic citizen surveys of complainants and investigating the use of *pro bono* attorneys to assist complainants at hearings.

The commission continuously monitors and audits all complaint investigations including those filed with the Fire and Police departments. The ability to capture trends and patterns and identify critical elements of a particular investigation is an important function of the commission's oversight. Trends are examined from investigations that result in discipline and those that are dismissed. The monitoring function uses data collected from the intake investigation screening process to evaluate the quality of investigations and recommend improvements to existing procedures. The commission uses monitoring and disciplinary action as tools to provide a transparent and effective citizen complaint investigation process.

Disciplinary Appeals: Members of the Fire and Police departments may appeal to the commission if they believe they have been unfairly dismissed, demoted, or suspended for more than five days by their department chief. Disciplinary appeals are decided by the board, which may sustain, modify, or deny the chiefs' action. The commission tracks and monitors disciplinary actions that have been filed and resolved (see Figure 4). With statutory changes and new internal procedures in place to make the appeals process more efficient, the commission has eliminated a longstanding backlog and strives to resolve current appeals within 90 to 120 days.

Figure 4



Community Relations: A critical strategy is expanding community outreach and education. The commission's outreach plan focuses on coordinating efforts with other city departments and building public private partnerships. The commission engages in regular interaction with the public by hosting and attending meetings held in community locations. The commission organizes and sponsors events, including facilitating donations of items and volunteers for community organizations. In addition, commission staff attend events including district meetings, community brainstorming, walking and outdoor events, and vigils. The commission also works on matters related to the Department of Justice Collaborative Reform Report and is an active participant in the City's compliance with settlements of lawsuits regarding alleged police misconduct.

The commission has hosted community meetings, rapid response meetings for current events, youth summits co-sponsored with My Brother's Keeper and Milwaukee Public Schools, CampHERO with the Girl Scouts, recruiting events, and listening sessions. In 2016 and 2017, the commission along with Pastors United and other community partners hosted scenario training for public safety personnel and community members to improve public interactions during critical events. This training may be expanded to include emergency communications staff in the future. Events planned for 2019 include partnered events with the Sojourner Family Peace Center, the Housing Authority, My Brother's Keeper, Department of Administration, Office of Violence Prevention, Health Department, and private corporations such as Harley Davidson and the Milwaukee Bucks. In 2018, the FPC was actively involved with PeppNation and the Police Department's District 7 to provide activities for use at Sherman and Moody parks. Additionally, the 2017 pilot program started in Lindsay Heights with a community study and survey with listening sessions at a local coffee shop has been reinstated and continued in 2019. The FPC's recruitment efforts, which expose thousands of citizens to prospective careers within the protective services, are also a community relations tool.

Diversity: The commission is committed to making the public safety workforce representative of the Milwaukee community. Hiring and recruitment practices are reviewed to ensure that they are fair and inclusive. The fire cadet and police aide programs diversify the candidate pools for future fire fighter and police officer classes. Preliminary potential candidate pools from the 2017 recruitment and testing process for police officer positions show increased diversity. In 2019, the FPC will conduct a major recruitment for the position of police officer and will employ procedures and recruitment efforts to increase the diversity of the candidate pool.

Office of Emergency Management and Communications (OEMC): OEMC focuses on the City's emergency communications infrastructure and policies which impact both the police and fire departments. This aligns the city with other statewide organizational structures and provides a mechanism to coordinate first responders during an incident. OEMC coordinates emergency planning, disaster preparedness, and response training for the City. This involves interdepartmental coordination, across all levels of government, public and private partnerships, as well as applying for and managing grants that provide assistance for disaster preparedness.

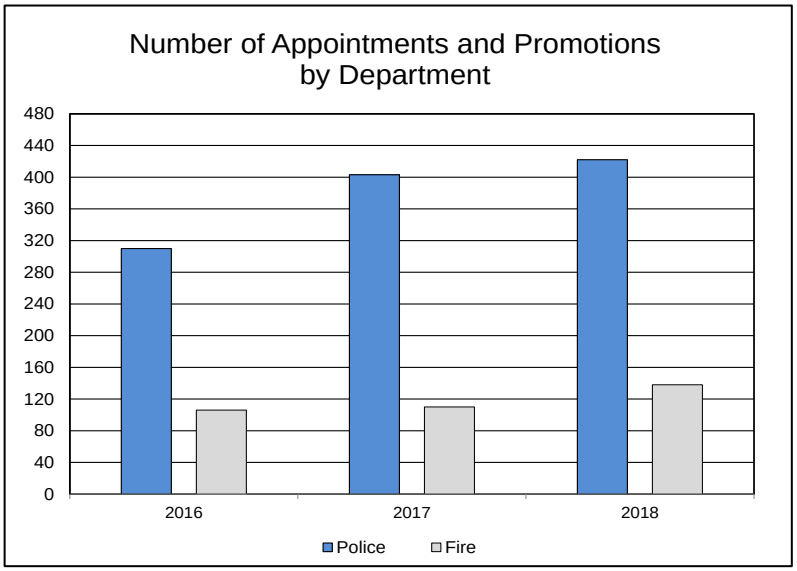
RESIZE, RESTRUCTURE, AND REINVEST

Recruitment, Testing, and Hiring: The commission is required by statute to recruit and secure the most qualified personnel for each department. The commission approves all appointments made to any position on the police force and in the Fire Department. The 2020 budget includes funds for an additional Recruiter and a Testing Coordinator to assist in this effort.

The commission develops and administers a variety of validated examinations, including written, physical ability and oral tests, background investigations, medical and psychological examinations, and drug screening. Applicants who pass all components are placed on an eligible list and hired according to their total score. Fire fighters and police officers are hired at intervals for training classes while other entry level positions are filled as vacancies occur (see Figure 5). When either chief position becomes vacant, the commission determines qualifications, solicits applications, and appoints a new chief. Department chiefs are hired for four year terms, renewable at the commission's discretion.

The 2020 budget funds new exams for several positions including fire cadet, fire lieutenant and captain, and police aide. Funding will complete the recruitment, testing, and hiring process for police officer and fire fighter. Funding covers costs for professional exam development and scoring, testing materials, and temporary staff to assist in exam administration. The 2020 budget includes $309,000 in a special fund for costs related to pre-employment drug testing, medical screening, and psychological evaluations.

Figure 5



The 2020 budget includes funds to reimburse the Police department for performing background checks on prospective Fire department employees. The commission is foregoing its earlier intent to use an outside vendor for background checks as it found that private firms do not have the ability to access information that is only available to police departments. This process will allow the content of background investigations for fire personnel to match that of police personnel.

Collaborative Reform: In 2018 a special fund was created to assist in the implementation of recommendations put forth in the US Department of Justice draft collaborative review report. The FPC leads collaborative efforts with community organizations, residents, and other key stakeholders to determine which recommendations are most beneficial and how they should be implemented.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	0.00	0.00	Fire & Police Comm. Investigator/Auditor	New position
1	0.00	0.00	Program Assistant II	
	0.50		Various positions	Technical adjustment
1	1.00	0.00	Recruiter	New position
1	1.00	0.00	Testing Coordinator	New position
4	**2.50**	**0.00**	**Totals**	

FIRE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Prevent loss of life, limit fire related property damage, and improve the chances of survival from life threatening medical circumstances.

OBJECTIVES: Limit fire related deaths to less than ten per year.

Maintain a 95% recovery rate from penetrating trauma.

STRATEGIES: Conduct 25,000 community risk reduction visits annually in residential properties.

Provide public education and community fire prevention programs to reduce the risk of fire deaths, fire injuries, and to reduce property loss and damage.

Achieve average response times to fire suppression and advanced life support calls that are better than national standards.

Manage staffing in a manner that limits the impact of resource constraints on the number of companies that can operate on a daily basis.

Manage staffing and apparatus placement to reduce the high call volume for our busiest medical units and companies.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	1,101.96	883.50	875.90	-7.60
FTEs - Other	1.17	0.50	11.10	10.60
Total Positions Authorized	898	871	874	3
Expenditures				
Salaries and Wages	$76,053,864	$69,815,745	$74,886,036	$5,070,291
Fringe Benefits	35,505,102	34,907,873	32,200,995	-2,706,878
Operating Expenditures	6,312,971	6,216,258	6,388,601	172,343
Equipment	528,948	423,225	416,377	-6,848
Special Funds	488,735	676,498	604,075	-72,423
Total	$118,889,620	$112,039,599	$114,496,084	$2,456,485
Revenues				
Charges for Services	$5,953,768	$5,968,000	$6,552,000	$584,000
Total	$5,953,768	$5,968,000	$6,552,000	$584,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Prevent loss of life, limit fire related property damage, and improve the chances of survival from life threatening

medical circumstances.
- Limit fire related deaths to less than ten per year.
- Maintain a 95% recovery rate from penetrating trauma.

The Milwaukee Fire Department (MFD) contributes to safe and healthy neighborhoods through fire prevention and fire safety programs, and timely and effective response to calls for service. These three functions reduce the number of fires, remove people safely from fires and other hazards, protect property, and provide for appropriate medical care.

The Fire Department serves the residents of Milwaukee and West Milwaukee through 33 firehouses. The department has three organizational divisions:

- **Operations Division (Fire Suppression):** Responsible for all 24 hour shift personnel and their activities; the division includes the Marine Teams (Dive Rescue and Boat Team), Hazardous Materials (HazMat), Incident Command Post (ICP), Tactical Emergency Medicine Paramedics (TEMP) and the Heavy Urban Rescue Team (Hurt) Special Teams.
- **Emergency Medical Services (EMS) and Training Division:** Oversees the training academy and the EMS Bureau.
- **Administration:** Includes the Construction and Maintenance Bureau, 9-1-1 Dispatch Center and IT Bureau and oversees the civilian staff.

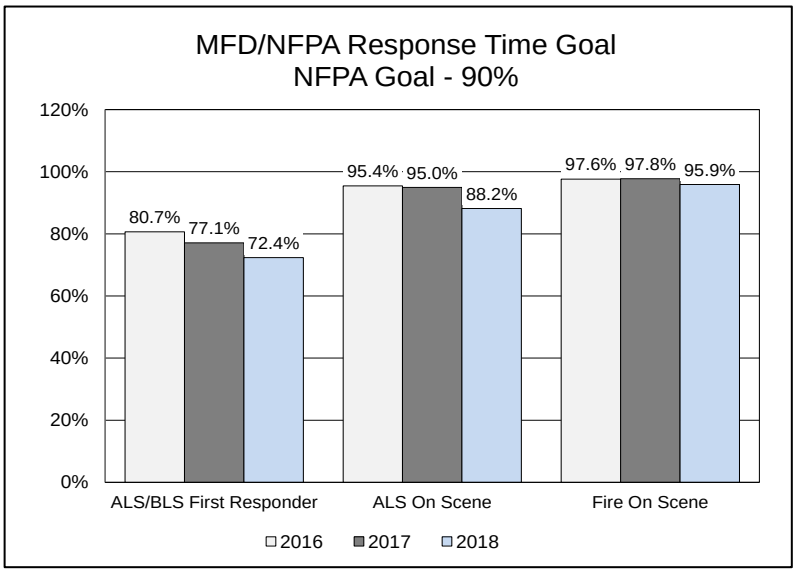
Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Limit fire related deaths to less than ten per year.	7	9	0
Maintain a 95% recovery rate from penetrating trauma. Gunshot victims: Stabbing victims:	 82.2% 98.1%	 95% 95%	 95% 95%
Make 25,000 community risk reduction visits to single family homes.	15,113	30,000	25,000

STRATEGY IMPLEMENTATION

The Fire Department contributes to the Mayor's goal of providing safe and healthy neighborhoods through the provision of effective fire prevention and education, fire suppression, emergency medical services, and specialized rescue programs. The Fire Department deploys resources sufficient to achieve fire suppression and emergency medical responses that are superior to national standards.

Response Time: MFD uses response time and geographical coverage data to locate and operate fire suppression and medical services units. As Figure 1 indicates, the department has impressive rates for the most critical types

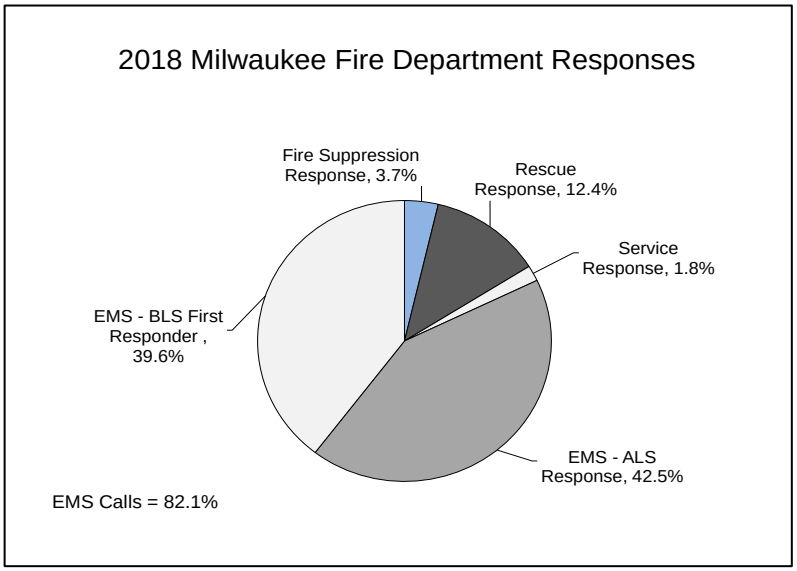
Figure 1



of fire and EMS calls. These are the calls where quick response is most critical to saving lives. Average response time to fires in 2018 was 2 minutes 55 seconds and 3 minutes 10 seconds through September of 2019.

Indicators tracked by MFD show that its advanced life support responses have a positive impact on survival rates for penetrating trauma incidents. In 2018, incidents treated by responders for stabbing victims had a recovery rate of 98.1% and 82.2% of gunshot victims survived.

Figure 2



Fire Prevention and Safety: The department's community risk reduction program emphasizes fire prevention because fewer fires decrease injuries and deaths from fires. A main emphasis of the community risk reduction program is the Fire Fighters Out Creating Urban Safety (FOCUS) program. FOCUS involves fire fighters going door-to-door to install smoke detectors in one and two family dwellings and distributing fire prevention and medical services information in areas of the city with the greatest incidence of fire. Data indicates a relationship between operational smoke detectors and lower fire deaths. In 2018, the department distributed 2,629 smoke detectors throughout the city.

RESIZE, RESTRUCTURE, AND REINVEST

The 2020 budget maintains funding for all heavy apparatus and med units. Response times to fire and emergency medical service calls are expected to remain superior to national standards.

The department is restructuring and reinvesting in the community risk reduction program. The program, which began in 2016, is a proactive and community oriented approach to fire education and fire safety, building and enhancing community relationships throughout Milwaukee. The program visits each home and business every five to seven years with the following goals:

- Install ten year lithium ion battery powered smoke detectors as a tool for fire risk reduction.
- Build relationships in fire companies' first in response areas and neighborhoods through public education.
- Familiarize visits and establish pre-fire and pre-emergency plans for businesses, apartments, and condominium buildings.

The Fire Department continues building its Mobile Integrated Health (MIH) Program. The Mobile Integrated Health program provides a proactive model of patient care that focuses on achieving the International Health Institute's "Triple Aim" goals of better health, better care, and lower costs. The overall goal of the Mobile Integrated Health program is to ensure that the 9-1-1 system is utilized appropriately and to provide Milwaukee's citizens with appropriate health care service. In 2019, the MIH program has reduced 9-1-1 calls from our enrolled clients by an average of 77%. Some months the reduction has been as high as 82%. Reducing 9-1-1 calls and assisting citizens through the health care system provides several benefits:

- Resources are available for the core mission of responding to emergencies;
- Citizens are navigated to the correct health care resources; and
- Reducing citizens' dependency on using 9-1-1 helps them to manage their health on their own.

The Fire Department has signed five memorandums of understandings with regional health care providers to identify additional high volume users of 9-1-1 and to enroll them into the program. These memorandums are expected to generate $150,000 in additional revenue.

In 2019 the MFD Mobile Integrated Healthcare (MIH) team was called upon to help address the opioid addiction crisis. The MIH team developed the Milwaukee Overdose Response Initiative (MORI). MORI utilizes current collaborative partners and develops new relationships. Partners, including the Milwaukee Health Department, Medical Examiner, and local treatment centers, deploy two community paramedics and a peer support specialist to engage the patient and their family. When the patient is ready to "take the next step", staff are prepared to get them the necessary care. Staff connect and follow-up with patients, using the trust earned by MFD through service to the community. Metrics, demographics, and outcome measures will be used to address and understand the epidemic. The 2020 budget adds a lieutenant position to lead this initiative.

The Milwaukee County fire departments' Shared Service initiative continues to move forward. Additional work is underway to improve inclusive mutual aid agreements with municipalities in the county. These agreements provide better service throughout the community through lower response times. In 2018, the department went on 362 Shared Service calls and through August of 2019 has gone on 314 Shared Service calls. MFD's Shared Service partners responded into the City of Milwaukee 492 times in 2018 and 351 times through August of 2019.

In 2018 the shared service departments entered into an Intergovernmental Cooperation Agreement for sharing and operating of fire, rescue and emergency medical equipment and materials. The agreement allows firefighters to operate apparatus from other municipalities in emergency situations and will allow the participating departments to become more efficient by taking advantage of existing fire and emergency medical resources in the community. In 2019, phase I of the virtual Bi-directional CAD interconnection project was completed and phase II has begun. The connection allows the connected fire departments in the county to increase the speed of mutual aid dispatches.

The Fire Department continues reinvesting through the fire cadet program. The 2020 budget includes funding for 52 cadets. The expanded program increases diversity and creates career opportunities for Milwaukee's youth.

The investment into the Milwaukee Fire Department wellness program continues to pay dividends. The wellness program includes components such as physicals, physical fitness, mental fitness, injury rehabilitation, movement screening, and healthy eating and living. The wellness program benefits department staff by reducing the likelihood of on the job injuries. Since the program began in 2009, injury claims have been reduced by 56% and lost time injuries reduced by 70%.

The 2020 Fire Department budget also includes $730,000 in Department of Justice (DOJ) grant funds. The DOJ funds will be used to support expanded MFD duties that will occur as a result the City hosting the Democratic National Convention (DNC) in July of 2020.

CAPITAL PROJECTS

The 2020 capital budget supports the major equipment and facilities maintenance needs of the Fire Department. The capital budget includes $1.2 for major equipment replacement and $750,000 for self-contained breathing apparatus replacement.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
			Operations Bureau Decision Unit	
1	0.00	1.00	Deputy Chief, Fire	Temporary for DNC Operations
-3	-3.00		Fire Captain, Incident Safety Officer	Replace by 3 Battallion Chief positions
3	3.00		Battalion Chief, Fire	Replaced 3 ISO Captains
			Support Services Bureau Decision Unit	
1	1.00		Lieutenant	Part of Mobile Integrated Response Unit - Opioids
1	1.00		Fire Captain	Cadet Training Captain - permanent
0	-9.60	9.60	Indirect Salaries	DOJ Grant funded
3	**-7.60**	**10.60**	**Totals**	

HEALTH DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Advance the health and equity of Milwaukeeans through science, innovation, and leadership.

OBJECTIVES:

Community Health: Maximize MHD's ability to improve the lives of Milwaukeeans by implementing community-based programs that improve health and increase quality of life.

Environmental Health: Prevent disease associated with unsafe and unhealthy environments, housing, childcare centers, schools, and establishments.

Clinical Services: Provide direct services, refer to partnering agencies with complimentary services if MHD is unable to meet the need, and increase access to health insurance to prevent disease.

Policy, Innovation, and Engagement: Translate data to action by working collaboratively with internal and external partners to strengthen policies, systems, and community environments that influence health.

STRATEGIES:

Community Health:

- Cultivate relationships within the community, public, and private sectors.
- Be intentional about equity in how we function as a health department; this includes management and staff, the Board of Health, all of our policies and procedures, and how we serve the community.
- Reframe violence as a public health issue by implementing the Blueprint for Peace.
- Reduce infant and maternal morbidity and mortality by addressing structural barriers, increasing access to socio-economic opportunities, increasing access to culturally appropriate care, holistic stress management, and health education.

Environmental Health:

- Enforce rules and regulations in a high-quality and timely fashion.
- Disrupt all sources of lead poisoning by employing best, promising, and emerging practices in addition to addressing new and ongoing elevated blood level cases.
- Maintain existing relationships with public and private partners by actively participating in regular meetings, exercises, and all-hazards response. MHD staff will be an asset on behalf of the City and follow through on tasks in a timely fashion.

Clinical Services:

- Reduce the incidence of acute and chronic disease through prevention screenings, evidence based testing and treatment, epidemiology and data analysis, administration of vaccines, and referrals to other internal and external partners and providers.
- Provide stellar customer service and contribute to health knowledge locally, statewide, regionally, nationally, and internationally throughout the MHD Laboratories and clinical services program.
- Engage in partnerships to maximize resources and enrich the community.

Policy, Innovation, and Engagement:

- Develop and/or inform policy change at the local level.
- Analyze and assign meaning to data to meet the needs of a variety of audiences.
- Re-establish the MHD's reputation as a source of trust and reliability by increasing MHD's presence in the community, health care arena, and media.
- Transform MHD by investing in workforce development plans.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	137.57	146.70	164.26	17.56
FTEs - Other	72.35	124.45	120.71	-3.74
Total Positions Authorized	254	280	285	5
Expenditures				
Salaries and Wages	$7,129,712	$8,082,896	$8,640,823	$557,927
Fringe Benefits	3,227,336	3,637,302	3,456,329	-180,973
Operating Expenditures	2,067,079	2,007,500	1,699,169	-308,331
Equipment	4,186	5,000	0	-5,000
Special Funds	561,440	727,000	947,000	220,000
Total	$12,989,753	$14,459,698	$14,743,321	$283,623
Revenues				
Charges for Services	$1,331,794	$1,218,000	$1,253,000	$35,000
Licenses and Permits	175,403	189,000	185,000	-4,000
Total	$1,507,197	$1,407,000	$1,438,000	$31,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
   - Control the spread of communicable disease.
   - Reduce injuries, disabilities, and deaths due to violence.
   - Prevent the spread of food borne disease.

2. Help children succeed, prepare for post-secondary education, and meet their full potential.
   - Reduce the infant mortality rate.
   - Improve immunization rates.
   - Reduce the number of children with lead poisoning.

The Milwaukee Health Department (MHD) improves public health by implementing health promotion programs, developing policies, administering services, and conducting research. The department promotes health care equity, quality, and accessibility and operates from three health centers - Keenan, South Side, and Northwest- and the Zeidler Municipal Building.

In 2019, the Health Department began an expedited reorganization process to better align programs and services based on its Community Health Improvement Plan, *MKE Elevate*. This five-year plan began in 2017 but was stalled in 2018 due to management changes in the department. MHD leadership revisited *MKE Elevate* in the fourth quarter of 2018 to determine which programs and services are consistent with community needs. Since the re-assessment of *MKE Elevate* continued into 2019, MHD will continue to use the five key performance measures listed below. These measures will be updated in 2020 to better align with MHD's new organizational structure and monthly performance measure reporting mechanisms.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Number of immunizations administered for the city and Milwaukee Public Schools (MPS).	5,922	6,000	6,000
Number of clients seen at Sexual/Reproductive Health Clinics.	5,064	5,000	5,000
Average number of CDC Critical Risk Factor violations per routine inspection.	1.29	1.43	1.41
Number of Children < 6 Yrs Old With a Blood Lead Test Result Greater Than or Equal to 5 µg/dL	2,212	2,300	2,300
Infant mortality rate per 1,000 births. [A.]	10.9	9.4	9.4

[*] Lead data for 2018 is preliminary, represents children under 72 months of age.
[A] Note: Data is based on three year rolling averages.

STRATEGY IMPLEMENTATION

Governance and Accountability: To support short and long-term goals and ensure that oversight is maintained, MHD supported the establishment of the Board of Health. The Board of Health is comprised of nine community and clinical representatives. Board of Health members completed health equity training to support the Board's mission to ensure equitable services and opportunities to promote health equity. The Board relies on support from the Mayor and the Common Council to help MHD better serve the community.

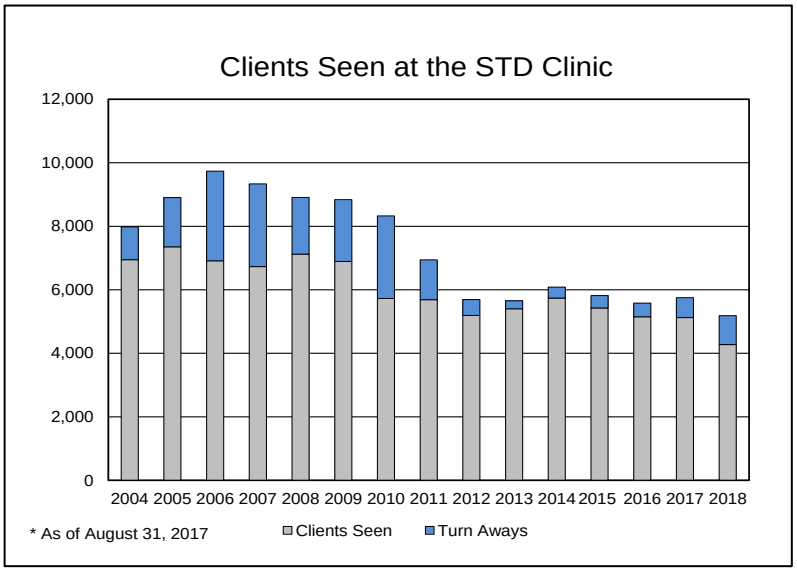
In 2019, MHD strengthened its leadership by adding four new Deputy Commissioners. Each deputy represents a specific subject matter area and provides rotation for emergency coverage during an outbreak or all-hazards event. The new deputies are: Clinical Services (a full time Medical Director) which includes all clinical care and the MHD Lab; Environmental Health which includes the Lead Program, Consumer Environmental Health, and Emergency Preparedness; Community Health which includes Maternal and Child Health, fatherhood initiatives, and the Office of Violence Prevention; and Policy, Innovation, and Engagement (PIE), which includes epidemiology, data and evaluation, vital statistics, policy, quality improvement and accreditation, and communications.

Public Health Workforce Development: The MHD workforce requires assessment and training, promotion of professional development opportunities and certification for clinical, administrative, and public health staff. MHD will recruit and hire diverse and qualified candidates, coach and mentor staff, establish a culture of continuous feedback and improvement including regular supervisory meetings and cross training. This work is ongoing as the department continues its reorganization.

Restoring Confidence in Programs and Services: MHD's leadership embraces open data and regular reporting on program progress. MHD will translate research to practice, restore and expand surveillance, access to resources, and collaborate with community partners to eliminate gaps in care. Reporting and metrics will become the new norm through the establishment of a MHD Data Dashboard. The dashboard will support accountability by providing monthly updates on services. MHD has been examining various dashboard tools and preparing staff to develop meaningful measures to be shared on a monthly basis in 2020. Continued investments in technology and a culture of innovation are necessary to share data in meaningful ways. These efforts will ensure effective service delivery and enable the department to obtain Public Health Accreditation Board (PHAB) accreditation.

Sexual and Reproductive Health: Milwaukee continues to face challenges in preventing sexually transmitted infections (STI's). The Sexual and Reproductive Health program located at the Keenan Health Center provides client and partner services, screening, and referral services consistent with federal Centers for Disease Control and Prevention (CDC) guidance. In addition, the center offers clinical examination and treatment services for approximately 5,000 clients each year who are either uninsured or underinsured (see Figure 1). MHD collaborates with other community organizations and clinics to enhance capacity to screen and test residents at risk for STI's. Educational outreach is conducted through various community events, health fairs, schools, churches, and neighborhood sponsored gatherings.

Figure 1



The department works closely with the State of Wisconsin Division of Public Health (DPH) on targeted initiatives involving high-risk groups. Analysis provided by DPH allows for strategic, targeted risk reduction interventions for high-risk community members. The program partners with Planned Parenthood of Wisconsin, the AIDS Resource Center of Wisconsin (ARCW) and Diverse & Resilient (D&R).

Working with ARCW and D&R, MHD focuses on HIV/AIDS prevention among the men who have sex with men (MSM) population. Key strategies include partnering with D&R to (1) expand testing services, (2) utilize social media for risk messaging, (3) increase accessibility to pre-exposure prophylaxis which is the use of anti-HIV medications to keep HIV negative people from becoming infected, and (4) outreach to high risk individuals at the Northwest Health Center. The program also partners with ARCW to offer same day pre-exposure prophylaxis at the Keenan Health Center location.

The 2019 budget funded a partnership with Planned Parenthood of Wisconsin to provide services to clients that are turned away from the Keenan Sexual Health Clinic because of overcapacity. From January to June 2019, a total of 50 clients have been referred.

In 2019, the department began its fourth year as a participant in the CDC Strengthening the U.S. Response to Resistant Gonorrhea (SURRG) project. The purpose is to enhance domestic gonorrhea surveillance, build capacity for rapid detection and response to antibiotic resistant (AR) gonorrhea (GC), and rapid field investigation to stop resistant infections. The project will improve understanding of the epidemiological factors that contribute to AR GC. MHD expanded its project infrastructure and worked with non-STI partner sites to increase the capacity to screen and respond to AR GC infections. The grant funds two Disease Intervention Specialist (DIS) positions, a laboratory microbiologist, a data analyst, and supports program infrastructure.

The department is engaged in a strategic planning process focused on decreasing sexually transmitted infections in Milwaukee and the surrounding areas. The following are key strategies:

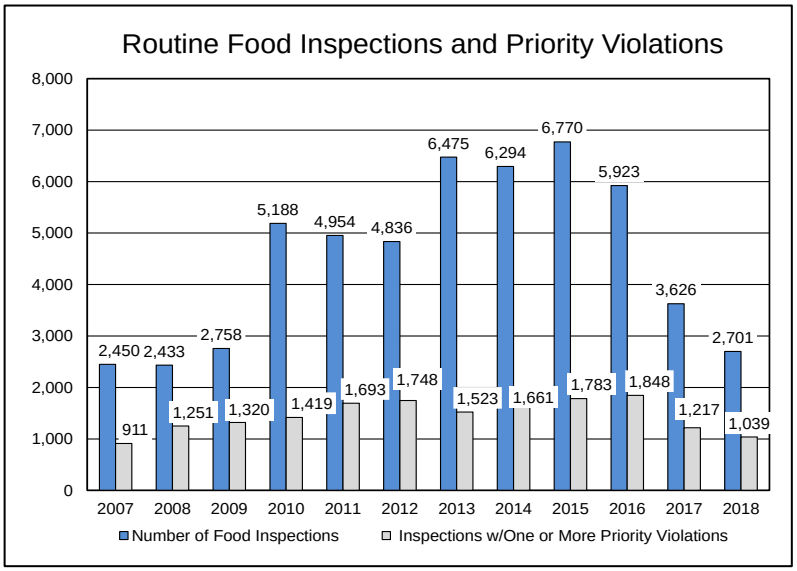
- Social Determinants of Health
- Access to Care
- Data
- Funding
- Education & Stigma
- Coordination

Further strategic action planning sessions will develop objectives, actions, timelines and partners to implement these strategies.

MHD is seeking to add contraceptive services as well as sexual and reproductive health services at the Southside Health Center in the fourth quarter of 2019.

Consumer Environmental Health: The Consumer Environmental Health (CEH) division prevents foodborne illness and assures the safety of food sold in city food establishments (grocery stores, convenience stores, restaurants, food trucks, and taverns). In 2018, 2,701 routine inspections were performed. Priority violations that may result in foodborne illness were identified at 38% of these inspections (see Figure 2).

Figure 2



If a priority violation is found, repeat inspections are performed to ensure the potential hazard is mitigated. In 2018, the department performed a total 9,765 food inspections, identifying and mitigating 14,734 violations. In 2019, it is anticipated that 8,600 food inspections will be completed to address an estimated 13,000 violations.

CEH inspectors investigate consumer complaints and provide training in safe food handling practices. The department is working on several quality improvement projects to standardize inspection practices and implement a system of progressive enforcement including the food establishment grading system.

Inspectors also decrease the risk of blood borne diseases such as Hepatitis B, Hepatitis C, and HIV from tattoo or body art practices by conducting inspections to assure that tattoo, permanent makeup, and body piercings are done in a sanitary and sterile manner.

CEH includes the weights and measures program, which protects consumers from fraudulent practices in all commercial transactions involving determinations of quantity. Devices, such as scales and meters, used in commercial transactions are tested for both accuracy and conformity with federal tolerances and construction standards. Price verifications are conducted to assure the price the consumer is charged is the price marked on the shelf.

Childhood Lead Poisoning Prevention: The Childhood Lead Poisoning Prevention Program (CLPPP) or "Lead Program" is a coordinated approach to reduce lead poisoning in children. CLPPP leverages CDBG funds in combination with HUD grants to support targeted lead abatement in the highest risk homes. Lead abatement efforts have contributed to fewer children tested with high blood lead levels (see Figure 3.)

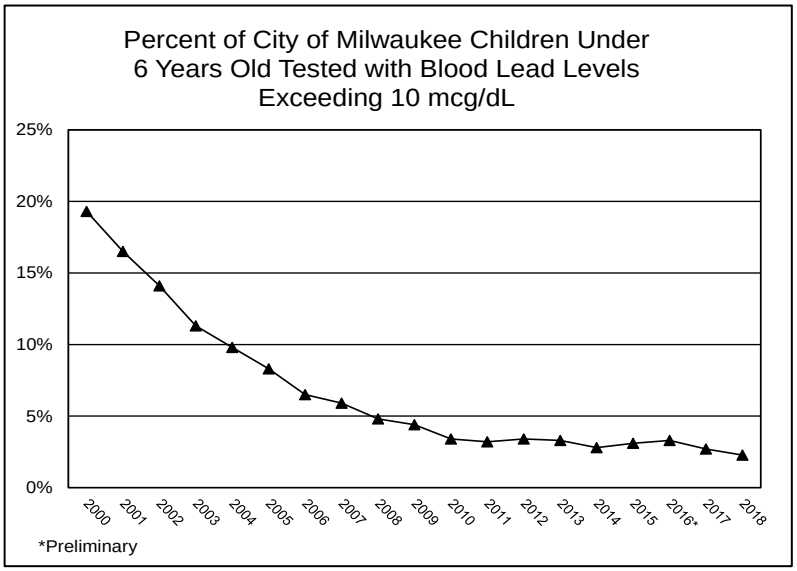
CLPPP includes:

- Housing Based Primary Prevention: Makes homes lead safe before children are poisoned by encouraging owner participation and investment in communities and properties.
- Comprehensive Secondary Interventions: Provides lead poisoned children and their families with nursing case management, medical management, and lead hazard control to ensure their housing is made lead safe to reduce the child's lead level.
- Compliance Assurance for Ongoing Residential Rehabilitation Programs: Monitors and supervises programs under HUD's Lead Safe Housing Rule.

The Health Department's drinking water filter distribution program provides free drinking water filters to those most at risk through community partner agencies. Since 2016, MHD has distributed approximately 4,800 water filters, as of June 2019. The department's goal is to distribute another 1,900 water filters by year-end, providing 6,700 water filters to those families with the greatest need.

In partnership with the Social Development Commission and Sixteenth Street Community Health Center, the department conducts door-to-door community outreach to families most at risk for lead poisoning. This increases awareness of the steps families can take to prevent lead exposure and the importance of testing children for exposure.

Figure 3



Improvements to the Lead Program are being made to resolve prior issues. MHD worked diligently with the Community Development Grants Administration (CDGA), Department of Neighborhood Services (DNS) and the Department of Housing and Urban Development (HUD) to overhaul the program, including creating new policies and procedures. In 2019, MHD increased staffing, relocated all Lead Program staff to one location for better communication and cross-team collaboration, standardized training, improved contractor outreach, and increased managerial oversight. A new management team is ensuring that case management continues, work orders are written, and additional contractors are secured to abate properties. Additionally, new ordinances were introduced to protect families from discrimination associated with childhood lead poisoning and to organize lead safe home kit distribution, including water filters. MHD plans to leverage new funding opportunities to increase the program's ability to eradicate lead in Milwaukee.

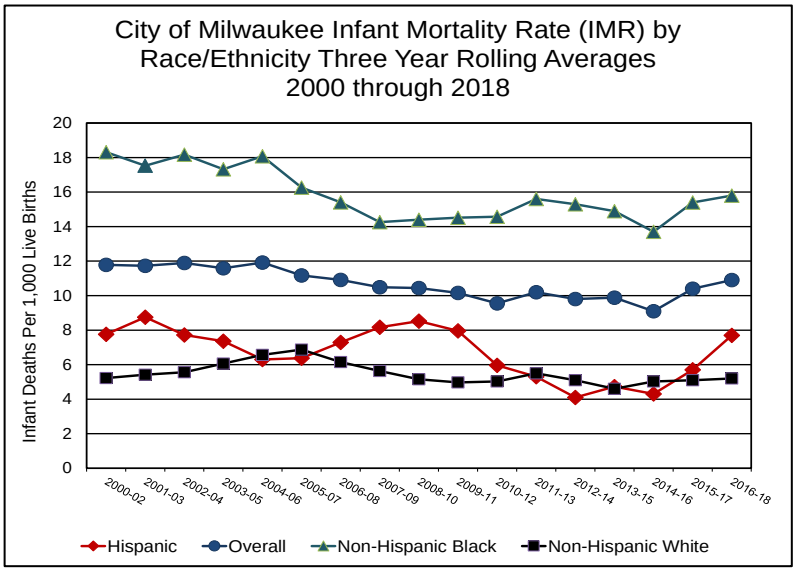
Childhood Immunizations: The Health Department works to sustain high childhood immunization rates through immunization clinics at health centers and provides immunization clinic and educational opportunities in the community. In 2018, the department provided 5,922 immunizations to 2,209 clients. Immunizations suppress outbreaks of various vaccine preventable diseases, including measles, mumps, pertussis, and ensures community health during seasonal influenza epidemics. In addition, adolescent vaccinations for pertussis, meningococcal disease, and HPV support disease prevention.

The department collaborates with organizations including childcare facilities, schools, and the *Immunize Milwaukee!* coalition to promote vaccination and reduce racial disparities. The department works to improve primary immunization rates in toddlers and pre-kindergarten age children through immunization clinics and outreach events. In 2018, 62% of children residing in the City of Milwaukee completed the primary vaccine series by their second birthday. In coordination with the Milwaukee County District Attorney's Office, the department conducts educational symposiums and events directed toward schools and daycares to increase compliance with Wisconsin immunization laws. In addition, the department is working towards an agreement with Milwaukee Public Schools that will facilitate rapid reconciliation of student immunization records and improve overall student immunization compliance rates. In the 2018-2019 school year, 92% of students were in compliance with the state immunization standards.

Infant Mortality Rate: The infant mortality rate (IMR), the number of babies who die before their first birthday per 1,000 live births, is an important indicator of a community's overall social and economic wellbeing. Milwaukee's overall IMR for 2016-2018 is 10.9, which means that 10.9 babies died for every 1,000 live births during this time period.

There are significant racial and ethnic IMR disparities. Non-Hispanic White babies have an IMR of 5.2 compared to 15.8 for non-Hispanic Black/African American babies and 7.7 for Hispanic/Latinx babies. This disparity indicates that Black/African American babies die at a rate that is approximately three times higher than white babies (see Figure 4). The Hispanic/ Latinx rate has also increased since 2014. To reduce infant mortality, the department manages several programs that emphasize healthy birth outcomes and improving parenting skills. These programs include:

Figure 4



- Empowering Families of Milwaukee- home visiting program
- Strong Babies- capacity building and technical assistance program
- Parents Nurturing and Caring for their Children- home visiting program
- The Direct Assistance for Dads Project-home visiting program
- Birth Outcomes Made Better (BOMB) Doula Program
- Fetal Infant Mortality Review

Empowering Families of Milwaukee: The Empowering Families of Milwaukee (EFM) program targets women at risk for negative birth outcomes. The program uses a multi-disciplinary approach with a team of practitioners, including nurses and social workers, to provide long term, intensive home visitation services. Visits begin in early pregnancy and continue through the child's third birthday. The program's goals are to improve birth outcomes, support child health, safety and development, prevent child abuse and neglect, improve school readiness, and enhance family functioning. Since inception, the program has enrolled over 1,000 new clients and seen 864 infants. In 2017-2018, 27 babies were born into the program and 93% of mothers gave birth to full term babies. For the 2018-2019 cycle, those numbers are projected to increase, and to date, the program had 46 births with 87% of babies born at term. In 2019-2020, EFM expects to serve 130 or more families, with a goal of 95% of babies born at term.

Parents Nurturing and Caring for their Children: The Parents Nurturing and Caring for their Children (PNCC) program provides prenatal care coordination to pregnant mothers and their families during pregnancy and until infants reach two months of age. In 2018, PNCC achieved healthy birth outcomes with more than 97% of babies born full term and 62% of mothers initiating breastfeeding after delivery. To date in 2019, 85% of babies born into the program have been born at term, and 78% of mothers have initiated breastfeeding. In 2020, the goal is 90% or greater for both outcomes.

Direct Assistance for Dads Project: The Direct Assistance for Dads (DAD) project provides intensive, evidence based, participant driven fatherhood focused home visitation services to expectant and parenting fathers. The DAD project addresses the need for high quality, father focused services in Milwaukee. Meaningful father involvement correlates with children's secure attachment and optimal development, and reduces stress and depression in mothers. In 2014, the program began serving fathers and has served 150 fathers since inception. In 2019, the DAD project was consolidated under Empowering Families of Milwaukee to provide a more stable programmatic infrastructure around quality assurance and improvement while maintaining MHD's ability to serve men with a range of health services.

Birth Outcomes Made Better (BOMB) Doula Program: The community-based Doulas program provides culturally sensitive pregnancy and childbirth education, early linkage to health care and other services; labor coaching, breastfeeding promotion and counseling, and parenting education, while encouraging parental attachment. The peer-to-peer relationship and the continuity of care for the family has a significant impact on outcomes. This model was built on the understanding that birth is a sensitive period in which families have a unique openness to change, learning and growth, and rooted in the power of peer-to-peer support. This program has two components: providing funding to existing Doulas in the community serving families in the 53206 zip code and MHD providing Doula care through its home visiting models.

Fetal Infant Mortality Review (FIMR): MHD coordinates the FIMR project, which brings an interdisciplinary body of MCH professionals together to review cases of infant deaths and stillbirths in Milwaukee County. Based upon case review, FIMR annually makes recommendations on interventions to improve birth outcomes. Recommendations from 2018 include:

1. Improve individual behaviors, such as smoking cessation and safe sleep promotion
2. Improve access to quality medical care, especially for women with infections, chronic medical conditions, or prior preterm birth
3. Reduce lifecourse stressors, these include a wide range of drivers of prematurity, from safe neighborhoods and fatherhood involvement to early childhood education and job preparation programs

Strong Baby Initiatives: The department annually co-hosts the *Strong Baby Sabbath Luncheon*. This event garners the support of more than 100 clergy to inform their congregations about infant mortality statistics in Milwaukee and to share critical information on reducing premature births and promoting safe sleep practices for infants.

The department continues its *Strong Baby* media campaign to support positive birth outcomes and child development. The campaign features images of local strong babies on buses, bus shelters, and billboards. In 2018, messages targeted safe sleep habits during the winter months. In 2019, the department will continue to determine needs and tailor messages to specific populations.

In 2018, the *Cribs for Kids* program distributed 651 cribs to families who were unable to purchase one, providing support to approximately 7% of the babies born in 2018.

Strong Babies Program: This program offers specialized and strategic training and education to community groups around maternal health objectives. A team of community outreach specialists work with community partners to provide them with a Strong Baby Certification—a decal that is placed on the door of their facility, their website, and on file with the City of Milwaukee. Objectives include working toward improving outcomes around safe sleep, breastfeeding, development screening, and health equity.

The Best Babies Zone: BBZ is a national program that uses a place-based, multi-sector, community-driven approach to reducing racial inequities in birth outcomes. It mobilizes community residents and organizational partners to address the social, structural and economic determinants of health and promote health equity. In 2018, Milwaukee was designated a BBZ. BBZ Milwaukee focuses on the Choice Neighborhood Initiative's Westlawn Neighborhood. Partners for BBZ Milwaukee include Silver Spring Neighborhood Center, the Housing Authority of the City of Milwaukee's Choice Neighborhood Initiative, United Way of Greater Milwaukee, Lifecourse Initiative on Health Families, and MHD.

Health Care Access: The department works to improve health care access for city residents. The Community Health Care Access Program (CHAP) uses targeted marketing and outreach to enroll the uninsured in BadgerCare Plus and the Affordable Care Act (ACA) marketplace. CHAP assists clients in choosing, applying, and navigating the health insurance application and enrollment process. In 2018, CHAP completed 3,309 full applications for BadgerCare Plus, reaching 2,620 new applicants. In addition, staff provided trouble shooting or technical assistance to 5,602 clients and supported 967 in accessing family planning insurance.

Milwaukee Health Department Laboratory (MHDL): The MHD public health lab annually processes over 60,000 specimens for a variety of clients and agencies. The lab provides clinical diagnostic and disease surveillance capabilities for communicable and emerging infectious diseases and supports emergency preparedness and bio-threat responses at the local, state, and national levels. MHDL's environmental health programs include testing to support Childhood Lead Poisoning and Prevention and lead in water programs, monitoring food-borne diseases, drinking and beach water safety, gastrointestinal and respiratory disease surveillance, and outbreak investigations. MHDL also serves as a public health reference lab and provides testing services to local and regional clients in healthcare agencies. In 2017-18, the laboratory generated more than $350,000 in revenue through fee-for-service testing and more than $575,000 for reimbursement of laboratory testing services performed in support of the STD Clinic. Initiatives for 2019 include:

- Expand community soil screening program for lead and nutrient analysis
- Increase lead in water testing for schools and daycare centers to support the Lead Program
- Implement improved algorithm for syphilis testing for rapid diagnosis and better treatment outcomes
- Invest in advanced analytical technology that improves lead testing capability and turnaround times
- Provide in-house laboratory testing for TB in support of the TB Control Clinic
- Integrate Hepatitis C testing in STI/HIV clinics and partner with agencies for treatment
- Enhance partnering to improve detection and response to antibiotic resistant gonorrhea (GC) in Milwaukee
- Improve laboratory data transmission capabilities via the secure Health Level 7 International Standards
- Address staffing needs in laboratory service areas and initiate a competency-based career ladder for staff

In 2017, the lab received second year funding (August 1, 2017 through July 31, 2018) in the amount of $359,454 under the Centers for Disease Control and Prevention's Epidemiology and Laboratory Capacity grant focused on improving timely detection and response to antibiotic resistant gonorrhea (GC). The Lab was awarded additional funding for this project for the period of August 1, 2018 through July 31, 2019, in the amount of $324,846. The Lab will also receive funding from the Association of Public Health Laboratories (APHL) and CDC:

- $11,000 for evaluation of a laboratory-developed molecular test for the diagnosis of genetic ulcer disease (GUD).
- $25,000 for facilitating test verification and/or modification of algorithms for detection of infection with tuberculosis by Interferon Gamma Release Assay (IGRA)

The laboratory continually upgrades its critical equipment and infrastructure to improve analytical and diagnostic services to enhance communicable disease surveillance and improve epidemiological investigations. The laboratory continues academic and applied research engagement with partners and promotes public health laboratory professions to address workforce issues through internship programs. The laboratory actively collaborates with external and internal partners to identify and pursue grant and other funding opportunities. The laboratory staff are involved with local, state, national and international agencies and professional organizations in areas of public health workforce development, environmental health and global health.

Policy, Innovation, and Engagement Branch: The City of Milwaukee Health Department's Policy, Innovation, and Engagement (PIE) branch works collaboratively with internal and external partners to strengthen policies, systems, and community environments that influence health. The branch provides mission-focused leadership and management expertise, consultation and technical support.

In 2019, PIE worked on health issues related to Food Access, Substance Abuse, Criminal Justice System, Sexually Transmitted Infections, Housing, Lead, Transportation, and Mental Health. Staff engaged partners to develop strategies in these topic areas. Policy and strategy activities included publishing and implementing City-level strategic plans (*MKE Elevate* and the City-County Heroin, Opiates and Cocaine Task Force Initial Plan), facilitating department-wide planning processes related to quality improvement projects and the creation of substance abuse toolkits for programs, presenting research at public hearings, as well as participating in policy committees. In addition, PIE advocated for health legislation by coordinating and articulating policy positions and working with

elected officials on policy issues, including lead, tobacco, and food grading systems. The branch also engaged in data related activities, including producing the department's annual report, creating a MHD data dashboard to provide monthly progress updates, and providing technical support to the Lead Program.

In 2020, PIE will lead the department's activities in pursuit of accreditation by the Public Health Accreditation Board. To align its administrative and programmatic activities with National Public Health Accreditation Standards, the office will:

- Facilitate a comprehensive community engagement process for *MKE Elevate*, the Community Health Improvement Plan
- Coordinate and support quality improvement projects that support the department's Quality Improvement Plan
- Implement a performance management system for the department
- Coordinate and implement the department's 5 Year Strategic Plan
- Support program evaluation activities, and
- Coordinate and maintain MHD policies and procedures.

In addition to strategic accreditation activities, PIE will continue to enhance its relationship with academic partners in order to leverage faculty expertise, begin the creation of policy briefs for critical public health issues, finalize a HIPAA risk assessment for the department and complete the department's first Health Impact Assessment.

PIE will also focus on expanding its capacity to provide technical assistance around data collection and analysis and management practices to MHD programs. PIE will help build the department's data infrastructure and data capacity, provide support in measuring programmatic performance, creating data visualizations, and providing evaluation expertise.

Office of Violence Prevention: Violence, both interpersonal and structural, poses a serious threat to the health, safety, and wellbeing of Milwaukee residents. Consistent exposure to violence and trauma increases stress and anxiety, contributing to poor health outcomes including premature death. Guided by the goals and strategies within the Blueprint for Peace, the City of Milwaukee is committed to advancing a public health approach to preventing and reducing violence. The Office of Violence Prevention (OVP) works to prevent violence through partnerships that strengthen youth, families, and neighborhoods.

Commission on Domestic Violence and Sexual Assault: In 2018 the Commission advocated for changes in how officer involved domestic violence incidents are handled and for the expedient testing of rape kits at the state level. The Commission provides an inclusive space for survivors, system partners and program leaders to improve coordination and impact. In 2019 the Commission completed its new strategic plan prioritizing policy advocacy, community engagement, and raising awareness about family and gender based violence throughout the city. The Commission also coordinates Denim Day MKE, an annual sexual assault awareness campaign highlighting the tragic impact of sexual assault and the resilience of survivors. In 2019, the Denim Day theme was increasing awareness among communities of color. Planning for the 2020 campaign is underway with partners, including United Way, Sojourner Family Peace Center, Advocate Aurora, Pathfinders, The Asha Project, MPS, and others.

Domestic Violence Safe Exchange and Visitation Center: After separation from an abusive situation, batterers often use visitation and exchange of children as an opportunity to inflict additional physical and psychological abuse on victims and their children. OVP coordinates a partnership with Children's Hospital, Sojourner Family Peace Center, and Legal Action of Wisconsin to provide a safe and secure site for custody exchanges and visitation for families with a history of domestic violence. This center helps victims of domestic violence, sexual assault, stalking, and non-offending parents achieve safety and independence from abuse with free civil legal assistance through a partnership with Legal Action of Wisconsin. It provides onsite visitation and exchange for 20 hours per week, offers onsite domestic abuse advocacy, and connects families to community resources for children and families impacted by abuse and assault. In 2019, the center increased its support to families needing legal support for issues related to civil

protection orders, child support, housing, access to public benefits, and other issues related to family safety and stability. Over 600 visitations and exchanges are conducted annually.

ReCast Milwaukee: Recast Milwaukee is a five-year initiative funded by the United States Substance Abuse and Mental Health Services Administration (SAMHSA) to identify and address the mental and behavioral health needs of youth and families exposed to high rates of systemic and community trauma. Over the last two years, ReCast programs have served over 2,500 youth and families while training over 1,000 community members in Mental Health First Aid, suicide prevention and crisis response. Over $2 million has been awarded to partner agencies to implement programs and services in priority neighborhoods identified by the Blueprint for Peace. Through partnerships with Employ Milwaukee, Running Rebels, My Sister Keep-Her, UW-Milwaukee, Parenting Network, Community Advocates, and many others, ReCast helps break the cycle of violence and supports healing for individuals and neighborhoods impacted by trauma.

Blueprint for Peace: Public safety directly supports a city's quality of life, economic health, and potential growth. Employing a public health approach, the Blueprint focuses on addressing the root causes of violence and protective actions to reduce violence.

In 2018 the Blueprint was rolled out with over 100 official individual and institutional endorsements. The Milwaukee County board unanimously adopted the Blueprint as its official violence prevention strategy for Milwaukee County. Since the launch, residents have participated in briefings on the Blueprint in priority neighborhoods. In 2019, OVP increased engagement with community leaders along with local and state officials to advocate for policies and resources necessary to support the implementation of the Blueprint. In 2019, OVP facilitated implementation of two key strategies in the Blueprint, including development of an evidenced-based violence interruption program and increased access to consistent and reliable data to inform violence prevention efforts. 414 LIFE is the violence interruption program, supported by the City in partnership with local and national foundations. The program informs violence prevention using real-time assault data from Emergency Management Services and local hospitals.

414 LIFE: This program uses the Cure Violence model to train and engage local residents as violence interrupters in priority neighborhoods outlined in the Blueprint for Peace. Since its launch in November 2018, the program has mediated over 65 credible conflicts with a high likelihood of resulting in gun violence or other serious injury. In May 2019, OVP facilitated a partnership between 414 LIFE, Froedtert and The Medical College of Wisconsin and Ascension Health. Through this partnership, the 414 LIFE team responds to emergency departments in local hospitals to support survivors of gun violence and assist with their recovery while addressing concerns related to re-injury and potential retaliation. Since May 2019, over 85 patients have been served by 414 LIFE. The program uses a three-pronged approach that includes proactive street outreach, targeted case management, and conflict mediation. A key element of the program is identification and engagement of individuals at highest risk of becoming victims or perpetrators of gun violence. This program has coincided with a steady reduction of non-fatal shootings and homicides across the city.

Trauma Response: The Milwaukee Trauma Response Team (TRT) is an initiative that prevents the long term effects of trauma on youth. TRT connects and offers services to youth and families exposed to potentially traumatic events. The goal is to contact youth and their families within 72 hours of the traumatic event in order to break the cycle of long term damage resulting from untreated trauma. The majority of referrals involve children as witnesses or direct victims of violence from battery and aggravated assault or domestic violence. In 2019, the city allocated $180,000 to support implementation of TRT throughout the city. In 2019 the program has nearly doubled the number of children and families supported by the program. TRT is coordinated by OVP in collaboration with the Milwaukee Police Department, Milwaukee Fire Department, and the Behavioral Health Division of Milwaukee County. As of August 2019, TRT has received over 1,000 referrals for services since the program launched in 2015.

The budget included $20,000 for a marketing campaign to provide education to the public about the benefits and availability of Trauma Informed Care Counseling services. It is the expectation to increase public awareness in an effort to increase acceptance and referral services for children who have witnessed traumatic events.

RESTRUCTURE, RESIZE, AND REINVEST

Lead Program: In 2020, MHD will continue to focus on improving the Lead Program. It is critical to ensure that Milwaukee has a strong and effective lead poisoning prevention and remediation program. Procedures and management are in place to ensure the program is effective. Several new positions were added in 2019 to improve intake of new cases, assist families if they must temporarily or permanently vacate a property (e.g. relocation assistance), and comply with program requirements.

The City of Milwaukee, along with Milwaukee County, other Milwaukee County municipalities and the Milwaukee Metropolitan Association of Commerce, is proposing a 1% County sales tax increase. If a sales tax increase is adopted, it will provide an additional $5.6 million for lead testing and abatement.

Water Filters and Outreach: In 2020, $150,000 is provided for the water filter program. The program conducts community outreach and education events to help residents reduce lead hazards inside and outside of homes. These events promote simple and affordable ways families can protect themselves from lead poisoning. New educational materials and new ways of distributing certified drinking water filters to at risk populations will be created. MHD works with the Sixteenth Street Community Health Center and the Social Development Commission to provide strategic outreach to residents.

The program offers voluntary water testing at homes with lead poisoned children and speaks with residents about water testing results. The MHD Lead in Water program works with the Milwaukee Water Works to provide information and water testing at certified and licensed childcare facilities undergoing lead service line replacements.

Medical Records System: The Health Department and the Department of Administration Information and Technology Management Division (DOA IT) are analyzing potential medical records management systems. A full time project manager will be hired through DOA to prepare MHD for the transition once the request for proposals and procurement process is complete in 2021.

Opioids Addiction Prevention and Treatment: The 2020 budget includes $25,000 to continue the opioids addiction prevention and treatment initiative, a collaborative effort to reduce opioid overdose. The initiative collaborates with the Medical College of Wisconsin to combat opioid use in Milwaukee and surrounding communities.

Birthing Mom Pilot Projects: The 2020 budget add $240,000 for a Birthing Moms Pilot Project. This program will distribute free water filters and education kits on lead-poisoning hazards to birthing moms who live in areas of the city where Lead Laterals service connections are common, and have high concentration of reported elevated blood-lead levels in children under 6, prior to each mother's discharge from the hospital.

Healthy Food Access: A Healthy Food Access Coordinator was added to provide the budget. The position is expected to improve access to healthy foods for Milwaukee residents and develop strategies to eliminate food desserts in the city.

414 LIFE initiative: The 2020 budget includes $300,000 for the Office of Violence Prevention for the 414 LIFE initiative to maintain and continue the pace of violence interrupter training and implementation.

CAPITAL PROJECTS

The 2020 budget provides $690,000 in capital funding for the following projects:

- Health facilities projects ($250,000);
- Lead paint prevention and abatement ($340,000); and
- Replacement of lab equipment ($100,000).

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
9			Member, Board of Health	Board Of Health created
-1			Custodial Worker II- Auxiliary	Eliminate unfunded auxiliary positions
-1			Crisis Intervention Specialist	
-1	-1.00		Health Operations Administrator	New and reclassified positions
1	1.00		Chief Deputy Commissioner of Health (Y)	
1	1.00		Deputy Commissioner of Medical Services	
1	1.00		Deputy Commissioner of Environmental Health	
1	1.00		Clinic Operations Director	
1	1.00		Health Data and Evaluation Director	
-1	-1.00		Public Health Planning and Policy Director	
1	1.00		Deputy Commissioner of Policy, Innovation, and Evaluation	
1		1.00	ReCAST Program Coordinator (H)(X)	New Positions
-1		-1.00	ReCAST Program Coordinator	
1	1.00	0.00	Program Assistant III (H)(X)	
1	1.00		Injury & Viol. Prev.Prog.Manager.(X)(Y)	
1	1.00		Doula Program Manager	
4	4.00		Doula	
1	1.00		Deputy Commissioner of Community Health	
1	1.00		Human Resource Representative	
1	1.00		Home Environmental Health Director	
1	1.00		Clinic Office Coordinator	
2	2.00		Clinic Office Coordinator	
-1	-1.00		Family & Community Health Services Director	
1	1.00		Environmental Health Coordinator (X)(Y)(Z)	
1	1.00		Program Assistant II	
1	1.00		Healthy Food Access Coordinator	
1		1.00	Public Health Nurse (X)(U)	
-4	-4.00		Community Outreach Liaison	Positions reclassified
-1	-1.00		Health Project Coordinator	
-1	-1.00		Family and Community Health Operations Manager	
1	1.00		Maternal and Child Health Director	
-1	-1.00		Business Operations Manager-Health (X)(Y)	
1	1.00		Finance and Administration Manager	
-1	-1.00		Deputy Commissioner of Policy, Innovation and Evaluation	
1	1.00		Deputy Commissioner of Policy, Innovation and Engagement	
-1	-1.00		Finance and Administration Manager	
1	1.00		Health Budget and Administration Manager	
-2		-2.00	Public Health Nurse 3 (X)(G)(J)	
2	1.00		Public Health Nurse 3 (0.5 FTE)(X)(G)(J)	
2		1.00	Lactation Counselor (.05 FTE)	
-1		-1.00	Public Health Educator II (J)(X)(W)	
1		1.00	Public Health Strategist	
-2		-2.00	Disease Intervention Specialist (X)(B)(F)	
2	2.00		Disease Intervention Specialist Coordinator	
-1		-1.00	Emergency Preparedness Coordinator	
1		1.00	Public Health Emergency Response Planning Coordinator (X) (Y) (A) (P)	
-6		-6.00	Health Access Assistant II (X) (HHH)	
6		6.00	Health Access Assistant (X) (HHH)	

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1	-1.00		Compliance Analyst (X)(Y)	Positions reclassified
-1		-1.00	Public Health Planner (X) (I)	
1	1.00		Health Strategy Director (X) (Y)	
1	1.00		Public Health Strategist “(X) (Y)	
-1	-1.00		Health and Ventilating Mechanic III	
-2	-2.00		Custodial Worker II - City Laborer	
3	3.00		HVAC Maintenance Technician	
-1	-1.00		Office Assistant III	
1	1.00		Program Assistant I	
-5		-5.00	Clinic Assistant (X)(C)(Q	
5		5.00	Medical Assistant (X)(C)(Q)	
-1		-1.00	Clinic Assistant-Bilingual (X)©	
1		1.00	Medical Assistant-Bilingual (X)©	
-2	-2.00		Clinic Assistant (X)	
2	2.00		Medical Assistant (X)	
-1		-1.00	Public Health Aide - Bilingual - Hmong (X)(HH)	
1		1.00	Medical Assistant - Bilingual - Hmong (X)(HH)	
-1		-1.00	Public Health Aide (MM)(X)	
1		1.00	Medical Assistant (MM)(X)	
-1	-1.00		Communicable and Infectious Disease Program Manager (X)(Y)	
1	1.00		Sexual and Reproductive Health Program Manager (X)(Y)	
-1		-1.00	Public Health Nurse Coordinator (X)(G)	
1	1.00		Public Health Nurse Supervisor (X)	
-1		-1.00	Advanced Practice - Nurse Practitioner (X)(U)	
1		1.00	Nurse Training Coordinator (X)(U)	
-1	-1.00		Lead Risk Assessor II (X)	
1		1.00	Environmental Health Coordinator (X)(TT)	
-1	-1.00		Office Assistant II	
1	1.00		Administrative Assistant III	
-1	-1.00		Substance Abuse Prevention and Control Program Manager (X) (Y)	
1	1.00		Public Health Strategist (X) (Y)	
-4	-4.00		Lead Risk Assessor II	
4		4.00	Lead Risk Assessor II (TT)(X)	
-4	-4.00		Consumer Environmental Health Coordinator (X)(Y)	
4	4.00		Environmental Health Coordinator (X)(Y)	
-1		-1.00	Consumer Environmental Health Coordinator (X)(Y)(SS)	
1		1.00	Environmental Health Coordinator (X)(Y)(SS)	
-1		-1.00	Environmental Health Field Supervisor (X)(Y)(RR)	
1		1.00	Environmental Health Services Manager (X)(Y)(RR)	
-1	-1.00		Health Personnel Officer (X)	
1	1.00		Human Resources Officer (X)	
-1		-1.00	Infectious Disease Epidemiologist (X)(Y)(A)	
1		1.00	Infectious Disease Program Manager (X)(Y)(A)(T)	
2		1.00	Health Proj Coord - EFM (X)(E)(Y)	
1		0.60	Health Proj. Coord.- EFM (06 FTE)(X)(E)(Y)	
-2		-1.00	Health Project Supervisor (X)(E)(Y)	
-1		-0.60	Health Project Supervisor(.06 FTE) (X)(E)(Y)	

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non O&M FTEs	Position Title	Reason
-1		-1.00	Program Assistant III (H)(X)	Positions eliminated
-1	-1.00	0.00	Public Health Nursing Director (X)(Y)	
-1	1.00		Men's Health Manager (X)(Y)(E)	
-1		-1.00	Dis. Contr. & Envir. Health Serv. Dir (X)(Y)	
-1	1.00		Health Services Assistant II (X)(Z)	
1	1.00		Nutritionist Bilingual (X)	
-1	1.00		Program Assistant I-Bilingual (C)(X)	
-1	-1.00		Office Assistant II	
-1	-1.00		Public Health Nurse 3 (X)(G)€	
1	1.00		Health Project Supervisor-DADS	
-1	-1.00		Program Assistant II	
-1		-1.00	Environmental Hygienist (X)(Z)(TT)	
-1	-1.00		Accounting Assistant II	
-1	0.00	-1.00	Delivery Driver	
	6.00	-6.00	Public Health Nurse 3 (X)(G)	Shift from Grant to Operating
	1.00		Viol. Reduction & Prev. Prog. Dir.(H)(X)(Y)(L)	
-1	-1.00		Mechanical Maintenance Supv. (X)(Y)	Transfer positions to DPW
-1	-1.00		Heating & Ventilating Mechanic III	
-8	-5.00		Custodial Worker II/City Laborer	
1	3.56	5.26	Various Positions & Adjustments	Miscellaneous changes
5	**17.56**	**-3.74**	**Totals**	

LIBRARY

EXECUTIVE SUMMARY

MISSION: Inspiration starts here; we help people read, learn, and connect. MPL is an anchor institution that helps build healthy families and vibrant neighborhoods, the foundation of a strong Milwaukee.

OBJECTIVES: Create a city of readers and lifelong learners through increased participation in reading and literacy programs.

Anchor healthy and vibrant neighborhoods through increased use of library facilities, services, and programs.

Reduce the digital divide through access to technology and electronic resources.

STRATEGIES: Reading and Research Services

- Provide information and literary resources in formats in demand by residents.
- Collect, digitize, and archive collections of local and statewide interest.
- Continue the Teacher in the Library program.
- Support research and reference.

21st Century Literacies

- Expand early literacy initiatives.
- Minimize the summer slide for children through the summer reading initiative.
- Increase access to library cards for city students.

Technology and Digital Inclusion

- Maintain a robust connection to the internet and computer access.
- Develop relevant learning opportunities.
- Develop partnerships to offer technology training and job searches.
- Implement Hot Spot lending.

Workforce Development and Business Growth

- Offer job seeking preparation opportunities.
- Seek partnerships for computer training classes.
- Provide career online high school scholarships.

Community Engagement and Leadership

- Increase the Library volunteer corps.
- Develop new customers through partnerships.
- Increase understanding of community needs and increase library awareness.

Out-of-School Learning for Teens

- Enhance literacy and educational opportunities for youth.
- Engage partners to help achieve shared goals.

Community Third Place

- Complete the branch building program.
- Continue Sunday hours as a means of supporting a family orientation towards literacy and learning.

Resource Alignment and Organizational Development

- Expand programs and services through use of volunteers.
- Use RFID, technology and facilities improvements to reduce costs and improve efficiency in library operations.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	278.54	292.33	298.28	5.95
FTEs - Other	6.90	22.23	20.43	-1.80
Total Positions Authorized	375	377	364	-13
Expenditures				
Salaries and Wages	$13,120,775	$12,375,271	$13,019,079	$643,808
Fringe Benefits	5,739,006	5,568,871	5,207,632	-361,239
Operating Expenditures	3,112,823	2,813,013	3,106,429	293,416
Equipment	1,977,941	1,985,630	1,968,665	-16,965
Special Funds	204,182	209,000	258,000	49,000
Total	$24,154,727	$22,951,785	$23,559,805	$608,020
Revenues				
Charges for Services	$1,022,697	$1,026,000	$1,007,000	$-19,000
Total	$1,022,697	$1,026,000	$1,007,000	$-19,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Help children succeed, prepare for post-secondary education, and meet their full potential.
   - Encourage reading and improve the literacy rate.
   - Support digital inclusion through access to technology, electronic resources, and related programs and services.

2. Improve workforce development and connect more citizens to family supporting jobs.
   - Provide training and resources for persons seeking employment opportunities and business development.

The Milwaukee Public Library (MPL) plays a critical role in providing free access to knowledge, information, diversity of ideas, and the democratic process. MPL contributes to school readiness, academic success, literacy, economic development and increased quality of life. Library collections and programming serve Milwaukee's informational, cultural, and recreational needs. MPL provides materials, services, and facilities for residents of Milwaukee and Milwaukee County. Nearly 2.5 million physical items and multiple electronic resources are available through the internet and at the Central Library, 12 branch libraries and one 24 hour fully automated vending library.

In 2013, the library board approved a strategic plan, *MPL 2020: Our Plan for the Future*. The plan prioritizes services to three broad groups of residents with the greatest potential to benefit from library services. These groups represent families with limited resources and various barriers to literacy and economic opportunities. Eight strategies for providing services were developed for these residents and others.

To help children succeed and prepare for post-secondary education, the Library emphasizes early literacy development and out-of-school learning. MPL collaborates with the Milwaukee Public Library Foundation and donors to offer system wide programs and services including *Ready to Read* and *Books2Go*, which develop pre-reading skills in children ages 0-5. Literacy and learning programs keep children and teens reading and learning during non-school hours with such programs as the summer reading program, Teacher in the Library, outreach to youth serving agencies, and the teen advisory board. Librarians select and recommend appropriate print and online materials for young children and provide guidance to parents and caregivers.

Internet access, online resources, and access to computers are provided to youth and adults. MPL continues to expand services to youth, including through the LibraryNow library challenge. Developing workforce skills and helping adults find jobs continues to be a priority. MPL's walk-in job labs have offered assistance in completing résumés, online job applications, and developing skills to perform online job searches. The use of this service has dropped significantly. MPL will seek partners to help provide these services, either in the library or through a referral process. The Library's commitment to workforce and economic development includes partnerships with the University of Wisconsin Milwaukee's Small Business Development Center, BIZSTARTS Milwaukee, Wisconsin Women's Business Initiative Corporation, Kiva City Milwaukee, and the Urban Economic Development Association of Wisconsin. These partnerships increase the Library's capacity to offer programs, including business planning assistance aimed at developing entrepreneurship and economic self-sufficiency among Milwaukee residents.

A key objective of MPL is to create a city of readers, which is accomplished through a wide range of services. Primary among these is the purchase of a curated collection of materials to meet the needs and interests of our residents. The Library offers reading materials and other information resources in a variety of formats. Print and e-books are available for leisure reading by individuals and book club groups. Non-fiction print and e-books are available for information inquiry and research, classic and contemporary music is accessible on CDs and downloadable online files, all film genres are available on DVDs and streaming services, and newspapers and magazines are provided in print and through online subscription. Subscription databases support residents with interests and needs in education, medicine, arts, literature, STEM related topics, business, history and genealogy.

The Library helps develop adult literacy skills to improve employability, job retention, and basic literacy. The Library provides drop-in tutoring programs and special materials to develop basic reading skills. Every library offers public computer workstations and laptops, and high speed wireless internet. While attendance at public computer classes has dropped, MPL will be seeking partners to help provide these services, either in the library or through a referral process.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Pre-schoolers served by early literacy programs.*	25,005	25,000	27,500
Children and Teens served by school age programs.*	75,710	72,750	75,000
Summer reading program participation.	25,255	25,250	25,250
Public computer hours.	338,803	336,000	332,650
Digital materials circulation.	473,237	515,000	557,000
Job lab computer centers attendance.	1,628	850	650
Adult programs attendance.	17,677	21,500	22,575

*Attendance includes the parents, caregivers, and teachers that accompany youth to library programs.

STRATEGY IMPLEMENTATION

Reading and Research Services

The role of public libraries continues to evolve as information delivery systems expand through electronic and digital methods. Libraries remain relevant by adapting and continuing to serve the needs of all people, bringing them

resources in many formats, and providing personalized guidance in their search for information. MPL supports families, individuals, and local organizations by providing relevant resources, professional staff, research and reference services, extensive collections, and meaningful programming.

Books and Materials: Approximately $2.79 per capita or $1.66 million is allocated to fund materials purchased for Central Library, the 12 Branch Libraries, and one Express Library. This funding is a slight decrease from the 2019 budget. Materials include books, media, electronic databases, serials, e-books, audiobooks and other resources. The Library has prioritized increases for books and materials to provide needed and in-demand resources. The use of e-books has increased 18% and downloadable audio books have increased by 28% in the first six months of 2019 compared to 2018. While demand for digital formats is growing rapidly, print materials comprise the majority of total circulation.

Research and Reference: All libraries offer one-on-one reference and research guidance and referral. Librarians and paraprofessionals at the Central library curate and make available unique research collections and assist in matching resources to individual information needs. Central library serves as the resource library to the Milwaukee County Federated Library System and provides special collections, reference, research, and library services to all county residents as well as support and consultation services to MCFLS member libraries.

Teacher in the Library: This initiative started in 2011 and brings licensed teachers into libraries after school to help children complete homework assignments and focus on their studies. Participating students and their parents report improvement in their academic skills and classroom performance, and improved attitudes toward homework. Teachers provide support, counseling, and advocacy to parents and caregivers of participating children. This program operated in the 2018-2019 school year at Atkinson, Bay View, Capitol, Center Street, Mitchell Street, Martin Luther King, Mill Road, Villard Square, and Washington Park libraries. In order to maintain this service, $138,000 is included in the 2020 budget. This funding amount will provide 1,150 teaching sessions.

21st Century Literacy Services

Literacy is the ability to find, read, interpret, and apply information in both print and electronic formats to meet an expressed need. This strategy includes offering services to people of all ages, including the very young.

***Ready to Read*:** The *Ready to Read* program supports school readiness and strengthens the early literacy skills of Milwaukee children ages birth to five. The program, which has operated since 2005, focuses on child care providers and families located in areas with the highest concentration of poverty. As of July 2019, total attendance for *Ready to Read* was 2,324 children and 932 adults.

The program incorporates weekly visits to child care centers to offer one-on-one coaching and to teach child care providers methods for developing a child's early literacy skills. In addition, free continuing education child care provider workshops are offered at the library throughout the year. The program provides book delivery service and encourages use of the library's programs such as free continuing education workshops and the Books2Go library card program. Established in 1999, the Books2Go library card program was designed specifically for child care providers offering special privileges for cardholders such as multiple users on one account and free educational resources. There are currently 503 child care Books2Go cardholders. The program includes outreach to families and teaches parents about early literacy skills though Play and Learn programming at the library. This initiative is funded primarily by private donations to the Milwaukee Public Library Foundation.

Summer Reading Program: The *Super Reader Squad* and *Teen Summer Challenge* programs promote reading and learning over the summer to maintain or increase academic skills while youth are out of school and to develop lifelong reading habits. In 2019, the program served over 25,000 youth, 10,033 children being served at 126 school age servicing agencies, and 2,340 pre-school children at 34 child care centers. About 12,000 children participated at their libraries. Total *Teen Summer Challenge* participation was 1,257 and *Teen Summer Challenge* Game Jams, attended by 368, brought industry experts into the library to engage teens in technology skill building projects.

In 2020, the Library will bring the *Super Reader Squad* program to approximately 12,000 children ages birth to 12 at outreach sites, which includes child care classrooms and community based organizations. Outreach educators visit each site weekly and actively engage the children in the *Super Reader Squad* program and literacy activities. This effort encourages parents and other providers to help their children develop reading skills. The *Teen Summer Challenge* will again engage teens in literacy and technology skill building projects. The *Super Reader Squad* and *Teen Summer Challenge* programs, summer outreach, and the year round coordinator who supports outreach to youth serving agencies and schools throughout the year, costs approximately $275,000 and is primarily funded through the Milwaukee Public Library Foundation.

Library Card Campaign: Milwaukee residents receive the greatest benefit from their library when they have a library card. Since 2009, the Library has conducted a first grade library card campaign, issuing 700 to 1,000 cards annually. In 2017-2018, 1,066 cards were issued to first graders and MPL spoke to 5,265 first graders during visits to 105 schools. In 2018-2019 MPL spoke to 4,186 first graders during visits to 84 schools. 742 new library cards were issued to first graders and 1,747 first graders completed the 2018-2019 school year with a current library card. The Library works closely with all Milwaukee area schools and volunteers to increase the number of cards issued to first graders as part of the LibraryNOW campaign.

LibraryNOW: This program will be in its fourth year and serves the first through twelfth grades of Milwaukee Public Schools (MPS), as well as new partners including Seton Catholic Schools and St. Joseph Academy and Veritas H.S. Total participants from Milwaukee school systems is 77,838. Further expansion will occur with additional partners. The library's education and outreach staff visit and train teachers and school support staff to expand the library's capacity to reach students and encourage use of library resources. Students are encouraged to upgrade from virtual accounts to full service, now totaling more than 8,400 of all participants. The program also supports teachers and nearly 3,000 have chosen to opt-in and obtain a virtual account. This number will grow as awareness increases and the program expands. With private funding, the library is studying the program's impacts with the help of a consulting firm that specializes in planning, evaluation and research.

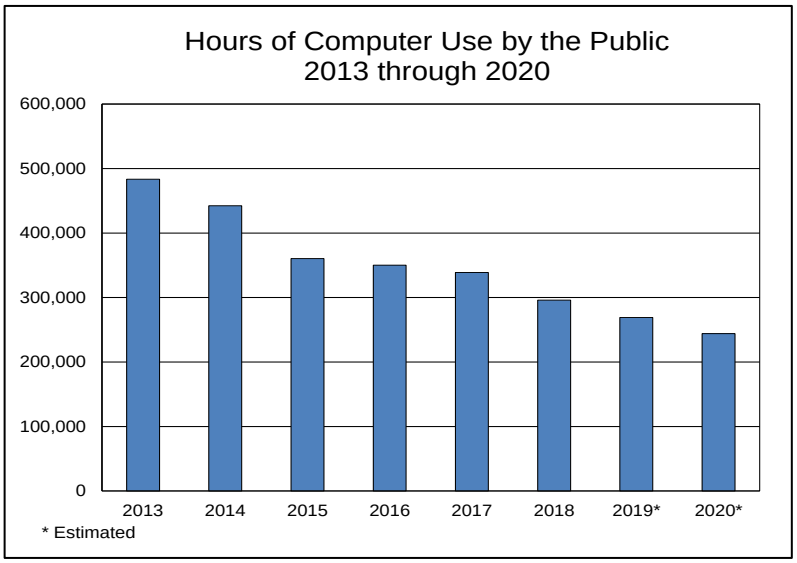
Technology and Digital Inclusion

MPL provides a range of technology related services, from access to computer skills education to digitizing local history collections. An increasingly digitized world requires new knowledge, practice, and access to technology.

Digital Inclusion: Each library location includes high speed broadband access to the internet, Wi-Fi, and computer devices. The Library has been able to maintain a robust technology infrastructure with the financial support of the Federal E-Rate program. In 2020, the Library expects to receive $129,079 in discounts, which will support and maintain Spectrum's internet service and the Wide Area Network provided by AT&T.

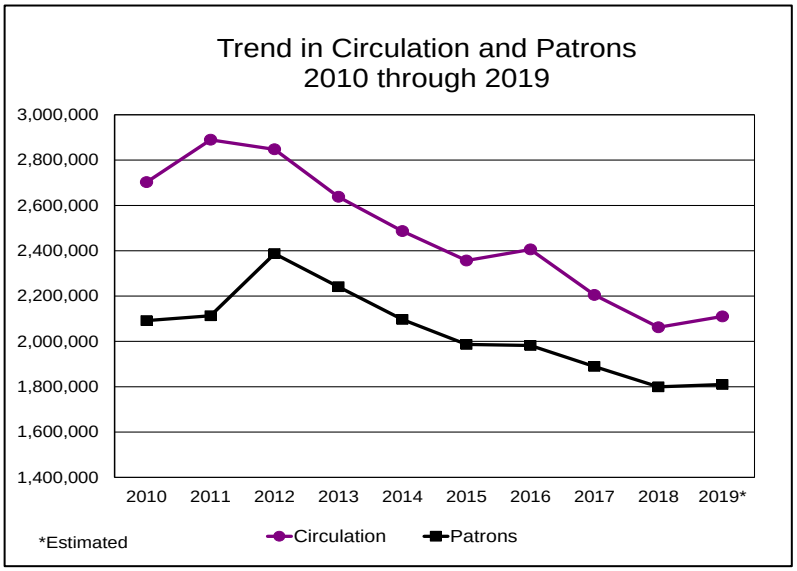
Technology Training: The 2020 budget eliminates funding for six Library Technology Specialist positions that were created through the Broadband Technology Opportunities grant. These positions provided technology skills training to city residents at all libraries. Participation in the program has significantly decreased, leading the library to look for a new way of offering this service.

Figure 1



Computer and Internet Access: MPL provides city residents with access to high speed broadband internet, PCs, and laptops. In the first half of 2019, compared to the same period in 2018, computer use decreased 0.8% and laptop checkout decreased 17.9%. However, in 2019 through June, patron personal devices connected to the public wireless network 141,929 times. The Library continues to expand technology offerings for the public, including online tools such as internet based databases, virtual reference, real time study help and online classes, digital downloads, e-books, audiobooks and other online services offered through the Library's website at mpl.org.

Figure 2



MPL Express at Silver Spring: In 2014, the first express library with a vending library machine was installed at Westlawn Gardens. The machine provides materials 24 hours per day through self-service technology. The vending library holds 400 items, including requested holds, a link to the online catalog, digital signage, and accepts returns. Items returned to the machine are checked-in and automatically presorted for pickup, delivery, and restocking. The express library has improved access to materials for both residents of Westlawn Gardens and the surrounding neighborhood. Onsite programming and regularly rotating collections have increased usage.

Workforce Development and Business Growth: MPL locations are resource hubs for the community. By hosting librarian-led programming, and providing premium database content, the Library contributes to economic and employment growth in Milwaukee. In 2018, MPL engaged 483 attendees at 53 business, patent, and finance programs and engaged 493 attendees through 15 local business-related outreach events. To date in 2019, there have been 229 attendees at 22 programs and MPL has engaged 297 new community members through 9 local business related outreach events. The Third Annual Job Expo at Central library connected 201 participants with 58 employment opportunities and 12 community job resources. In 2020, the Library will engage new users through a co-working space for remote workers, entrepreneurs, and small business owners while continuing to offer on-site recruitment through community partners, financial literacy education, new business programming and patent programs.

Job Labs: MPL is changing its approach to job skills training and the services related to workforce development. Declining participation in the job labs and basic computer skills courses has led MPL to reevaluate those programs. The American Recovery and Reinvestment Act of 2009 provided grant funding for the six Library Technology Specialist positions. The positions shifted to tax levy funding when grant funding expired. In 2020, MPL will adjust these services, leveraging community partners who specialize in this type of education and are successful in providing basic workforce skills training. MPL will focus on the core mission as a Community Third Place, providing spaces and technical resources to partners with the expertise. The Technology Training Coordinator position is retained and will work with relevant agencies to provide more targeted workforce and basic skills training for Milwaukee residents. The MPL Foundation will continue to provide support for contract employees while MPL transitions to the new model.

Community Engagement and Leadership: One of MPL's strategic goals is increasing the Library's impact on the community through partnerships. Partnerships are instrumental to successful initiatives. Each staff member is responsible for engaging the community and improving the public's awareness and use of library services.

Volunteer Program: The volunteer coordinator position identifies volunteer opportunities within the library system, develops job descriptions, recruits, hires, trains, deploys, evaluates, and manages a volunteer corps to expand the library's service capacity. Volunteers assist the public and staff by greeting library users, answering basic questions, assisting with frequently asked computer questions, registering children for the summer reading program, distributing literature, and assisting patrons with photocopying, scanning, and self-checkout. Since 2015, over 1,125 volunteers have been recruited, donating over 26,069 hours valued at $664,125.

Awareness Campaign *Library Loud* Events: In 2016, with support from the Milwaukee Public Library Foundation and corporate and community partners, an awareness campaign was launched to attract new users to the library by challenging outdated perceptions of the library and reintroducing residents to its 21st Century programming, materials, and other offerings. Large scale events at Central library included a live concert and a haunted house. *Library Loud* days continued in 2017 with events geared toward children and teens, including a red carpet teen awards ceremony and birthday parties for *Browser*, the library lion. In the future, *Library Loud* days will incorporate more events at each of the 12 branch libraries.

Out of School Learning for Teens: The Library serves teens with innovative, high quality, technology rich, out-of-school programming. These services help teens build digital literacies, develop social and emotional maturity, and become college and career ready. A space equipped with a recording studio and editing bays is available at the Mitchell Street branch. Teen interns program and curate the space and engage their peers by hosting interest based, tech oriented programs. "Near peer" college mentors provide expert coaching and support for the teen interns. All library branches offer workforce development related programming including résumé writing workshops, career exploration workshops, college application labs, and FAFSA help sessions. Production centered events and challenges that empower teens to build skills and create content will also be offered system-wide. The program is funded in part by grants through the Milwaukee Public Library Foundation and a city administered promise zone grant.

Community Third Place: Third places are anchors of community life that facilitate and foster broader and more creative interaction. They are the places we go when we are not at home (First Place) or at work or school (Second Place). The Library is an anchor in communities throughout Milwaukee and renews the sense of place through services, programs, and facilities. Continued investment in Central library and branch libraries creates and maintains facilities as places of inspiration.

RESIZE, RESTRUCTURE, AND REINVEST

Resource Alignment and Organizational Development: The Library continually aligns resources to meet its objectives. Resource alignment is ongoing and the Library seeks additional opportunities to add value to direct public services by streamlining operations.

Library Hours: In 2020, library hours are maintained at 2019 levels. All library facilities are open Monday through Saturday, while Central, Zablocki, and Capitol libraries are open on Sundays from October through April.

In 2018, visits to the library visits reached 1,799,458 and is expected to reach 1,809,825 in 2019. In 2018, circulation of physical collections reached 2,062,307 and is expected to total approximately 2,110,131 in 2019. Growth in digital and non-traditional media is expected to continue to increase.

Branch Library - New Construction: The 2020 capital budget does not include additional funding for branch library new construction. Ongoing branch library replacement for the Capitol and Martin Luther King libraries are funded with remaining 2019 capital funds. Both will be built as mixed-use developments and are currently in the development phase. Branch libraries anchor neighborhoods and with the city's investment will improve the economic conditions of the surrounding neighborhoods and business districts. High quality facilities provide needed resources and encourage frequent use by neighborhood residents.

Central Library Improvements: The capital budget includes $890,000 for Central library improvements. This includes fire suppression system upgrades, safety and egress upgrades, and security related equipment.

Neighborhood Library Improvements: The capital budget includes $400,000 for the replacement of the Zablocki Library's roof and windows.

Other Operating Changes: The 2020 budget includes several other changes, including the elmination of the Arts Project Coordinator and a $29,000 reduction in Library Materials.

Contingent Energy Financing: The 2020 budget continues the contingent energy financing special fund, with funding of $137,000. These funds were reallocated from the Library's energy account in order to fund energy efficiency and renewable energy projects. These projects will be funded over time on a contingent basis once energy savings are verified. The Library, in partnership with the Environmental Collaboration Office, will use this approach to finance energy improvements at library facilities.

Office on Early Childhood Initiatives: In 2017, the City created an Early Education Task Force which held several meetings and issued recommendations for improving access to quality early childhood education. One recommendation was to create an Office on Early Childhood Initiatives to advance and coordinate evidence-based childhood efforts and align existing services in collaboration with other organizations that provide these services. The goal is to help parents of children aged 0-3 living within Milwaukee's four Promise Zones increase their awareness of and access to programs and services that help their children be better prepared to enter school. The 2018 budget created an Office on Early Childhood Initiatives, housed within the Milwaukee Public Library. The Office is led by an Early Childhood Director and is provided $100,000 in operating funds.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
0	6.15	0.35	Various Positions	Reclassifications and funding changes
0	1.00	0.00	Library Branch Manager	Unfunded in 2019 for Reduced Service Mill Road
0	1.00	0.00	Librarian II	
0	1.00	0.00	Library Reference Assistant	
0	2.00	0.00	Library Circulation Assistant I	
0	0.95	0.00	Library Circulation Assistant I (0.53 FTE)	
0	0.65	0.00	Custodial Worker II - City Laborer (X)	
-1	-0.50	0.00	Library Technician II (.50 FTE)	Position reductions for budget savings
-6	-6.00	0.00	Library Technology Specialist (X)	
-1	-0.50	0.00	Library Circulation Aide (0.56 FTE)	
-1	0.00	0.00	Custodial Worker II - City Laborer	
-1	0.00	0.00	Library Circulation Assistant I	
0	1.00	0.00	Library Technician II	Funding restored
0	2.50	0.00	Teen Outreach Intern	Fund positions previously funded by Promise Zone SPA
0	-0.10	0.10	Library Construction Project Mgr. (X)(Y)	Charge to capital increased
-1	0.00	-0.75	Arts Project Coordinator (0.75 FTE)(A)	Positions eliminated
-1	0.00	-1.00	Program Assistant II (C)	
-1	-1.00	0.00	Branch Library Services Assistant	Position partially funded by MPL Foundation for COHS
1	0.50	0.50	Branch Library Services Assistant (E)	
-4	-3.00	-1.00	Library Education Outreach Spec. (X)(Z)	Restructure outreach staffing
3	3.00	0.00	Library Education Outreach Spec. (X)	
1	1.00	0.00	IT Support Specialist - Lead	Position funded for succession planning
-2	0.00	0.00	IT Support Specialist	Auxiliary positions eliminated
1	0.50	0.00	Librarian III (0.50 FTE)	Position added to support City Archives unit
0	0.25	0.00	Various Positions	Staff restructuring
0	-4.45	0.00	Various Positions	Technical correction
-13	**5.95**	**-1.80**	**Totals**	

MAYOR'S OFFICE

EXECUTIVE SUMMARY

MISSION: Enhance the safety, prosperity, and quality of life for all Milwaukee residents.

OBJECTIVES: Provide safety and stability for all Milwaukee neighborhoods.

Increase economic opportunity and family supporting employment for all Milwaukeeans.

Protect children's health and help them achieve educational success.

Grow the city's environmental and physical assets.

Ensure city services are delivered efficiently, effectively, and equitably.

STRATEGIES: Staff and fund responsive and effective police and fire services.

Manage city finances and long term fiscal obligations responsibly.

Work with local and regional partners to create and retain jobs.

Invest in neighborhood development and stabilization.

Continue increased investment in city infrastructure.

Continue to secure federal and state funds to improve Milwaukee.

Promote energy efficiency and renewable energy on a regional basis.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	13.77	13.75	13.75	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	16	16	16	0
Expenditures				
Salaries and Wages	$954,289	$897,928	$938,979	$41,051
Fringe Benefits	429,430	404,067	375,592	-28,475
Operating Expenditures	41,961	46,290	49,916	3,626
Equipment	0	0	0	0
Total	$1,425,680	$1,348,285	$1,364,487	$16,202

The Mayor's Office provides executive direction and management to city government, including appointments to dozens of boards and commissions, lobbying and coordination with other levels of government, and policy direction for city departments. The Mayor's Office also leads implementation of the Mayor's signature initiatives; Earn & Learn summer youth employment, the Strong Neighborhoods Plan, and the Walk 100 Miles campaign. The Mayor represents the City of Milwaukee on numerous local boards and commissions, including the Criminal Justice Coordinating Committee, Milwaukee Succeeds, Employ Milwaukee, and the Milwaukee County Intergovernmental Coordinating Council. The Mayor appoints hundreds of members to City Boards and Commissions, including the Fire & Police Commission, Board of Review, and other bodies charged with carrying out the business of City government.

The Mayor's Office handles over 10,000 constituent contacts each year, as well as the Mayor's official communications and correspondence with residents, media, and other levels of government. The Mayor reviews and signs over 1,000 pieces of Council legislation each year, and the office responds to hundreds of open records requests in compliance with Wisconsin's Open Records laws. The Office also generates proclamations, hosts visiting foreign delegations, and coordinates dozens of annual events from holiday drives for local veterans to the Mayor's State of the City address.

The Mayor sets management and policy direction for the Administration and Cabinet officials appointed by the Mayor. The Mayor's Office works closely with Cabinet departments and other local elected officials to effectively advocate the City's interests in Washington, DC and Madison.

Since his first election to Mayor in 2004, Mayor Tom Barrett has steered Milwaukee on a positive course. The Mayor's budgets have invested hundreds of millions of dollars in public safety, neighborhood stability, affordable housing, employment opportunity, and the health and well-being of Milwaukee's children. The Mayor has consistently proposed budgets that achieve results:

- Reduction in children with elevated blood lead levels
- Over 9,000 new affordable housing units
- Billions in downtown development
- New highs for employment of Milwaukee residents
- Improved neighborhoods and housing
- Environmental sustainability

Mayor Barrett's priorities for the City of Milwaukee and his appointed Administration are managed and carried out by the Mayor's Office. The Mayor's top priorities are:

Violence Prevention: Mayor Barrett established the Office of Violence Prevention in 2008. The Office is housed in the Milwaukee Health Department, with a Director who is part of the Mayor's Cabinet. The Office applies a public health approach to violence, working "upstream" of interpersonal and domestic violence, as well as on healing and organizing activities to keep Milwaukee resilient in the face of violence.

The Mayor is committed to full implementation of the Blueprint for Peace, the Office's community-developed plan to address violence before it happens. The Blueprint seeks to build communities in Milwaukee that are empowered to intervene before violence erupts and promote healing and justice to make sure violence is not cyclical.

Connecting Residents and Youth with Employment: A quality workforce is a crucial component of investment and industrial location decisions. Mayor Barrett is the Chief Elected Official for Employ Milwaukee. Employ Milwaukee provides State and Federal funding for workforce development as well as training and skill-building opportunities for job-seekers and displaced workers.

Mayor Barrett's Earn & Learn program is a summer jobs program for Milwaukee teens to learn meaningful skills and enhance their résumés. Through clerical, recreation, food service, and other work the youth in this program develop beneficial work habits and confidence. Between 2005 and 2019, tens of thousands of Milwaukee youth gained critical employment experience through the Earn & Learn program.

Strong and Growing Neighborhoods: Mayor Barrett believes neighborhoods are Milwaukee's lifeblood, and since 2014, has dedicated nearly $70 million to STRONG Neighborhoods Plan efforts to prevent foreclosures, fight blight and vacancy, and revitalize neighborhoods from the impacts left by the foreclosure crisis. Since 2014, over $100 million in taxable value has been recovered from the sale of more than 3,000 City-owned properties, re-occupying formerly vacant properties and providing opportunities for families to keep stable housing and build wealth.

Building on the successful STRONG neighborhoods partnerships and programs, in early 2018 Mayor Barrett announced a goal of creating or preserving 10,000 more affordable housing units by 2028. In the first year, the City provided funding and support for over 1,200 affordable housing units.

Infrastructure: Quality, reliable infrastructure is critical to keep Milwaukee growing and safe. Core infrastructure programs including streets, bridges, street lighting, and sewers in the 2020 budget total $70.6 million. Since Mayor Barrett took office in 2004, annual funding for core infrastructure has increased by $27.7 million, nearly 65%. In that time, $190.7 million has been invested in city streets through the local street and high impact street programs.

The high impact streets program developed under the Mayor's leadership uses a curb-to-curb asphalt resurfacing approach to extend street life and increase pavement quality. The 2020 budget funds upgrades 26.3 miles of neighborhood and commercial district streets through the local street and high impact street programs.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - NONE

MUNICIPAL COURT

EXECUTIVE SUMMARY

MISSION: Safeguard the legal rights of individuals, protect the public interest, and enhance public safety.

OBJECTIVES: Provide timely adjudication of cases.

STRATEGIES: Implement technology to streamline operations and reduce operating costs, particularly in the area of case management.

Use efficient case management and technology to make court services accessible to the public.

Continue effective enforcement of court judgments through various collection methods.

Use alternative sentencing to enable defendants to satisfy legal judgments.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	32.00	32.00	32.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	40	40	39	-1
Expenditures				
Salaries and Wages	$1,707,460	$1,760,494	$1,735,875	$-24,619
Fringe Benefits	768,357	792,222	694,350	-97,872
Operating Expenditures	487,682	384,584	437,966	53,382
Equipment	5,644	6,000	6,000	0
Special Funds	26,338	40,000	30,000	-10,000
Total	$2,995,481	$2,983,300	$2,904,191	$-79,109
Revenues				
Charges for Services	$1,660,179	$1,482,000	$1,361,000	$-121,000
Forfeitures	3,295,757	3,251,000	3,276,000	25,000
Total	$4,955,936	$4,733,000	$4,637,000	$-96,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
   - Adjudicate ordinance violations in a timely and equitable manner.
   - Effectively enforce judgments.
   - Use alternative sentencing for defendants when appropriate.

2. Remove barriers to employment.
   - Assist residents to restore suspended or revoked drivers licenses.

The Municipal Court adjudicates city ordinance violations including traffic and building code cases. The Municipal Court has three elected Judges who preside over the court's three branches. The presiding Judge appoints the Chief Court Administrator who oversees the department's administrative functions.

Court staff prepare cases for hearings, provide clerk services to the Judges, receive and account for defendant payments, and perform other administrative functions. The staff is responsible for processing between 60,000 and 180,000 cases per year and accounting for approximately $4 to $6 million in revenues, largely from fines and forfeitures.

The court provides its services through regular daily court sessions, evening court sessions, and a variety of community based options. Evening court meets the needs of people that are busy during the day. Judges also meet with defendants in a variety of locations, including at community organizations, which have programs specifically aimed at children, veterans, and young adults. These sessions have good turnout and provide more time for the Judges to communicate with and counsel defendants.

The court refers certain first time juvenile and adult offenders who appear for arraignment in retail theft cases to classes conducted by the Institute for Criminal Justice at the University of Wisconsin Milwaukee. The Court partnered with MATC to create a Drug and Alcohol Awareness Program (DAAP). DAAP is a referral program for those with certain drug or alcohol offenses. The program provides educational information on the use of drugs and alcohol and also provides career services support and advice to those who want to explore further educational opportunities. The court also makes community service referrals to non-profit community organizations, including Youth Services at the Social Development Commission.

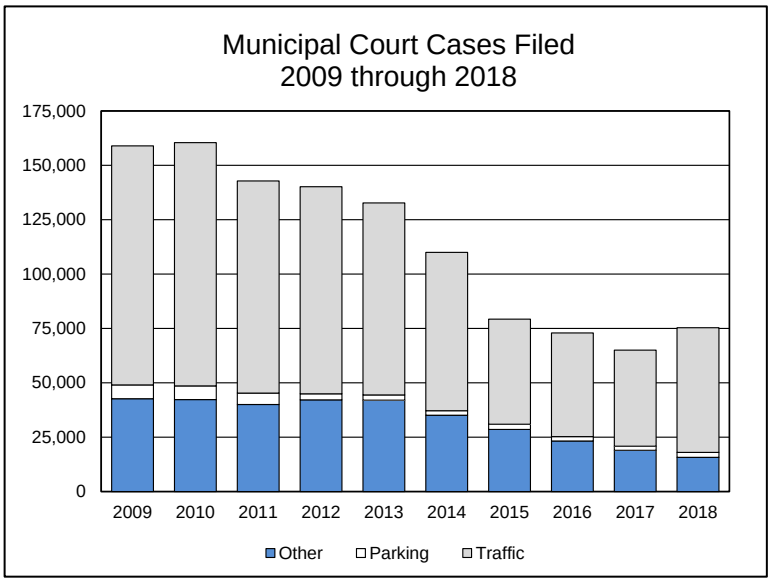
Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Average days from filing to judgment.	30	30	30
Number of enforced driver license suspensions lifted.	25,482	10,000	17,000

STRATEGY IMPLEMENTATION

The Municipal Court's 2020 budget is based on an estimated 65,000 cases. Case volume had been on a steady decline from 2010 through 2017, with a small upturn in 2018. Once again, Court filings are dropping: first quarter numbers for 2019 indicate a 47% drop in filings overall, with the majority of that being traffic related (see Figure 1).

Evening court sessions were offered on eleven dates in 2018. Evening court is more convenient for some people and as a result, a higher percentage of scheduled defendants appear for their hearings. This can shorten the time to resolve the case for the defendants who choose a night court session. In 2018, a total of 28 sessions were scheduled for 490 defendants on 831 cases.

Figure 1



Community Impact of Court Procedures: The court serves an important function by establishing accountability from those that violate municipal ordinances. This maintains safe neighborhoods, protects the public interest, and contributes to the overall quality of life in Milwaukee.

The court's elected Judges are aware of and understand the struggles within the community, which serves as a foundation for setting meaningful court procedures. This community understanding has led the court to:

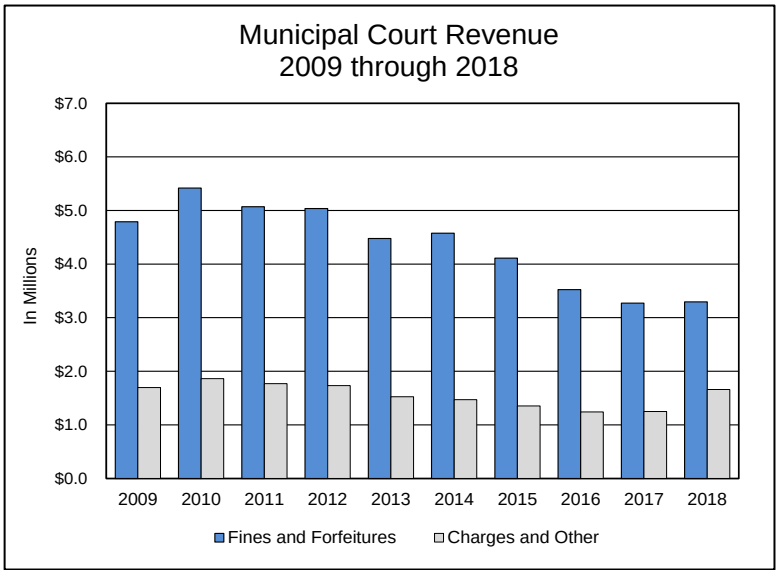
- **Allow walk-in hearings.** Few courts in the nation hear unscheduled cases. Walk-ins allow people the opportunity to appear before a judge without having to schedule a court date ahead of time, which means not having to wait until a court date is available.
- **Utilize conditional sentences of community service**. When appropriate, those who cannot pay can choose to perform community service as an alternative to payment.
- **Provide time-to-pay extensions**. If the due date has not yet passed, the court will grant an additional 60 to 90 days to pay in full if a partial payment of $20 is made, depending on the total balance due. Moreover, this payment is waived for the first extension.
- **Require $20 to file a motion to reopen judgment**. At a municipal court's discretion, this fee can be as high as $300 per s. 814.07, Wis. Stats. Milwaukee has one of the lowest fees statewide.
- **30% down payment**. Require a payment of just 30% of fines due that are related to driver's license suspensions or vehicle registration denials in order to lift the suspension or denial. Most municipal courts in Wisconsin require full payment of these judgments before lifting a license suspension.
- **Installment plan.** Installment plans, which usually last two years, may be extended for as long as the person continues to make monthly payments on time.

The Judges use these procedures to routinely assist citizens in the recovery of their driver's license. In 2018, the court lifted 25,482 driver's license suspensions for 13,278 individuals.

The court continues to seek community partners who can provide opportunities for conditional sentencing or employment, both of which uphold the court's mission.

Court Revenues: In 2018, total court revenue increased by approximately $462,400; an approximate 10% increase. Court revenue have been on a downward trend since 2010 (see Figure 2). This results from a reduced number of citations, caseloads, timeliness of adjudication, defendants' ability to pay, changes in forfeiture and fine amounts, and the effectiveness of collection efforts. In 2020, court revenue is estimated to decline by slightly less than .5% from the 2018 actual revenue.

Figure 2



Court Alternatives Program: The court's alternative services program started in 1983 in response to a report that revealed a substantial number of mentally ill individuals were incarcerated at the Milwaukee County House of Correction because they were unable to pay fines for violating city ordinances. The program was expanded in 1985 to provide Municipal Court judges with financial evaluations and alternatives to jail and forfeiture payments for indigent and disabled citizens. The National Pre-Trial Services Board in Washington, D.C. has recognized the Municipal Court intervention program as an enhanced program.

The program provides alternatives to jail or forfeiture payments for municipal ordinance violators who are unable to pay fines due to indigence or are in need of special services, particularly related to mental health and alcohol and other drug abuse (AODA) issues. These alternatives reduce Milwaukee County Criminal Justice Facility and House of Correction populations and the city's cost for housing these offenders.

In 2018, 599 persons were admitted to case management. Individuals that successfully complete the case management programs are relieved of the burden of incarceration or forfeiture payments. The participant completion rates for the various case management programs are as follows:

- Community Service: 54%
- AODA program: 73%
- Mental Health Services: 82%
- Mental Health and AODA: 80%

The 2020 Special Purpose Account budget provides $487,000 for this successful program.

RESIZE, RESTRUCTURE, AND REINVEST

Improving Case Management: The electronic case file project provided electronic storage of all case documents, improving customer service while providing additional functionality on the court's website. Not guilty pleas and requests for pre-trial dates can be entered online. Converting to electronic cases and automating court processes generates ongoing operational efficiencies. In 2011, return on the court's investment in technology began, with $50,000 in recurring annual savings from eliminating paper case file jackets. In 2012, process improvements and other efficiencies enabled the elimination of three positions, providing approximately $153,000 in salary and fringe benefit savings. In 2013 and 2014, two Court Services Assistant II positions were not funded, generating $66,500 in savings. In 2016, a Court Services Assistant III position was not funded, saving $34,700 in salaries. In 2020, an annual recurring savings of more than $700,000 will be realized from the project.

CATS and Website Upgrade: Capital funding was appropriated in prior years to upgrade the court automated tracking system (CATS), the case management information system that supports the court's operations. The current system is being upgraded to enable the court to continue to operate in an efficient and effective manner. The project will be completed by the end of 2019.

Operating Changes and Reductions: The 2020 budget includes minor reductions to the Court's operating budget. The court also plans to reduce the use of long term temporary staffing and alternate judges that fill in for Municipal Judges.

MPS Driver's Education: The 2020 budget provides $50,000 in funding for the MPS Driver's Education special purpose account. This account supports a Milwaukee Public Schools (MPS) initiative to offer free driver's education to some students. MPS funds the program through several funding sources.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1			Legal Office Assistant IV	Eliminate unfunded position
-1	**0.00**	**0.00**	**Totals**	

NEIGHBORHOOD SERVICES

EXECUTIVE SUMMARY

MISSION: Protect the value of property investments throughout the city and strengthen the redevelopment capacity of neighborhoods.

OBJECTIVES: Improve neighborhood and property conditions.

Reduce blight inducing conditions.

Increase investment in Milwaukee.

Improve the safety of buildings.

STRATEGIES: Implement proactive code enforcement strategies.

Provide a timely, well understood, and consistent development process that integrates inspection with permit approvals.

Reduce the impact of vacant, abandoned, and foreclosed properties on the community.

Provide timely response to and abatement of nuisance complaints with an accelerated process for complaints pertaining to food waste.

Assure construction of safe buildings through effective enforcement of the building code.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	201.49	194.02	192.02	-2.00
FTEs - Other	31.26	59.48	56.48	-3.00
Total Positions Authorized	280	292	289	-3
Expenditures				
Salaries and Wages	$11,022,352	$11,260,624	$11,044,320	$-216,304
Fringe Benefits	4,960,058	5,067,281	4,417,728	-649,553
Operating Expenditures	1,665,020	1,233,313	1,533,430	300,117
Equipment	0	0	0	0
Special Funds	1,961,526	2,025,000	2,050,000	25,000
Total	$19,608,956	$19,586,218	$19,045,478	$-540,740
Revenues				
Charges for Services	$9,012,396	$14,154,000	$13,228,400	$-925,600
Licenses and Permits	8,714,428	8,918,000	8,916,450	-1,550
Intergovernmental Aids	1,164,544	1,200,000	1,300,000	100,000
Total	$18,891,368	$24,272,000	$23,444,850	$-827,150

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
   - Improve neighborhood conditions.
   - Reduce blight inducing conditions.
   - Improve the safety of buildings.

2. Increase investment and economic vitality throughout the city.
   - Increase investment in Milwaukee.

The Department of Neighborhood Services (DNS) enhances neighborhood appearance by improving city cleanliness, abating nuisance properties, and leveraging private investment in neighborhoods. DNS supports neighborhood improvements by enforcing standards for buildings, property, and land use. The department uses its enforcement, financial, and educational resources to encourage investment in housing and other buildings in neighborhoods. Various inspection and enforcement activities ensure compliance with building and property codes, which helps maintain an attractive investment environment and fosters reinvestment into neighborhoods. The department also supports a reduction in property loss and fire deaths by conducting fire prevention inspections of residential and commercial properties and enforcing related building codes.

Housing conditions and trends affect the department's role in supporting and enhancing Milwaukee's neighborhoods. The city has approximately 257,000 housing units, the majority of which are single-family homes, duplexes, and condominiums. Housing conditions and trends vary considerably throughout the city. While some areas, such as downtown, have seen a recent increase in housing units from new construction, other areas have experienced a decrease in housing units, due in part to deteriorating housing stock. In addition, housing values in some neighborhoods have recovered considerably since the recession, while housing values in other neighborhoods have recovered little or not all over the same time period.

Factors that affect the stability and quality of housing in the city's neighborhoods include housing age, ownership, and market conditions, among others. Like other cities, much of Milwaukee's housing stock is aging. Nearly half of the city's housing units were built before 1950 and many homes that are approaching 75 to 100 years old require significant maintenance and rehabilitation. In addition, renters occupy a majority, 58%, of the city's housing units while owner occupancy rates have decreased. Many renters, (50%), have a high housing cost burden spending 30% or more of their income on housing costs.

Foreclosures and related impacts, including boarded-up, vacant, and blighted properties, continue to impact neighborhoods. While mortgage foreclosures have declined since their peak in 2009, the city continues to acquire hundreds of properties each year through tax foreclosure. There are approximately 3,153 known vacant properties in the city, many of which resulted from bank or tax foreclosures. These properties contribute to neighborhood blight and negatively affect public health, safety, and welfare.

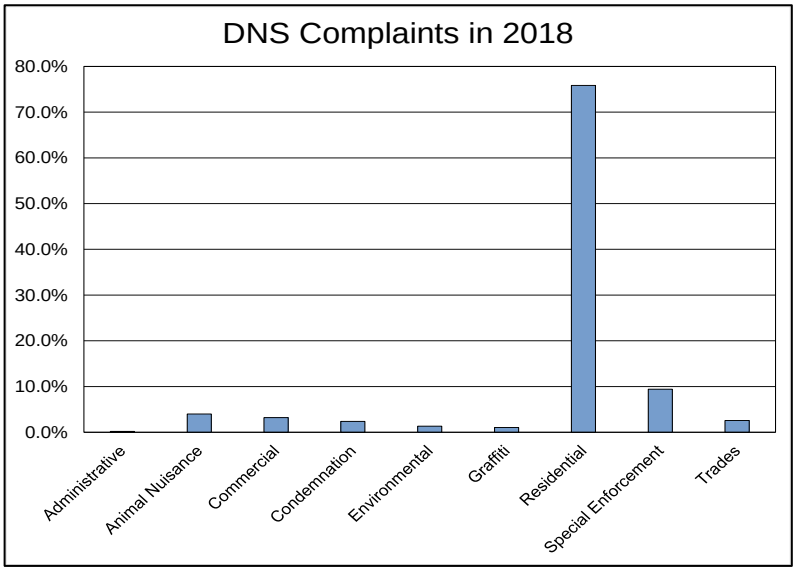
Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Average days to respond to complaints.	12.79	9	9
Orders issued.	26,636	41,000	34,000
Number of vacant buildings.	3,000	3,153	3,000
Number of properties that received compliance loans.	52	54	54

STRATEGY IMPLEMENTATION

DNS uses several code enforcement services to improve the appearance of neighborhoods by quickly abating problems such as building code violations, graffiti, peeling paint, litter and garbage nuisances, and structural building problems. Timely abatement minimizes further deterioration while supporting reinvestment into properties and improved neighborhood cleanliness and appearance. One measure of this service is the timeliness of resolving complaints, as measured by the average time to close out complaints. In 2018, DNS received over 36,000 complaints of building code violations and nuisance activity. The Residential division responded to 27,372 of the over 36,000 complaints received (see Figure 1). Verified complaints result in orders to correct conditions that violate city ordinances. Over 26,000 orders were issued in 2018.

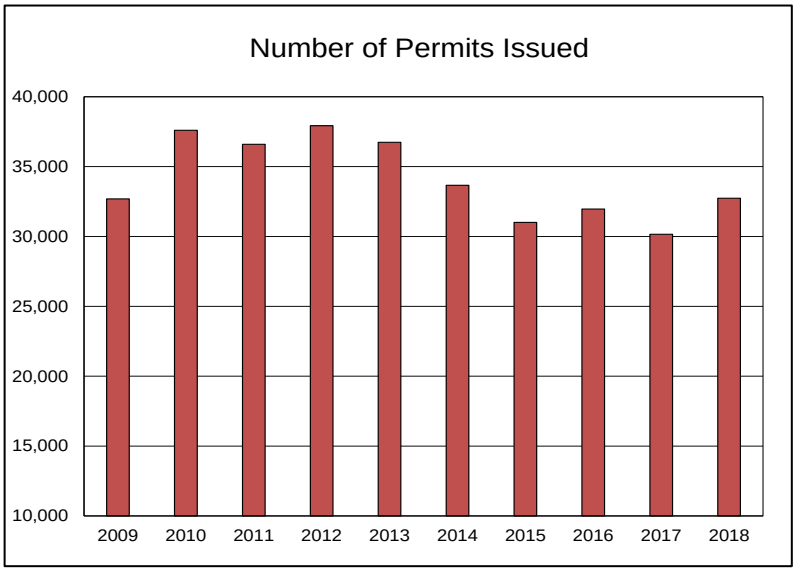
Vacant Building Registration Program: The Vacant Building Registration program helps stabilize and improve neighborhood conditions. Vacant properties that are abandoned or not maintained create neighborhood blight, require expenditure of additional city resources, and threaten public health, safety, and welfare. This program requires specific buildings that are vacant for more than 30 days to register with DNS. As long the building remains vacant, the registration must be renewed every six months. The first registration period is exempt from fees. A $250 renewal fee is charged and the fee increases if uncorrected code violations exist.

Figure 1



Development Center: The development center has implemented numerous process and administrative improvements to expedite plan review, streamline permit and plan examination processes, improve customer service, and ensure consistent application of building and development codes. Figure 2 shows the annual number of permits issued each year.

Figure 2



Milwaukee's current building boom creates workload challenges for DNS. DNS has implemented several initiatives to facilitate the development process and minimize the impact on developers. Initiatives include online permit access that allows customers to request permits 24 hours a day, outsourcing select plan reviews to an external vendor to expedite the review process and eliminate backlog, and encouraging staff members to attend training sessions to gain new skills. In 2019, the Development Center launched QLESS, which allows customers to enter a virtual line and monitor wait times remotely. This reduces the time the customer spends in the Development Center waiting room, increasing efficiency and customer satisfaction.

RESTRUCTURE, RESIZE, AND REINVEST

Downspout Disconnection Program: The 2020 budget includes staff for a downspout disconnection program. The Milwaukee Metropolitan Sewerage District (MMSD) revised its rules and regulations to require residential properties with four or fewer dwelling units to disconnect their downspouts from the combined sewer system. Disconnection must occur by January 1, 2025. The City of Milwaukee Sewer Maintenance Fund (SMF) is implementing a six-year program to ensure all disconnections occur by the required date. Approximately 53,000 properties will be surveyed for required disconnections. SMF will use DNS staff to inspect properties and ensure compliance with the disconnection requirement. The Sewer Maintenance Fund funds program staff and related costs.

Lead Abatement Inspections: Two additional Neighborhood Improvement Project (NIP) Inspector positions were created in 2018 to enable DNS to conduct lead abatement inspections. These positions are maintained in the 2020 budget. DNS conducts lead abatement inspections with Health Department staff. The departments collaborate to perform a more comprehensive inspection that includes building maintenance violations. The NIP inspectors also estimate the cost of the abatement work.

Demolition and Deconstruction Funding: The 2020 budget includes capital funding for demolition activity. In 2018, the Common Council suspended legislation that required deconstruction, rather than demolition, for residential properties. The deconstruction ordinance will take effect again on March 1, 2020 unless other legislation is adopted.

Compliance Loan Program: The Compliance Loan Program was created in 2014 to divert homeowners away from the traditional court enforcement process resulting in fines and fees, to a case management and resource-based program that keeps owners in their homes. In 2020, the Compliance Loan Program (CLP) continues with $800,000 in funding, the same level of funding as provided in 2019. Hundreds of low-income Milwaukee homeowners struggle each year to address building code violations and defer much needed maintenance. Many are long-time homeowners, multi-generation households living in aging housing stock – anchors of neighborhoods hit hardest from the foreclosure crisis. Often, repair programs do not cover all work or are exhausted early in the year. Traditional home improvement loans may not be accessible due to income, lack of credit and little to no equity.

CLP staff refer properties for loans, process and fund applications, develop the scope of work to be completed, solicit bids from a pool of licensed contractors and ensure projects meet rigorous standards of quality. Approximately 45 loans, totaling nearly $600,000, have been approved to date in 2019. Given current applicants and demand, DNS anticipates expending all remaining funds in 2019. In 2020, another 54 loans will be awarded.

City Cleanliness Improvements: In 2018, DNS began implementing improvements to the nuisance garbage clean-up program in order to facilitate more timely abatement of ordinance violations. Violations are referred sooner to contractors in order to expedite clean up. Improved technology has been implemented to enable faster intake and routing of garbage complaints. This expedited process will continued in 2020.

Illegal Dumping Prevention: In 2018, DNS investigated the scope of illegal dumping in Milwaukee and, working with agencies including ITMD, the Call Center, Public Works-Sanitation and the Milwaukee Police Department, developed a new strategy to address the problem. DNS created a new website (www.Milwaukee.gov/dumping) for use by citizens to report and provide timely, actionable information. This enables DNS to issue citations for illegal dumping.

The new reporting tool has generated several hundred tips, resulting in investigation and issuance of citations by DNS. DNS uses each case to educate citizens about their ability to report illegal dumping and to deter potential illegal dumpers by highlighting the consequences imposed on violators. DNS has received 260 complaints and issued 13 citations.

DNS also received authority to create a Reward Program as an incentive to citizens who provide information leading to the issuance of illegal dumping citations. Citizens can receive up to $1,000 for their information. Nine rewards have been issued.

DNS also provides information and suggestions to property owners to discourage potential violators from illegally dumping on their properties. Suggestions include purchase of inexpensive property surveillance equipment, which sends pictures directly to a cell phone, establishing Neighborhood Watch groups and communicating with neighbors to discourage dumping.

Position Changes: The 2020 budget eliminates a net total of four positions and 6 funded FTEs. The reductions include Programs Assistants, Plumbing Inspectors and Special Enforcement Inspectors. All of these positions are vacant. The duties of the eliminated positions will be absorbed by the department.

Other Budget Changes: The 2020 budget funds the Community Sanitation Fund at $55,000 and increases the member contribution to the Milwaukee Area Domestic Animal Control Commission by $25,000. The operating budget will be reduced by approximately $500,000, primarily a result of eliminating vacant positions.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00	0.00	Elevator Inspector	Position add for expanded workload
-1	-1.00	0.00	Plumbing Inspector	Eliminated from the Cross Connection section
1	1.00	0.00	Fire Protection Engineer Supervisor	Position reclassified
-1	-1.00	0.00	Plumbing Inspection Supervisor	
-2	0.00	-2.00	Plumbing Inspector	Positions eliminated in Plumbing Section
0	-1.00	0.00	Program Assistant II	Demolition is less than recent past
-1	-1.00	-1.00	Special Enforcement Inspector	1 temp. reduction/1 permanent reduction
-1	-1.00	0.00	Business Concierge	Position reclassified
1	1.00	0.00	Permit Desk Supervisor	
-3	**-2.00**	**-3.00**	**Totals**	

POLICE DEPARTMENT

EXECUTIVE SUMMARY

MISSION: Create and maintain neighborhoods capable of sustaining civic life and safe public spaces.

OBJECTIVES: Reduce levels of crime, fear, and disorder through community based, problem oriented and data driven policing.

Actively engage in thorough investigation and clearance of crimes to promote successful prosecution within the criminal justice system.

Further community support by enhancing partnerships with stakeholders while actively promoting trust and achieving legitimacy through constitutional policing practices.

Provide department wide investment in personnel through quality training that enhances effectiveness and prepares staff for leadership opportunities.

Build usage of field technology and provide metrics for evaluating usage and maintaining accountability.

STRATEGIES: **Community Partnership:** Develop and maintain partnerships with citizens and community organizations to foster sustainable public safety, rebuild community-police relations and work proactively to address quality of life issues.

Law Enforcement System Partners: Leverage the unique assets, skills and jurisdictional boundaries of local, state and federal law enforcement partners to address public safety threats.

Intergovernmental Relations: Work with local and state legislators to create laws that positively impact public safety and create additional sources of funding for police resources.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	2,739.63	2,717.60	2,627.00	-90.60
FTEs - Other	5.77	37.50	40.60	3.10
Total Positions Authorized	2,832	2,828	2,828	0
Expenditures				
Salaries and Wages	$199,259,372	$191,495,420	$198,174,115	$6,678,695
Fringe Benefits	91,813,735	90,002,847	83,233,129	-6,769,718
Operating Expenditures	16,891,822	16,665,069	15,359,027	-1,306,042
Equipment	906,771	50,000	140,200	90,200
Special Funds	218,404	709,360	459,948	-249,412
Total	$309,090,104	$298,922,696	$297,366,419	$-1,556,277
Revenues				
Intergovernmental	$1,267,560	$1,157,000	$1,125,000	$-32,000
Charges for Services	4,895,188	3,126,000	5,057,000	1,931,000
Total	$6,162,748	$4,283,000	$6,182,000	$1,899,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Create and maintain neighborhoods capable of sustaining civic life.

- Reduce levels of crime, fear, and disorder through community based, problem oriented, and data driven policing.
- Actively engage in thorough investigation and clearance of crimes to promote successful prosecution within the criminal justice system.
- Further community support by enhancing partnerships with stakeholders while actively promoting trust and achieving legitimacy through constitutional policing practices.
- Provide department wide investment in personnel through quality training that enhances effectiveness and prepares staff for leadership opportunities.
- Build usage of field technology and provide metrics for evaluating usage and maintaining accountability.

A set of core values guide MPD's mission:

- **Transparency**: MPD understands that its credibility is largely predicated on the community's belief that its members' actions or inaction are publicly available for review. The department prioritizes timely communication to the public, the media and those affected by crime.
- **Competence:** MPD members are prudent stewards of the public's grant of authority and resources. The department holds itself accountable for the quality of its performance and the standards of its conduct and strives to be exemplary leaders and followers.
- **Courage:** MPD places safety of others before its own and accepts the moral responsibility to take action against injustice and wrongdoing. MPD members are expected to take prudent risks on behalf of the public.
- **Integrity:** MPD recognizes the complexity of police work and exercises discretion in ways that are beyond reproach to be worthy of public trust. Honesty and truthfulness are fundamental elements of integrity. MPD's duty is to earn public trust through consistent words and actions, to be honest in word and deed.
- **Leadership:** MPD influences human behavior to achieve organizational goals that serve the public by developing individuals, teams, and the organization for service. The department accepts the responsibility to be a leader, both within the community and among its peers, and for the actions of colleagues and itself. All MPD members are responsible for the performance, reputation, and morale of the department.
- **Respect:** All MPD members hold life in the highest regard. They must treat all citizens and colleagues with dignity and respect, and be fair and impartial as they perform their duties.
- **Restraint:** MPD will use the minimum force and authority necessary to accomplish a proper police purpose. Members must demonstrate self-discipline, even when no one is listening or watching.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Decrease part one crime by 10% annually.	-19%	-10%	-10%
Achieve a 70% homicide clearance rate.	76%	80%	80%
Guns seized.	2,910	2,400	2,500

STRATEGY IMPLEMENTATION

The department uses strategic staffing practices to optimize patrol capacity. The 2020 budget includes funding for an average of 1,802 sworn officers; a decrease of sixty two, or 3.4%, from the average funded strength in 2019.

However, even with the sworn strength reduction the 2020 budget increases the department's salary appropriation by $6.7 million. The budget includes funding to hire a total of 65 new police officer recruits in late 2020. However, if a local sales tax referendum is approved the average sworn strength will be able to be restored to 2019 levels.

The department will continue to optimize its patrol resources through a variety of means, including:

- Decentralizing the Neighborhood Task Force and assigning over 100 additional officers to the police districts, which reduces response times and allows for more flexibility to deploy officers, including on beat patrols.
- Improving upon innovative programs like deferred prosecution agreements and diversion programs with prosecution partners, which reduce recidivism and improve quality of life issues.
- Using data to identify crime trends, coordinate efforts among system partners and allocate staff to maximize efficiencies.

The Fusion Division is the basis for the Police Department's intelligence led policing efforts. Starting in 2018, the Fusion Division began to incorporate a shoot review. The shoot review model is a data-driven violence reduction strategy that focuses on coordinating law enforcement, social services and the community in order to reduce homicides and shootings. The shoot review model seeks to combine the best of community energies, social services, and strategic law enforcement to reduce gun violence far more effectively than these entities operating alone. The Fusion Division collects, analyzes and disseminates intelligence regarding crime, criminals and emerging criminal trends. The intelligence is shared on a daily basis throughout the department through a fully integrated briefing for each shift. This allows the department to utilize its resources in a more effective, efficient and preventive fashion. The continuity provided by the Fusion Division provides officers on all shifts with real time crime information. This has led to positive outcomes, including the capture of fugitives, recovery of stolen vehicles, the arrest of criminals, and the prevention of criminal and disorderly behavior.

Table 1

WI Department of Justice UCR Summary Crime Reporting (SRS) 2014 to 2018

Offense	2014	2015	2016	2017	2018	17-18 Change
Murder	86	146	141	119	99	-17%
Rape - prior to 2017	249	247	285	N/A	N/A	N/A
Rape - 2017	N/A	N/A	N/A	435	488	12%
Robbery	3,554	3,752	3,285	2,920	2,279	-22%
Aggravated Assault	4,875	5,254	5,306	6,040	5,549	-8%
Simple Assault	6,996	6,646	6,255	8,067	7,547	-6%
Burglary	5,951	5,487	5,862	5,522	4,260	-23%
Larceny Theft	14,944	12,766	12,358	11,553	8,852	-23%
Motor Vehicle Theft	6,654	7,386	6,179	5,504	4,589	-17%
Arson	280	224	311	313	251	-20%

* The data was obtained from the WI Department of Justice (DOJ) and reflects preliminary UCR Summary Statistics for the time period of January 1 – December 31, 2014 – 2018. UCR statistics are subject to change for a period of up to two years. Due to a change in the definition of rape by the FBI that occurred in the beginning of 2017, the rape data is defined by two different time periods. Those data sets should not be combined for comparison purposes.

RESIZE, RESTRUCTURE, AND REINVEST

Funded Strength and Recruit Classes: The 2020 budget funds an average annual sworn strength of 1,802. The budget includes funding for one recruit class of 65 recruits at the end of 2020. If a local sales tax referendum is approved the department's average sworn strength will be able to be restored to 2019 levels.

Shoot Review: Created in the spring of 2018, the Shoot Review model is an intelligence led data-driven violence reduction strategy that uses collaboration among law enforcement, social services and community partners to end cycles of gun violence in the city. By identifying the most violent individuals and groups who are at the greatest risk of gun violence, enforcement is concentrated on specific individuals. Shoot Review leverages community and faith-based partnerships to communicate directly with identified individuals through neighborhood community interventions or one-on-one custom referrals. In 2019, the Shoot Review began to highlight activity in 14 neighborhoods that account for a disproportionate amount of homicides and non-fatal shootings.

Special Investigations Division: The Special Investigations Division (SID) was created in March 2018 to coordinate and focus criminal justice resources (local, state, and federal) on the investigation, arrest, and prosecution of prolific offenders of gun violence. The SID targets prolific offenders of gun violence through the enforcement of illegal firearms and narcotic possession and/or distribution. This includes conducting investigative follow up that is generated by National Integrated Ballistic Information Network (NIBIN) leads from the Crime Gun Intelligence Center. Furthermore, the SID is responsible for locating vehicles that are used or taken in felony offenses, as well as the arrest of wanted felony suspects. The SID also investigates suspicious deaths when overdose is probable and actionable intelligence exists to enforce narcotic laws against a suspected distributor.

As of August 2019, the SID recovered over 3,500 grams of cocaine, over 1,700 grams of heroin, over 1,800 grams of methamphetamine and over 46,000 grams of marijuana. The SID also recovered over 259 firearms.

Reckless Driving Initiatives: In the spring of 2018, the department launched a reckless driving reduction initiative (RDRI) with the Sheriff's Office and State Patrol to address dangerous driving. Due to the program's success and recognizing that reckless driving has no municipal boundaries, in 2019 RDRI was expanded to include neighboring law enforcement agencies. As of August 2019, the initiative resulted in approximately 1,600 traffic related citations and a significant amount of drugs and illegal money seized. As of August 2019, fatal collisions were down 29 percent from year-to-date 2018.

The department supplemented the enforcement component of RDRI with a marketing campaign focusing on educating the public about the pursuit policy, the risks of fleeing and the dangers of reckless driving. The department also participated in numerous public service announcements and partnered with elected officials and the private sector in the Take It EZ Milwaukee campaign targeting four high-accident areas.

Human Trafficking Unit: In 2019, the Human Trafficking Unit increased its presence in the department through a dedicated training to enhance specialized knowledge and response tactics at a district level. The department engaged in street operations that merged community based advocacy and law enforcement response to address the needs of citizens. The Sensitive Crimes Unit is strategically using crime analysis and advocacy in these operations to extract intelligence and offer resources. Having a crime analyst and advocate work together on field interviews is a new approach yielding information related to human trafficking, sexual assault and other violent crimes. This collaboration will extend with investigators through community outreach to youth programs and out of home care for juveniles to gather intelligence with a goal of intervening when traffickers are enticing young people.

In 2019, the Sensitive Crimes Division has worked to secure grant funding for law enforcement advocacy, crime analysis, and investigative supervision.

Family Violence Unit: In 2019, the Sensitive Crimes Division Family Violence Unit was extended to assist with review and support on fatal and non-fatal shootings in Milwaukee. They offer services and explore the nexus of interpersonal violence in shootings in an effort to reduce retaliation and promote peace. This team reaches out to citizens to connect to resources and offer investigation across the entirety of a relationship, and in the intersection of relationships.

In the spring of 2019, members of this team furthered the department's development through training on minimal facts interviewing of children present at crimes.

Community Briefings: In October 2018, the department began providing community briefings to show the public relevant body camera video and other evidence for officer involved shootings within 45 days of the incident and before any charging decisions have been made. As of August 2019, the department has released 5 community briefings.

Body Worn Cameras: All patrol officers and uniformed specialty officers (K9, Mounted, Harbor, Tactical Enforcement Unit and Specialized Investigations Division) are equipped with body worn cameras. In January 2019, the department purchased 60 additional body worn cameras (for a total of 1,260 cameras) utilizing grant funds of $56,600. In 2020, the department will upgrade to the latest generation of body cameras and equipment. Also in 2020, the department will phase out from DVD's and begin sharing the camera footage directly with the District Attorney's Office through an online platform.

CAPITAL BUDGET

The 2020 capital budget includes $4.0 million for reinvestment in key areas of the department.

Police Vehicles: The 2020 capital budget includes $3.5 million for police vehicle replacement, including 45 fully equipped squad car replacements.

District Station Repairs: The 2020 capital budget includes $500,000 to make various upgrades and repairs at the department's district stations.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
5	5.00		Administrative Assistant III	Reclassification
-5	-5.00		Administrative Assistant II	Reclassification
1	1.00		Administrative Assistant III	New position authority
-54	-54.00		Police District Office Assistant	Reclassification
54	54.00		Police District Administrative Assistant	Reclassification
1	1.00		Marketing & Communications Officer	New position
	15.00	-15.00	Police Officer	Accounting change to reflect funding of positions as revenue instead of grant funding
	-2.00	2.00	Police Officer (N)	Positions funded by grant funds
	3.00	-3.00	Detective	Grant funding eliminated
14	14.00		Police Sergeant	New positions
-10	-10.00		Police Lieutenant	Positions eliminated
-3	-3.00		Police ID Supervisor	Positions eliminated
-2		-1.00	Crime Analyst	Grant funding eliminated
	1.00	-1.00	Forensic Ballistics Specialist	Grant funding eliminated
-1	-1.00		Office Assistant II	Positions eliminated
-2	-2.00		Office Assistant IV	Reclassification
2	2.00		Human Resources Assistant	Reclassification
-1	-1.00		Accounting Assistant I	Reclassification
1	1.00		IT Project Coordinator	Reclassification
-1	-1.00		Police Records Assistant Manager	Positions eliminated
1	1.00		Police Open Records Legal Advisor	Reclassification
-1	-1.00		Open Records Legal Advisor	Reclassification
1	1.00		Helpdesk Specialst II	Reclassification
0	-18.00		Community Service Officers	Funding eliminated
	-62.50		Police Officer	Sworn strength reduction
	-1.00		Media Producer	Funding eliminated
	-1.00		Maintenance Technician II	Funding eliminated
	-1.00		Garage Attendant	Funding eliminated
	-1.00		Safety Specialist-Senior	Funding eliminated
	-1.00		Program Assistant III	Funding eliminated
	-1.00		Health & Safety Officer	Funding eliminated
	-1.00		Health & Safety Specialist	Funding eliminated
	-22.10	21.10	Various positions	DOJ Grant funded
0	**-90.60**	**3.10**	**Totals**	

PORT MILWAUKEE

EXECUTIVE SUMMARY

MISSION: To enhance the economic environment of the Milwaukee region by stimulating domestic and international trade, business development, and employment for the Port's tenants, their customers and the citizens of Milwaukee.

OBJECTIVES: Increase private investment.

Enhance intermodal options and transportation infrastructure on Jones Island.

Foster development of agricultural and alternative markets.

Position Milwaukee as a Great Lakes turnaround cruise ship destination.

STRATEGIES: Administer 467 acres of land at or near the lakefront.

Identify possible tenants not currently at the Port but with strong growth potential.

Increase marketing of the Port and its tenants.

Export Milwaukee agricultural and manufacturing products to U.S. and overseas markets.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	18.08	19.00	19.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	35	35	35	0
Expenditures				
Salaries and Wages	$1,162,228	$1,162,383	$1,152,848	$-9,535
Fringe Benefits	833,549	523,072	461,139	-61,933
Operating Expenditures	1,536,626	1,209,700	1,269,913	60,213
Special Funds	2,372,539	2,058,000	3,600,000	1,542,000
Total	$5,904,942	$4,953,155	$6,483,900	$1,530,745
Revenues				
Charges for Services	$5,131,693	$4,953,155	$6,483,900	$1,530,745
Total	$5,131,693	$4,953,155	$6,483,900	$1,530,745

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
   - Provide land for businesses.
   - Stimulate trade and business.

Port Milwaukee has a major role in the local economy by providing land for businesses that need to be near Lake Michigan and Milwaukee's inland river system. Through this work, Port Milwaukee contributes to the citywide goal of increasing investment and economic vitality throughout the City. The businesses that work at and through the Port generate approximately $100 million in annual business revenue and directly employ approximately 630 people. In addition to those employed by Port tenants, Port operations directly create over 460 family supporting jobs as well as indirectly supporting nearly 220 additional jobs in the Milwaukee area.

The Port nurtures investment in Milwaukee by stimulating trade and business and by serving as a regional transportation and distribution hub for Southeastern Wisconsin. The Port links waterborne, rail, and ground transportation on Jones Island in an accessible location close to downtown. As a result, the Port's tenants and customers are able to ship and receive products to and from all parts of the world.

The Port's major commodities are cement, steel, salt, and grain. The Port diversifies its activities by promoting recreational businesses and passenger related travel services. Port Milwaukee is home to the Lake Express high-speed ferry and welcomes passengers from around the world at its two passenger cruise docks.

The Port administers 467 dry acres of city owned property at or near the lakefront. Milwaukee World Festivals, Inc. currently leases approximately two-thirds of the Port's north harbor land for the Maier Festival Grounds, home of Summerfest, various ethnic festivals, and the American Family Insurance Amphitheater. Smaller leaseholders and city owned facilities account for most of the remaining acreage.

The Board of Harbor Commissioners governs Port Milwaukee. The Board is responsible for developing the strategic plan and governing its operations.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Tonnage growth.	-6.97%	0%	0%
Percentage of total expenses covered by revenues.	$1.1	100%	100%
Port related job growth.*	630 (direct) 679 (indirect)	630 (direct) 679 (indirect)	630 (direct) 679 (indirect)
Cruise ship visits	4	11	12

STRATEGY IMPLEMENTATION

In 2018, the Port generated operating revenue of approximately $4.7 million, a 15% increase over 2017. Approximately 63% of the Port's total revenues result from facility rentals. The Port also receives revenue from the lease of the 75-acre Maier Festival Park to Milwaukee World Festivals, Inc. Revenue generated by Port Milwaukee covers all its operating costs and provides funding to reduce the financial impact for City services on taxpayers.

In addition to property leases, tonnage totals also affect Port revenues. In 2018, total tonnage decreased by 179,597 metric tons (7%) to 2.39 million metric tons. Port tonnage is affected by international trade patterns beyond the Port's control, including tariffs on Port commodities, which affected 2018, and 2019 tonnage. Nonetheless, Port Milwaukee increased its overall international tonnage via the Great Lakes – St. Lawrence Seaway in 2018 by nearly 30% from 2017.

The Port's land use strategy is to maximize productive use of its properties and services by replacing less productive activities with more economically advantageous initiatives.

RESIZE, RESTRUCTURE, AND REINVEST

Position Changes and Consolidation: In 2019, Port Milwaukee reclassified the Accounting Program Assistant III position to a Finance Specialist. This change better supports the Finance section and supports all Port staff as they seek new opportunities to increase business and revenue for the City.

Foreign Trade Zone No. 41: In 2011, the Port of Milwaukee took over as the grantee of Foreign Trade Zone (FTZ) No. 41. As the grantee, the Port's role is to promote the FTZ to businesses in Milwaukee and throughout the State of Wisconsin that can benefit from participating in the program. Companies that participate can retain and create jobs, while remaining competitive in international markets.

Designated foreign trade zones realize the following benefits:

- Deferral or elimination of customs duties;
- Leaner supply chains;
- Reduction in merchandise processing fees; and
- Reduction in broker fees.

Table 1

Foreign Trade Zone No. 41

	2014	2015	2016	2017	2018
Merchandise Value (In Millions)	$1,192.0	$1,645.3	$1,778.7	$2,143.6	$2,249.1
Employees	3,624	3,473	4,204	4,137	5,137
Approved Zones	7	7	7	7	12

The Port has been successful as the grantee of the FTZ No. 41. There are currently 12 approved operating sites. In 2018, the value of merchandise brought through FTZ No. 41 exceeded $2.2 billion. This is an increase of nearly $1.4 billion when compared to 2012. The value of goods moving through FTZ No. 41 exceeded $1 billion for the sixth consecutive year. Table 1 summarizes the success of FTZ No. 41.

Marketing Milwaukee: While cruise shipping is not new to Milwaukee, the Board of Harbor Commissioners and Port Milwaukee staff have worked with a number of stakeholders to develop a comprehensive Port marketing plan that attracts more ships, developing the Milwaukee Cruise Collaborative. Partners include VISIT Milwaukee, the Milwaukee Downtown BID, the U.S. Department of Transportation, General Mitchell International Airport, and others. These efforts have proven successful as 2019 is expected to see a 175% increase in cruise visits over 2018. Collaborative efforts on the regional and international levels will continue in 2020.

Port Facilities: Maintaining high quality facilities attracts tenants, increases revenues, and improves the local economy. The 2020 budget includes approximately $1 million for the maintenance and improvement of Port facilities, including:

- **Leasehold Demolition/Facilities Upgrade:** $450,000 – Port Milwaukee is responsible for maintaining and preparing buildings and land for lease to tenants. This funding supports such efforts, ensuring that facility work is done in a safe and timely manner.

- **Dockwall & Breakwater Rehabilitation**: $50,000 – Port Milwaukee maintains an extensive ten-mile dockwall system. An ongoing rehabilitation and maintenance program is necessary to minimize emergency repairs and ensure that the dockwall supports safe cargo operations.

- **Major Rehab and Upgrades - Equipment**: $280,000 - The Port Operations Division provides services to tenants and customers by assisting in the loading and unloading of vessels that dock at the Port. This work requires machinery and equipment capable of handling large jobs being in good working condition. These services are a source of revenue for the Port.

- **Major Maintenance –Terminals & Piers:** $300,000 – Maintaining terminals and piers at the Port is necessary to ensure vessels can safely dock and to handle the cargo that must be loaded and unloaded. The safety of employees and customers is a high priority, and terminal and pier maintenance is an ongoing process.

Revenues and Tonnage: The Port continues efforts to generate new revenues and increase tonnage from the following sources:

- Innovative fuels and alternative fuels exports;
- Agriculture products;
- Marketing available properties;
- Foreign trade zone activation; and
- Expanding export and import container yard activity thru intermodal facilities.

CAPITAL BUDGET

Roadway Paving: The Harbor's subsurface, severity of winter weather and the large volume of heavy trucks doing business with Port tenants all contribute to the need for regular paving work on Jones Island. The 2020 capital budget includes $200,000 for this work.

Pier, Berth, and Channel Improvements: This program provides ongoing maintenance and improvements to the Port's heavy lift dock, mooring basin, and the outer harbor. The State Department of Transportation provides 80% of the program's cost. Though no funding is requested in 2020, this program will continue and is supported using current capital program balances.

Rail Track & Service Upgrades: The Port continues its rail track and replacement program to address safety and service load requirements. The 2020 capital budget includes $275,000 for additional improvements to the rail system. These improvements, in conjunction with other facility improvements, make the Port more attractive to potential tenants and enhance its competitive advantages.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Accounting Program Assistant III	Reclassified to Finance Specialist
1	1.00		Finance Specialist	
0	**0.00**	**0.00**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
ADMINISTRATIVE SERVICES DIVISION

EXECUTIVE SUMMARY

MISSION: Provide business operations and administrative support for DPW.

OBJECTIVES: Ensure that DPW personnel, financial, and budget transactions comply with city ordinances and established procedures.

Provide for safe and OSHA compliant working conditions throughout DPW.

Ensure opportunities for businesses and residents to participate in DPW contracts and projects.

STRATEGIES: Investigate, review, and solve complex problems regarding the planning and implementation of major projects and events as they relate to public right of ways and infrastructure.

Implement a risk management model to reduce workplace injuries and control worker's compensation costs.

Administer the emerging business enterprise and residents preference program.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	36.69	35.10	35.90	0.80
FTEs - Other	6.68	9.90	9.10	-0.80
Total Positions Authorized	45	46	45	-1
Expenditures				
Salaries and Wages	$2,073,518	$1,966,420	$1,961,342	$-5,078
Fringe Benefits	891,736	884,888	784,537	-100,351
Operating Expenditures	233,398	217,000	216,637	-363
Equipment	1,025	0	0	0
Special Funds	0	0	0	0
Total	$3,199,677	$3,068,308	$2,962,516	$-105,792
Revenues				
Charges for Services	$2,727,113	$1,840,000	$1,831,000	$-9,000
Licenses and Permits	2,779,942	1,929,000	2,534,900	605,900
Total	$5,507,055	$3,769,000	$4,365,900	$596,900

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.

- Provide courteous and professional assistance to developers and residents in the project development process, including technical utility reviews and permit issuance.
- Administer and coordinate services between the city and developers for out-of-program sewer, water, and paving improvements.
- Work closely with business organizations in the planning and implementation of streetscape improvements through commercial districts.

2. Improve workforce development and connect more citizens to family supporting jobs.
   - Provide employment opportunities to Milwaukee businesses and residents through the small business enterprise (SBE) and the residents preference program (RPP).

The Administrative Services Division provides planning and support to the Department of Public Works (DPW) in several areas. Administrative functions include budget preparation and control, accounting, payroll, human resources, employee safety, contract administration, purchasing and inventory, and special event permitting. The division also supports administration and management of the Transportation Fund.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
SBE participation as a percent of total annual contract payments.	27%	25%	25%
RPP hours worked as a percentage of total contract hours.	55.88%	40%	40%
Employee work days lost due to injury.*	9,650	9,500	9,500

* OSHA recording regulations require that weekend days, holidays, vacation or other days off be included in the total number of days recorded if the employee would not have been able to work on those days because of a work related injury or illness regardless of whether or not the employee was scheduled to work on those days.

STRATEGY IMPLEMENTATION

Improving Safety: DPW's Safety Section minimizes workplace injuries and supports a safe and productive work environment. The section implements programs and procedures and acquires new safety devices that contribute to safer work practices. By minimizing injuries, DPW reduces both work days lost due to injury and costs associated with injury pay.

With the advent of the Milwaukee Streetcar, there exists the exposure to new potential hazards in the work place. In order to stay in compliance with Federal guidelines, Safety has provided training to DPW employees in the following areas: awareness training for employees who may be working in the guideway; familiarization training of the systems, facilities, and vehicles for first responders; and facilitated tabletop and field exercises to test capabilities of incident command structure when responding to transit emergencies.

RESIZE, RESTRUCTURE, AND REINVEST

Residents Preference Program: The Administrative Services Division is responsible for administering the city's residents preference program (RPP) for public works contracts. This program leverages employment and training opportunities for unemployed and underemployed city residents through requirements applicable to capital improvement projects, including road repair, building repair, retrofitting and rehabilitation, water main repair, and playfield reconstruction. Contracts awarded for capital projects create employment opportunities for city residents to build work experience and skills development in the construction trades.

For contracts closed in 2018, the RPP provided 203,248.33 hours of work, or 55.88% of total contract hours and $5.1 million wages on public works contracts.

An important recent change to the RPP is removal of the five year qualification period, meaning that the certification is retained as long as residents do not move out of the city. DPW played a key role in the development of these and other recommendations to update the city's RPP governing ordinances.

Compete Milwaukee: Since 2014, the City of Milwaukee and Department of Public Works has provided unemployed residents with multiple barriers to employment and that meet specific State transitional jobs requirements with up to six months of meaningful subsidized work experiences, accompanied with professional development career pathways trainings and services, through the Compete Milwaukee program. The majority of participating residents subsequently gain unsubsidized employment, with some gaining City employment. Compete Milwaukee meets participants where they are at and assists them in reaching their career goals. In addition to providing work experiences at various City work site locations, local private sector companies and contractors provide career exposure opportunities for young adults interested in becoming the next generation of construction workers. The City continues to deliver innovative workforce development programming to residents, including individuals who are low-income or have criminal conviction records, to support pathways towards family supporting employment. In 2020, a total of approximately 50 qualifying residents will participate in Compete Milwaukee programs.

Position Changes: The 2020 budget moves the Safety Manager position to the Transportation Section. This position is primarily responsible for safety matters related to the City's streetcar; the position will also participate in other safety related matters.

The 2020 budget funds one Engineer Technician V position. This position will be responsible for managing the department's increased permitting work load.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-0.20	-0.80	Safety Manager	Position transferred to Transportation Fund
0	1.00	0.00	Engineering Technician V	Position funded
-1	**0.80**	**-0.80**	**Total**	

DEPARTMENT OF PUBLIC WORKS
INFRASTRUCTURE SERVICES DIVISION

EXECUTIVE SUMMARY

MISSION: Enable the secure and efficient movement of vehicles, bicycles, pedestrians, and data throughout the city.

OBJECTIVES: Improve the condition and performance of the city's transportation, communication, and related infrastructure systems.

STRATEGIES: Use the high impact street program to increase performance and useful life of segments with moderate deterioration, good curb & gutter and drainage characteristics.

Extend useful life of 26 miles of streets in 2020.

Improve bicycle and pedestrian access and safety.

Prioritize replacement of series circuitry for street lighting based on reducing area outages.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	354.27	356.89	355.39	-1.50
FTEs - Other	314.26	315.54	320.04	4.50
Total Positions Authorized	815	822	820	-2
Expenditures				
Salaries and Wages	$16,786,535	$16,718,614	$16,477,221	$-241,393
Fringe Benefits	7,374,033	7,523,376	6,590,888	-932,488
Operating Expenditures	13,843,832	14,235,000	14,402,218	167,218
Equipment	95,542	344,000	608,000	264,000
Special Funds	0	8,000	120,245	112,245
Total	$38,099,942	$38,828,990	$38,198,572	$-630,418
Revenues				
Charges for Services	$4,596,262	$4,499,000	$4,333,250	$-165,750
Miscellaneous	342,549	379,000	922,000	543,000
Total	$4,938,811	$4,878,000	$5,255,250	$377,250

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increasing investment and economic vitality throughout the city.
   - Improve infrastructure condition.

The Infrastructures Service Division's (ISD) primary mission is to provide safe, attractive, and efficient public ways

and infrastructure systems. These systems contribute to the city's goal of strengthening the local economy by increasing investment and economic vitality throughout the city.

ISD is responsible for design, construction, and maintenance of the city's infrastructure systems including streets and alleys, bridges, sewers, sidewalks, traffic control devices, street lights, and underground conduits. In addition, the division performs transportation planning, coordinates transportation improvements with other governmental agencies and railroad companies, undertakes engineering studies, and investigates various permits, plans, and easements. The division also manages the city's building facility assets by improving the functionality of existing facilities. The division provides building services such as design, construction, and maintenance for city facilities excluding the Library and Port.

In 2020, ISD will use approximately $121.4 million to support its objectives including $38.2 million in operating funds, $63.7 million in capital funds, and $19.5 million in state and federal aid. Grant and aid funds are used primarily for two capital programs:

- Major bridge program
- Major street improvements program

In 2020, grant funds constitute 92% of the major bridge program and 67% of the major street improvements program. Grant funds help the city preserve and maintain its street and bridge systems, which are critical components of the overall transportation system. The major street improvements program also includes grant funding for traffic control, bicycle, and pedestrian improvements.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Percentage of bridges with sufficiency rating greater than 50.	97.5%	98%	98%
Miles of bicycle lanes or trails added.	15 miles	20 miles	22 miles
Miles of streets with useful life improved through local street, major street and high impact street programs.	29 miles	31 miles	26.3 miles
Street lights converted from series to multiple circuitries.	738	300	650

STRATEGY IMPLEMENTATION

ISD improves the condition of the city's surface public ways, primarily streets, sidewalks, and alleys. Activities include resurfacing or reconstructing existing pavement, curb and gutter, and constructing new streets as part of residential, commercial, and industrial development. Maintaining streets, alleys, and sidewalks promotes economic development by providing the infrastructure necessary to move people, goods, and services efficiently throughout the city. Currently over 5.4 million trips occur each day on city streets. This includes rides to work, school, church, and other activities.

The city's street network includes approximately 1,273 miles of highways, arterials, collectors, and local roads. Government agencies and the city are responsible for repaving approximately 286 of these miles as part of the Federal Aid Transportation System and are eligible for federal, state, and county funding that varies from a 50% to a 100% match. Approximately 987 miles of streets are repaved under the local street program, which includes collectors. In addition to the local street program, state funds are allocated on a 50% match every even numbered year within the major street program to be used for local streets.

A key transportation concern is limiting the number of street segments falling into poor condition. Once a street segment falls into poor condition, improvement costs increase. State funding allocations and local fiscal constraints do not allow for a conventional reconstruction only approach. Therefore, the city supplements conventional reconstruction with a preservation strategy. This cost effective approach focuses attention on extending useful life and improving pavement condition on street segments that have high traffic counts.

Major Streets: The city's 286 miles of major and minor arterials are resurfaced and maintained as part of the major street program. Arterials are part of the Federal Aid Transportation System and are eligible for county, state, and federal funding. Over the past three years, an average of $38.2 million per year has been dedicated to the preservation and reconstruction of these streets. The 2020 budget includes $24.2 million for the major street program, of which $7.8 million is city funding. In 2020, grant funding was obtained for two major street reconstruction projects. The city also receives funding for preliminary engineering for an additional six paving projects in the 2020 budget.

Local Streets: Approximately 987 miles of city streets are not eligible for state and federal funding, except for the State's Local Road Improvement Program (LRIP) which in even numbered years matches $1 million of City funding with $1 million of State funding to be used on local streets. Local streets are typically reconstructed and resurfaced with city funds through the resurfacing and reconstruction program.

In 2020, $7.1 million is included in the budget for the resurfacing and reconstruction of local streets. $6 million is from levy-supported borrowing and $1.1 million is from special assessments of property owners. The funding will improve approximately 7 miles of local streets. The $7.1 million also includes $1 million for capital maintenance. Capital maintenance includes activities such as crackfilling, slurry or chip sealing, and joint repair.

Capital maintenance activities extend pavement life and help prevent problems such as potholes. The department quickly repairs potholes reported by both citizens and city crews. Through the end of October in 2019, there were 15,244 potholes reported, compared to an average of 11,383 over the last six years. DPW modifies street maintenance techniques to improve the driving surface for residents. Expanding the high impact streets program is a strategy DPW uses to improve pavement condition and reduce maintenance costs. Pothole patching and other street maintenance activities are funded through the department's operating budget. In 2020, $2.6 million is included in the department's operating budget for patching and other related street maintenance activities.

In 2014, DPW restructured street maintenance crews in order to make quality, long lasting repairs to highly trafficked streets in the city. The department has traditionally used two person crews to repair individual pothole reports called in by residents. In 2014, the department began supplementing two person crews with eight person "super crews". These crews use an assembly line approach on a long stretch of pavement to make longer lasting repairs to potholes and deteriorated pavement joints. Deploying street maintenance personnel in "super crews" instead of two person crews can lead to longer response times for individual pothole reports, but the more thorough repairs made by "super crews" improves the overall long-term street condition.

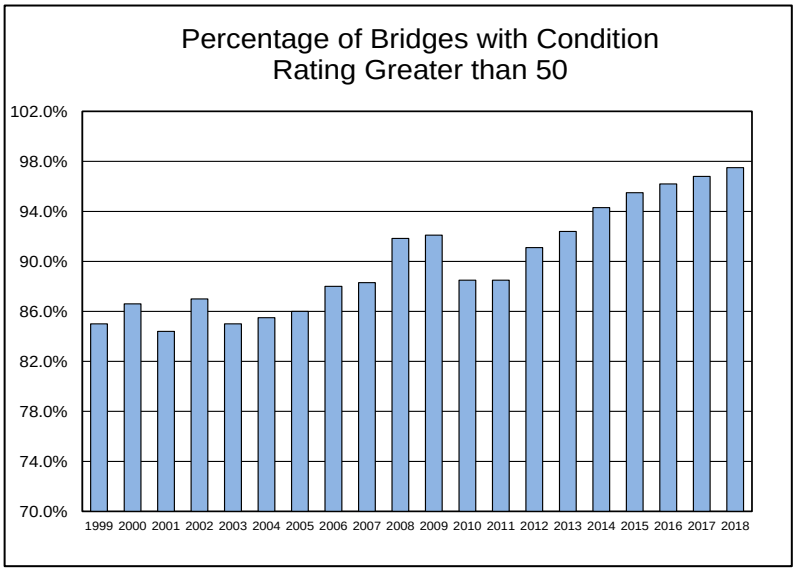
High Impact Streets: The high impact street program uses a curb-to-curb asphalt resurfacing approach that improves two and a half miles of roadway for the same cost as one mile of traditional reconstruction. This program focuses on high traffic streets typically serving commercial districts, but this approach is also applied to local streets when the right conditions are met. Focusing on high traffic streets, in recent years, has improved the condition of streets used by the greatest number of drivers. The 2020 capital budget includes $8 million for the high impact street program.

DPW incorporates curb ramp repair into the high impact street program. Whenever a street is resurfaced or reconstructed, any curb ramp at adjacent intersections that does not meet current applicable standards will be replaced. This improves the accessibility and usability of the pedestrian walkway system for persons with disabilities. Curb ramp repairs increase the cost of high impact projects, but enhance the accessibility of intersections and pedestrian ramps.

Major Bridges: The major bridge program preserves and maintains a bridge system that ensures the safe and efficient movement of vehicles, people, and commodities. In the 2020 budget, the major bridge program is funded at $3.7 million including $300,000 in local funding and $3.4 million in grant and aid funds.

The 2020 budget includes funding for the first phase of a multi-year project by MMSD and the city to address flooding issues along the Kinnickinnic River. Several vehicular and pedestrian bridges must be replaced to accommodate the wider riverbed. Design funding in 2020 will begin the project's first phase. The cost of replacing the city-owned bridges is shared with MMSD, with city's cost funded through the stormwater fee in 2020.

Figure 1



Bridge conditions are measured using a sufficiency rating ranging from 0 to 100. Ratings are conducted every two years through physical bridge safety inspections. Bridges classified as structurally deficient are inspected annually. Structurally deficient means the deck, superstructure, or substructure is in poor condition. In 2018, 97.5% of rated bridges had a sufficiency rating above 50 (see Figure 1).

Local Bridges: The local bridge program ensures that bridges are maintained, renovated, and reconstructed when state and federal aid is not available or bridges are not eligible for such aid. Between 2009 and 2019, the City has invested nearly $80 million into both the Local and Major Bridge programs. Beginning in 2016, budgets for the local bridge program have decreased as the overall condition of the bridge system improved in order to address growing needs in other programs. The 2020 budget provides $3.7 million in capital funding for local bridge projects. Investment in bridge rehabilitation and replacement has resulted in the highest percentage of bridges with a condition rating greater than 50 since such records were kept. In 2020, funding is provided for rehabilitation of the Plankinton Avenue bascule bridge over the Milwaukee River, as well as design work for future repairs. The city owns 21 moveable bridges and keeping these bridges in good operating condition is a priority. Moveable bridges provide commercial and leisure craft access to the city's navigable waterways. In 2018, the city conducted 20,487 bridge raisings to accommodate water traffic, a 12% decrease from 2017. This was primarily due to Wells Street bridge being under construction and not operable in 2018. Increased water traffic and higher water levels drive the increased number of bridge openings in recent years.

Alley Reconstruction: The alley reconstruction program replaces aging alleys. The 2020 capital budget includes $600,000 of new borrowing and $600,000 of special assessment authority for the alley reconstruction program. This amount will fund between 10-12 alley reconstruction projects.

Street Lighting: The city owns and operates nearly 77,000 street lights. The 2020 street lighting program includes $10.7 million in capital funding, a slight decrease from the 2019 budget. The 2020 street lighting program includes $6.9 million for paving related improvements, mainly in conjunction with state and federal aided paving projects on major thoroughfares. Infrastructure Services installs temporary overhead lighting to maintain service during road reconstruction projects. Once paving projects are completed, temporary overhead lighting is removed and replaced with permanent lighting. DPW uses paving projects as an opportunity to replace outdated circuitry and lamps with more resilient circuitry and more efficient LED lamps.

The 2020 budget includes $800,000 for proactive replacement of series circuits with modern multiple circuits. Approximately 64% of the street lighting system uses multiple circuitries, an increase from 53% of the system on multiple circuits in 2000. In 2020, DPW estimates 650 street lights will be converted from series to multiple circuitry through both paving projects and proactive series circuit conversions. There is also $800,000 in the 2020 budget for proactive conversion of street lights from inefficient lamps to modern LED lamps. In 2018, 1,333 lights in total were converted to LED and DPW estimates converting approximately 1,300 in 2019 and 650 2020. Lamps with LED bulbs typically use 50% less electricity than standard high pressure sodium bulbs, reducing street lighting energy costs.

Traffic Control: The traffic control program designs and operates transportation systems that support the safe and efficient movement of people and goods. The program prevents traffic crashes, improves traffic flow, and reduces pollution.

In 2020, $2.9 million in capital funds support the traffic control program, a decrease of $75,000 from the 2019 budget. In 2020, the department will continue replacing LED traffic signals that were installed beginning in 2005. Converting traffic signals to LED lights has reduced energy consumption for traffic lights by approximately 75%. Replacement of LED traffic signals will occur over five years at an estimated cost of $1.25 million.

Multimodal Transportation: The 2020 budget creates a new multimodal transportation capital program. This program is intended to fund projects to develop and enhance bicycle and pedestrian infrastructure in the city as well as implement recommendations of the Milwaukee Pedestrian Plan. The program is funded with $1.2 million of new borrowing. This amount includes $150,000 for road diet projects, $100,000 for protected bicycle lanes, and $100,000 for pavement markings at crosswalks.

Sidewalks: In 2020, $1 million of funding is allocated to replace or repair defective or unsafe sidewalks. Property owners will contribute approximately $500,000 in special assessments, and $500,000 is new borrowing. The entire $1 million is allocated to the traditional quarter section program. The quarter section program replaces any sidewalks needing repair within the boundaries of a particular section of the city. This program works on a rotating basis to ensure that each section of the city sees a substantial effort to improve sidewalks every 40 years.

Underground Conduit: The underground conduit program provides internal communication services. The system provides a secure and weatherproof means of connecting communication cables among various city departments, including the Fire, Police, and Health departments, Milwaukee Public Library, Water Works, and the Department of Public Works. The conduit system also provides a secure and reliable route for traffic signals and street lighting cable circuits and systems. The 2020 budget provides $1 million for this program, an $800,000 reduction from 2019. This is primarily due to the large number of in state and federally aided paving projects under construction in 2019.

Electrical Manholes: The electrical manholes program is closely related to the underground conduit program, as these manholes provide access to the city's conduit system for maintenance and installation of new communications cable. Deteriorated or collapsed manholes present a public safety threat to vehicles and can damage communications cables that link various public facilities. The 2020 capital budget includes $600,000 for this program. In 2013, the department initiated a five year inspection program to survey all 7,559 of the city's electrical manholes. Inspections conducted through 2017 found that approximately 23% of electrical manholes surveyed are deficient and require repairs or replacement. Manholes are typically replaced in conjunction with paving projects, but DPW prioritizes repair or replacement of manholes that present a hazard to drivers.

FACILITIES CAPITAL PROJECTS

Aging city facilities present multiple challenges and are prioritized based on the probability and consequences of asset failure and the operational benefits and cost associated with each project. The 2020 budget for traditional facilities projects is $4,050,000, a $615,000 increase from the 2019 budget. Since 2016, budgets for traditional facilities projects were decreased due to the need to include substantial amounts of funding for two non-traditional projects, the city hall foundation restoration project and the expanded ADA compliance program. The city hall foundation

project will require additional funding through 2022. After the foundation project no longer requires new funding, beginning with the 2023 capital budget, the city will have greater capacity to address other critical infrastructure needs.

City Hall Foundation Restoration: The 2020 budget includes $8.5 million for the fourth phase of the restoration of the city hall foundation. This project will ensure the foundation's continued functionality by installing steel micro-pilings to support the building. These steel micro-pilings will shift the weight of city hall off of the original timber pilings, which have deteriorated. Deterioration of the timber pilings caused the building to settle unevenly, putting stress on walls which can lead to serious structural problems. This stress has so far resulted in only minor cracking on interior walls, but the risk of a major structural failure would increase with each year. The foundation restoration project is a long term, 100 year design solution.

In 2016 and 2017, pilings were replaced in the northwest corner of the building. In addition, the area of the basement housing the building's mechanical equipment was affected by the repairs and the mechanical equipment needed to be temporarily relocated and replaced. New mechanical systems will require significantly less maintenance. In 2018, work shifted to the northeast and east portions of the building, including the section containing the tunnel connecting city hall to the Zeidler Municipal Building and the 809 Building. Current efforts are focused on the center of the building and a small section of the west portion of the building near the northernmost bank of elevators. Work will shift towards the south bank of elevators and into the southern end of the building in 2020.

Environmental Remediation Program: Funding of $150,000 is provided for the environmental remediation program. This program funds lead and asbestos abatement in city facilities, soil and groundwater remediation, and fuel dispenser replacements.

ADA Compliance Program: The 2020 budget includes $500,000 for the ADA compliance program. The program did not receive new funding in the 2019 budget because of funding available from the 2018 allocation of $2 million. This program improves accessibility in various city facilities as part of a settlement agreement with the United States Department of Justice (USDOJ) in 2016. The ADA compliance program will address improvements directly related to the settlement agreement in all city facilities.

Facilities Exterior Program: The 2020 budget includes $1.1 million for projects to maintain watertight integrity, improve energy efficiency and provide for safe conditions in city facilities. The 2020 facilities exterior program includes $300,000 for roof repairs at the Police & Fire Safety Academy, $250,000 to continue a window replacement project at the Municipal Services Building on 15th and Canal Street, $300,000 for repairs to a deteriorated driveway at the Lincoln Garage, which is used daily by garbage packers, sweepers and dump trucks, $50,000 for roof repairs at Sanitation South Garage, and $200,000 for emergency repairs.

Facilities Systems Program: The 2020 budget includes $1.1 million for facility systems improvements. The largest single project is $500,000 to replace the HVAC system at Northwest Garage, to address failing boiler, ventilation and heating components. Funding will also provide emergency mechanical and electrical repairs, fire life safety improvements, and security and access control updates at various facilities.

***MKE Plays* Initiative:** The 2020 budget includes $300,000 for the *MKE Plays* initiative. Led by Alderman Michael Murphy, this program leverages private dollars to replace the city's aging recreational facilities with modern, innovative play spaces for Milwaukee's youth.

Space Planning, Alterations, and Engineering: The 2020 budget includes $200,000 for space planning, alterations, and engineering. This includes $50,000 for the facilities condition assessment program, which surveys city buildings and develops long term maintenance plans for each building.

City Hall Elevator Modernization: The 2020 budget includes $700,000 for phase two of an upgrade to the four elevators that serve City Hall. The City Hall Foundation Restoration requires two elevators being taken out of service at a time. This project will ensure that the elevators that remain in service will function properly.

RESIZE, RESTRUCTURE, AND REINVEST

The Infrastructure Services Division's 2020 budget includes several initiatives to restructure and resize its operations:

- Initiated in 2014, the expanded high impact street program has significantly increased the miles of streets that are improved each year. The high impact street program allows the city to improve approximately 2.5 miles per $1 million, instead of one mile per $1 million of traditional reconstruction. By targeting resurfacing on high traffic streets with high levels of pothole activity, street maintenance crews can be diverted from pothole patching to longer lasting preventative maintenance activities.

- The 2020 budget shifts responsibility for managing the Milwaukee Health Department's facility maintenance from the Health Department to the Infrastructure Services Division. This allows the Health Department to focus more on its core mission, and moves responsibility for facility maintenance to the experienced and capable DPW staff. Five positions and $248,000 of salary from the Health Department are shifted to DPW. This change is budget-neutral in 2020, but future savings are expected as Health Department facilities are fully integrated with DPW's systems and contracts.

- The 2020 budget eliminates 6 Engineering Intern positions from the construction management section and increases the personnel cost adjustment (PCA) from 2.5% in the 2019 budget to 3.75% in the 2020 budget. The PCA adjustment will require careful management of vacancies, including holding some positions vacant in order to generate salary savings. Eliminating the Engineering Interns and increasing the PCA generates over $236,000 in salary savings in 2020.

- The Motor Vehicle Registration Fee was established in 2008 through Common Council File Number 080034. This legislation enabled the city to eliminate special assessments for paving improvements and increase budgets for paving city streets. Prior to the implementation of the fee, the 2008 budget included $5.5 million of city funding for the local street paving program. Local street program budgets increased to $14.3 million by 2011. In the 2020 budget includes $15.1 million for the local and high impact paving programs. The Motor Vehicle Registration Fee annually generates $6.4 million of revenue. The fee directly funds services such as maintenance of streets, street lighting and traffic signs and signals, which allows the city to fund debt service for the increased borrowing for paving projects. Before the fee was adopted, property owners were assessed as much as $2,000 when the street contiguous to their property was reconstructed. Since the special assessment for paving improvements was eliminated, the percent of street projects approved by property owners increased from less than 50% to over 90%. This streamlines the approval process and allows DPW to avoid spending engineering and design efforts on projects that are rejected by property owners.

- The City of Milwaukee, along with Milwaukee County, other Milwaukee County municipalities and the Milwaukee Metropolitan Association of Commerce, is proposing a 1% County sales tax increase. If a sales tax increase is adopted, $2 million of additional revenue would be allocated to DPW Infrastructure Services Division to make repairs to City Streets.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
	-1.00	1.00	Engineering Technician VI	Digger's Hotline work charged to Sewer & Water instead of O&M
-1	-0.30	-0.70	Engineering Technician V	Change position to make it easier to fill
1	0.30	0.70	Civil Engineer II	
-1	-1.00		Office Assistant IV	Based on job responsibilities
1	1.00		Office Assistant III	
-6	-2.00		Engineering Intern	Removed for budget savings
-2			Engineering Inspection Assistant (Aux.)	Retitle position
2			Engineering Intern (Aux.)	
-1			Inventory Assistant II (Aux.)	Position no longer needed
-1	-1.00		Electrical Services Supervisor I	Reclassification
1	1.00		Traffic Sign and Machine Shop Sup.	
-1	-1.00		Painter Leadworker, Bridge & Iron	
1	1.00		Sign and Marking Technician	
-2	-1.00	-1.00	Electrical Services Supervisor II	
2	1.00	1.00	Electrical Services Manager	
1	1.00		Custodial Worker II/City Laborer	Shifted from Health Dept as part of DPW taking responsibility for MHD facilities
1	1.00		Mechanical Maintenance Supervisor	
3	3.00		HVAC Maintenance Technician	
-1	-1.00		Building Services Manager	Reclassification
1	1.00		Facilities Maintenance Supervisor	
-2	-2.00		Maintenance Technician III	
2	2.00		HVAC Technician Senior	
-4	-4.00		Maintenance Technician II	
4	4.00		HVAC Maintenance Technician	
	-3.50	3.50	Various positions	DNC Grant Offset
-2	**-1.50**	**4.50**	**Totals**	

DEPARTMENT OF PUBLIC WORKS
OPERATIONS DIVISION

EXECUTIVE SUMMARY

MISSION: Provide essential services that maintain the cleanliness, availability, safety and attractiveness of Milwaukee to enhance the quality of life for citizens, businesses, and visitors.

OBJECTIVES: Improve neighborhood appearance by achieving 99% or better garbage collections as scheduled.

Reduce solid waste to landfill and increase recovery of resources.

Reduce the cost of fuels as a proportion of the division's total operating cost.

Maintain a healthy urban forest.

Remove snow and ice from streets and bridges in a timely manner to restore safe motorist and pedestrian travel and minimize economic losses.

Maintain compliance with State of Wisconsin storm water permit requirements.

STRATEGIES: Timely collection of solid waste and recycling, robust drop off services for self-haul customers, and vigorous abatement of code violations.

Use the solid waste fee to generate incentives for increased recycling participation and reductions to the amounts set out for garbage collection.

Maintain an availability rate of at least 90% for a wide range of multi-use equipment.

Perform street sweeping and leaf collection consistent with sound pollution management practices.

Deploy a multi-skilled workforce for effective and timely snow and ice removal.

Protect the urban forest from the emerald ash borer, replace diseased trees, and prune 10% of the street tree population annually.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	732.05	657.25	603.74	-53.51
FTEs - Other	48.22	63.59	61.26	-2.33
Total Positions Authorized	1,440	1,435	1,396	-39
Expenditures				
Salaries and Wages	$36,291,120	$33,664,935	$32,708,773	$-956,162
Fringe Benefits	15,963,327	15,149,221	13,083,509	-2,065,712
Operating Expenditures	30,365,681	26,822,787	28,450,755	1,627,968
Equipment	1,512,942	1,557,711	3,262,102	1,704,391
Special Funds	2,301,903	2,511,257	2,360,000	-151,257
Total	$86,434,973	$79,705,911	$79,865,139	$159,228
Revenues				
Charges for Services	$80,482,989	$83,204,000	$85,442,000	$2,238,000
Miscellaneous	1,627,815	1,580,000	1,225,000	-355,000
Total	$82,110,804	$84,784,000	$86,667,000	$1,883,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Build safe and healthy neighborhoods.
   - Collect solid waste in a timely scheduled manner.
   - Vigorously abate Sanitation and Forestry code violations.
   - Effectively maintain vacant lots to minimize blight on neighborhoods.

2. Increase investment and economic vitality throughout the city.
   - Remove snow and ice quickly and economically to restore safe motorist and pedestrian travel and minimize economic losses.

3. Sustain, enhance, and promote Milwaukee's natural environmental assets.
   - Reduce solid waste sent to landfills and increase household recycling.
   - Maintain a fully stocked tree canopy that maximizes community and environmental benefits and is safe for public use and enjoyment.
   - Maintain a landscaped boulevard system that is visually attractive, adds value to neighborhoods, and reduces storm water runoff.
   - Expand use of compressed natural gas vehicles and equipment in the city fleet, reducing fuel costs and dependence on petroleum based fuels.
   - Manage public risk associated with the emerald ash borer.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Fleet availability.	Police 92.7% Light 92.5% Heavy 89.3%	Police 95% Light 95% Heavy 90%	Police 95% Light 95% Heavy 90%
Reduce tons of residential solid waste sent to landfill by 2%.	-0.5%	-2%	-2%
Reduce tons of all solid waste sent to landfill by 2%.	1.1%	-2%	-2%
Increase household recycling by 2%.	0.7%	0%	2%
Tons of rock salt used.	41,634	46,150	45,000
Number of trees pruned.	16,722	16,000	19,500
Trees planted.	3,764	3,200	4,874

STRATEGY IMPLEMENTATION

The Department of Public Works Operations Division is comprised of Sanitation, Forestry, and Fleet Operations. The division supports the city's goals of building safe and healthy neighborhoods, increasing investment and economic vitality throughout the city and sustaining, enhancing, and promoting Milwaukee's natural environmental assets.

The 2020 budget provides $80 million in operating funds, $2.3 million of grant and aid funding, and $9.6 million of capital funds for the Operations Division.

Snow and Ice Control Operations: The snow and ice control program's goal is to remove snow and ice as quickly and economically as possible to restore safe travel and to minimize economic losses. A well run snow and ice removal program adds value by supporting year round operation of the regional economy.

DPW has improved the efficiency of its snow and ice control operations by utilizing a variety of chemicals to combat ice and using multi-purpose vehicles for plowing operations. Multi-purpose vehicles allow staff to respond more quickly to rapid accumulations of snow on the roadway. Expansion of the snow driver pool and overtime allows for a more sustained snow removal operation using only city forces.

Weather conditions largely determine the extent to which snow and ice control operations are performed. Snowfall, which fluctuates tremendously, is the primary cost driver. The 2020 budget includes $9.0 million for snow and ice control operations. This amount represents approximately 90% of the average cost for snow and ice control in recent years (see Figure 1). This level of funding supports 24 general ice control operations and 3 full plowings. In 2018, the snow and ice costs were approximately $9.9 million.

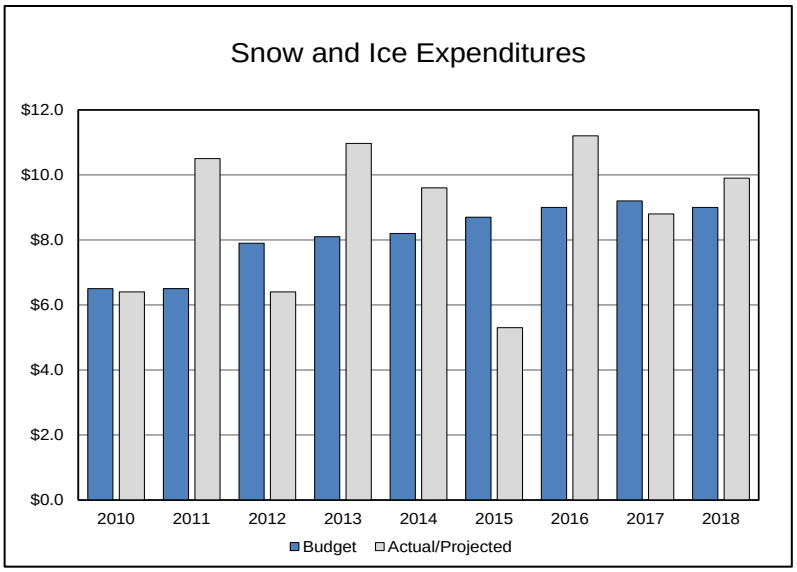
Sanitation Operations: Sanitation is responsible for solid waste collection, recycling, street sweeping, brush collection, code enforcement, vacant lot maintenance, and snow and ice control. These services sustain neighborhoods, protect the environment from harmful chemicals, and protect city residents from infectious disease and injury.

Sanitation operates an effective recycling program. The program uses recycling, brush collection, and public education to reduce the amount of material sent to landfills. A high performance recycling program generates revenue and reduces garbage tipping fees. This is especially important because the State of Wisconsin imposes the highest state collected fees on landfill disposal in the country. The 2020 budget includes $10 million for landfill tipping fees, and $1.4 million is included for recycling processing.

Milwaukee has a robust recycling program. Approximately 25% of solid waste is currently diverted from landfills via recycling, composting or reusing discarded items. This level of waste diversion is possible as a result of program changes implemented by DPW. The Sanitation Section will continue efforts to promote waste reduction, reuse, recycling and composting.

Food waste and other organics are estimated to contribute more than 20% of the municipal solid waste stream going to landfills. Sanitation's efforts to address this portion of the waste stream shows the potential for large gains in landfill diversion. In November 2016, a pilot program was implemented in an effort to determine the feasibility of a citywide household collection of separated compostable material. Five hundred "early adopter" households subscribed to participate in the fee based program. The program allowed kitchen food scraps, yard clippings, and other compostable items to be placed curbside in a separate cart for collection and composing. In 2018, the second full calendar year of the program, the average weight of organics collected rose to 780

Figure 1



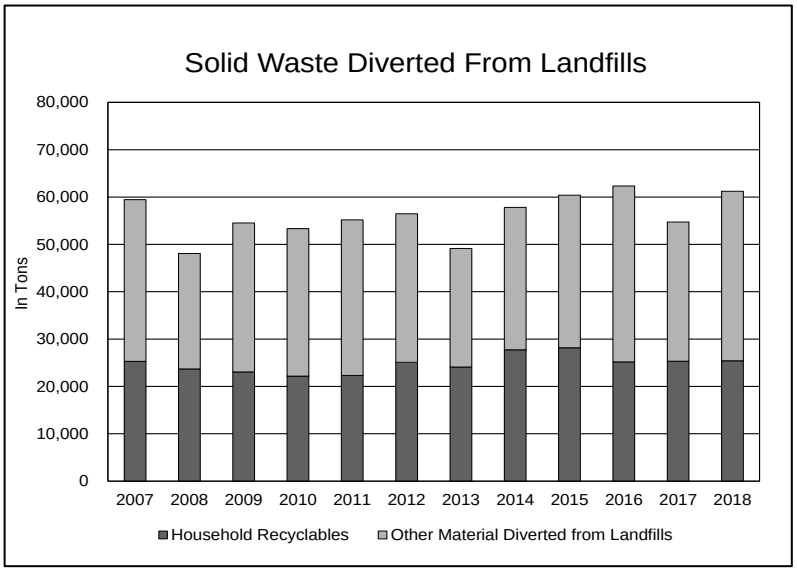
pounds per household. Sanitation is working on how to overcome processing capacity limitations in the region in order to build on the pilot program's success and offer the service to more households

The primary benefits of the City's waste diversion and recycling program are reduced tipping costs, increased recycling revenues, enhanced services, a more sustainable city, and long term cost containment. In 2018, the recycling program generated approximately $1.4 million in revenue. In 2020, recycling materials are expected to generate $1.2 million.

In 2020, the recycling program is fully funded with $3.3 million in operating funds and $2.3 million in grant funds. The program's mission is to divert an increasing amount of recyclables from the waste stream. The department continually explores a variety of methods to increase diversion from landfills.

DPW collects waste weekly from approximately 181,000 households. In 2018, approximately 179,500 tons of residential solid waste was collected. In addition, 25,587 tons of recyclables, 36,782 tons of compost and other materials of residential waste was diverted from landfills (see Figure 2).

Figure 2



The 2020 budget also includes $300,000 for the disposal of electronic waste (e-waste). Sanitation has implemented a lower cost collection system at its drop off centers to counter the high costs of managing the growing residential waste stream in landfills.

Forestry Operations: Forestry is responsible for tree and landscape management. Forestry maintains 200,000 trees and 120 miles of boulevards that provide Milwaukee with a natural beauty both residents and visitors enjoy. The urban tree canopy and boulevard system contribute to the city's environmental sustainability by managing storm water runoff. Forestry is responsible for the maintenance of approximately 4,600 vacant lots and foreclosed properties.

The emerald ash borer (EAB) is a threat to the state's ash tree population. The city has approximately 29,500 ash street trees under treatment for Emerald Ash Borer. Pesticide treatments in advance of EAB attack have proven highly effective in protecting ash trees. A comprehensive cost-benefit study completed in 2015 estimates a $3 benefit return for every $1 invested to protect Milwaukee's ash street tree canopy from Emerald Ash Borer.

Fleet Operations: Fleet Operations maintains and operates the departments' centralized fleet of more than 4,000 motor vehicles and related equipment. The division provides equipment and vehicles for other DPW divisions and various city departments, and repair services for vehicles owned by the Library, Health Department, Police Department, Water Works, Sewer Maintenance, and Parking.

The division has used Congestion Mitigation and Air Quality (CMAQ) grant funding to cover the marginal cost of purchasing compressed natural gas (CNG) packers. Adding CNG packers to the fleet reduces fuel costs. Currently the cost per mile for a diesel powered packer is more than two times the cost of a CNG packer. There are currently 68 CNG vehicles in the fleet, including 60 refuse packers, 5 vans, and 3 cars. Another 7 CNG refuse packers are currently on order. The current fleet of 60 CNG packers generates fuel savings of approximately $300,000 annually.

Fleet Operations provides repair and maintenance service to over 4,000 vehicles and pieces of equipment and provides equipment operators for a variety of departmental functions. The department has established in-service goals for three categories of equipment: Light, Heavy, and Police. Despite not meeting established goals for in-services rates for light and police equipment, the division did achieve a 90% overall in-service rate for equipment categories in 2018.

RESIZE, RESTRUCTURE, AND REINVEST

The 2020 budget continues programs that increase efficiency and streamline property management, waste collection, and recycling programs. These operations improve the services provided to city residents.

Strong Neighborhoods Plan: The Operations Division operates programs related to Mayor Barrett's Strong Neighborhoods Plan which improve the overall condition of Milwaukee's neighborhoods. The 2020 budget includes $2.3 million for maintenance of city owned properties including debris removal, grass mowing, and snow removal. The program maintains over 3,300 city owned vacant lots and nearly 1,300 improved properties.

Transitional Jobs Program: In 2020, the city continues its collaboration with UMOS and Employ Milwaukee on the transitional jobs program. Participants that complete the six-month program develop useful skills in the Forestry and Sanitation Services sections and are equipped with new skills that help them compete for family supporting jobs.

Self Help Sites: In 2020, changes at the Self Help sites will allow more residents to use the centers. These changes will assist DPW in controlling illegal dumping on the City's *In Rem* properties and vacant lots. In the fall of 2019 a new fee schedule was implemented to allow a wider variety of customers to use the disposal sites at cost recovery. The new fee schedule will pay for a wider variety of disposed material and an increase in the volume of debris collected at the sites.

Residential Disposal Costs: In 2020, funding for landfill waste is $10 million. Landfill tonnage costs are budgeted for 223,000 tons. In 2020, landfill costs will increase to $44.93 per ton.

Automated Collection Routes: The use of automated collection vehicles improves productivity and reduces worker compensation costs, increases operational efficiency, and provides greater flexibility in assigning staff. Routes converted to a one person operation instead of a two person operation save approximately $80,000 annually. In 2020 there will be a total of 19 automated collection vehicles.

Replacement Equipment: The 2020 budget provides $561,000 in replacement equipment funding: This includes $550,000 for fleet vehicle purchases and $11,000 for replacement diagnostic equipment.

Additional Refuse Packers: The division will purchase an additional 5 refuse packers for $1.3 million. The solid waste fee was increased by 4% to fund this purchase.

FEES

- **Solid Waste Fee:** The 2020 solid waste fee per quarter will increase 7% from $53.80 to $57.57 per residential unit. The annual impact on households with one garbage cart is an increase of $15.08 from $215.20 to $230.28. The 7% increase is necessary to recover the cost of wage increases, increased tipping fees, and fleet vehicles. The fee will generate approximately $43 million or 88% of garbage and recycling collection costs. Future increases in the solid waste fee may be necessary as tipping fees and other costs increases occur.

- **Apartment Garbage:** In 2020, the Apartment Garbage service provided by the Department of Public Works will be discontinued.

- **Snow and Ice Control Fee:** The 2020 snow and ice control fee will increase by 3% to $1.03 per front footage. The annual cost for a homeowner with a typical property with 40 feet of street frontage is $41.20. The fee will generate approximately $9.8 million or 86% of the estimated cost of the city's snow and ice control operation.

- **Cart Fee:** Approximately 15% of city residents have two or more garbage carts. In 2020, city residents with two or more garbage carts will be assessed $17.51 quarterly for each garbage cart after the first cart. This policy encourages residents to throw away less and recycle more. The fee applies only to garbage carts. Residents can request additional recycling carts and service upon request at no extra charge.

CAPITAL PROJECTS

Tree Planting and Production: The 2020 capital budget provides $1.25 million for the tree planting and production program. This funding will replace approximately 3,600 street trees as part of the city's commitment to improve the environment. Since 2012 the annual tree mortality rates are higher than average at 2.3%. This is due to an aging Norway maple population and an increase in street tree removals accompanying major street reconstruction projects. In 2018, 4,260 street trees were removed as a result of disease or decline.

Stump Removal: The 2020 capital budget provides $360,000 to support the City's in-house stump removal program. Funding will facilitate removing 1,400 stumps in 2020.

Concealed Irrigation and Landscaping: The 2020 capital budget provides $200,000 for boulevard irrigation system replacements. The 2020 funds will be combined with funds carried over from previous years to replace approximately 100 deep water taps. The replaced systems provide water for plant beds only boulevards.

Emerald Ash Borer: The 2020 capital budget includes $950,000 for treatment of ash trees. Treatable ash trees are injected with a pesticide to protect against the emerald ash borer beetle. The program's goal is to treat one-third of the city's 29,500 ash trees each year.

The emerald ash borer beetle has not been found in treated city trees but has been discovered in privately owned trees citywide. In response, city ordinances on the removal cost of hazardous trees by city contractors was amended to treat tree removal as a special assessment. This allows property owners to pay the removal cost over a ten-year period. The 2020 capital budget provides $75,000 for this program.

Major Capital Equipment: The 2020 capital budget includes $6.75 million for major capital equipment that costs more than $50,000 per unit and has a life cycle of approximately ten years. This funding replaces garbage and recycling packers and equipment for the Operations and Infrastructure Services divisions.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00	0.00	Office Assistant II	Position reduction in Fleet Services
3	3.00	0.00	Program Assistant II	Position increase in Sanitation
-11	-11.00	0.00	Operations Driver Worker (D)	Position reduction due to the elimination of the Apartment Garbage Service
-30	-30.00	0.00	Operations Driver Worker (C)	Position reduction in Auxiliary Personnel
-28	-27.69	0.00	Urban Forestry Specialist (D)	Position reduction for Boulevard Mowing
21	20.77	0.00	City Laborer	New positions for Boulevard Mowing
7	0.00	7.00	Landscape Laborer	
0	-7.59	-9.33	Miscellaneous Correction	Position correction
-39	**-53.51**	**-2.33**	**Totals**	

SPECIAL PURPOSE ACCOUNTS

EXECUTIVE SUMMARY

OBJECTIVES: Special Purpose Accounts appropriate funds for purposes not included in departmental budgets. These accounts may include funding for short term programs, programs that affect multiple departments, or programs that warrant distinction from departmental budgets. Every year the Common Council adopts a resolution that authorizes expenditure of funds from the various Special Purpose Accounts by specific departments or by Common Council resolution.

The 2020 budget provides funding of $18.8 million for miscellaneous special purpose accounts and total funding of $143.8 million for all special purpose accounts. Highlights of the 2020 miscellaneous special purpose accounts (SPAs) include:

Discontinued Accounts

FMLA Fund: The 2018 budget created a new FMLA fund special purpose account with funding of $100,000. The intent was to hire a vendor to administer leave under the federal and state Family Medical Leave Act (FMLA). The vendor was to assure compliance with all FMLA regulations, monitor legislative and regulatory changes, review FMLA eligibility and entitlement, review and process leave requests, and train supervisors on FMLA regulations and procedures. The contract with the vendor was terminated and this function will be shifted to City staff, eliminating the need for this account.

Milwaukee Health Initiative: The 2019 budget created a new Milwaukee Health Initiative special purpose account with funding of $239,625. The funding was to be used by the Health Department for elevated blood lead level follow-up and lead hazard remediation; family and community health home visits; and communicable disease prevention. This account is eliminated in the 2020 budget. Funding for these efforts is included in the Health Department's budget.

Neighborhood Vacant Property Monitoring: The 2019 budget created a new Neighborhood Vacant Property Monitoring special purpose account with funding of $25,000. The intent was to use this funding to work with neighborhood groups to monitor vacant buildings in their neighborhoods and to report problems to the City. This account is eliminated in the 2020 budget.

New Changes

Violence Interruption: The 2020 budget includes a new Violence Interruption Special Purpose Account with funding of $300,000. The Health Department's Office of Violence Prevention supports a violence interruption initiative. Local residents in priority neighborhoods outlined in the Blueprint for Peace are trained as violence interrupters. Interrupters seek to prevent violence by mediating conflicts likely to result in gun violence or other serious injury.

Other Changes

Audit Fund: This account pays for the cost of contracting for a private audit of the city's Comprehensive Annual Financial Report, among other activities. The 2020 budget decreases funding by $20,000 to $280,000.

City Collection Contract: This account provides funding to support collection contracts that pay outside vendors to collect money legally due and owed to the City. The city has issued a request for proposals for collection of the City's

outstanding receivables, with the intent of establishing new contract terms starting in 2020. This process is intended to improve debt collection efforts, solicit more favorable contract terms, and determine whether it is feasible to centralize collection efforts with a single vendor. The 2020 budget increases funding by $125,000 to $1.25 million.

Employee Training Fund: This account provides training and development opportunities to city employees outside of those authorized and approved under tuition benefit guidelines. Funding in 2020 is $70,000, an increase of $50,000. Part of this increase is the result of shifting funding from the Field Worker Safety Initiative and Supplies Special Fund in the Department of Employee Relations to the Employee Training Fund. The Employee Training Fund will be used to fund these initiatives. The account will be retitled as the Employee Training and Safety Fund to reflect its use.

Group Life Insurance Premium: This account funds the city's obligations with respect to life insurance benefits for its employees. In 2020, the account is increased by $1.5 million to $4.5 million. This funding amount reflects anticipated payments in 2020 under a new three year contract with the current vendor. The current contract expires at the end of 2019 and a competitive request for proposal process was used to select a provider beginning in 2020.

Insurance Fund: This account provides funding for insurance premiums for city policies. In 2020, the account is increased by $267,000 to $922,000. This funding amount reflects anticipated insurance premium payments in 2020.

Outside Counsel/Expert Witness Fund: This account funds the legal expenses incurred by the city for the retention of outside counsel and experts necessary for litigation and related legal efforts. The account is decreased by $400,000 to $450,000 in 2020.

Remission of Taxes Fund: This account funds the refunding of incorrect *ad valorem* taxes and interest on the same to property owners who successfully appeal their property assessments. Funding is decreased by $541,000 to $729,000 in the 2020 budget, based on anticipated needs.

Unemployment Compensation: This account funds the city's portion of unemployment compensation benefit payments to city employees who are laid off or otherwise separated from service. Eligibility for this benefit is determined by the State of Wisconsin upon review of the employee's level of earnings and the circumstances surrounding the separation from employment. Funding is decreased by $105,000 to $295,000 in the 2020 budget, based on anticipated expenses.

Wages Supplement Fund: This account funds anticipated wage and fringe benefit increases for city employees, including increases resulting from collective bargaining agreements and changes to non-union compensation. No funding is provided in 2020.

SPECIAL PURPOSE ACCOUNTS SUMMARY

Special Purpose Accounts Miscellaneous	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Adopted
Alternative Transportation for City Employees	$116,821	$115,000	$118,000	$3,000
Annual Payment to Department of Natural Resources	7,034	7,100	7,100	0
Audit Fund	285,700	300,000	280,000	-20,000
Boards and Commissions Reimbursement Expense	15,853	15,000	16,000	1,000
Care of Prisoners Fund	3,991	10,000	7,500	-2,500
Children's Savings Accounts	35,000	25,000	25,000	0
City Collection Contract	1,149,531	1,125,000	1,250,000	125,000
City Memberships	83,664	88,000	88,000	0
Contribution Fund General	0	3,200,000	3,200,000	0
Crisis Response for Trauma Informed Care Counseling	104,888	180,000	180,000	0
Damages and Claims Fund	3,943,120	1,225,000	1,225,000	0
eCivis Grants Locator	12,671	15,000	15,000	0
Economic Development Committee Fund	17,707	20,000	20,000	0
E-Government Payment Systems	73,656	65,000	65,000	0
Employee Training and Safety Fund	18,175	20,000	70,000	50,000
Firemen's Relief Fund	145,568	160,000	160,000	0
Flexible Spending Account	115,000	115,000	115,000	0
FMLA Fund	19,347	100,000	0	-100,000
Graffiti Abatement Fund	64,433	65,000	65,000	0
Group Life Insurance Premium	3,053,880	3,000,000	4,500,000	1,500,000
Insurance Fund	695,742	655,000	922,000	267,000
Keeping the Promise	132,149	0	0	0
Land Management	673,339	676,000	676,000	0
Long Term Disability Insurance	650,000	650,000	650,000	0
Maintenance of Essential Utility Services	35,967	55,000	55,000	0
Milwaukee Arts Board Projects	167,535	250,000	250,000	0
Milwaukee Fourth of July Commission	87,862	125,000	125,000	0
Milwaukee Health Initiative	0	239,625	0	-239,625
MKE Community Excellence Fund	0	50,000	50,000	0
MPS Driver's Education	50,000	50,000	50,000	0
MMSD User Charge	0	52,581,663	55,771,852	3,190,189
Less Recover MMSD User Charge	0	-52,581,662	-55,771,851	-3,190,189
Municipal Court Intervention Program	425,004	487,000	487,000	0
Municipal Identification Card	18,360	0	0	0
Neighborhood Vacant Property Monitoring	0	25,000	0	-25,000
Outside Counsel/Expert Witness Fund	429,573	850,000	450,000	-400,000
Reimbursable Services Advance Fund	0	50,000,001	50,000,001	0
Less Recover Reimbursable Services Advance Fund	0	-50,000,000	-50,000,000	0
Remission of Taxes Fund	727,270	1,270,000	729,000	-541,000
Reserve for 27th Payroll	0	1,500,000	1,500,000	0
Retirees Benefit Adjustment Fund	50,718	60,000	42,000	-18,000
Technology Growth Initiative	30,000	0	0	0
Tuition Reimbursement Fund	750,023	800,000	800,000	0

Special Purpose Accounts Miscellaneous	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Adopted
Unemployment Compensation Fund	277,889	400,000	295,000	-105,000
Violence Interruption	0	0	300,000	300,000
Wages Supplement Fund	0	19,450,000	0	-19,450,000
Total Miscellaneous SPAs	$14,467,470	$37,442,727	$18,787,602	$-18,655,125
Board of Zoning Appeals	$310,674	$352,719	$324,002	$-28,717
Workers' Compensation Fund	$11,672,521	$11,500,000	$12,500,000	$1,000,000
Employee Health Care Benefits				
Administration Expenses	$5,970,000	$6,300,000	$6,400,000	$100,000
UHC Choice Plus (formerly Claims)	5,589,250	6,200,000	5,800,000	-400,000
Wellness Program	2,400,000	2,900,000	2,900,000	0
Dental Insurance	1,852,000	1,800,000	1,800,000	0
UHC Choice "EPO" (formerly HMOs)	95,193,209	91,935,000	95,150,000	3,215,000
High Deductible Health Plan	50,000	100,000	100,000	0
Total Employee Health Care Benefits	$111,054,459	$109,235,000	$112,150,000	$2,915,000
Grand Total Special Purpose Accounts	$137,505,124	$158,530,446	$143,761,604	$-14,768,842

SPECIAL PURPOSE ACCOUNT
BOARD OF ZONING APPEALS

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	4.33	4.33	4.33	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	11	11	11	0
Expenditures				
Salaries and Wages	$201,551	$213,837	$210,037	$-3,800
Fringe Benefits	90,698	96,226	84,015	-12,211
Operating Expenditures	18,425	42,656	29,950	-12,706
Equipment	0	0	0	0
Total	$310,674	$352,719	$324,002	$-28,717
Revenues				
Licenses and Permits	$234,491	$285,000	$225,000	$-60,000
Total	$234,491	$285,000	$225,000	$-60,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
   - Hear special use and variance requests and conduct building code and plan reviews to support ongoing development to its maximum potential.

The Board of Zoning Appeals (BOZA) supports the city's goal of increasing investment and economic vitality in Milwaukee. The board is composed of seven members appointed by the Mayor and confirmed by the Common Council. BOZA hears and decides on appeals of rulings on city zoning ordinances.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Number of appeals filed.	617	650	650
Number of appeals resolved in one hearing.	481	520	520
Percentage of appeals resolved in one hearing.	78%	75%	75%
Number of days from appeal filing to hearing.	43 days	40 days	40 days

STRATEGY IMPLEMENTATION

The Board of Zoning Appeals plays an important role in Milwaukee's economic development. The city encourages developers to invest in Milwaukee by making the zoning appeals process simple and consistent. BOZA hears approximately 700 cases per year and works with numerous city departments in evaluating and processing zoning appeals. The board ensures that development proposals do not harm the urban setting, while allowing variances and other exceptions to zoning codes to facilitate development and redevelopment of properties and buildings. Information regarding BOZA hearings is sent to community groups and leaders via the city's E-notify system.

In recent years, BOZA has worked to reduce waiting times for hearings and expedite the appeal process. In 2015, the Local Business Action Team evaluated city processes and procedures that impact how businesses and local government interact. BOZA was actively engaged in the discussions as part of its continuous work to improve communication with customers and citizens. In 2020, BOZA will continue to work with city departments to create efficiencies that support business development while maintaining the quality of the city's urban setting.

RESIZE, RESTRUCTURE, AND REINVEST

Appeals heard by BOZA may be approved with certain conditions intended to reduce or prevent concerns expressed by elected officials or residents in the area surrounding the business. In 2015, the BOZA compliance inspection program was created to ensure that businesses remain in compliance with these conditions. Inspection staff from the Department of Neighborhood Services (DNS) perform periodic inspections based on the type of business and compliance history. DNS estimates that 2,000 such inspections are necessary each year.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

SPECIAL PURPOSE ACCOUNT
EMPLOYEE HEALTH CARE BENEFITS

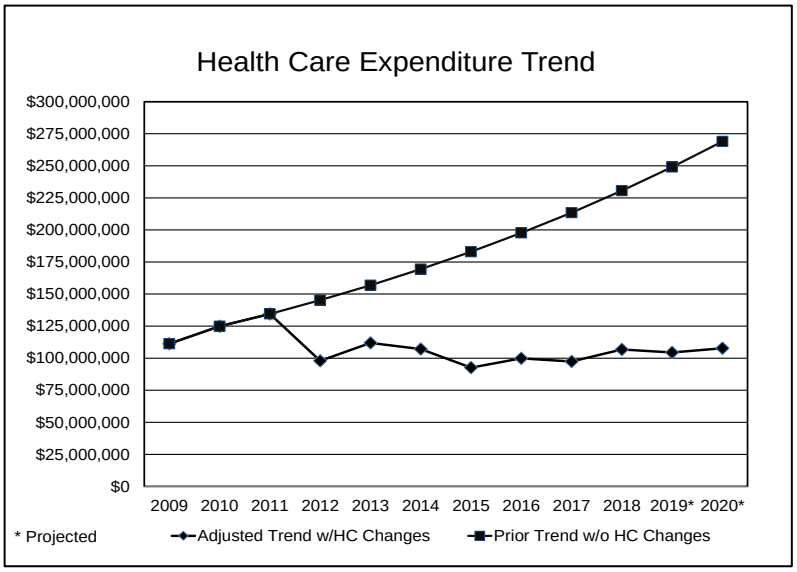
SUMMARY OF EXPENDITURES

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
UHC Choice Plus PPO	$5,589,250	$6,200,000	$5,800,000	$-400,000
UHC Choice EPO	95,193,209	91,935,000	95,150,000	3,215,000
HDHP	50,000	100,000	100,000	0
Dental Insurance	1,852,000	1,800,000	1,800,000	0
Wellness Program	2,400,000	2,900,000	2,900,000	0
Administrative Expense	5,970,000	6,300,000	6,400,000	100,000
Total	$111,054,459	$109,235,000	$112,150,000	$2,915,000

This special purpose account covers employee health care costs for three separate self-funded plans, the Choice Plus PPO, the Choice EPO, and a High Deductible Health Plan along with dental insurance, administrative expense, and the city's comprehensive wellness program. The Department of Employee Relations (DER) manages the account and all related benefits, programs, and services.

Prior to 2012, total health care expenditures were increasing at a rate of 8% to 9% annually, reaching almost $139 million in 2011 and were projected to reach $187 million by 2015 (see Figure 1). In light of this unsustainable trend, the city with the support of policy makers, elected officials, employees, and vendor partners took steps to control the rising costs of health care, encourage better utilization by members, increase employee engagement through a formalized wellness program, and minimize and prevent workplace injuries.

Figure 1



Around 2009 and 2010 initiatives were launched to address the increased cost and utilization trends in health care and worker's compensation. The city began examining changes to encourage more appropriate utilization of health care benefits, initiated a wellness program to help with those efforts, and launched a risk management program to better understand the factors driving workplace injury trends and increasing worker's compensation expenditures.

Recognizing the importance of these ongoing efforts as well as the link between employee health care, wellness and safety, the department has been working to better integrate these areas into a model of total worker health and employee wellbeing.

Employee Wellbeing, Health Care, Wellness, and Safety: DER works with multiple partners to create a workplace culture for employees that enhances their lives and offers all the tools necessary to meet employees wherever they

are on their road to good health. The model strives to ensure that employees are well at work, well at home, and well into retirement.

Health Care: Since 2012, the city has experienced positive health care expenditure trends. City employees have continued to pay a 12% premium that has increased 5% while nationally employee premiums average 24% to 32% for large employers with similar plans and are at least 65% higher than City employee rates. The City's experience is possible because of the culture shift that occurred with employees and their high engagement in the City's comprehensive health and wellness program and onsite clinic services which improve health awareness and encourage smarter healthcare utilization choices. Employees' intentional actions to improve or maintain their health make a significant difference in healthcare trends, limiting premium increases over the past nine years and allowing the City to maintain generous health benefits for employees.

Wellness Program: 2019 marks the ten-year anniversary of the City's comprehensive health and wellness program. The City's wellness program has grown significantly since inception, when it was designed as a single participation based program, the Health Appraisal. Over time an outcomes based component, Healthy Rewards, was added and further expansion includes a wide range of programs, services and resources, such as an onsite wellness center, traveling wellness center sites, year round coaching and access to registered dieticians, ongoing educational sessions, multiple onsite weight management programs, diabetes prevention and management programs, flu clinics, group fitness classes, mental health and financial wellness initiatives, an onsite nurse liaison program, department specific initiatives as well as the City's onsite clinics and Froedtert FastCare Clinic services.

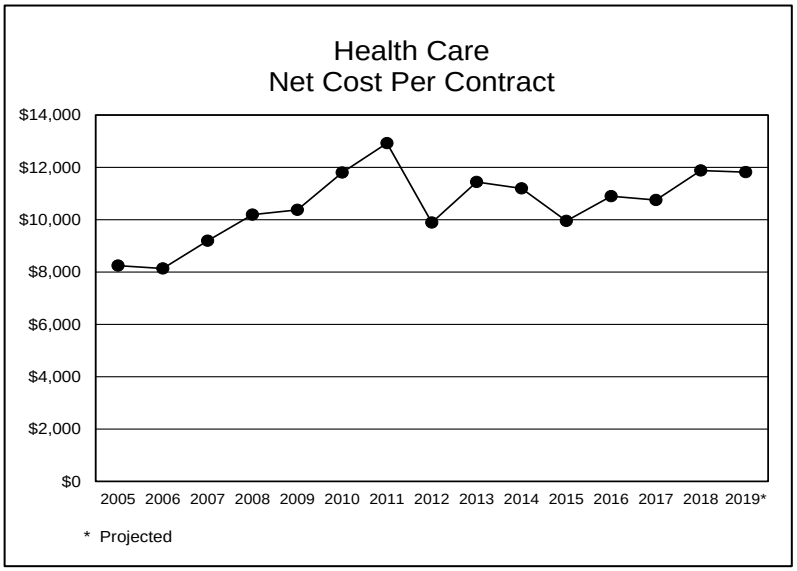
The comprehensive wellness program and onsite clinic services play a critical role in the City's efforts to control healthcare costs while providing a substantial benefit to employees and contributing to an integrated model for total worker health, safety and wellbeing. The wellness program's components were designed by the Wellness and Prevention Labor Management Committee, consisting of labor and management representatives, to meet the needs of City employees. This Committee along with the City's many Wellness Champions provide valuable input on program design, implementation and communication. Highlights from the annual Wellness Executive Summary, which provides an update on the City's health and wellness efforts, are as follows:

- 80% participation rate in the Health Appraisal
- 41% of participants engaged in 3 or more coaching sessions
- 70% of participants improved one or more biometric risks over the last 3 years
- 33% increase in Healthy Rewards Program participation
- Increase in the City's Population Health Risk Score (a gauge of employee optimal health)
- Over 3,900 visits to the City's onsite clinics
- Over 2,300 visits to Froedtert FastCare Clinics since the July 2018 launch
- 1,345 individual sessions with the City's Onsite Nurse Liaison
- Newly launched programs like Healthy Living with Diabetes and Diabetes Support Groups
- 3,500 touchpoints with the City's onsite Employee Assistance Program Coordinator
- 64 Financial Wellness Group Presentations and 1,032 personal consultations
- Wellness programming offered at 16 offsite City locations
- 55 Wellness Champions executing programs at the department level

Employee Safety and Worker's Compensation: In 2019, DER entered into a new relationship with Froedtert Occupational Health to provide occupational health services for the City of Milwaukee. Froedtert Workforce Health has been a valuable City partner in providing comprehensive health and wellness services to employees and their families and is well positioned to support the City's goal of an integrated model for total work health, safety and wellbeing. Utilizing Froedtert Occupational Health for pre-employment services allows the City to capitalize on existing synergies with health and wellness efforts, employee safety, and risk management initiatives and the need to assess employment suitability at time of hire.

DER continues to assess current practices and implement new initiatives to address field worker safety to fulfill the City's responsibilities and obligations to ensure the safest possible work environment for all employees. A new assessment of department programs and practices was completed in 2019 including an employee survey and recommendations for improvements and next steps. DER's Risk Management and Safety Officer will work with departments and safety personnel to help implement the recommendations and follow-up steps. The Risk Management and Safety Officer will also work with departments to update the City's Risk Management Program including department safety plans and annual safety reporting.

Figure 2



2020 Highlights

The 2020 cost per health care contract is expected to increase at the rate of medical inflation to $12,300. In 2012, the revised health care benefit structure combined with other wellness changes substantially decreased the overall cost per contract (see Figure 2).

The cost per contract has historically increased by approximately $2,000 every three years and prior to 2012 that increase had become more dramatic. On a percentage basis, costs from 2006 to 2008 increased 24% while costs from 2009 to 2011 grew over 28%. In 2020, the projected cost per contract will be approximately 5% lower than 2011 levels.

In 2020, DER is partnering with a new benefit consultant and will focus on the following priorities:

- Explore options for adding a voluntary benefits package as a recruitment and retention strategy.
- Assess the feasibility of conducting a workforce evaluation report to help the City better understand how current benefit options align with workforce needs and interests.
- Facilitate forensic contract reviews to identify saving opportunities with vendor partners.

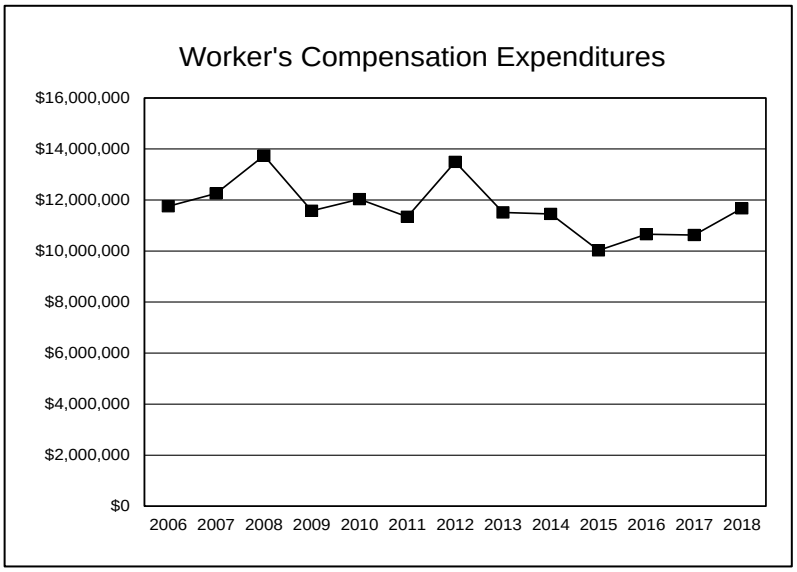
SPECIAL PURPOSE ACCOUNT
WORKER'S COMPENSATION

SUMMARY OF EXPENDITURES

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Worker's Compensation	$11,672,521	$11,500,000	$12,500,000	$1,000,000
TOTAL	$11,672,521	$11,500,000	$12,500,000	$1,000,000

The Worker's Compensation Special Purpose Account, managed by the Department of Employee Relations (DER), funds the city's financial obligations under the state's Worker's Compensation Act. The number and severity of claims as well as medical inflation drives the cost.

Figure 1



The 2020 budget for the worker's compensation account totals $12.5 million. Expenditures in 2019 are projected to be between $11.5 and $12.5 million. Since 2011, worker's compensation expenditure trends have remained relatively flat and are not expected to increase unless unforeseen events occur that lead to more severe injuries and higher injury rates (see Figure 1).

The worker's compensation program is self-funded and administered by CorVel Corporation. CorVel has a long-standing relationship with the City of Milwaukee and has been a valuable partner providing bill review and PPO network services when the City self-administered worker's compensation benefits. CorVel has a proactive healthcare approach that puts the injured worker first and makes proper medical care for employees the priority. DER works closely with CorVel in a collaborative approach to claims administration that focuses on helping employees recover from injuries and return to full health.

DER continues to assess current practices and implement new initiatives to address field worker safety, fulfilling the City's responsibility to provide the safest possible work environment for employees. A 2019 assessment of department programs and practices included an employee survey and recommended improvements. DER's Risk Management and Safety Officer will work with departments and safety personnel to implement the recommendations. The Risk Management and Safety Officer will also work with departments to update the City's Risk Management Program including department safety plans and annual safety reporting.

In 2019, DER entered into a new relationship with Froedtert Occupational Health to provide occupational health services for the City of Milwaukee. Froedtert Workforce Health has been a valuable City partner in providing comprehensive health and wellness services to employees and their families and is well positioned to support the City's goal of an integrated model for total work health, safety and wellbeing. Using Froedtert Occupational Health

for pre-employment services allows the City to capitalize on existing synergies with health and wellness efforts, employee safety, and risk management initiatives and the need to assess employment suitability at time of hire. Pre-employment medical exams will help identify interventions to prevent and reduce workplace injuries by enhancing screening mechanisms used at time of hire. Froedtert will also conduct job analysis to align pre-placement evaluations with physical job demands and cost effective management of work related injury treatment and rehabilitation services.

In addition to providing traditional pre-employment services, Froedtert Occupational Heath will work with the City's existing wellness programs to implement targeted employee programs to increase worker safety. Froedtert Occupational Health will also identify unsafe work conditions and practices, implement programs to improve job readiness, and educate and train employees to reduce future injuries.

FRINGE BENEFIT OFFSET

BUDGET SUMMARY

	2018 Actual Expenditure	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Fringe Benefit Offset	$-183,404,411	$-178,664,499	$-163,374,201	$15,290,298
Total	$-183,404,411	$-178,664,499	$-163,374,201	$15,290,298

Employee fringe benefit costs are appropriated in various special purpose accounts. In addition, department operating budgets include an estimated employee fringe benefit factor in order to reflect the total cost of department operations. The 2020 budget offsets this "double" budget with a budget offset, to avoid levying twice for employee benefits. This approach avoids overstating the total city budget by the fringe benefit factor, which in 2020 amounts to approximately $163.5 million.

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

Each year, the Comptroller's Office develops revenue estimates for the upcoming budget year. When finalized, these estimates determine the property tax levy and reserve fund withdrawals needed to offset budgeted expenditures. In 2020, the city anticipates generating approximately $637.6 million in revenue for general city purposes. Figure 1 provides a breakdown of these revenues by major category.

Revenue diversification and enhancement provides the city with the means to retain existing service levels. Property tax increases have been limited by state legislation and state aid decreases, placing pressure on other revenue sources or requiring service reductions. State restrictions on the type of fees that are available to municipalities further erode the city's ability to diversify its revenues.

The overall general city purposes revenues have grown less than the rate of inflation (see Figure 2). Revenues in 1997 equaled $426 million which is $33 million higher than the inflation adjusted revenue for 2020 of $393 million.

There are a variety of sources of funds for the general city purposes budget. Figure 3 illustrates the distribution of the different revenue categories in the 1995 budget and the 2020 budget. A noticeable shift in intergovernmental, property taxes, and charges for service is evident over the time period. The city received proportionately more intergovernmental aid in 1995 when it accounted for 63.7% of total revenues versus 42.9% in 2020.

Figure 1

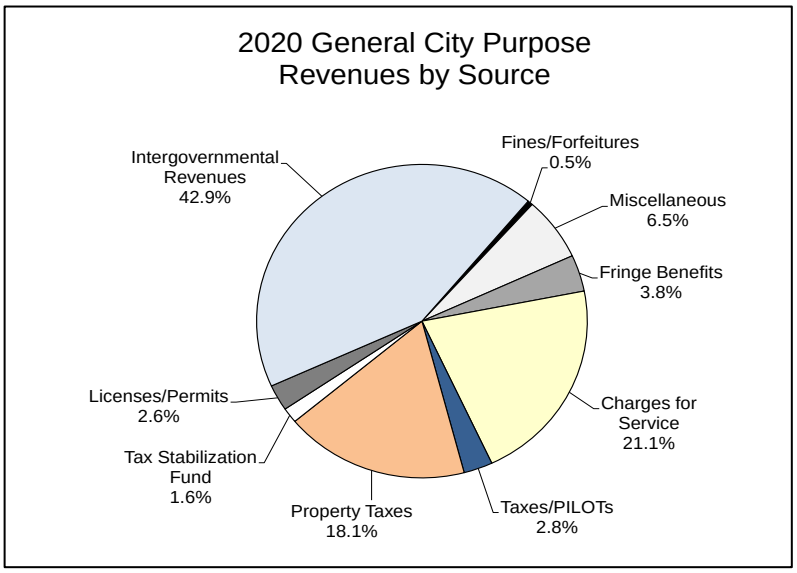
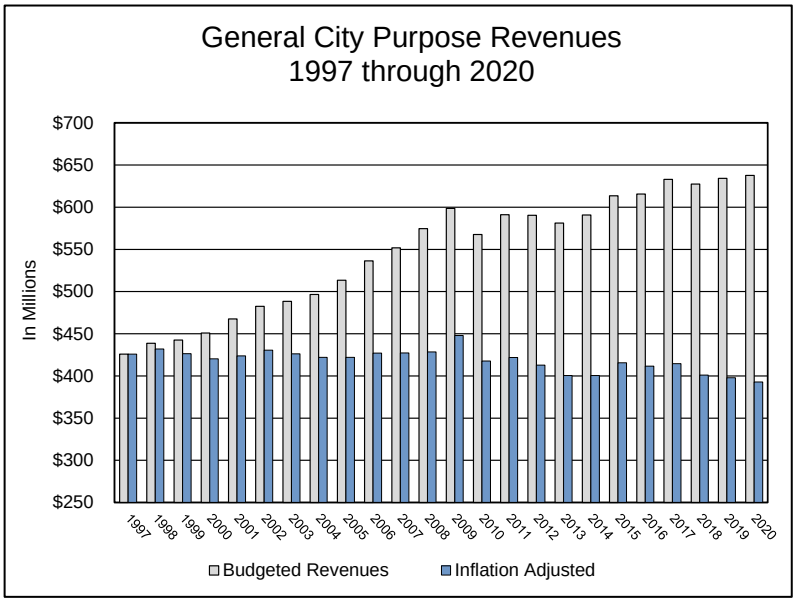


Figure 2



Over the same time period, the city's reliance on property taxes increased from 10.6% to 18.1%. The city has increased its efforts to diversify revenues by increasing charges for service as a percentage of revenue from 4.3% to 21.1%.

From 2010 to 2020, intergovernmental revenues increased by $2.6 million from $270.9 million to $273.5 million. This is shown in Figure 4 along with the inflation adjusted amounts.

The following discussion provides a more specific detail on the different categories of general purpose revenues.

Intergovernmental Revenue: These revenues include funding received from other governmental jurisdictions, state and federal aid formulas, grants, and other program specific government aids. In the 2020 budget, intergovernmental revenues total $273.5 million, an increase of $3.4 million from 2019. The majority of the increase is from aid received to offset the State of Wisconsin's recent exemption of personal property from the property tax.

The largest amount of state aids received by the city comes in the form of state shared revenue. In 2020, the city expects to receive $219.1 million of shared revenue; the same as 2019.

Since the state fixed the allocation for shared revenue in 1995 and later fixed the amount municipalities received, the city was unable to rely on shared revenue to assist in addressing its structural budget issues. The city has turned to other sources of funds or service cuts to offset this lack of growth. The city will experience almost a $104 million decrease in real intergovernmental aids since 1995 (see Figure 4).

The state transportation aids are determined by the amount that is spent on transportation related accounts and the funds made available in the state budget for this purpose. In 2019, the State budget increased overall transportation aids by 10%. In 2020, these aids total $31.3 million, an increase of $2,500,000 from 2019.

Figure 3

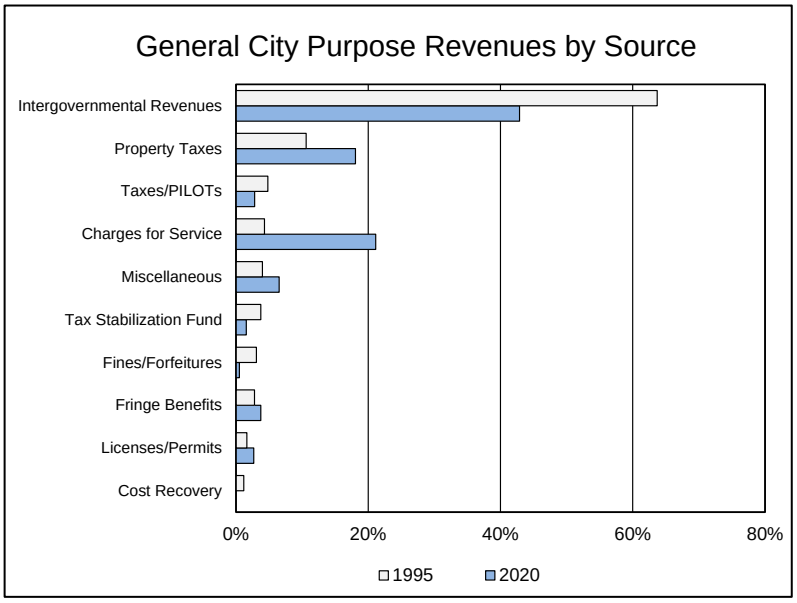
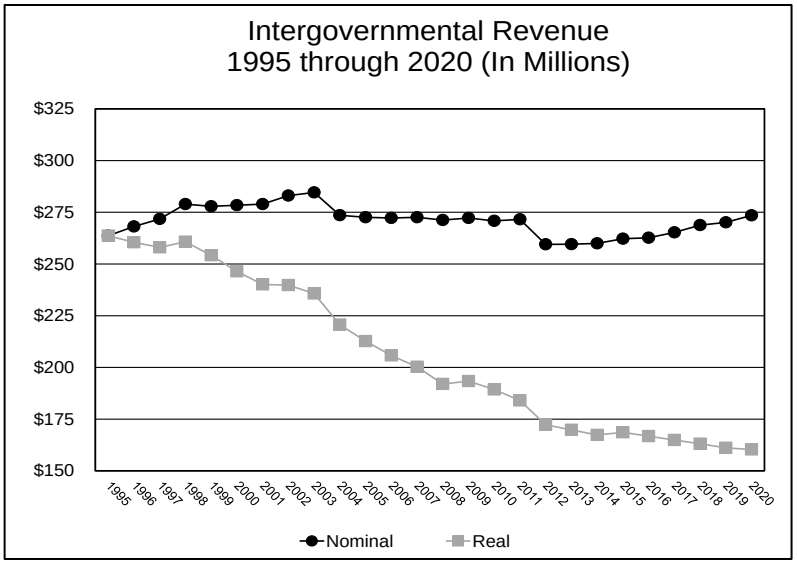


Figure 4



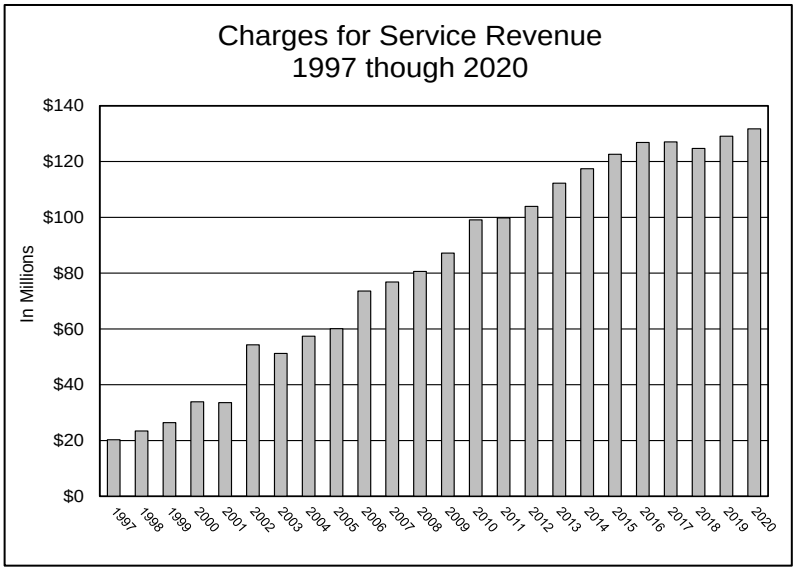
Another state aid is the expenditure restraint payment. The program provides payments to communities that control their general fund expenditures. General fund expenses are allowed to increase by the CPI and 60% of the net new construction. The other qualifying factor is an equalized property tax rate above $5 per $1,000 of equalized value. Funds are distributed by the percentage of excess property tax levy which means the higher you tax the more money you receive. Milwaukee has done an excellent job of controlling its property tax levy, causing the expenditure restraint aids to remain relatively flat. The estimate for 2020 is $10.1 million; an increase of $331,000 from 2019.

Property Taxes: The property tax levy will provide $115.2 million in revenue for the general city purposes budget in 2020. In 2020, the total city tax levy will be $291.0 million; a $10.0 million increase in the tax levy from the 2019 budget.

Taxes and Payments in Lieu of Taxes: The 2020 budget includes an estimated $18.0 million in revenue attributable to taxes and payments in lieu of taxes (PILOTs), a decrease of $47,200 from 2019. These funds include:

- Revenues raised by non-property tax levies;
- Occupation taxes;
- Trailer park taxes;
- Principal, interest, and penalties on delinquent taxes;
- Property tax adjustments; and
- Payments from property tax exempt governmental entities.

Figure 5



Charges for Services: The 2020 budget includes $134.8 million in revenue from charges for services, an increase of $5.7 million from 2019. This category of funding encompasses revenue received for services provided by city operating departments.

Figure 5 illustrates the increased city reliance on user based fees. Charges for service revenues increased from $20.3 million in 1997 to $134.8 million in 2020. This trend is also evident in Figure 3, where charges for service revenues increased from 4.3% of revenues to 21.1%. Fees for solid waste, snow and ice, and sewer maintenance are charged to city property owners according to usage, instead of through the tax levy.

The solid waste fee is a charge that recovers approximately 90% of the cost of weekly garbage collection. Service costs for related solid waste services like recycling, and special collections are also recovered through the fee. An additional charge is made to residences that have more than one garbage cart per household.

The annual extra garbage cart fee increases to $70.04 per cart above one cart per household, an increase from $68 in 2019. There is no charge for additional recycling carts. The solid waste fee will increase from $215.20 per year for residential units to $230.28 per year, a 7% increase and will generate $44.6 million when combined with the extra garbage cart fee. The solid waste fee increase will fund the purchase of four additional packers which will improve the overall fleet and improve sanitation and snow removal services.

The snow and ice fee will increase from an annual rate of $1.00 to $1.03 per foot of property frontage, a 3% increase. In 2020, the fee will generate a total of $9.9 million.

Forestry stormwater management costs will continue to be recovered through the sewer maintenance fee. The budget reflects tree pruning costs which are charged to the sewer maintenance fee. This is done in the form of a $23.4 million transfer from the sewer maintenance fund to the general fund.

Miscellaneous Revenues: Miscellaneous revenues include the transfer from the transportation fund, interest on investments, funds from the sale of surplus property, real estate property sales, several spending offset accounts, and other revenues not included in any other category. In 2020, these revenues are expected to total $41.2 million, an increase of $2.8 million from 2019. Changes include a $910,000 million increase from the Harbor Commission, a $355,000 increase in investment earnings, a $383,000 increase in the Potawatomi payment, an increase of $979,500 in other miscellaneous revenue, a $200,000 decrease in the vehicle registration fee revenue, and a $355,000 decrease in the sale of recycled materials.

Fines and Forfeitures: Revenue of $3.28 million related to fines and forfeitures is included in the 2020 budget. Fines and forfeitures include payments received from individuals as penalties for violating municipal laws. The revenue in this account reflects collections made by the Municipal Court.

Licenses and Permits: In 2020, revenue from licenses and permits is estimated at $17.2 million, an increase of $1.0 million from 2019. These funds include charges administered by various departments for legal permission to engage in a business, occupation, or other regulated activity.

Fringe Benefit Offset: The fringe benefit costs associated with reimbursable, grant, enterprise fund, and capital activity are gross budgeted in the general fund. These other funds make a payroll payment to the general fund to offset the cost of their general fund budgeted fringe benefit, which is anticipated to be $24 million in 2020.

Tax Stabilization Fund (TSF): The tax stabilization fund is used to accumulate unexpended appropriations and revenue surpluses. It assists in stabilizing the city's tax rate and protects citizens from tax rate fluctuations that can result from erratic variations in non-property tax revenues. The estimated balance of the fund as of January 1, 2019 was $24.4 million. The 2020 withdrawal will be $10 million which is 41.0% of the fund balance.

SOURCE OF FUNDS FOR GENERAL CITY PURPOSES

	2017 Actual Expenditures	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Taxes and Payments in Lieu of Taxes					
Housing Authority	$826,239	$871,131	$780,000	$870,000	$90,000
Parking	1,594,302	1,413,735	1,409,000	1,357,000	-52,000
Water Works	13,301,628	13,090,014	13,300,000	13,500,000	200,000
Trailer Park Taxes	69,476	69,263	70,000	70,000	0
Payment in Lieu of Taxes Other	476,994	460,283	310,000	300,000	-10,000
Interest/Penalties on Taxes	1,395,794	1,528,733	1,663,000	1,529,000	-134,000
TID Excess Revenue	438,636	199,432	46,000	33,000	-13,000
Other Taxes	828,028	498,925	406,000	372,200	-33,800
Total Taxes	$18,931,097	$18,131,516	$17,984,000	$18,031,200	$47,200
Licenses and Permits					
Licenses					
Amusement Dance/Music	$34,600	$0	$0	$0	$0
Dog and Cat	86,486	96,733	89,000	92,000	3,000
Food City Clerk	2,032,717	2,250,078	2,030,000	2,250,000	220,000
Food Health Dept.	157,196	165,889	170,000	170,000	0
Health Dept. Non-Food	15,512	6,074	15,000	15,000	0
Liquor and Malt	115,931	1,610	0	0	0
Scales	389,373	444,773	384,000	440,000	56,000
Miscellaneous City Clerk	2,076,426	2,489,905	2,225,000	2,467,000	242,000
Miscellaneous Neighborhood Services	246,479	221,395	248,000	229,000	-19,000
Miscellaneous Dept. Public Works Administration	12,069	11,583	12,000	12,000	0
Permits					
Board of Zoning Appeals	$274,686	$234,491	$285,000	$225,000	$-60,000
Zoning Change Fees	88,437	48,600	80,000	55,000	-25,000
Building	4,230,232	4,852,809	4,695,000	4,896,000	201,000
Electrical	1,443,127	1,662,677	1,564,000	1,587,450	23,450
Elevator	399,664	444,723	350,000	388,000	38,000
Occupancy	357,942	373,413	388,000	375,000	-13,000
Plumbing	773,613	739,884	893,000	790,000	-103,000
Miscellaneous Neighborhood Services	85,712	101,877	94,000	92,000	-2,000
Sign and Billboard	111,434	61,356	112,000	76,000	-36,000
Special Events	260,497	243,745	265,000	245,000	-20,000
Miscellaneous Dept. of Public Works	255,660	250,317	273,000	274,700	1,700
Special Privilege Misc. Neighborhood Services	420,110	72,703	380,000	300,000	-80,000
Sprinkler Inspection	179,201	183,591	194,000	183,000	-11,000
Use of Streets Excavating	1,550,194	2,274,197	1,379,000	2,003,200	624,200
Total Licenses and Permits	$15,597,298	$17,232,423	$16,125,000	$17,165,350	$1,040,350
Intergovernmental Revenue					
Fire Insurance Premium	$1,243,857	$1,164,544	$1,200,000	$1,300,000	$100,000
Local Street Aids	26,808,834	29,224,963	28,830,000	31,330,000	2,500,000
Payment for Municipal Services	2,105,417	2,432,487	2,100,000	2,450,000	350,000
State Payments Police	1,079,326	1,267,560	1,157,000	1,125,000	-32,000
State Shared Revenue (General)	219,103,492	219,108,067	219,080,000	219,096,000	16,000
Other State Payments	7,034	7,034	7,000	7,000	0
Expenditure Restraint Aid	9,001,972	9,133,636	9,769,000	10,100,000	331,000
Computer Exemption Aid	6,350,414	6,453,610	6,579,000	6,738,000	159,000
Personal Property Exempt Aid	0	0	1,359,000	1,359,000	0
Total Intergovernmental Revenue	$265,700,346	$268,791,901	$270,081,000	$273,505,000	$3,424,000

	2017 Actual Expenditures	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Charges for Services - General Government					
City Attorney	$1,085,485	$1,055,446	$904,000	$947,000	$43,000
Dept. of Employee Relations	199,797	189,246	194,000	213,000	19,000
City Treasurer	152,852	164,486	104,000	117,000	13,000
Common Council City Clerk	234,166	196,674	205,000	205,000	0
Cable Franchise Fee	4,622,334	4,723,339	4,625,000	4,700,000	75,000
Comptroller	600,528	654,160	580,000	580,000	0
Municipal Court	1,245,524	1,660,179	1,482,000	1,361,000	-121,000
Assessor	622,486	882,540	903,000	843,000	-60,000
Dept. of City Development	12,714	8,280	10,000	108,000	98,000
Dept. of Administration	72,686	9,987	82,000	75,000	-7,000
Fire Dept.	5,756,133	5,953,768	5,968,000	6,552,000	584,000
Police Dept.	3,687,149	4,895,188	3,126,000	5,057,000	1,931,000
Dept. of Neighborhood Services	11,208,972	6,099,362	11,081,000	9,664,500	-1,416,500
Building Razing	856,026	677,227	800,000	700,000	-100,000
Fire Prevention Inspections	1,596,628	1,849,607	1,900,000	2,510,900	610,900
Essential Services	40,134	75,244	40,000	40,000	0
Placard Fee	7,759	12,126	13,000	13,000	0
IT/Training Surcharge Dept. of Neighborhood Services	288,124	298,830	320,000	300,000	-20,000
Dept. of Public Works Operations Buildings and Fleet	3,814,814	3,988,065	3,800,000	3,905,000	105,000
Dept. of Public Works Infrastructure Division	4,619,901	4,596,262	4,499,000	4,333,250	-165,750
Dept. of Public Works Operations Division Forestry	138,984	133,465	152,000	135,000	-17,000
Harbor Commission	5,345,158	5,131,693	4,953,155	6,483,900	1,530,745
Dept. of Public Works Administrative Services	1,337,562	2,727,113	1,840,000	1,831,000	-9,000
Dept. of Public Works Operations Div. Sanitation	4,198,914	3,794,445	4,453,000	3,950,000	-503,000
Solid Waste Fee	37,804,656	38,886,329	40,092,000	42,901,000	2,809,000
Extra Garbage Cart Fee	1,516,258	1,484,800	1,615,000	1,663,000	48,000
Snow and Ice Control Fee	9,019,078	9,315,029	9,560,000	9,888,000	328,000
Forestry Stormwater Management	19,626,000	21,682,000	22,332,000	23,433,600	1,101,600
Apartment Garbage Pickup	1,244,244	1,198,856	1,200,000	0	-1,200,000
Health Dept.	1,267,258	1,331,794	1,218,000	1,253,000	35,000
Public Library	284,168	274,887	277,000	258,000	-19,000
County Federated System	739,397	747,810	749,000	749,000	0
Total Charges for Services	$123,245,889	$124,698,237	$129,077,155	$134,770,150	$5,692,995
Fines and Forfeitures					
Municipal Court	$3,274,953	$3,295,757	$3,251,000	$3,276,000	$25,000
Total Fines and Forfeitures	$3,274,953	$3,295,757	$3,251,000	$3,276,000	$25,000
Miscellaneous Revenue					
Transfer from Other Funds	$16,924,890	$17,123,005	$16,000,000	$16,110,000	$110,000
Interest on Overdue Invoices	$0	$92,161	$0	$60,000	
Interest on Investment	1,412,397	3,012,902	2,260,000	2,615,000	$355,000
Contributions	3,000,596	3,190,275	3,200,000	3,200,000	$0
Dept. of Administration Property Sales	308,843	271,700	291,000	265,000	$-26,000
Dept. of City Development Property Sales	0	175,425	10,000	10,000	$0
Dept. of Public Works Infrastructure Division Rent	256,648	342,549	379,000	922,000	$543,000
Comptroller Rent	86,550	90,668	85,000	85,000	$0
Dept. of City Development Rent	300	12,509	12,000	12,000	$0
Sale of Recyclable Materials	1,593,165	1,627,815	1,580,000	1,225,000	$-355,000
Other Miscellaneous	1,337,344	1,656,663	954,000	1,933,500	$979,500
Insurance Recovery	625	11,822	16,000	10,000	$-6,000
Potawatomi	5,657,934	5,781,447	5,897,000	6,280,000	$383,000
Harbor Commission Transfer	1,517,327	1,533,127	1,610,000	2,520,000	910,000
Vehicle Registration Fee	6,626,376	6,470,778	6,600,000	6,400,000	-200,000
Total Miscellaneous Revenue	$38,722,995	$41,392,846	$38,894,000	$41,647,500	$2,753,500

	2017 Actual Expenditures	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Fringe Benefits					
Fringe Benefit Offset	$22,527,543	$22,643,333	$23,000,000	$24,000,000	$1,000,000
Total Fringe Benefits	$22,527,543	$22,643,333	$23,000,000	$24,000,000	$1,000,000
Total General Fund Revenue	$488,000,121	$496,186,013	$498,412,155	$512,395,200	$13,983,045
Amount to be Raised Pursuant to 18-02-6	$139,933,318	$131,235,239	$135,704,126	$125,229,998	$-10,474,128
Less:					
Tax Stabilization Fund Withdrawal (Sustainable)	$27,579,000	$19,000,000	$16,000,000	$10,000,000	$-6,000,000
Property Tax Levy	$112,354,318	$112,235,239	$119,704,126	$115,229,998	$-4,474,128
Total Sources of Fund for General City Purposes	$627,933,439	$627,421,252	$634,116,281	$637,625,198	$3,508,917

B. PROVISION FOR EMPLOYES' RETIREMENT FUND

EXECUTIVE SUMMARY

MISSION: Provide for the secure payment of retirement benefit obligations in a manner that avoids destabilizing city operations and that limits the transfer of financial responsibility to future generations.

OBJECTIVES: Remain in the top five of the annual RV Kuhns Public Fund Universe Analysis for net assets as a percentage of pension benefit obligations.

STRATEGIES: Use the Employer's Reserve Fund to stabilize future city pension contributions.

Continue to pre-pay the employer's pension contribution.

SUMMARY OF EXPENDITURES

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Firemen's Pension Fund				
Lump Sum Supplement Contribution	$29,000	$25,000	$18,000	$-7,000
Subtotal	$29,000	$25,000	$18,000	$-7,000
Policemen's Pension Fund				
PABF Payroll	$142,054	$135,000	$98,400	$-36,600
Lump Sum Supplement Contribution	10,000	10,000	10,000	0
Subtotal	$152,054	$145,000	$108,400	$-36,600
Employees' Retirement Fund				
Employer's Pension Contribution	$77,094,964	$56,600,000	$71,000,000	$14,400,000
Employer's Pension Contribution - Employers'				0
Reserve Fund	11,938,024	13,400,000	8,000,000	-5,400,000
Administration	18,004,305	23,205,973	20,923,077	-2,282,896
Subtotal	$107,037,293	$93,205,973	$99,923,077	$6,717,104
Social Security Tax	$19,095,664	$18,911,080	$19,500,000	$588,920
Deferred Compensation Plan	$336,071	$476,483	$473,700	$-2,783
Total	$126,650,082	$112,763,536	$120,023,177	$7,259,641
Revenues				
Fringe Benefits Pensions	$1,302,100	$1,489,647	$1,344,308	$-145,339
Charges for Service ERS	17,665,333	22,870,125	20,485,826	-2,384,299
Charges to Other Funds	0	1,200,000	900,000	-300,000
Charges for Service Deferred Compensation	336,071	476,483	473,700	-2,783
Property Tax Levy	94,188,661	86,619,281	96,710,343	10,091,062
Employer's Reserve Fund	5,000,000	0	0	0
Miscellaneous Employees' Retirement System	96,300	108,000	109,000	1,000
Total	$118,588,465	$112,763,536	$120,023,177	$7,259,641

The Employes' Retirement Fund includes provisions for employee pensions, the Policemen's Annuity and Benefit Fund, the Firemen's Pension Fund, social security contributions, and the city's deferred compensation plan.

The Employes' Retirement System (ERS) is responsible for administering the city's defined benefit pension plan for city employees and city agency members of the system. The system operates under the direction of the Annuity and

Pension Board. Retirement contributions for employees of the Milwaukee Metropolitan Sewerage District, the Wisconsin Center District, the Water Works, Milwaukee Public School Board (excluding teachers), and the Milwaukee Area Technical College are borne by those respective governmental units and are not included in these appropriations. There were 28,581 members in the system as of January 1, 2019.

The Policemen's Annuity and Benefit Fund (PABF) administers pensions for city police officers employed prior to 1947. There were 16 members as of January 1, 2019.

Funds in the Firemen's Pension Fund are provided for retired fire fighters who were employed prior to 1947. This fund had 15 members as of January 1, 2019.

The Comptroller oversees the city's contribution for payment of the employer's share of social security tax. The Deferred Compensation Board is responsible for administration of the city's deferred compensation plan.

STRATEGY IMPLEMENTATION

The City uses a stable contribution policy that was adopted in 2013. The stable contribution policy is based on a blended rate representing the total employer contribution rate which results from adding the proportionately weighted rates of the three employee groups. The blended rate is applied to covered compensation to determine the City's contribution. The blended rate will be updated every five years.

The stable contribution policy addresses the following objectives:

- Budget annually for the normal cost;
- Reduce unfunded liability;
- Maintain asset coverage equal or greater than retired lives' liabilities;
- Achieve stable and predictable contribution levels over five year periods; and
- Review adequacy of contributions as part of a five-year cycle.

The stable contribution policy stabilizes the property tax levy for a five-year period. Actuarial analysis has concluded that the total contribution made during the first five years since the policy change are slightly higher than would have been made under prior policy. The policy allows the city to retain vital services while responsibly financing pensions.

SERVICES

Employer's Pension Contribution: Every five years the blended rate is modified to reflect the current condition of the fund. The stable contribution policy began in 2013, and the contribution was modified at the five-year update for the 2018 pension contribution. The blended rate was modified to 7.48% for general city, 25.22% for police and 26.83% for fire. These changes reflected a change from an 8.25% rate of return to an 8% rate of return as well as changes determined from an experience study. The experience study analyzes the ages of retirements by employee groups, mortality rates and other actuarial factors that are used to estimate future pension fund needs. The 2020 pension contribution is $71 million, an increase of $1 million from 2019, with the entire amount funded from the tax levy. No funding will come from the pension reserve account.

One benefit of the stable contribution policy is ensuring that there are relatively small changes in the contribution amount during each five-year contribution period. This makes budgeting for the contribution easier to manage. The contribution for 2020 changes only 1.4% from the 2019 budget. However, in April 2019, the Annuity and Pension Board voted to reduce the assumed investment rate of return from 8% to 7.5%. This rate is consistent with the rate of return used by most pension systems, which ranges from 7% to 7.5%.

The lower rate of return will be used by the Actuary for financial reporting beginning in 2019. The required contribution under the stable contribution policy, however, will not change until the stable contribution is reset in 2023. This provides a few years to plan for the significant contribution increase that results from the Board's change in the rate of return. The decrease of 0.5% in the assumed rate of return from 8.0% to 7.5% increased the actuarial determined employer pension contribution by $41.4 million annually, a 37.5% increase, for 2019. The actuary estimates that the required contribution from the City after the reset in 2023 will be approximately $158 million, an increase of $87 million or 123% from the current stable policy contribution amount of $71 million. The City's contribution will continue to increase to about $171 million in 2027.

The magnitude of these increases cannot be funded within the current fiscal constraints facing the City. The State is not providing meaningful increases in Shared Revenue that reflect either increases in inflation or increases in tax revenue generated by the residents and businesses in Milwaukee. The State has also imposed a strict levy limit and expenditure restraint limit on the City budget. Both of these limits may need to be exceeded to adequately fund the pension contribution in 2023. The State also strictly limits the revenue sources available to the City. Mayor Barrett has been seeking authority from the State to hold a local referendum in which City residents have the ability to approve a City sales tax, in order to increase the revenue available to meet the City's financial obligations while maintaining core service levels. A City sales tax is necessary to enable the City to fund its financial obligations without significantly reducing core service levels, including Police and Fire services.

In order to manage pension liabilities, the City will be pursuing both increases to member contribution rates and decreases in pension benefits for employees. The actuarially determined employer contribution under the decreased rate of return is based on a 15.57% rate for general city, 41.31% for police and 48.71% for fire. Employee member contributions are currently 4% for General City and 7% for Police and Fire. Employee contributions, especially for police and fire, are significantly lower than the actual cost of pensions for these employees. The majority of the pension liability is for Police and Fire members, as the salaries and pension benefits for these members are significantly higher than for General City members. Therefore, adjusting contributions and benefits for Police and Fire members is necessary to ensure adequate funding of the increased pension liabilities that result from the Board's decrease to the rate of return.

The City has a pension reserve fund that can be used to ease the impact of the pension contribution increase in 2023. The reserve fund has a current balance of $30.1 million. The City plans to make annual contributions to the reserve fund over the next several years. This will build a higher balance in the reserve fund, which will be used to smooth out the required increase in the employer pension contribution beginning in 2023. The 2020 budget includes an $8 million addition to the reserve fund. Contributions to the reserve fund will have to increase significantly, by $12 million per year, in both 2021 and 2022, to provide sufficient balance in the reserve fund to smooth out the tax levy impact of the contribution increase in 2023. If adequately funded, the reserve fund in combination with annual tax levy increases, will smooth out the contribution increase through 2026. In 2027, the reserve fund would be reduced to zero and a higher tax levy would support the employer contribution.

Even if the City is able to increase funding for the reserve fund, this will not be sufficient to avoid significant service reductions, including reductions to Police and Fire services, in order to provide funding for the pension contribution. The City requires a substantial increase to its baseline revenues, such as through a sales tax, and expanded authority to adjust member contributions and benefits for pensions, to minimize service reductions. The increase in the pension contribution significantly worsens the City's structural budget imbalance. Resolving this structural balance requires a significant increase in the City's baseline revenues, such as provided by a sales tax, and a reduction in long-term pension liabilities. Both of these require action by the State of Wisconsin.

Employer's Reserve Fund: A balance of approximately $30.1 million is in the Employer's Reserve Fund as of August 2019. A contribution of $8 million to the reserve fund is included in the 2020 budget. Combined, these provide $38.1 million of reserves.

Social Security Payments: In the 2020 budget, $19.5 million is provided for social security payments.

Administration: In the 2020 budget, ERS administrative costs are $20.9 million.

Employer's Pension Contribution (PABF): The 2020 budget does not include a contribution for the former Policemen's Annuity and Benefit Fund. Instead the city will provide $98,400 for member payments on an on-going basis from an account funded by an annual appropriation.

Lump Sum Contribution for Firemen's Annuity and Benefit Fund (FABF): A total of $18,000 is provided in the 2020 budget for a pension supplement to remaining members of this fund.

Lump Sum Contribution for Policemen's Annuity and Benefit Fund (PABF): There is $10,000 provided in the 2020 budget to provide a pension supplement.

EMPLOYES' RETIREMENT SYSTEM

EXECUTIVE SUMMARY

MISSION: Administer the plan as provided under the city charter, maintain member records, pay the benefits to which members and beneficiaries are entitled, and invest and manage the funds of the trust in a prudent and vigilant manner.

OBJECTIVES: Achieve assumed long term 30 year average annual return target set by the Annuity and Pension Board (currently 7.5%).

Determine strategic asset allocation and asset class strategies.

Distribute pension checks in a timely and accurate manner.

STRATEGIES: Monitor and analyze all investment activities and provide oversight of the investment portfolio to obtain the highest return consistent with the level of risk taken.

Maintain and update the Milwaukee Employes' Retirement Information Technology System to provide effective and efficient pension administrative services.

Improve member communication through the Employes' Retirement System website, pre-retirement counseling seminars, brochures, and newsletters.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	45.47	48.50	48.50	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	63	61	57	-4
Expenditures				
Salaries and Wages	$2,893,590	$3,310,326	$3,360,769	$50,443
Fringe Benefits	1,302,100	1,489,647	1,344,308	-145,339
Operating Expenditures	13,298,232	18,093,000	16,074,000	-2,019,000
Equipment	510,383	313,000	144,000	-169,000
Total	$18,004,305	$23,205,973	$20,923,077	$-2,282,896
Revenues				
Charges for Services	$18,967,433	$24,359,772	$21,830,134	$-2,529,638
Miscellaneous	96,300	108,000	109,000	1,000
Total	$19,063,733	$24,467,772	$21,939,134	$-2,528,638

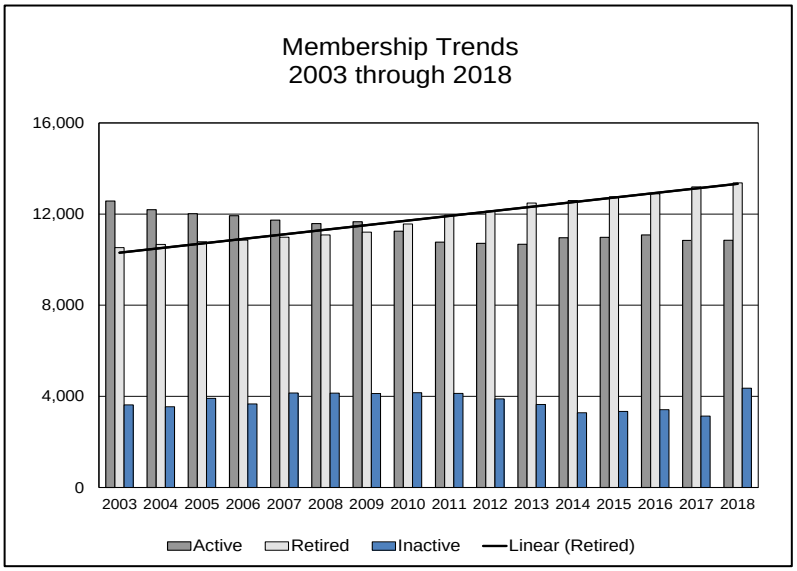
DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Optimize the amount of tax levy funding needed to support the Employes' Retirement System consistent with the risk assumed by the investment policy.
   - Effectively manage the pension funds under its control.
   - Provide high quality service to its customers.

The Employes' Retirement System ("ERS" or "the Fund") operates a defined benefit pension plan for employees of the City of Milwaukee and related agencies. ERS contributes to the city's fiscal stability and capacity by effectively managing the pension funds under its control. Effective management of these funds optimizes the amount of tax levy funding needed to support ERS and the pensions it manages. It also ensures adequate funding for the city's long term financial obligations to retirees and their beneficiaries. ERS also administers the enrollment and contributions for the Group Life Insurance program and health care for city retirees, including COBRA health and dental plans. As of December 2018, there were 28,581 members and beneficiaries in the Employes' Retirement System, of which approximately 62% are retirees or inactive members (see Figure 1).

Figure 1



The Annuity and Pension Board is the trustee of the system's funds and is responsible for the system's general administration. The Executive Director and Secretary are responsible for the daily operation of the system and function under the direction of the Board.

The Annuity and Pension Board size reverted from 11 members to 8 members as a result of a July 2018 Wisconsin Supreme Court decision. The Mayor and Common Council adopted changes to Chapter 36 in 2013 that added three appointed members to the board, and restricted police officers and firefighters to voting for a single member, who must also belong to their respective unions, and all other city employees to electing a single member. The Police and Fire unions filed a lawsuit against these changes. The City prevailed at both the Circuit Court and the State Court of Appeals. The State Supreme Court, however, ruled against the City and reduced the Board size back to 8 members, requiring new elections for the three elected Board positions affected by the Court decision. Elections were held in December 2018 with terms for the new positions beginning January 2019.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Annualized excess return above the blended benchmark index, gross of fees (over the past five years).	0.5%	0.5%	0.5%
Exceed 95% favorable rating on customer satisfaction survey.	99%	99%	100%

STRATEGY IMPLEMENTATION

The actuarial accrued liabilities on behalf of the ERS members are approximately $6.4 billion as of January 1, 2019.

The Annuity and Pension Board voted in April 2019 to reduce the investment return assumption for the fund from 8.0% to 7.5%, effective with the 2019 valuation and amortizing the resulting unfunded liabilities over 25 years. The reduction of the investment return assumption to 7.5% had a significant impact on the actuarial accrued liability, resulting in a liability increase of $450 million. As of January 1, 2019, the actuarial accrued liability is approximately $6.4 billion, and the funded status on an actuarial basis is 81.5%. The Board adopted reduction in the investment

return assumption increased unfunded liabilities and reduced projected earnings from investments. The actuarial estimate is that this will require a projected $41.4 million increase to the actuarially determined employer contributions to the fund starting in 2023.

Achieving a 7.5% return over the long-term requires the portfolio to take certain risks that may result in negative returns and or underperformance during short and medium time periods. The current level of interest rates, which are at a historically low level, makes this significantly more difficult. The Annuity and Pension Board works with its investment consultant and staff to identify a prudent long-term investment strategy that balances the prospects for achieving this long-term return target with the expected year-to-year downside-risks that must be accepted in order to generate 7.5% over time.

The inherent volatility of capital markets that worked in the Fund's favor in 2017, when the Fund earned a 16.4% return net of fees, worked against the Fund in 2018, when the Fund earned a -2.9% return net of fees. In 2018, the S&P 500 declined -4.4% while the most commonly used bond benchmark returned 0.0%. The Fund's allocations to Private Equity, Real Estate, and Absolute Return strategies all delivered positive returns, net of fees, and helped the Fund generate a higher return than it otherwise would in a difficult environment. In the case of Private Equity, the Fund reported a 21.5% net of fee return for this asset class. Figure 2 shows the market value of the Fund's assets over the past 20 years.

Figure 2

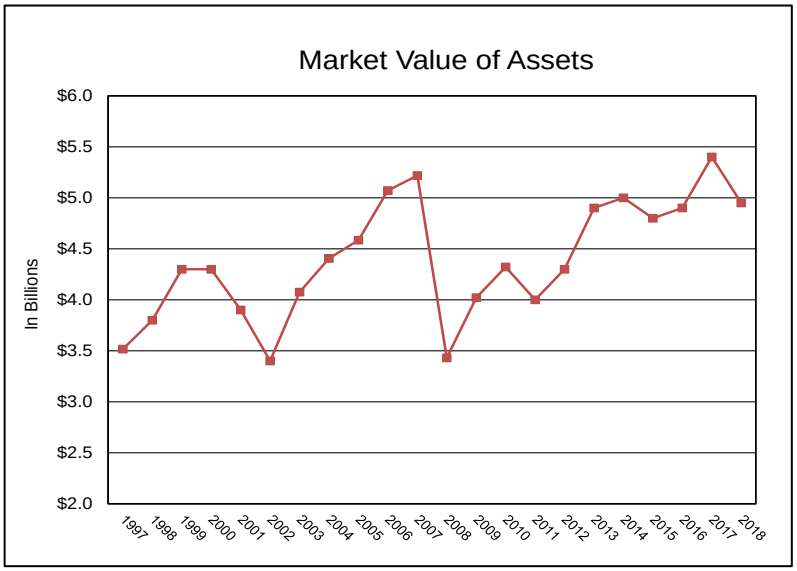
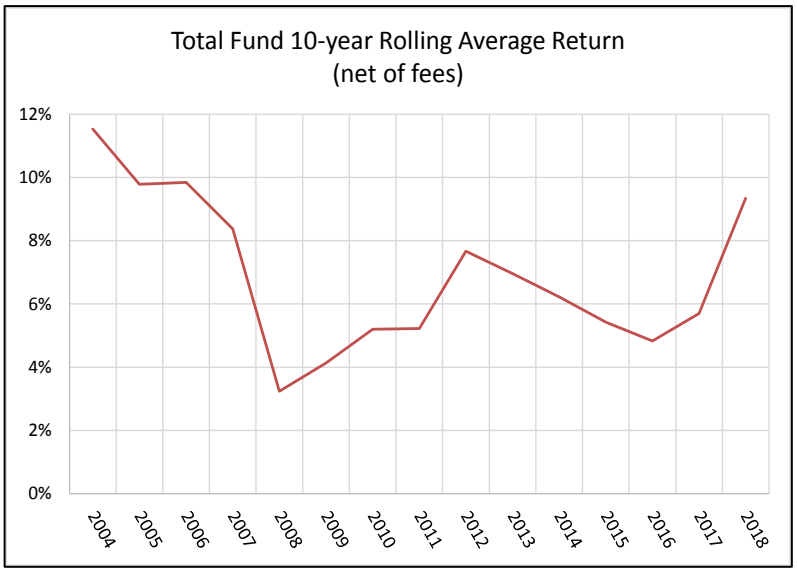


Figure 3



While the 2018 experience was negative, the Fund's investment performance has generated meaningful excess returns versus its benchmark over the past 10 years and ranks in the top-quartile amongst its peers according to the Callan Public Fund Sponsor Database.

During the 11-year period from 2008-2018, investment gains of approximately $2.5 billion have not been enough to fully offset the approximately $3.5 billion in benefit payments the participating employers have promised their employees and beneficiaries. Given that the most recent actuarial report projects benefit payments to be approximately $4.7 billion over the next 10 years, increased contributions are needed to maintain the Fund's current asset level. Over the past ten years, as of December 31, 2018, the Fund has generated annualized returns of 9.3%, net of fees and has exceeded its benchmark by an annualized 68 basis points. Figure 3 shows historical information with the 10 year rolling average of returns (net of fees).

ERS measures the Fund's performance by comparing its investment return against a blended benchmark index consisting of the following indices:

- Morgan Stanley Capital International ACWI IMI (All Country World Investable Market Index) Stock Index
- Bloomberg Barclays U.S. Aggregate Bond Index
- NFI-ODCE (NCREIF Open End Diversified Core Equity) Real Estate Property Index
- 90 Day T-Bill + 3%
- Russell 3000 +3%
- S&P Global Infrastructure Index
- FTSE EPRA/NAREIT Developed Index
- S&P Global Natural Resources Index
- Barclays U.S. TIPS Index
- Bloomberg Commodity Total Return Index

The blended benchmark is weighted according to the asset allocation strategy adopted by the Annuity and Pension Board. This strategy takes advantage of long term investment and market trends that occur over the life of an investment cycle. The long term objective is for the fund to outperform the blended benchmark by 0.5%.

Customer Service: ERS provides enhanced customer service through a series of membership awareness projects and counseling on a variety of benefits, including pension, disability, separation, and death.

ERS also administers group life insurance and retiree health insurance for the City of Milwaukee and certain city agencies. A monthly retiree newsletter and annual newsletter to active members keep them informed on a variety of issues, including fund performance, tax issues, and health insurance issues. Letters, counseling sessions, and phone conversations inform individuals of their rights, options, and answer their questions. ERS regularly conducts community presentations and pre-retirement seminars for its members. The ERS member handbooks, brochures, and website also improve customer service delivery. Reception cards are used to evaluate timely servicing of walk-ins and appointments and exit surveys measure the quality of counseling services.

ERS focuses on providing enhanced online services and business process automation. Several technology upgrade projects were completed in 2018 and more will be completed in 2019. Product lines that are nearing end-of-life status are brought into compliance in accordance with a lifecycle management process. Enhancements were made to the ERS website and self-service site, including security updates, a responsive design implementation that allows for easier viewing and navigation across platforms (such as desktops, tablets, laptops and phones), and online service improvements. Network security enhancements were also made to better protect and secure member and institutional data.

The ERS budget is funded almost entirely by pension trust fund assets, as approved by the Annuity and Pension Board. Because funds allocated to ERS administration and management are not available for investment, ERS aims to minimize expense growth and operate with optimal cost effectiveness.

The 2020 budget includes $144,000 for the replacement of some servers that are nearing end-of-life. This replacement will support a strong IT infrastructure and application platform for customers and members, including a resilient disaster recovery mechanism.

The 2020 budget decreases by approximately $2,283,000 or 9.8%. The decrease is mostly attributable to an expected decrease in public equity performance fees.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-3			Member, ERS Annuity & Pension Bd.	State decision to retore back to 8 members
-1			Pension Specialist - Senior	Eliminate unfunded auxiliary positions
-4	**0.00**	**0.00**	**Totals**	

DEFERRED COMPENSATION PLAN

EXECUTIVE SUMMARY

MISSION: To help City of Milwaukee employees save assets adequate to retire at the desired time, with dignity, and with sufficient income throughout retirement via a tax deferred savings plan under Section 457(b) of the Internal Revenue Code.

OBJECTIVES: Provide a range of tax deferred investment options responsive to employee-participant demographics, risk tolerances, time horizons, and retirement needs at better than retail and maximally efficient prices.

STRATEGIES: Support well-informed investment and retirement planning decisions by participants.

Utilize industry best practices, academic research, and partnerships with financial sector experts to consistently improve the Plan's investment options, performance analysis, and employee participation and savings rates.

Vigilantly monitor investment management and administrative fees and clearly disclose same to participants on an annual basis.

Educate participants on financial planning topics, including the benefits of diversification and the relative benefits and risks between a long-term investment perspective and trading in response to short-term market volatility.

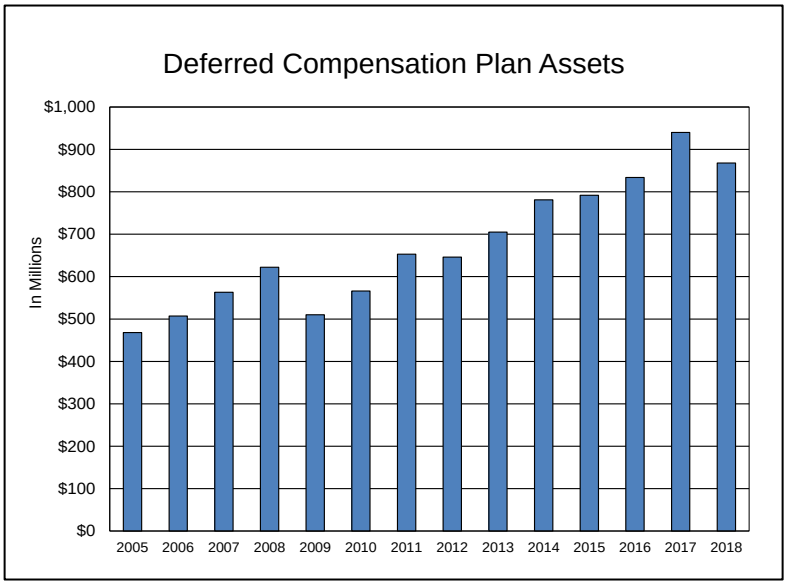
Administer the Plan in accordance with applicable regulations to maintain the Plan's tax deferred status.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	3.00	3.00	3.00	0.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	3	3	3	0
Expenditures				
Salaries and Wages	$197,509	$195,850	$202,100	$6,250
Fringe Benefits	86,396	88,133	81,000	-7,133
Operating Expenditures	51,423	114,500	112,600	-1,900
Equipment	743	3,000	3,000	0
Special Funds	0	75,000	75,000	0
Total	$336,071	$476,483	$473,700	$-2,783
Revenues				
Charges for Services	$336,071	$476,483	$473,000	$-3,483
Total	$336,071	$476,483	$473,000	$-3,483

BACKGROUND

Figure 1



Section 5-50 of the Milwaukee City Charter authorizes the establishment of a deferred compensation plan under Section 457(b) of the Internal Revenue Code. As a governmental plan, the city's plan is not governed by the Employee Retirement Income Security Act of 1974 or related Department of Labor regulations and guidance.

The Plan allows employees to set aside a portion of their income before federal and state taxes are withheld. The income is not taxed until it is withdrawn from the Plan, usually at retirement when an individual's marginal tax rate may be lower. The Plan also permits after-tax contributions under the Roth 457 code provision. In 2014, the Plan was modified to allow members to borrow from their individual accounts. Participants may request unforeseeable emergency hardship distributions under applicable code provisions and IRS revenue rulings.

The Deferred Compensation Plan does not impact the city's property tax levy. Plan operating expenses are paid entirely by Plan participants, who contribute to the Plan via payroll and rollover contributions, as well as earnings on those contributions. The Plan is supervised by an eleven-member fiduciary board, which hires retirement industry experts to perform nearly all key plan operations, including participant enrollment, recordkeeping, contribution and allocation processing, investment earnings allocation, administration, participant communication, payment of deferred compensation and other distributions, consulting, investment management, benchmarking, performance and fee analysis, and financial education programming. The Plan also employs an Executive Director, a Plan Coordinator and an Administrative Assistant II, that focus on vendor management, board governance, participant services, payroll contribution reconciliations, records management, monitoring legal issues and market innovations, financial statement preparation, and oversight of the annual audit.

As of December 31, 2018, plan assets were about $848 million, with 8,763 active and retired participants. The overall participation rate for City of Milwaukee employees was 85%.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Plan's mission to assist city employees in saving assets to enable them to retire with sufficient retirement income, supports the community more broadly by supporting the financial stability, health, and retirement readiness of its employees, as well as their overall financial literacy.

STRATEGY IMPLEMENTATION

The Plan's strategies are implemented by the Plan's fiduciary trustees, its Executive Director and Plan Coordinator, its legal counsel, and its private sector partners. The Plan's growing size and the increasing complexity of the deferred compensation market, make it necessary for the Plan to partner with industry experts and consultants to ensure that the Plan adopts industry best practices, effectively monitors fee efficiency, appropriately benchmarks investment performance, and incorporates innovations to best meet the needs of participants.

The board meets quarterly and its Executive Finance Committee meets monthly and each receive regular reports from all plan vendors, its legal counsel, and the Executive Director. These meetings are generally open to the public and noticed in advance. Board trustees are encouraged to seek out industry education and best practices training, as well as training regarding their fiduciary obligations.

The Plan offers a wide range of tax deferred investment options, responsive to employee participant demographics, risk tolerances, time horizons, and retirement needs at better-than-retail and maximally efficient prices. Investment performance net of administrative and asset management fees is routinely monitored. Plan trustees and staff work to reduce fees through contract renegotiations and by market testing current pricing arrangements through regularized requests for proposal processes.

The Plan and its partners provide a wide array of in-person, on-line, over-the-phone, and written financial educational information, as well as retirement planning tools and ongoing financial wellness and pre-retirement workshops to assist plan participants in making informed investment decisions. Information on deferred compensation is provided at new employee orientations.

Plan participants allocate their payroll or rollover contributions, as well as earnings on those contributions, among a variety of investment account options, including Target Date Funds, four core asset options, and participant-controlled brokerage accounts. These investment options, their market values, and their rate of return relative to investment benchmarks as of June 30 2019 are listed below.

Investment Performance as of June 30, 2019*				
		% Rate of Return**		
Investment Option	**Market Value as of 6-30-19 in $ Millions**	**One Year**	**Three Year**	**Five Year**
Actively Managed Equity	$166.5	6.64	12.44	7.70
AMEA Benchmark		5.35	11.83	7.84
Actively Managed Income	$66.1	7.10	2.79	2.13
AMIA Benchmark		6.77	2.14	2.84
Stable Value	$180.8	2.39	2.05	1.76
SVA Benchmark		5.79	2.11	1.35
Passive International Equity	$64.2	1.41	9.37	2.50
MSCI ACWI ex US		1.29	9.39	2.16
Passive U.S. Equity	$210.6	8.88	13.88	9.95
Russell 3000 Index Benchmark		8.98	14.02	10.19
JPMorgan Target Active SR Income	$41.1	5.68	5.98	4.51
JPMCB Active SR Income Idx		6.84	6.22	4.63
JPMorgan Target Active SR 2020	$37.6	5.56	7.00	5.28
JPMCB Active SR 2020 Idx		6.91	7.32	5.56
JPMorgan Target Active SR 2025	$42.1	5.71	7.98	5.75
JPMCB Active SR 2025 Idx		7.09	8.33	6.15
JPMorgan Target Active SR 2030	$31.3	5.70	8.98	6.25
JPMCB Active SR 2030 Idx		6.99	9.27	6.60
JPMorgan Target Active SR 2035	$21.8	5.08	9.36	6.32

Investment Performance as of June 30, 2019*				
		% Rate of Return**		
Investment Option	**Market Value as of 6-30-19 in $ Millions**	**One Year**	**Three Year**	**Five Year**
JPMCB Active SR 2035 Idx		6.83	9.96	6.90
JPMorgan Target Active SR 2040	$13.2	5.07	10.05	6.64
JPMCB Active SR 2040 Idx		6.65	10.63	7.21
JPMorgan Target Active SR 2045	$9.0	4.98	10.07	6.66
JPMCB Active SR 2045 Idx		6.62	10.71	7.26
JPMorgan Target Active SR 2050	$4.4	4.97	10.06	6.62
JPMCB Active SR 2050 Idx		6.62	10.71	7.26
JPMorgan Target Active SR 2055	$2.9	4.92	10.01	6.51
JPMCB Active SR 2055 Idx		6.62	10.71	7.26
JPMorgan Target Active SR 2060	$0.38	5.19	-	-
JPMCB Active SR 2060 Idx		6.62	-	-
Schwab Brokerage Window^	$43.7	N/A	N/A	N/A

* Data provided by Callan Associates, Inc. and Northern Trust except as to the brokerage window.
** If period > 1 year, the rate of return is annualized.

^ Returns are not reportable, as earnings will vary depend on the particular investments selected by each participant.

PROGRAM CHANGES

Significant achievements in 2018 include:

- Awarded 2018 NAGDCA (National Association of Government Deferred Compensation Administrators) Award for Plan Design and Administration.
- Implemented the second year of automatic enrollment for new hires.
- Conducted a third annual re-enrollment campaign.
- Annual member's contribution increased to 3% of their wages if they contributed less than 3%, unless they opted out. Members were placed in an age-appropriate investment plan, unless they opted out.
- Fourth consecutive year of decreases in plan operating expenses.

All professional fees and other operating expenses no longer appear in the city's budget, with limited exceptions since the Plan is entirely self-funded and does not impact the tax levy. To ensure transparency, the Plan's internal budget, reflecting all professional fees and operating expenses is presented to the Finance and Personnel Committee during the city's annual budget process.

Professional and operating expenses include recordkeeping (Voya), consulting (Callan Associates, Inc.), custodial banking (Northern Trust), fiduciary liability insurance (Hays Companies), auditing (Baker Tilly), preparation of Financial Statements (Experis) and outside legal fees, as well as staff salaries and benefits. Investment management fees are not included with these professional administrative expenses, since such fees are directly allocated to the relevant investment option, resulting in lower net returns.

The Plan is self-funded and includes a $75,000 contingency to cover unanticipated expenses. Funds in this contingency can only be released by the Plan's fiduciary board.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES - None

C. CAPITAL IMPROVEMENTS

EXECUTIVE SUMMARY

MISSION: Support the regional economy and protect the environment and public health.

OBJECTIVES: Improve core infrastructure condition.

Improve the efficiency of city operations.

STRATEGIES: Where feasible use alternative strategies to increase the amount of infrastructure improved within funding constraints.

Develop investment strategies to ensure favorable rates of return on city capital investments.

Stage project funding over multiple years.

Continue increasing budgets for most infrastructure.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The 2020 capital improvements budget represents the initial year of a six year capital improvements plan. The budget and plan identify the city's capital funding needs and provide funding sources to support these needs. Capital improvements generally include projects to reconstruct, rehabilitate, or otherwise restore an existing system or facility to full functionality or add to its useful life. They may also include projects to construct a new or more expansive facility to meet increased demands or to enhance economic development through job creation, business formation, and housing production. Capital investment may include technology or system enhancements that aid the city in increasing efficiency and productivity in its operating budget.

HIGHLIGHTS

The 2020 general city capital improvements budget totals $155.6 million, an increase of $1.5 million from the 2019 budget. The tax levy supported portion of the capital budget, which includes tax levy resources as well as tax levy supported general obligation (GO) debt, totals $84.1 million. This is a decrease of $1.7 million or 2% from the 2019 budget.

One of the city's long term goal is to provide tax levy supported borrowing authorizations that equate to tax levy debt retirements in order to control future increases in the debt service tax levy. Previous budgets have converted debt supported programs which mitigate stormwater to cash financing through the sewer maintenance fund and the stormwater fee. The city has also utilized lease payments from the sewer maintenance fund and water works for the Tower Automation facility to pay GO debt service. These financing changes increase the city's capacity to prudently invest in infrastructure, using long term debt within debt limit constraints.

Continuing high levels of investment in core infrastructure projects is a priority of the 2020 capital budget. Core infrastructure programs including streets, bridges, street lighting, and sewers total $70.6 million in the 2020 capital budget, a $4.7 million increase from 2019. Figure 1 shows improvements made in core infrastructure funding from 2004 to 2020. Since 2004 funding for core infrastructure has increased by $27.7 million, or nearly 65%.

The 2020 capital budget includes $14.6 million for facility improvement projects, which is 17.6% of the levy supported general city capital budget. The city hall foundation repair project is the largest single facility improvement project

in the 2020 budget at $8.5 million, and the Facilities Exterior and Facilities Systems programs which repair and replace major mechanical, interior and exterior building components are funded at $1.1 million each.

The 2020 capital budget uses $566,000 of cash from the tax levy for capital improvements. The Department of Administration's Information Technology & Management Division will utilize $275,000 of cash levy for several upgrade projects, including funding to develop a request for proposals to replace the City's Enterprise Resource Planning system, which provides the City's financial and human resources management systems. The Department of City Development's Advance Planning Fund will utilize $150,000 of levy funding in 2020. While levy funding in the capital improvements budget is limited, the use of cash revenues from the sewer maintenance fund and from the closing of a Tax Increment Financing District helps to manage the total amount of debt financing.

Functional Categories: General city funded capital improvement projects are categorized in six functional categories, including:

- Surface Transportation
- Environment
- Health and Public Safety
- Economic Development
- Culture and Recreation
- General Government

Figure 2 illustrates the portion of the capital budget allocated to each functional area (water, parking, sewer relief and relay, and grant and aids are excluded).

Figure 1

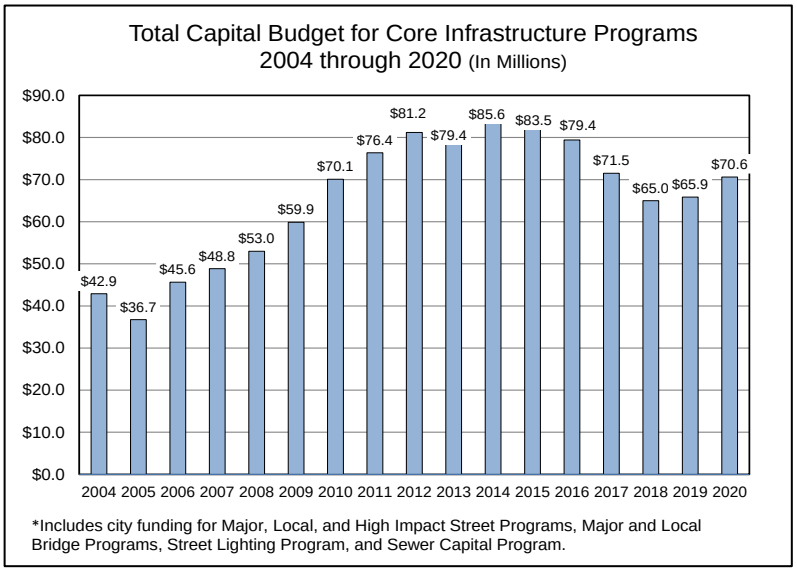
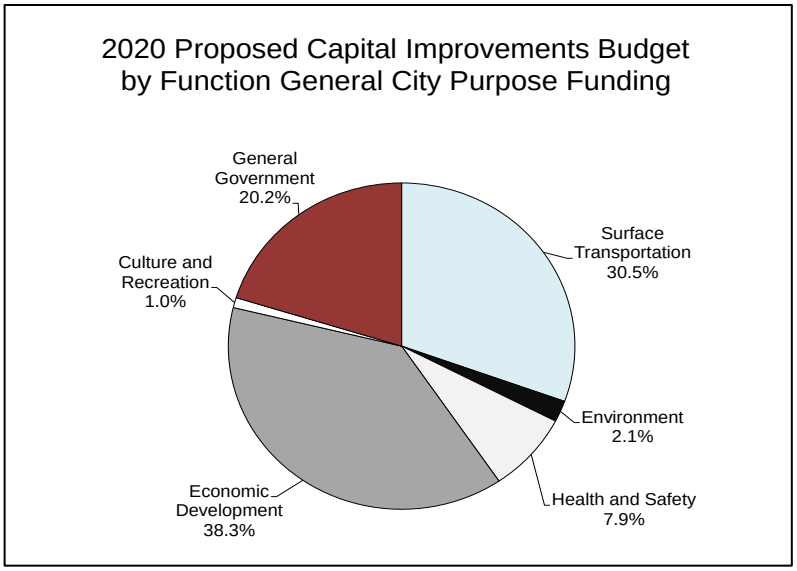


Figure 2

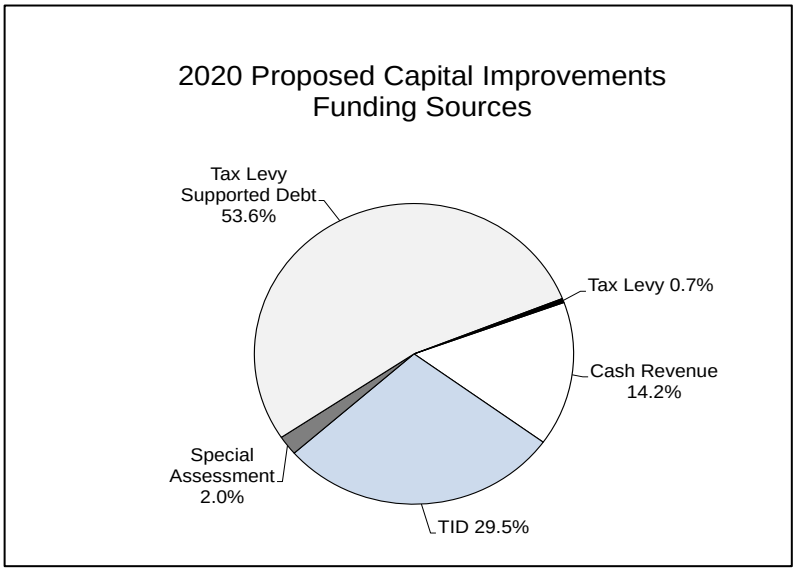


Economic development is the largest capital functional area at $59 million or 38.3% of the general city funded capital budget. In 2020, the capital budget for economic development is $1.6 million lower than in 2019. Borrowing for tax incremental districts (TIDs) totals $52 million, a $1.2 million increase from the 2019 budget. This includes $8 million for developer funded TID's.

Surface transportation projects constitute the second largest functional category, which is 28.4% of the capital budget or $44.2 million. Including grant and aids, total surface transportation spending is $63.7 million, a decrease of $5.8 million from 2019.

The general government project category constitutes the third largest functional area with $36.2 million or 23.3% of total funding provided for this purpose. This is a net increase of $7 million from 2019. This category consists of buildings, non-police IT projects, and major capital equipment.

Figure 3



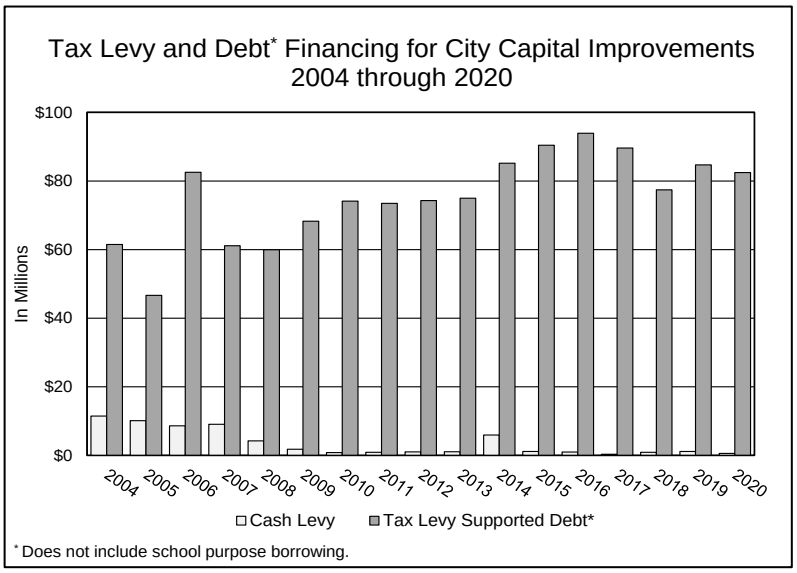
The health and safety project category comprises 7.7% of the 2020 general city funded capital budget. This includes Fire, Police, and Health department capital programs. This category also includes the city subsidy for property owners for the lead service line replacement program, which totals $5.3 million in the 2020 budget, a decrease of $3.6 million from 2019. Environment programs include forestry and environmental remediation programs. These projects are 2.1% of the city funded capital budget. Culture and recreation projects include a $300,000 allocation for the *MKE Plays* program, which leverages private investment to create innovative play spaces in neighborhoods. This category also includes the Library's neighborhood library reconstruction program. The culture and recreation project category represents 1% of the city funded capital budget.

Funding Sources: The 2020 capital budget is financed through several funding sources including the property tax levy, tax levy supported GO debt, tax incremental districts, special assessments, cash revenues, and grants and aids. Figure 3 shows funding sources for the 2020 city funded capital budget (excluding grant and aids).

For 2020 the largest funding source is tax levy supported debt financing, composing 53.7% of total funding sources. Levy supported GO borrowing in the capital budget is $83.5 million, a decrease of $1.1 million from 2019. Given the life expectancy of the facilities to be constructed or equipment to be purchased, borrowing is used to maximize the city's capital investments and spread the cost of long term investments to all beneficiaries.

Another major source of funding for capital projects is TID borrowing, with $44 million or 28.3% of total funding sources. TID borrowing is self-supporting because the improvements made in these districts are financed through property tax revenue generated from the incremental values resulting from the improvements. The 2020 budget includes borrowing authority for TIDs of $44 million which is the same amount as the 2019 budget.

Figure 4



In addition to TID financing, other self-supporting funding sources include $23.7 million of cash revenues, which represents 15.2% of the total capital budget funding sources. Cash revenues in the 2020 budget include $8 million in anticipated capital grant

funding, $8 million of revenues for costs related to developer-financed TID's, $2.3 million from the closing of the Beerline TID, and $2.2 million from the City of Waukesha for lead service line replacement. The 2020 budget includes $3.8 million of special assessments, which represents 2.5% of capital budget funding sources. Figure 3 does not include capital grant and aids for street reconstruction, bridge rehabilitation, and harbor improvements, which are anticipated to be $20.3 million in 2020.

In addition to levy supported GO debt, the tax levy is the other non-self-supporting funding source for capital. Direct levy funding for capital improvements reduces the long term interest cost of financing short lived assets and immediate small cost improvements. Figure 4 highlights the tax levy compared to tax levy supported debt for capital improvements from 2004 through the 2020 budget.

2020 HIGHLIGHTS AND CHANGES

Lead Service Line Replacement Funding: The 2020 capital budget includes $4 million to provide eligible property owners with financial assistance to replace lead service lines. This includes funding for the full cost of replacing the privately owned portion of lead service lines in any child care facility that has not already had its lead service line replaced. When a water service made of lead is found to be leaking or will be disturbed as a result of an infrastructure project in the area, it must be replaced. The city offers substantial financial assistance as well as special assessment financing to eligible property owners to help pay for lead service line replacement. In 2020, Milwaukee Water Works will replace 1,100 lead service lines. As part of the agreement to provide wholesale water sales to the City of Waukesha, in 2020 the City of Waukesha has agreed to contribute $2.5 million to the City of Milwaukee as an infrastructure enhancement payment. Of this amount, $2.2 million will be used to help property owners replace the privately owned portion of lead service lines. The remaining $1.8 million of the 2020 subsidy funding will be financed through general obligation borrowing.

Facility, Information Technology (IT), and Equipment: The 2020 capital budget includes $14.6 million in capital funding for projects to upgrade or construct city facilities, $6.5 million for IT related capital projects, and $12.6 million for capital equipment. When feasible, projects are funded over two or more years in order to preserve funding for traditional core infrastructure investments, such as streets and bridges. These types of projects are less visible to the public but are crucial to city operations and service delivery.

The 2020 budget includes $14.6 million for city facility projects. Of this amount, $500,000 will be used make programs and facilities accessible for all residents through the ADA Compliance program. The 2020 budget includes $700,000 for the second phase of a project to upgrade the elevators in City Hall. The Department of Public Works Facilities Exterior and Facilities Systems programs include $2.2 million for various projects to maintain watertight exteriors and ensure continued operation of electrical and mechanical building systems.

The most costly single facility project in the 2020 capital budget is the city hall foundation repair project at $8.5 million. This will fund the fourth phase of a multi-year construction project to stabilize the building's foundation. This repair is expected to extend the projected life of the foundation by 100 years. For a more detailed project description, please refer to the *Department of Public Works Infrastructure Services Division* section of the *2020 Plan and Executive Budget Summary*.

In 2020, opportunities for increased efficiency and the need to upgrade existing systems result in $6.5 million in capital funding for IT related upgrades and improvements. The largest single IT project is the Computer Aided Dispatch (CAD) System replacement funded at $5 million in the Fire & Police Commission's 2020 capital budget. This project will combine the two independent CAD systems currently utilized by the Police Department and the Fire Department. The next largest IT program in the 2020 budget is the Public Facilities Communications program, funded at $483,000. This program designs, maintains and installs fiber in City conduit to maintain data connections between City facilities and other critical infrastructure. The 2020 budget also includes $400,000 to replace DPW's Fleet Scheduling System.

Capital equipment includes fleet vehicles for the Department of Public Works, fire engines and medical units for the Fire Department, and various vehicles used by the Police Department. In 2020, capital equipment totals $12.6 million. The 2020 budget includes $6.6 million for Fleet equipment for the Department of Public Works, an increase of $500,000 from the 2019 budget.

Core Infrastructure: The 2020 capital budget prioritizes investments in projects that will enhance and repair the City's core infrastructure. Core infrastructure spending in the 2020 budget totals $70.6 million, a 7.2% increase from the 2019 budget. Streets, bridges, sewers and street lights will be improved in nearly all areas of the city in 2020. These improvements include 21 miles of sewer relay and relining, over 26 miles of street reconstruction and resurfacing, and replacement of hundreds of street lights and circuits replaced as part of paving projects. The 2020 capital budget also includes funding for the first year of a multi-year initiative by the Milwaukee Metropolitan Sewerage District and the City of Milwaukee which requires the replacement of several city-owned vehicle and pedestrian bridges. The project will address flooding issues along the Kinnickinnic River.

Summary of Departmental Appropriations

Overview of 2020 Adopted Capital Budget General City Purposes

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
City Funded			
Special Projects	$8,514,000	$9,016,000	$502,000
Administration, Department of	2,590,000	1,533,000	-1,057,000
City Development, Department of	56,015,000	55,400,000	-615,000
Common Council City Clerk	150,000	25,000	-125,000
Fire Department	3,324,000	1,950,000	-1,374,000
Fire and Police Commission	150,000	5,000,000	4,850,000
Health Department	760,000	690,000	-70,000
Library	2,150,000	1,290,000	-860,000
Neighborhood Services, Department of	3,550,000	3,000,000	-550,000
Police Department	6,416,000	3,995,000	-2,421,000
Port of Milwaukee	1,450,000	475,000	-975,000
Public Works, Department of	69,009,000	73,250,000	4,241,000
Subtotal City Funded	$154,078,000	$155,624,000	$1,546,000
Grants and Aids Funding			
Port of Milwaukee	$3,800,000	$800,000	$-3,000,000
Public Works, Department of	27,399,000	19,517,000	-7,882,000
Subtotal Grants and Aids Funding	$31,199,000	$20,317,000	$-10,882,000
Enterprise Funds			
Transportation	$3,385,000	$2,725,000	$-660,000
Sewer Maintenance	33,950,000	34,150,000	200,000
Water	31,385,000	44,570,000	13,185,000
Subtotal Enterprise Funds	$68,720,000	$81,445,000	$12,725,000
Total Capital Plan	$253,997,000	$257,386,000	$3,389,000

2020 CAPITAL IMPROVEMENTS FINANCED BY CATEGORY

	Tax Levy	General Obligation	TID	Special Assessments	Cash Revenues	City Budget Total	Grant and Aid Financing	Project Total
Special Capital Projects								
Grant and Aid								
Budget	$0	$0	$0	$0	$8,000,000	$8,000,000	$0	$8,000,000
Municipal Art Fund								
Budget	25,000	0	0	0	0	25,000	0	25,000
Emergency Housing								
Budget	0	300,000	0	0	0	300,000	0	300,000
Housing Trust Fund								
Budget	0	0	0	0	600,000	600,000	0	600,000
Capital Improvements Committee								
Budget	91,000	0	0	0	0	91,000	0	91,000
Total	**$116,000**	**$300,000**	**$0**	**$0**	**$8,600,000**	**$9,016,000**	**$0**	**$9,016,000**
Department of Administration								
IT Upgrades								
Budget	$175,000	$125,000	$0	$0	$0	$300,000	$0	$300,000
ERP System Replacement								
Budget	100,000	0	0	0	0	100,000	0	100,000
Fleet Scheduler								
Budget	0	400,000	0	0	0	400,000	0	400,000
Better Buildings Challenge								
Budget	0	100,000	0	0	0	100,000	0	100,000
PeopleSoft PUM Upgrade								
Budget	0	150,000	0	0	0	150,000	0	150,000
Public Facility Communications								
Budget	0	483,000	0	0	0	483,000	0	483,000
Total	**$275,000**	**$1,258,000**	**$0**	**$0**	**$0**	**$1,533,000**	**$0**	**$1,533,000**
Department of City Development								
Advance Planning								
Budget	$150,000	$0	$0	$0	$0	$150,000	$0	$150,000
Tax Increment Financed Urban Renewal Projects (Including Grant Funded Projects)								
Budget	0	0	44,000,000	0	8,000,000	52,000,000	0	52,000,000
In Rem Property Program								
Budget	0	0	0	0	300,000	300,000	0	300,000
10,000 Homes Initiative								
Budget	0	0	0	0	400,000	400,000	0	400,000
Community Resource Hub Program								
Budget	0	200,000	0	0	0	200,000	0	200,000
Strong Homes Loan Program								
Budget	0	0	0	0	1,000,000	1,000,000	0	1,000,000
Housing Infrastructure Preservation Fund								
Budget	0	100,000	0	0	0	100,000	0	100,000
Commercial Investment Program								
Budget	0	1,000,000	0	0	0	1,000,000	0	1,000,000
Brownfield Program								
Budget	0	250,000	0	0	0	250,000	0	250,000
Total	**$150,000**	**$1,550,000**	**$44,000,000**	**$0**	**$9,700,000**	**$55,400,000**	**$0**	**$55,400,000**
Common Council City Clerk								
Channel 25 Reliability Improvements								
Budget	$25,000	$0	$0	$0	$0	$25,000	$0	$25,000
Total	**$25,000**	**$0**	**$0**	**$0**	**$0**	**$25,000**	**$0**	**$25,000**
FIRE AND POLICE COMMISSION								
CAD Replacement								
Budget	$0	$5,000,000	$0	$0	$0	$5,000,000	$0	$5,000,000
Total	**$0**	**$5,000,000**	**$0**	**$0**	**$0**	**$5,000,000**	**$0**	**$5,000,000**

	Tax Levy	General Obligation	TID	Special Assessments	Cash Revenues	City Budget Total	Grant and Aid Financing	Project Total
Fire Department								
Major Capital Equipment								
Budget	$0	$1,200,000	$0	$0	$0	$1,200,000	$0	$1,200,000
SCBA Replacement								
Budget	0	750,000	0	0	0	750,000	0	750,000
Total	**$0**	**$1,950,000**	**$0**	**$0**	**$0**	**$1,950,000**	**$0**	**$1,950,000**
Health Department								
Lead Paint Prevention/Abatement								
Budget	$0	$340,000	$0	$0	$0	$340,000	$0	$340,000
Lab Equipment								
Budget	0	100,000	0	0	0	100,000	0	$100,000
Health Facilities Capital Projects								
Budget	0	250,000	0	0	0	250,000	0	250,000
Total	**$0**	**$690,000**	**$0**	**$0**	**$0**	**$690,000**	**$0**	**$690,000**
Library								
Central Library								
Central Library Improvements Fund								
Budget	$0	$890,000	$0	$0	$0	$890,000	$0	$890,000
Neighborhood Libraries								
Branch Library Improvement Fund								
Budget	0	400,000	0	0	0	400,000	0	400,000
Total	**$0**	**$1,290,000**	**$0**	**$0**	**$0**	**$1,290,000**	**$0**	**$1,290,000**
Neighborhood Services								
Concentrated Blight Elimination								
Budget	$0	$2,200,000	$0	$0	$0	$2,200,000	$0	$2,200,000
Code Compliance Loans								
Budget	0	800,000	0	0	0	800,000	0	800,000
Total	**$0**	**$3,000,000**	**$0**	**$0**	**$0**	**$3,000,000**	**$0**	**$3,000,000**
Police Department								
Police Vehicles								
Budget	$0	$3,495,000	$0	$0	$0	$3,495,000	$0	$3,495,000
Priority District Repairs								
Budget	0	500,000	0	0	0	500,000	0	500,000
Total	**$0**	**$3,995,000**	**$0**	**$0**	**$0**	**$3,995,000**	**$0**	**$3,995,000**
Port of Milwaukee								
Roadway Paving								
Budget	$0	$200,000	$0	$0	$0	$200,000	$0	$200,000
Rail Track and Service Upgrades								
Budget	0	275,000	0	0	0	275,000	0	275,000
Pier Berth and Channel Improvements								
Budget	0	0	0	0	0	0	800,000	800,000
Total	**$0**	**$475,000**	**$0**	**$0**	**0**	**$475,000**	**$800,000**	**$1,275,000**
Public Works, Department of								
Infrastructure Services Division								
Bridge Construction								
Bridge State and Federal Funded								
Budget	$0	$0	$0	$0	$300,000	$300,000	$3,420,000	$3,720,000
Bridge Reconstruction Local								
Budget	0	3,700,000	0	0	0	3,700,000	0	3,700,000
Total	**$0**	**$3,700,000**	**$0**	**$0**	**$300,000**	**$4,000,000**	**$3,420,000**	**$7,420,000**
Street Paving Construction								
Street Reconstruction City Contribution to State and Federally Aided Projects								
Budget	$0	$7,760,000	$0	$330,000	$0	$8,090,000	$16,097,000	$24,187,000
Street Reconstruction or Resurfacing Regular City Program								
Budget	0	6,000,000	0	1,100,000	0	7,100,000	0	7,100,000
High Impact Street Program								
Budget	0	8,000,000	0	0	0	8,000,000	0	8,000,000
Alley Reconstruction Program								
Budget	0	600,000	0	600,000	0	1,200,000	0	1,200,000
Street Improvements Sidewalk Replacement								
Budget	0	500,000	0	500,000	0	1,000,000	0	1,000,000

	Tax Levy	General Obligation	TID	Special Assessments	Cash Revenues	City Budget Total	Grant and Aid Financing	Project Total
Street Improvements Street Lighting								
Budget	0	10,700,000	0	0	0	10,700,000	0	10,700,000
Street Improvements Traffic Control Facilities								
Budget	0	2,925,000	0	0	0	2,925,000	0	2,925,000
Multimodal Transportation Program								
Budget	0	1,200,000	0	0	0	1,200,000	0	1,200,000
Street Improvements Underground Conduit and Manholes								
Budget	0	1,000,000	0	0	0	1,000,000	0	1,000,000
Underground Electrical Manhole Reconstruction								
Budget	0	600,000	0	0	0	600,000	0	600,000
Lead Service Line Replacement Program								
Budget	0	1,800,000	0	1,300,000	2,200,000	5,300,000	0	5,300,000
Total	**$0**	**$41,085,000**	**$0**	**$3,830,000**	**$2,200,000**	**$47,115,000**	**$16,097,000**	**$63,212,000**
Building Projects								
Space Planning Facilities								
Budget	$0	$200,000	$0	$0	$0	$200,000	$0	$200,000
MKE Plays Initiative								
Budget	0	300,000	0	0	0	300,000	0	300,000
Facility Systems Program								
Budget	0	1,100,000	0	0	0	1,100,000	0	1,100,000
Environmental Remediation Program								
Budget	0	100,000	0	0	50,000	150,000	0	150,000
ADA Compliance Program								
Budget	0	500,000	0	0	0	500,000	0	500,000
Facilities Exterior Upgrades Program								
Budget	0	1,100,000	0	0	0	1,100,000	0	1,100,000
City Hall Elevator Modernization								
Budget	0	700,000	0	0	0	700,000	0	700,000
City Hall Foundation Repair								
Budget	0	8,500,000	0	0	0	8,500,000	0	8,500,000
Total	**$0**	**$12,500,000**	**$0**	**$0**	**$50,000**	**$12,550,000**	**$0**	**$12,550,000**
Infrastructure Services Division Total	**$0**	**$57,285,000**	**$0**	**$3,830,000**	**$2,550,000**	**$63,665,000**	**$19,517,000**	**$83,182,000**
Operations Division								
Fleet Section								
Brine Equipment								
Budget	$0	$150,000	$0	$0	$0	$150,000	$0	$150,000
Major Capital Equipment								
Budget	0	6,600,000	0	0	0	6,600,000	0	6,600,000
Total	**$0**	**$6,750,000**	**$0**	**$0**	**$0**	**$6,750,000**	**$0**	**$6,750,000**
Forestry Section								
Concealed Irrigation and General Landscaping								
Budget	$0	$0	$0	$0	$200,000	$200,000	$0	$200,000
Production and Planting Program								
Budget	0	0	0	0	1,250,000	1,250,000	0	1,250,000
Stump Removal								
Budget	0	0	0	0	360,000	360,000	0	360,000
Hazardous Tree Removal Program								
Budget	0	0	0	0	75,000	75,000	0	75,000
Emerald Ash Borer Readiness and Response								
Budget	0	0	0	0	950,000	950,000	0	950,000
Total	**$0**	**$0**	**$0**	**$0**	**$2,835,000**	**$2,835,000**	**$0**	**$2,835,000**
Operations Division Total	**$0**	**$6,750,000**	**$0**	**$0**	**$2,835,000**	**$9,585,000**	**$0**	**$9,585,000**
Public Works, Department of Total	**$0**	**$64,035,000**	**$0**	**$3,830,000**	**$5,385,000**	**$73,250,000**	**$19,517,000**	**$92,767,000**
Capital Projects Grand Total	**$566,000**	**$83,543,000**	**$44,000,000**	**$3,830,000**	**$23,685,000**	**$155,624,000**	**$20,317,000**	**$175,941,000**

D. CITY DEBT

EXECUTIVE SUMMARY

MISSION: Manage and control outstanding debt through equitable financing of capital improvements.

OBJECTIVES: Limit annual growth in the debt service tax levy to 2% or less.

STRATEGIES: Stabilize the debt service property tax levy by developing a comprehensive debt policy for debt capacity and capital financing to reduce the amount of debt issued annually.

Ensure compliance with debt policy by developing a working debt forecast model that analyzes the impact of debt financing in future years.

Use liquidity in a responsible manner to limit the impact of debt on taxpayers.

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Effective management that stabilizes debt service costs and controls outstanding debt supports the goal of delivering services at competitive cost and improving fiscal capacity.

Milwaukee has aging infrastructure and comparably lower income levels than surrounding areas. The city's strength is in its strong financial management. The city's overall capacity to meet its financial obligations remains robust.

The city has maintained a high quality bond rating for general obligation debt. Fitch rated the City as AA- stable, and S&P Global Ratings also rated the City as AA-. Table 1 details the city's performance on several commonly used debt indicators.

Table 1

City Debt Indicators Relationship to S&P Global Ratings Debt Benchmarks

Debt Indicators		S & P Rating
Economic		**Weak**
Per Capita Effective Buying Income (% of National)	65.1%	
Market Value Per Capita	$47,331	
Management		**Strong**
S&P Financial Management Assessment	Good	
Budgetary Performance		**Weak**
General Fund Net Result	-2.4%	
Total Government Funds Net Result	-3.7%	
Budgetary Flexibility		**Strong**
Available Reserves as a Percentage of Expenditures	10.8%	
Liquidity		**Very Strong**
Available Cash as a Percentage of Expenditures	38.7%	
Available Cash Coverage of Debt Service	3.5x	
Debt and Contingent Liability Profile		**Adequate**
Debt Service as a Percentage of Expenditures	11.0%	
Net Direct Debt as a Percentage of Revenue	104.9%	
Institutional Framework		**Strong**

OVERVIEW

Debt expenditures for 2020 total $267.6 million, a decrease of $7.6 million from 2019. Table 2 shows expenditures for self-supporting and tax levy supported city debt while Table 3 illustrates the distribution of their funding sources. Highlights of the major changes in city debt expenditures and funding sources follow.

CITY DEBT EXPENDITURES AND SOURCES OF FUNDS

General City Excluding Schools and Revenue Anticipation Notes (RAN): Debt service associated with city borrowing for capital improvement projects, not including RAN borrowing, is $194.7 million in 2020, a decrease of $4.3 million from 2019. The property tax levy for debt service is $73.5 million, an increase of $5 million from 2019.

Table 2

CITY DEBT EXPENDITURES AND SOURCES OF FUNDS

	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted
Total City Debt Expenditures	$275,152,500	$267,569,200	$-7,583,300
Debt Funding Sources			
Self Supporting Debt			
Brewer MEDC Loan	$1,063,339	$1,063,339	$0
Delinquent Tax Financing	23,594,845	15,397,768	-8,197,077
MPS Reimbursed	8,564,295	8,541,065	-23,230
Parking	1,960,376	2,965,691	1,005,315
Sewer Maintenance Fund	4,416,825	1,963,575	-2,453,250
Tax Increment Districts	30,956,804	31,130,337	173,533
Water Works	1,568,221	1,102,475	-465,746
Subtotal	$72,124,705	$62,164,250	$-9,960,455
General Obligation Debt Financing			
Other Sources of Funds	$134,469,295	$131,892,750	$-2,576,545
Tax Levy	68,558,500	73,512,200	4,953,700
Subtotal	$203,027,795	$205,404,950	$2,377,155
Total Debt Funding Sources	$275,152,500	$267,569,200	$-7,583,300

Milwaukee Public Schools (MPS): The debt service cost for school borrowing will be $8.5 million in 2020, a slight decrease from $8.6 million from 2019. Since 1989, the city has provided MPS with $182.3 million in tax levy supported borrowing authority for school improvements.

Tax Incremental Districts (TIDs): The incremental property taxes collected on the value increment portion of the TID property retire the debt incurred for city funded district improvements. In the 2020 budget, debt service for TIDs is $31.1 million with revenues from tax increments supporting that debt service cost.

Delinquent Taxes: The 2020 budget includes $15.4 million to finance delinquent tax borrowing, which is $8.2 million less than 2019.

Parking Debt: A transfer from the parking fund, equivalent to the amount of annual outstanding debt service, entirely offsets parking related debt service costs. In the 2020 debt budget, the parking fund provides $3 million to finance debt service costs associated with parking capital projects.

Special Assessments: For some infrastructure projects, the abutting property owners pay a portion of the cost through an assessment charge. The city used to borrow money to finance special assessments but these are now financed through a separate fund. The 2020 debt budget does not include additional funding to finance debt service costs associated with special assessment borrowing, as the final payment on special assessment borrowing was made in 2019.

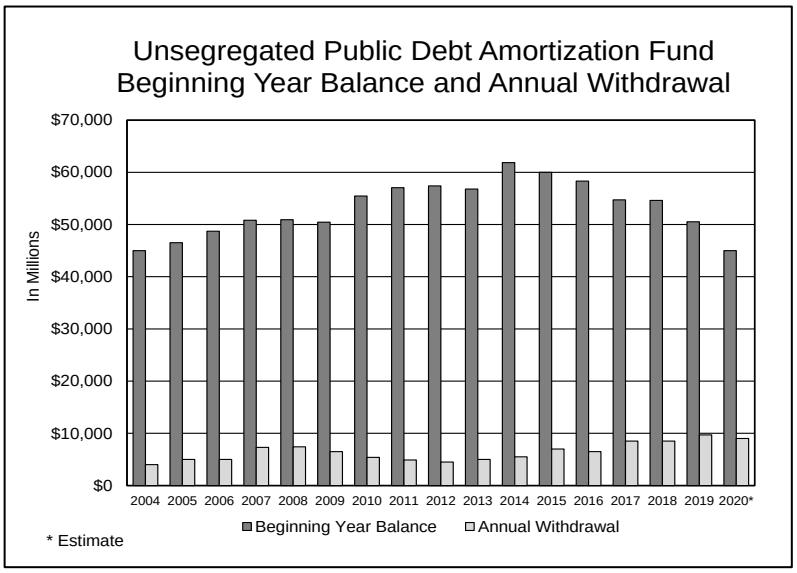
Water Works: The 2020 debt budget includes $1.1 million for Water Works' debt service costs. The Water Works' uses annual earnings to pay water related debt service costs. Future Water Works' borrowings may be converted to revenue bonds.

Sewer Maintenance: Approximately $2 million in debt service for 2020 relates to sewer capital projects, a decrease from 2019 of $2.5 million.

Miller Park Stadium Project: The 2020 budget includes $1.1 million in revenue to offset debt service costs related to the Miller Park Stadium project. This amount reflects an agreement with the Milwaukee Economic Development Corporation and the Southeastern Wisconsin Professional Baseball Park District.

Field Operations Facility Lease Payment: The city constructed a new facility for the Sewer Maintenance Fund and Water Works' at the Tower Automotive site. Annual rental payments from the Sewer Maintenance Fund and Water Works' will offset this debt. In 2020, the rental payment is $2.3 million.

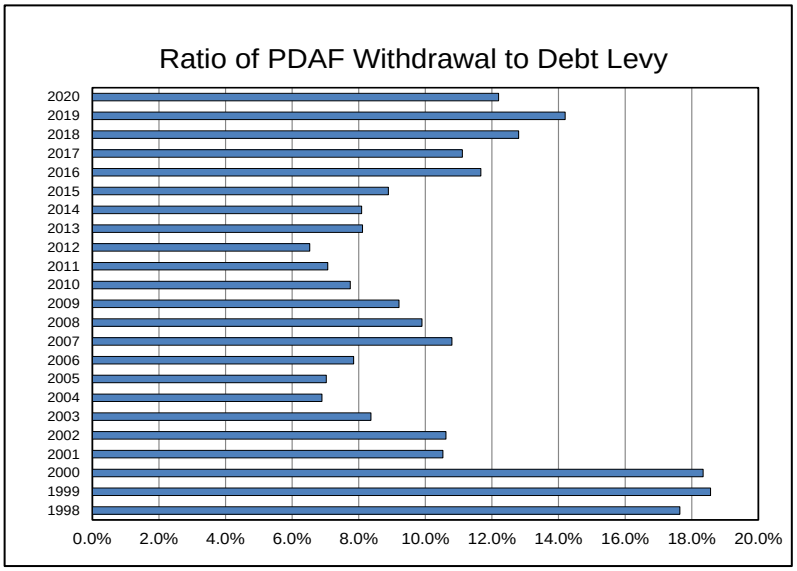
Figure 1



DEBT TAX LEVY STABILITY

The city has structural budget problems created by limited revenue sources and substantial wage, health care benefit, and pension cost commitments. A debt stability plan requires a solid capital improvements plan. Limits on the level of borrowing directly influence future debt payments. Annual borrowing must equal the level of annual debt retirements to stabilize the debt tax levy. The city currently retires approximately $70 million in property tax levy supported debt annually.

Figure 2



PUBLIC DEBT AMORTIZATION FUND

The Public Debt Commission oversees the use of the Public Debt Amortization Fund (PDAF). The primary sources of revenue for the fund are one-third of earnings on city investments and earnings on the fund's investments.

The PDAF withdrawal for the 2020 budget is $9 million, a decrease of $700,000 from the 2019 withdrawal. The annual withdrawal balances the competing goals of reducing the tax levy for debt service versus maintaining a sufficient reserve balance. Figure 1 illustrates how the unsegregated balance of the PDAF dipped to approximately $45 million in 2004. Since 2004, the fund balance has grown to the current balance of $50.5 million, despite a low interest rate environment.

The 2020 PDAF withdrawal reflects the need to control the debt service property tax levy. Figure 2 shows the ratio of the PDAF withdrawal to the debt tax levy. The 2020 budget maintains a 12.2% ratio.

F. COMMON COUNCIL CONTINGENT FUND

EXECUTIVE SUMMARY

MISSION: Provide budgetary authority and funding to pay for emergencies that arise during the year for which no express provisions have been made elsewhere in the budget.

OBJECTIVES: Allow funding of unauthorized emergency expenditures on a timely basis.

STRATEGIES: Adhere to guidelines and standards in considering requests for withdrawals. Maintain the fund's integrity as an "emergencies only" source of funds.

SUMMARY OF EXPENDITURES

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Common Council Contingent Fund	[4,996,634]	$5,000,000	$5,000,000	$0
Total	[4,996,634]	$5,000,000	$5,000,000	$0

SOURCE OF FUNDS

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Property Tax Levy	$5,000,000	$5,000,000	$5,000,000	$0
Total	$5,000,000	$5,000,000	$5,000,000	$0

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

The Common Council Contingent Fund provides funding for emergency situations that require expenditures above budget authorizations. Requests must be approved by three-quarters of the Common Council before funds can be used. Requests should meet one of the following criteria:

- Emergency circumstances;
- Obligatory circumstances; or
- Fiscal advantage and/or compliance with fiscal management principles.

Additional established guidelines and standards must be met relative to the Finance and Personnel Committee's review of contingent fund requests. Guidelines and standards focus on:

- Timelines and process requirements; and
- Information that must be provided to the Finance and Personnel Committee, including:
  - Statement of action requested, including the account needing a contingent fund transfer;
  - Purpose of action, including the impact on program service or activity and program objectives; and
  - A description of the emergency that prompts the request.

Limiting contingent fund requests to these criteria requires departments to manage within their allocated budgets and discourages use of the fund for initiating new projects or programs. Over the last ten years, an average of 76.8% of the contingent fund has been expended. Over the last five years, an average of 84.0% of the contingent fund has been expended.

SPECIAL REVENUE FUNDS

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Transportation Fund	$46,185,151	$50,330,892	$51,037,376	$706,484
Grant and Aid Project Fund	41,464,029	48,244,023	94,946,990	46,702,967
Economic Development Fund	9,868,817	11,286,498	11,484,600	198,102
Water Works	169,799,745	136,258,000	152,461,000	16,203,000
Sewer Maintenance Fund	86,890,027	105,155,744	107,495,178	2,339,434
Delinquent County Taxes Fund	10,626,078	8,000,000	8,000,000	0
Total	$364,833,847	$359,275,157	$425,425,144	$66,149,987

This section of the budget includes funds supported by revenues other than the city property tax levy. Revenues other than the city property tax offset the appropriations in this section. Any property tax levies related to these special revenue funds are provided in other sections of the city's budget.

G. TRANSPORTATION FUND

EXECUTIVE SUMMARY

MISSION: Leverage city transportation assets and programs to support city goals and diversify the city's financial base.

Manage and operate the Milwaukee Streetcar to support economic development.

OBJECTIVES: Maintain parking assets to ensure clean and safe on- and off-street parking.

Ensure the best possible customer experience.

Ensure parking is appropriately priced and effectively collect parking revenues.

Maintain a sustainable annual transfer to the general fund.

Support operation of the Milwaukee Streetcar.

STRATEGIES: Utilize technology to enhance customer service and increase cost effectiveness.

Maintain competitive and economically efficient pricing for parking facilities.

Make payment simple and accessible and maximize revenue collections.

Minimize costs and maintain an asset-to-liability ratio over 2.0.

Mitigate risk and provide safe conditions for public parking and tow facilities.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	111.10	118.00	119.00	1.00
FTEs - Other	0.00	0.00	0.00	0.00
Total Positions Authorized	126	126	127	1
Expenditures				
Salaries and Wages	$4,725,109	$4,803,172	$5,018,929	$215,757
Fringe Benefits	3,508,207	3,170,094	3,397,590	227,496
Operating Expenditures	14,512,235	17,749,397	18,366,244	616,847
Equipment	396,690	252,000	609,900	357,900
Special Funds	4,232,627	4,971,229	4,809,713	-161,516
Transfer to General Fund	17,123,005	16,000,000	16,110,000	110,000
Total Operating	$44,497,873	$46,945,892	$48,312,376	$1,366,484
Capital Projects	$1,687,278	$3,385,000	$2,725,000	$-660,000
Total Budget	$46,185,151	$50,330,892	$51,037,376	$706,484

STATEMENT OF REVENUES

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Operating Revenues				
Structures & Lots	$7,414,769	$6,797,000	$6,965,000	$168,000
Meters	4,610,037	4,765,400	5,184,000	418,600
Permits	4,694,159	4,391,600	4,845,000	453,400
Towing	3,911,301	3,700,000	3,700,000	0
Parking Citation Revenue	16,210,216	15,000,000	16,200,000	1,200,000
Miscellaneous	1,041,354	1,086,300	1,087,000	700
Vehicle Disposal	2,202,251	1,718,900	2,000,000	281,100
Sale of Real Property	0	0	0	0
Streetcar Revenue	0	4,399,424	4,656,936	257,512
Withdrawal From Reserves	4,413,786	5,087,268	3,674,440	-1,412,828
Total Operating Revenues	$44,497,873	$46,945,892	$48,312,376	$1,366,484
Capital Financing				
Permanent Improvement Reserve	$0	$0	$0	$0
Proceeds from Borrowing	1,687,278	3,385,000	2,725,000	-660,000
Retained Earnings	0	0	0	0
Total Capital Financing	$1,687,278	$3,385,000	$2,725,000	$-660,000
Total Source of Funds	$46,185,151	$50,330,892	$51,037,376	$706,484

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Increase investment and economic vitality throughout the city.
   - Provide safe and convenient parking for residents, visitors, and businesses.
   - Enforce parking and motor vehicle regulations.
   - Manage and operate the Milwaukee Streetcar.

2. Improve the city's fiscal capacity.
   - Diversify the city's revenue base.

The Transportation Fund is an enterprise fund administered by the Department of Public Works (DPW) and finances the city's on- and off-street parking and Streetcar services through revenues received from these services. The Transportation Fund's responsibilities include:

- Managing city owned parking structures and lots,
- Vehicle towing, storing, and disposal,
- Parking enforcement,
- Information desk operations,
- Citation processing, and
- Manage the Milwaukee Streetcar.

The Transportation Fund operates four parking structures, operates and maintains more than 7,000 metered parking spaces, manages approximately 45 parking lots, issues approximately 600,000 parking citations each year, annually tows over 20,000 illegally parked and abandoned vehicles, and issues approximately 170,000 night parking permits

each year. These activities provide convenient, efficient, and cost effective on- and off-street parking for Milwaukee's residents, businesses, and visitors.

The Milwaukee streetcar, known as The Hop, began operations in November 2018. The Hop creates a more connected city by providing an easy and efficient way for visitors and residents alike to access many of the destinations and events in Milwaukee and contributing to economic development and increased property values along the route. Ridership in 2019 exceeded projections.

In 2020, streetcar operating costs are projected to be $4.6 million. The contract with Transdev Services, Inc. to operate and maintain the streetcar system is the largest single component of the streetcar budget at $3.9 million. Other costs include marketing, insurance, energy, two city positions to manage the streetcar and ensure safe operations, and other costs. In 2020, streetcar operations will be funded through a combination of FTA operating assistance grants, sponsorship revenues, and advertising revenues.

Figure 1

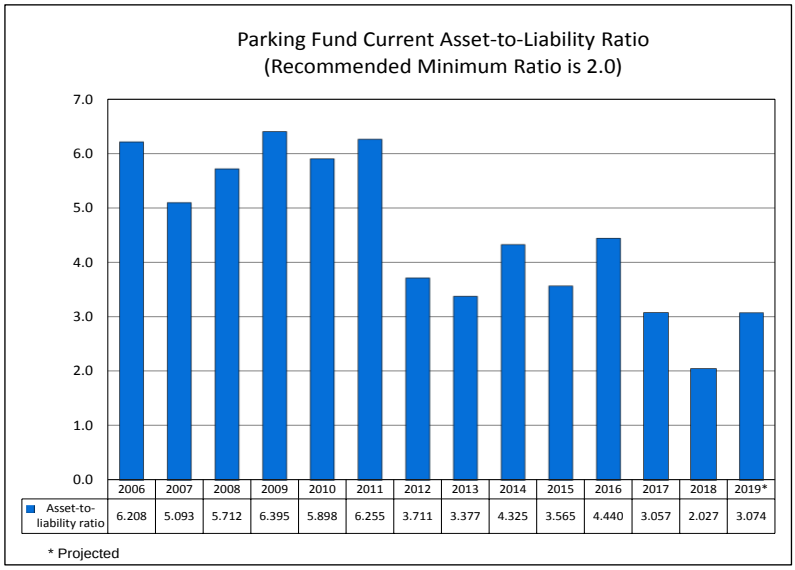
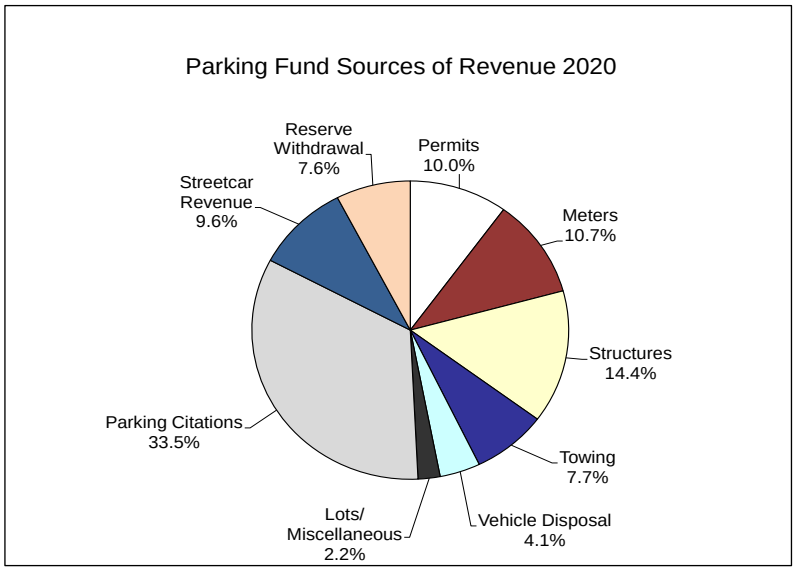


Figure 2



STRATEGY IMPLEMENTATION

Financial Management: The Transportation Fund's financial goal is to maintain at least a 2:1 ratio of current assets to current liabilities. At the end of 2018, the fund's ratio was 2:03 and the 2019 ratio is projected to be 3:07 (see Figure 1). Liabilities have remained relatively constant in recent years and expenses have been managed with restructuring of functions and process improvements.

The fund's strength results from its diverse revenue sources (see Figure 2). This diversity provides financial stability by limiting the impact if one revenue source underperforms in any given year. The largest revenue source is citations, which generated $16 million in 2018. Citation revenue is driven by issuance, which is impacted by economic factors, changing regulations and compliance.

Technology Improvements: Parking payment flexibility has increased with *MKE Park*, a mobile payment system implemented in 2015. *MKE Park* allows customers to pay for parking using a smart phone, by voice, or any internet based device. Costs are covered by users through a convenience fee.

In 2018, Parking Services began installing new "Smart meters" which enhance customer service by allowing payment via coins, credit cards and *MKE Park* at every metered space. These "Smart meters" have a modem, which allows

them to send real-time alerts to staff, and also provides the ability to update meters remotely. Installation will take about three years and will replace all current multi-space meters and coin-only single space meters.

Overnight on-street parking in the city requires a permit. Virtual permitting, which allows for night parking permits to be issued and tracked electronically, began in 2014. This enhanced customer service and increased cost effectiveness by eliminating physical permits. Virtual permits can be purchased online or at kiosks located in all Police district stations.

The online appeal system provides customer with easy access to remotely appeal parking citations. This customer service initiative has grown significantly.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Number of parking citations issued.	635,983	571,000	600,000
Number of vehicles towed to the city's tow lot.	29,291	24,912	25,000
Number of night parking permits issued.	170,717	172,000	172,000

Parking Revenue Collection Strategies: DPW takes a proactive approach to increase the collection of unpaid parking citations and outstanding towing and storage fees. Various initiatives have increased the collection of these fees.

- **Tax Revenue Intercept Program (TRIP):** Beginning in 2009, all persons with vehicles registered in Wisconsin who have unpaid parking citation balances exceeding $40 are certified with the Wisconsin Department of Revenue. Since inception of the TRIP program, over $39 million in outstanding parking debt has been collected by the city. In 2018, TRIP collections were $2 million and are estimated to be approximately $2.7 million in 2019.

- **Citation Payment Plans:** The citation processing contract allows persons seeing the Citation Review Manager to pay their citations over a period of up to one year without having to schedule a hearing in Municipal Court. Since 2010, more than 36,131 payment plans have been initiated, covering more than 234,000 citations.

RESIZE, RESTRUCTURE, AND REINVEST

The 2020 budget includes a $16 million transfer to the general fund. This transfer provides a meaningful level of relief to property taxpayers while maintaining the long term stability of the fund.

Parking Services staff has increased efficiency in recent years with the implementation of technology based tools such as license plate recognition, virtual permits, and *MKE Park*. These tools have increased compliance.

Capital funding is included for safety improvements at the 1000 N Water structure, lot resurfacing and ADA lot compliance work. Capital improvement funding for Parking projects total $2.7 million.

Development projects continue to create new economic opportunities throughout Milwaukee. City owned parking structures serve as viable options to meet parking needs when they are located near new and redeveloped buildings. In 2016, the parking structure located between 2nd Street and Plankinton Avenue served the parking needs of commercial and residential tenants in the Posner Building, Hampton Inn and Suites, and the Fairfield Inn.

In 2019, bids were issued to redevelop and redesign the surface parking lot and alley at 10th and Mitchell. This is a collaborative effort with MMSD, Sixteenth Street Community Health Centers and Great Lakes Restoration to improve stormwater management while creating a vibrant and active community space.

Two major spending pressures on the Transportation Fund are debt service and future payments toward accrued pension liability. Approximately $4 million is in the 2020 budget for these costs. Debt and pension costs and constraints on revenue growth may require the Transportation Fund to reduce the general fund transfer in future years, in order to maintain adequate reserves.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	1.00	0.00	Parking Citation Review Manager	Transfer from City Attorney
1	**1.00**	**0.00**	**Totals**	

H. GRANT AND AID FUND

EXECUTIVE SUMMARY

OBJECTIVES: The Grant and Aid Fund provides expenditure authority for federal, state, and other grants whose proceeds are restricted to operating expenditures for specific purposes. Expenditures are made in accordance with the grant and aid process established in city ordinances. Grants support the objectives and strategies of departments.

STRATEGIES: Manage changes in Community Development Block Grant (CDBG) and HOME funding, including potential changes in the allowable uses of CDBG funding.

Identify and obtain new grant funding sources.

Assist departments in identifying and applying for potential grant funding.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Grantor Share (Non-City)	$41,464,029	$48,244,023	$94,946,990	$46,702,967
TOTAL	$41,464,029	$48,244,023	$94,946,990	$46,702,967

The Grant and Aid Fund is a "parent" account that accumulates grant funds prior to allocation on a project-by-project basis during the fiscal year. In order to expend funds, the Common Council adopts a resolution that authorizes a specific project, creates a sub-account, and allocates specific funding from the "parent" account. The fund provides expenditure authority for both planned and potential or unanticipated grants.

Table 1

Comparison of Projected Grant Activity (Grantor Share)

Department	2019	2020	Difference
Administration	$22,857,984	$22,632,747	$-225,237
City Development	285,000	25,000	-260,000
Fire	167,148	300,000	132,852
Health	9,319,989	9,095,624	-224,365
Library	1,125,058	1,156,530	31,472
Police	4,168,844	1,417,089	-2,751,755
Public Works	2,320,000	2,320,000	0
Unanticipated	8,000,000	58,000,000	50,000,000
Totals	$48,244,023	$94,946,990	$46,702,967

OTHER SERVICE AND BUDGET CHANGES

The 2020 grant and aid budget is $94.9 million, a $46.7 million increase from 2019. The primary reason for the significant increase in grant funding is the $50 million grant for the Democratic National Convention that should be received in 2020. This funding is reflected in the unanticipated grant amount in Table 1.

Community Development Grants Administration: The Community Development Grants Administration (CDGA) anticipates receiving approximately $22.6 million in grant funds. This is a $225,237 or 1% decrease from the 2019 budget. Anticipated funding for the Community Development Block Grant decreases by $300,000 (5.5%) from the 2019 budget. There are also anticipated increases of $50,000 (7.1%) for the Housing Opportunities for Persons with AIDS grant and $24,763 (6.9%) for the Continuum of Care grant.

The 2020 budget includes $190,000 in CDBG reprogramming funding for code enforcement activities in the Department of Neighborhood Services.

Department of City Development grant funding decreases by $260,000 (91%) to $25,000. The funding decrease results from no anticipated funding from the Sustainable Communities Innovation Challenge grant. The only grant assumed for 2020 is the Arts Board grant.

Fire Department grant funding increases by $132,852 (79.5%) to $300,000 from 2019. The department anticipates receiving $100,000 in a Special Teams/Emergency Management Funding grant and $200,000 in the Assistance to Firefighters Grant. The Fire Department will also receive some funding through the federal grant for the Democratic National Convention. This funding is included in the unanticipated grant amount for 2020.

Health Department grant funding decreases by $224,365 (2.4%) to $9.1 million. There are decreases to various grants, including Home Visiting, Women's Infants and Children's Grant, Maternal and Child Health Grant, Hepatitis B Immunization, and FDA Food Inspection grants. There are also increases to various grants, including Breast Cancer, Lead Hazard Reduction, Newborn Hearing Screening, Violence Prevention and Sexually Transmitted Diseases grants.

In 2019, Library grant funding increases by $31,472 (2.8%) from 2019. The Library receives two grants, the Interlibrary Loan Services grant ($102,950) and the Talking Book and Braille Library grant ($1,053,580). The majority of the increase is in the Talking Book and Braille Library grant, with anticipated funding increasing by $27,202.

Police Department grant funding decreases by $2.8 million (66%), reducing to $1.4 million. The decrease results primarily from less funding anticipated from various equipment grants, traffic safety grants, and overtime grants. In 2020, the Police Department will receive the largest amount of funding from the federal grant for the Democratic National Convention. This funding is reflected in the unanticipated grant amount for 2020.

In 2020, Department of Public Works grant funding is $2.32 million, the same as in 2019. The department anticipates receiving one grant, the State of Wisconsin Recycling grant.

Unanticipated grant funding is $58 million. This is a combination of $8 million for unanticipated grants, the same amount as provided in 2019, plus $50 million for the federal grant supporting the Democratic National Convention.

Capital Grant Funding: In addition to operating grants, certain city departments, particularly the Department of Public Works, also receive significant grant funding for capital improvement projects. For information on capital grants, refer to the *Capital Improvements* section of the *2020 Plan and Budget Summary*.

The Community Development Block Grant Program projects and amounts for each project approved by the Common Council under resolution for 2020 are as follows:

2020 Community Development Contract Awards

Total Award Amounts Listed Alphabetically by Organization

Organization Name	Source of Funds				Total Awards
	CDBG	HOME	SHELTER	HOPWA	
African American Chamber of Commerce of Wisconsin	30,000				**30,000**
AIDS Resource Center of Wisconsin				540,000	**540,000**
ArtWorks for Milwaukee	30,000				**30,000**
Big Brothers & Big Sisters of Metro Milwaukee	30,000				**30,000**
Boys and Girls Club of Greater Milwaukee	257,000				**257,000**
Burleigh Street Community Development Corporation	30,000				**30,000**
Casa Romero Renewal Center	30,000				**30,000**
Cathedral Center	76,000		53,800		**129,800**
CHDO Pool		380,000			**380,000**
City on a Hill	30,000				**30,000**
COA Youth and Family Centers	60,000				**60,000**
Community Advocates	301,000		404,900		**705,900**
Community Development Grants Administration	950,000	330,325	76,000	15,000	**1,371,325**
Community First	131,400	441,000			**572,400**
Comptroller's Office	500,000	75,000			**575,000**
Department of Administration	90,000				**90,000**
Department of Administration Office of Small Business Development	350,000				**350,000**
Department of City Development	973,000	549,675			**1,522,675**
Department of Neighborhood Services	2,240,650				**2,240,650**
Dominican Center for Women Inc	47,000				**47,000**
Employ Milwaukee	240,000				**240,000**
End Domestic Abuse WI	47,000				**47,000**
First Stage Milwaukee	30,000				**30,000**
Gibraltar Development of Milwaukee Corporation	73,000	245,000			**318,000**
Guest House of Milwaukee	133,000		230,600		**363,600**
Havenwoods Economic Development Corporation	47,000				**47,000**
Health Department	2,190,000				**2,190,000**
Heartland Housing	13,000				**13,000**
Hispanic Chamber of Commerce	40,000				**40,000**
Hmong/American Friendship Association	60,000				**60,000**
Hope House of Milwaukee	150,000		46,600		**196,600**
Housing Production Pool		500,000			**500,000**
Housing Resources	180,000				**180,000**
Impact Alcohol and Other Drug Abuse Services	80,000		100,000		**180,000**
LaCausa	24,000		27,100		**51,100**
Layton Boulevard West Neighbors	40,000	290,000			**330,000**
Legacy Redevelopment Corporation	310,000	80,000			**390,000**
Legal Action of Wisconsin	60,000				**60,000**
Lighthouse Youth Center	30,000				**30,000**
Mediate Milwaukee	40,000				**40,000**
Metro Milwaukee Fair Housing Council	100,000				**100,000**
Milwaukee Careers Cooperative	86,000				**86,000**
Milwaukee Christian Center	362,500	1,002,500			**1,365,000**
Milwaukee County Division of Housing		400,000			**400,000**
Milwaukee County District Attorney's Office	190,000				**190,000**
Milwaukee LGBT Community Center	30,000				**30,000**

Organization Name	Source of Funds				Total Awards
	CDBG	HOME	SHELTER	HOPWA	
Milwaukee Urban League	30,000				**30,000**
Neighborhood House of Milwaukee	30,000				**30,000**
Neighborhood Strategic Planning RFP	188,000				**188,000**
Neu-Life Community Development	30,000				**30,000**
NIP Housing Pool	107,600				**107,600**
Northcott Neighborhood House	530,000				**530,000**
Northwest Side Community Development Corporation	196,000				**196,000**
Pathfinders Milwaukee	67,000		67,900		**134,900**
PeppNation Sports Leadership Camps	30,000				**30,000**
PRISM	50,000				**50,000**
RACM	28,000				**28,000**
Revitalize Milwaukee	42,750				**42,750**
Richard's Place				195,000	**195,000**
Riverworks Development Corporation	117,000				**117,000**
Running Rebels	77,000				**77,000**
Safe and Sound	231,000				**231,000**
Salvation Army	77,000		134,900		**211,900**
Sherman Park Community Association	98,100	171,500			**269,600**
Silver Spring Neighborhood Center	30,000				**30,000**
Social Development Commission	336,500	367,500			**704,000**
Sojourner Family Peace Center	231,000		95,000		**326,000**
Southside Organizing Committee	175,000				**175,000**
United Community Center	110,000				**110,000**
United Migrant Opportunity Services/UMOS Inc	165,000				**165,000**
Urban Economic Development Association of Wisconsin	190,000				**190,000**
Walker's Point Center for the Arts	30,000				**30,000**
Walker's Point Youth and Family Center	101,000		63,200		**164,200**
Westcare Foundation	109,500				**109,500**
WestCare Wisconsin	177,000	367,500			**544,500**
Wisconsin Community Service	200,000				**200,000**
Wisconsin Regional Training Partnership	140,000				**140,000**
Wisconsin Women's Business Initiative Corporation	175,000				**175,000**
Wiscraft, Incorporated	30,000				**30,000**
Woodland Pattern	30,000				**30,000**
Word of Hope Ministries	54,000				**54,000**
YWCA of Metro Milwaukee - Northside	75,000				**75,000**
Total All Sources of Funds	**$15,000,000**	**$5,200,000**	**$1,300,000**	**$750,000**	**$22,250,000**

I. ECONOMIC DEVELOPMENT FUND

EXECUTIVE SUMMARY

MISSION: Provide expenditure authority for economic development purposes.

OBJECTIVES: Promote development in commercial areas.

STRATEGIES: Provide owner financed development.

Work cooperatively with local businesses and residents to improve the appearance and vitality of commercial corridors and residential neighborhoods.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Business Improvement Districts	$9,549,290	$11,240,498	$11,484,600	$244,102
Excess TID Revenue	319,527	46,000	0	-46,000
Total	$9,868,817	$11,286,498	$11,484,600	$198,102

STRATEGY IMPLEMENTATION

The Economic Development Fund supports the goal of increasing investment and economic vitality throughout the city. The 2020 budget for the Economic Development Fund is $11.48 million. There is no tax levy impact in this fund. Revenue of $11.48 million will be received from BID assessments to finance budgeted expenses.

Business improvement districts (BIDs) are special assessment districts created at the petition of local commercial property owners. In accordance with section 66.608 of the Wisconsin Statutes, the city has established over 50 business improvement districts. Each year the BIDs work with the city to develop a plan and budget. This budget is the basis for an assessment charged to businesses in the BID area. Because the BIDs do not have taxing authority, the city collects the assessment on their behalf. Through an appropriation in the city budget, the city provides the dollars it collects to the BIDs.

In 2009, the city established its first neighborhood improvement district (NID). NIDs are districts with mixed use (residential and commercial) and multi-family or multi-unit housing. Districts are established and administered in accordance with section 66.1110 of the Wisconsin Statutes, to provide services and enhancements to the street and landscapes within the district.

SERVICES

There are 29 active BIDs and 7 active NIDs throughout Milwaukee; each is governed by a local board. Collectively, these BIDs and NIDs will raise over $11 million in 2020 for activities ranging from economic development and administration to streetscaping and public safety. The following is a list of active BIDs and NIDs for 2020 and their corresponding budgets as well as budget authority for new potential BIDs and NIDs:

2020 Business Improvement Districts

BID #2 Historic Third Ward

BID #4 Historic Mitchell Street

BID #5 Westown

BID #8 Historic King Drive

BID #10 Near West Side

BID #11 Brady Street

BID #13 Oak & Loc

BID #15 Milwaukee Riverwalk

BID #16 Uptown Crossing

BID #19 Villard Avenue

BID #20 The East Side

BID #21 Milwaukee Downtown

BID #25 Riverworks

BID #26 Menomonee Valley

BID #27 West Burleigh Street

BID #28 North Avenue Gateway

BID #31 Havenwoods

BID #32 North Avenue Marketplace

BID #35 Kinnickinnic River

BID #37 30th Street Industrial Corridor

BID #38 Cesar Chavez Drive

BID #39 Center Street Market Place

BID #40 Gateway to Milwaukee

BID #41 Downer Avenue

BID #42 Schlitz Park

BID #43 South 27th Street

BID #48 Granville

BID #49 Reed Street Yards

BID #50 Cristol Corridor

BID #51 Harbor District

2020 Neighborhood Improvement Districts

NID #1 The Brewery

NID #3 Washington Park

NID #4 Sherman Park

NID #5 Heritage Heights

NID #6 Historic Garden Homes

NID #7 Harambee

NID #9 Havenwoods

J. WATER WORKS

EXECUTIVE SUMMARY

MISSION: Provide a safe and reliable supply of water to customers at a competitive price.

OBJECTIVES: Improve the utility's rate of return while maintaining a strong competitive position in the national and regional water market.

Reliably treat, store, and distribute high quality water to all customers.

Achieve 100% compliance with Safe Drinking Water Act standards.

Minimize disruption to the water service of customers.

STRATEGIES: Invest in treatment plants and pumps to maintain reliable operation of the multiple barrier treatment process.

Replace 20 miles of water main with the highest probability of failure in 2020.

Market Milwaukee water to surrounding communities consistent with the Great Lakes Compact.

Balance cost recovery and a manageable debt to equity ratio with affordable and reasonable rates.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations and Maintenance	371.02	396.37	401.49	5.12
FTEs - Other	20.07	20.05	20.43	0.38
Total Positions Authorized	406	430	436	6
Expenditure Authorizations				
Salaries and Wages	$17,662,535	$21,440,740	$22,281,182	$840,442
Fringe Benefits	11,615,191	13,147,482	12,352,790	-794,692
Operating Expenditures	51,230,165	56,092,700	56,306,700	214,000
Equipment	2,607,912	4,373,300	3,930,100	-443,200
Special Funds	8,785,619	9,101,000	8,562,000	-539,000
Total	$91,901,422	$104,155,222	$103,432,772	$-722,450

CAPITAL BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Capital Budget				
Mains Program	$21,622,615	$25,760,000	$32,760,000	$7,000,000
Plants and Other	6,455,095	5,625,000	11,810,000	6,185,000
Total Capital Budget	$28,077,710	$31,385,000	$44,570,000	$13,185,000
Capital Financing				
Retained Earnings/Cash	$28,056,998	$717,778	$4,458,228	$3,740,450
Bond Issue	20,168,521	30,657,222	40,101,772	9,444,550
Assessments	0	5,000	5,000	0
Developer Financed	20,712	5,000	5,000	0
Total Capital Financing	$48,246,231	$31,385,000	$44,570,000	$13,185,000

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Revenues				
Operating	$94,583,450	$92,871,000	$94,675,000	$1,804,000
Non-Operating	8,641,631	7,602,000	7,916,000	314,000
Developer Capital and Assessments	20,712	10,000	10,000	0
Bond Issue	20,168,521	30,657,222	40,101,772	9,444,550
LSL Replacement- City Share	809,589	3,100,000	4,000,000	900,000
LSL Replacement- Special Assess	785,505	1,300,000	1,300,000	0
Withdrawal From Retained Earnings	44,790,337	717,778	4,458,228	3,740,450
Total Revenues	$169,799,745	$136,258,000	$152,461,000	$16,203,000
Expenditure Authorizations				
Operating	$91,901,422	$104,155,222	$103,432,772	$-722,450
Capital Funding	49,841,325	31,385,000	44,570,000	13,185,000
Deposit To Retained Earnings	28,056,998	717,778	4,458,228	3,740,450
Total Authorizations & Deposits	$169,799,745	$136,258,000	$152,461,000	$16,203,000

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

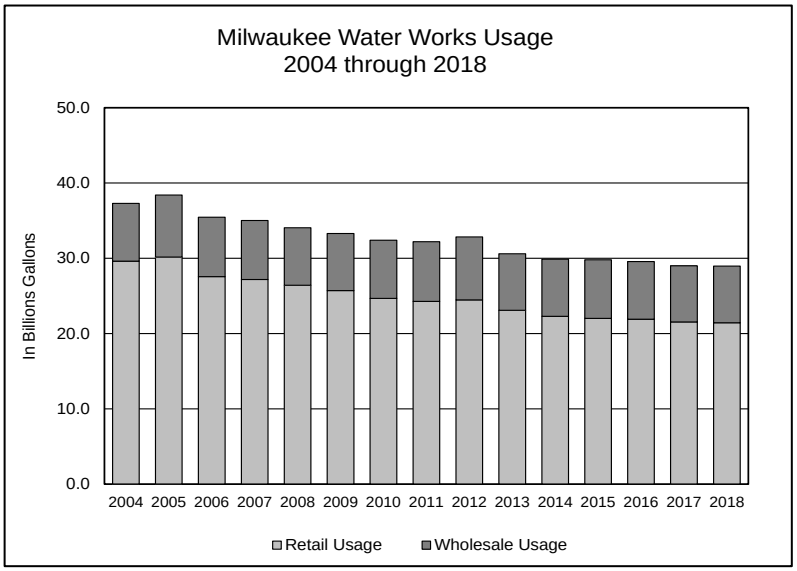
1. Increase investment and economic vitality throughout the city.
   - Ensure the quality and safety of drinking water supply.
   - Maintain a regular and effective replacement cycle for water mains.
   - Maintain competitive rates and generate an appropriate rate of return for the utility.
   - Ensure the treatment and distribution system's capacity to accommodate changes in customer water usage allowing downsizing to meet reduced demands as well as growth.

A safe, reliable supply of water is critical to public health and economic development. Milwaukee's advanced multi-barrier treatment process, which includes ozone disinfection, provides some of the cleanest water in the country. The Great Lakes are the world's largest source of fresh water and Milwaukee's proximity to Lake Michigan gives it an

economic advantage over other areas of the country. A sustainable drinking water supply supports industries and promotes long term business and residential growth.

The Milwaukee Water Works (MWW) is a municipally owned water utility regulated by the Wisconsin Public Service Commission (PSC) and the Wisconsin Department of Natural Resources (DNR). From its Howard Avenue and Linnwood water treatment plants, MWW pumps and treats water from Lake Michigan for distribution throughout the area. It delivers this water through 1,960 miles of mains to approximately 867,000 customers in the City of Milwaukee and 15 suburbs.

Figure 1



Through October 2019, water consumption decreased by 3.5% or 855 million gallons compared to the same period in 2018. From 2012 to 2018, total annual water consumption fell by 3.9 billion gallons or 11.8%. Revenue through October 2019 decreased by 2.7% compared to the same period in 2018, driven by the reduction in consumption. Since 2004, metered water sales have declined 22%, reflecting national trends. Increased water efficiency, slower population growth, and a changing industrial customer base have reduced water sales for utilities nationwide. Figure 1 shows retail and wholesale water sales since 2004.

Consumption decreases, however, do not proportionally decrease the cost for electricity, chemicals, and construction and maintenance of the water distribution system. From 2010 through 2018, electricity costs for the utility have increased by 4% or $208,000. The implementation of peak hour plans at some facilities in 2016 is improving this trend and the replacement of oversized pumps in 2019 and in 2020 will also help control energy costs.

RATES

The utility's cost structure directly affects water rates. Water rates are based on a rate of return established by the PSC. The rate formula allows the utility to recover operating costs and make investments in the upkeep of the treatment and distribution system. Continuing decreases in the volume of water sold since the mid-1970's have reduced revenue growth and put pressure on MWW to control spending and increase rates.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Rank of highest rate for 1 ccf of water residential customer among class AB utilities in the seven county metro area.	23 of 27	22 of 27	22 of 27
Rate of return.	3.04%	3.0%	2.9%
Percent of days in full compliance with water quality parameters of the Safe Drinking Water Act.	100%	100%	100%
Main breaks.	517	526	500

In 2020, Milwaukee Water Works anticipates recovering approximately $94.7 million of revenue through fees for water service, in addition to $7.9 million of non-operating revenue. In 2019, the average single family residential

customer will pay approximately $241 for a full year of water service. In 2020, the department will seek approval for another rate increase made necessary by increasing costs related to main replacement, service line replacement, and cross connection inspections.

Milwaukee Water Works provides reliable, high quality water at competitive rates for residential, commercial and industrial customers. Rates for high volume industrial customers are second lowest among the 90 largest U.S. water utilities, and the lowest in southeastern Wisconsin. MWW's declining block structure for large industrial customers decreases the cost per gallon with increased consumption.

QUALITY AND RELIABILITY

In 2018, the department achieved its goal of providing safe, high quality drinking water and fully complied with the Safe Drinking Water Act all 365 days.

Water Works capital budget emphasizes funding for water main replacements, essential to the system's long term sustainability and the mission of providing high quality, healthy drinking water to its customers. The Capital Improvements Committee and Public Service Commission have endorsed this approach. As of July 31, 2019, 7.9 miles of water mains have been installed, 7.9 miles are under contract, and an additional 2.2 miles are designed and will be under contract shortly for a total of 18 planned miles. All are projected to be installed and in service at the end of 2019. This effort was achieved by a combination of increasing engineering staff, overtime for existing staff, and the use of contractors to assist in designing the water main replacements.

RESIZE, RESTRUCTURE, AND REINVEST

The 2020 Water Works capital budget provides $32.8 million for 20 miles of water main replacement. The main replacement program is scaled up from 18 miles per year to 20 miles per year in 2020, due to a mandate from the Wisconsin Public Service Commission (PSC) requiring 20 miles of main replaced per year for the indefinite future. This level of main replacement will provide for a 100 year replacement cycle. The $32.8 million in the 2020 budget for main replacement includes $2.5 million for construction of the supply main and the discharge main that will serve the City of Waukesha. Other segments of water main are selected for replacement using risk based prioritization that analyzes the probability and consequence of failure for each segment. Variables include the history of breaks, the remaining useful life, and the location of critical users. The primary goal of the main replacement program is to ensure uninterrupted service delivery to all customers. In 2018, the main replacement program began replacing lead service lines that are connected to mains that are being replaced. MWW estimates 300 lead service lines will be replaced in conjunction with the 2020 main replacement program.

In 2019, the department began using Water Works crews to replace the utility owned portion of lead service lines. The 2019 budget added 15 positions, operating funds for materials, and several pieces of equipment to insource some utility side lead service line replacement. This initiative is in the beginning stages but is expected to reduce ratepayer-funded costs for lead service line replacement and simplify billing and administration of the lead service line replacement program. Water Works crews are not permitted to perform work on private property, therefore these crews are limited to replacing only the utility owned portion of the lead service line. MWW will utilize its crews to replace the utility owned portion when leaks are reported that require immediate attention, reducing the time customers are out of service.

The 2020 budget includes $11.8 million for improvements to Milwaukee Water Works plants, pumping and storage facilities. The largest project in this category, at $10 million, is the reconstruction of the Oklahoma Avenue pumping station which will bring the pumping station into compliance with current Department of Natural Resources regulations and provide additional pumping capacity to serve the City of Waukesha. Construction on the pumping station is expected to begin in late 2020, with water service being provided to the City of Waukesha beginning in 2022. At the Linnwood treatment plant, a pump cone actuator is being replaced at a cost of $650,000 which will replace a hydraulic system with an electric system to improve reliability and address concerns about replacement

part availability. This is part of an ongoing multi-year effort to replace these systems. Other initiatives in the 2020 budget include valve replacements and HVAC upgrades at the Linnwood treatment plant, as well as safety improvements and lab upgrades at the Howard treatment plant.

Milwaukee Water Works has the capacity to annually treat, pump, and distribute 131.4 billion gallons of water. In 2018, just under 29 billion gallons were consumed by customers, meaning that just 22% of Water Works' capacity was utilized. Much of MWW's pumping and treatment infrastructure was optimized for greater levels of demand and consumption. In 2019, Water Works is replacing two oversized fixed speed pumps with a pump skid which will hold multiple smaller pumps and provide operational flexibility. This is being done as part of a larger initiative to optimize treatment and pumping operations for the current level of demand in order to streamline operations and control future ratepayer costs.

In 2018, the statewide average for the percent of water pumped into the distribution system but not accounted for on customers' meters was 12.25%. Milwaukee Water Works found that in 2018 the percent of "lost water" reached 22%. There are a number of potential causes being examined including leaking pipes, excess lost water from hydrant flushing, and malfunctioning meters or valves. MWW is reviewing known data to identify additional causes for unaccounted water loss. In 2018, Water Works tasked a crew with going into the field to physically inspect various components of the distribution system to identify sources of lost water. Since beginning its work in March 2018, the leak detection team has as of July 31, 2019 discovered 232 leaking hydrants, 110 leaking main and hydrant valves, 56 main breaks, and 43 service line leaks. The majority of these leaks were not visible from the surface, and would have continued to lose water if not for this proactive effort to address the lost water issue. MWW is continuing to systematically inspect these components to ensure non-surfacing leaks are detected and repaired.

Milwaukee Water Works will continue to take the initiative on lead service line replacement in 2020. The 2020 budget includes replacing 1,100 lead service lines in 2020. Replacement of lead service lines is required when a lead service line has failed or is found to be leaking or a main connected to the service line is scheduled for replacement. Any child care facility in the city of Milwaukee at a property with a lead service line is able to have the service line replaced at no cost to the property owner. In 2017, 621 replacements were completed, of which 149 were child care facilities. In 2018, 910 lead service lines were replaced, with 204 of those being child care facilities. Through mid-August 2019, 518 lead service lines have been replaced with the year-end total projected to reach 1,000. The cost of replacing the utility owned portion of a lead service line is paid for by ratepayers through the Water Works operating budget. The average cost to replace the utility owned portion of a lead service line is estimated to be $4,800 in 2020. The average cost of replacing the privately owned portion of a lead service line is estimated to be $4,400. The cost of replacing the privately owned portion of a lead service line serving a child care facility is fully paid for by the City, and eligible residential properties pay a maximum contribution of $1,600 to have their service line replaced.

Replacement of the privately owned portion of lead service lines in 2020 is funded by a combination of a $2.2 million contribution from the City of Waukesha as part of the agreement to provide water service to Waukesha in 2022, $1.8 million of levy supported City capital funds, and $1.3 million of special assessments of property owners.

The City of Milwaukee, along with Milwaukee County, other Milwaukee County municipalities and the Milwaukee Metropolitan Association of Commerce, is proposing a 1% County sales tax increase. If a sales tax increase is adopted, $5.4 million of additional revenue would be allocated to the City's Lead Service Line Replacement Program to help eligible property owners pay for their share of the cost of replacing their lead service line.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
-1	-1.00		Administration and Projects Manager	Reclassification
1	1.00		Water Works Administration Manager	
1	1.00		Water Billing Specialist	New position required for enhanced billing operations
1	1.00		GIS Developer-Senior	New position to fully utilize functionality of GIS systems
1	1.00		Network Coordinator-Senior	New position needed to expand use of Computerized Maintenance Management System
-2	-2.00		Water Works Steamfitter	Position retitled
2	2.00		Water Plant Steamfitter	
-1	-1.00		HVAC Specialist	
1	1.00		Water Plant HVAC Maintenance Technician	
-9	-9.00		Machine Repairperson	Reclassification
9	9.00		Water Plant Machine Repairperson	
1	1.00		Water Plant Maintenance Supervisor	New position needed to establish inventory management system and maintenance support
1	0.50		Youth Apprentice	New position to begin to build career path for high school seniors towards career in MWW
-1	-1.00		Electrical Services Supervisor II	Reclassification
1	1.00		Electrical Services Manager	
1	1.00		Engineering Drafting Technician V	New position needed due to water main replacement program increasing from 18 miles to 20 miles in 2020
-19	-19.00		Water Utility Laborer	Reclassification
19	19.00		Water Distribution Repair Worker I	
-10	-5.00		Water Utility Laborer (0.5 FTE)	
10	5.00		Water Distribution Repair Worker I (0.5 FTE)	
-1	-1.00		Water Utility Laborer	
1	1.00		Water Distribution Repair Worker I	
-1	-1.00		Water Works Steamfitter	
1	1.00		Water Plant Steamfitter	
-1	-1.00		HVAC Specialist	
1	1.00		Water Plant HVAC Maintenance Technician	
-8	-8.00		Machine Repairperson	
8	8.00		Water Plant Machine Repairperson	
-1	-1.00		Metal Fabricator	Position retitled
1	1.00		Water Plant Machine Repairperson	
	-0.38	0.38	Various positions	Adjustment for Capital Salary Deduction
6	**5.12**	**0.38**	**Totals**	

K. SEWER MAINTENANCE FUND

EXECUTIVE SUMMARY

MISSION: Protect people, property, and the environment from sewage, flooding, erosion, and polluted runoff.

OBJECTIVES: Improve surface water quality by eliminating sanitary sewer overflows and addressing nonpoint pollution sources.

Reduce the risk of property damage due to flooding and basement backups.

STRATEGIES: Maintain a 90 year or better sewer replacement cycle.

Reduce stormwater infiltration and inflow into the sanitary sewer system.

Design and install green infrastructure facilities, such as bioretention beds and permeable pavements to help reduce pollutants in waterways.

Conduct projects for private lateral rehabilitation on private property to assess its effectiveness at reducing infiltration and inflow into sanitary basins that the Milwaukee Metropolitan Sewerage District has stipulated for correction.

Develop and implement a capacity, management, operations and maintenance program to govern operations.

BUDGET SUMMARY

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Personnel				
FTEs - Operations & Maintenance	83.44	101.15	101.30	0.15
FTEs - Other	11.40	13.05	13.00	-0.05
Total Positions Authorized	144	147	148	1
Expenditures				
Salaries and Wages	$4,112,569	$4,646,918	$4,539,762	$-107,156
Fringe Benefits	3,669,260	3,485,189	3,404,822	-80,367
Operating Expenditures	9,798,711	7,273,000	7,053,000	-220,000
Equipment	942,388	903,000	1,061,000	158,000
Special Funds	36,965,106	54,897,637	57,286,594	2,388,957
O&M Total	$55,488,034	$71,205,744	$73,345,178	$2,139,434
Capital Projects	$20,320,441	$33,950,000	$34,150,000	$200,000
Deposit to Retained Earnings	11,081,552	0	0	0
Total	$86,890,027	$105,155,744	$107,495,178	$2,339,434
Revenues				
Sewer Maintenance Fee	$66,858,663	$31,956,653	$32,371,573	$414,920
Stormwater Management Fee	0	34,120,814	$37,118,714	2,997,900
Charges for Services	0	1,673,500	$1,706,600	33,100
Interest Revenue	18,779,461	137,000	$185,200	48,200
Miscellaneous Revenue	0	0	$0	0
Developer Financed	0	0	0	0
Proceeds from Borrowing	20,031,364	29,300,000	29,300,000	0
Grant and Aid	0	3,650,000	3,650,000	0
Assessable	0	0	0	0
Withdrawal from Retained Earnings	0	4,317,777	3,163,091	-1,154,686
Total	$105,669,488	$105,155,744	$107,495,178	$2,339,434

DEPARTMENT MISSION AND RELATIONSHIP TO COMMUNITY GOALS

Community Goals and Department Objectives:

1. Sustain, enhance, and promote Milwaukee's natural environmental assets.
   - Improve surface water quality by eliminating sanitary sewer overflows and addressing nonpoint pollution sources.
   - Reduce the risk of property damage due to flooding and basement backups.

A sewer system's core purpose is to deliver all sanitary sewer flows to treatment plants, minimize surface flooding, and reduce the risk of basement backups in homes. The city maintains a system of 2,461 miles of public sewers, which connect to hundreds of miles of privately owned sewer laterals and the Milwaukee Metropolitan Sewerage District (MMSD) system. The system transports sanitary sewage to MMSD facilities for treatment. By treating wastewater before returning it to rivers and Lake Michigan, the sewerage system reduces the risk of waterborne illnesses and protects water quality. The sewer system also plays a key role in protecting property by mitigating flooding.

The regional sewer system contributes to the goal of sustaining, enhancing and promoting Milwaukee's natural environmental assets. The integrated nature of the region's systems requires coordinated management strategies across various stakeholders. Milwaukee's regional sewer system operates more effectively than systems in other major Great Lakes cities, as measured by the number of annual sewer overflows. However, leaky sewers and private laterals, coupled with the increasing frequency of large storms, present challenges to the regional sewer system. During large storms, excess stormwater can overwhelm the sanitary sewer system and result in sanitary sewer overflows (SSOs) and/or basement backups.

Key Performance Measures	2018 Actual	2019 Projected	2020 Planned
Sanitary sewer overflows.	32	0	0
Number of basement backups reported.	33	17	0
Miles of sewers replaced or relined.	23	32	21

STRATEGY IMPLEMENTATION

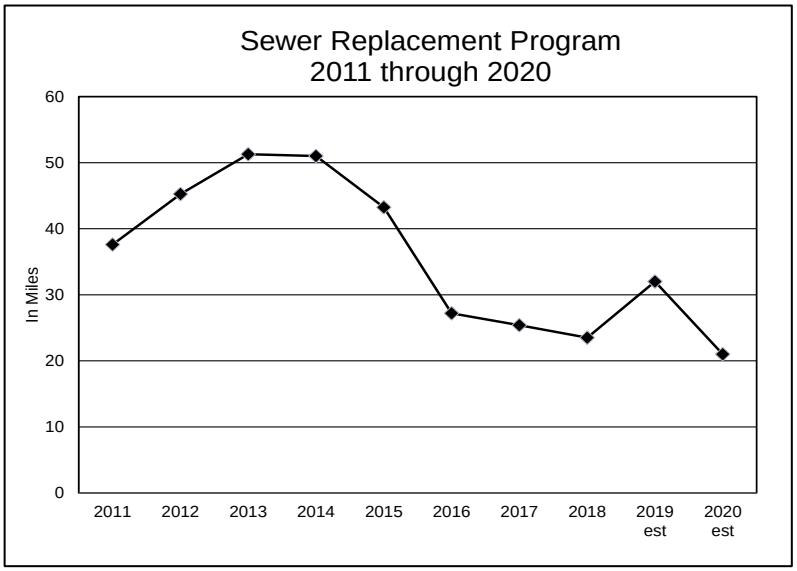
Replacing and lining sewers is a critical aspect of maintaining the sewer system and reducing the amount of rainwater that enters the sanitary sewer system. In order to minimize sanitary sewer overflows the city aims for a sewer replacement cycle of 90 years, which requires replacing or lining 27 miles of sewer main a year. Since 2011, the city has averaged replacing or lining 37 miles annually, over 35% above the required replacement rate. Figure 1 shows the recent history of replacing and lining sewers. The 2020 proposed capital budget includes $25 million to replace and line 10 miles of medium to large diameter combined, storm and sanitary sewer mains and an additional $2 million to line 11 miles of small diameter sanitary sewer main and inspect sanitary sewer manholes. This work will target sewer sheds with the highest levels of infiltration and inflow and the greatest risk of basement backups.

Leaky sewer laterals located on private property are a major contributor to infiltration and inflow (I&I). Private property sources account for between 60% and 80% of the clear water that enters sanitary sewer systems. Since 2011, the city has completed several projects to address private property I&I. The department compares flows from before and after projects are completed to determine effectiveness. Analysis indicates approximately a 30% to 40% reduction of I&I in the project areas, depending on location and rehabilitation methods utilized.

In 2020, the department plans a neighborhood lateral lining project to reduce I&I from private property. The 2020 proposed capital budget includes an estimated $1.65 million in grants from MMSD for work on private property.

Even as DPW and MMSD phase in larger system improvements, extremely large storms will trigger the system's bypass pumps to discharge effluent from the system to reduce the risk of basement backups in residents' homes. The 2020 proposed capital budget includes $500,000 for rehabilitation of two bypass pumps and maintenance and replacement of electrical equipment. Bypass pumps play a critical role in reducing the risk of basement backups.

Figure 1



Green infrastructure is a strategy to manage stormwater where it falls, and improve water quality by using natural processes. These projects reduce total suspended solids (TSS), and phosphorus and help meet the water quality requirements of the Total Maximum Daily Loads (TMDLs) TMDL levels have been established by MMSD in conjunction with the WDNR. The implementation plan and timeline for meeting the TMDLs will be evaluated now that the Environmental Protection Agency has approved the TMDLs. In 2020, the proposed capital budget includes $2.8 million, of which $2 million will be in grant funding from MMSD, for the installation of bioretention facilities and other green infrastructure projects in conjunction with street repair projects.

Beginning in 2016, the department initiated flood mitigation projects in the Dineen Park and Copernicus Park neighborhoods. These neighborhoods have experienced repeated flooding occurrences for over ten years. The city, Milwaukee County, and local residents worked together to determine an effective and financially feasible stormwater management plan. During 2017, the city and county signed a Memorandum of Understanding for both projects. Previous budgets authorized a total of $8.3 million for these projects. Both should be completed by the end of 2020.

RESIZE, RESTRUCTURE, AND REINVEST

Downspout Disconnection Program: The downspout disconnection program began in 2019. The program is in response to MMSD's revised regulations that require residential parcels that contain up to four units to disconnect their downspouts from the combined sewer system by January 1, 2025. The program affects approximately 50,000 residential properties. The program will be completed in 2024 and cost approximately $7.2 million. The 2020 capital budget includes $2 million for the program.

Stormwater Management Fee: The 2020 proposed stormwater management fee per quarter per equivalent residential unit (ERU) will increase 4.15%, or $0.89, from $21.41 to $22.30. The annual impact on the typical residential user will increase $3.56 from $85.64 to $89.20. In 2020, this will generate $37.1 million, an increase of $3.0 million from 2019. Charges for all one to four unit residential properties are one ERU per quarter. Charges for other properties are determined based on their impervious surface (one ERU is equivalent to 1,610 square feet of impervious surface). Regular rate increases are necessary to fund increased investment in private property work and debt service related to the improved replacement cycle.

Local Sewerage Charge: The 2019 local sewerage charge rate per 100 cubic feet of water (CCF) per quarter will increase 3%, or $0.04, from $1.49 to $1.53 per CCF, resulting in an increase of $0.74 from $24.44 to $25.18 per quarter. The annual impact on the typical residential user will increase $2.93 from $97.77 to $100.70. This will generate $32.4 million in 2020, an increase of $400,000 from 2019.

Payment to the General Fund: The Sewer Maintenance Fund makes an annual transfer to the general fund to pay for all tree care costs and pension payments associated with street sweeping, leaf collection, brush collection, and pruning services provided by the Operations Division. Street trees help reduce stormwater flows by absorbing water through their root system. The 2020 proposed budget will transfer $23.4 million. The transfer also includes $20,000 to fund the Health Department's beach water quality and advisory program. An additional $3.2 million transfer to the capital fund will support tree planting and stump removal, the emerald ash borer prevention program, hazardous tree removal, the environmental remediation program, concealed irrigation on city boulevards, and flood mitigation enhancements at local bridges.

Capital Financing: In the 2020 proposed capital budget, the city will cash finance $1.2 million in sewer capital to improve fund sustainability. This cash financing will cover the pump replacement projects, salary, and fringe benefits associated with the design and project management of sewer capital projects and manhole inspection projects.

Debt Fund Transfer: The 2020 proposed budget includes a $1.25 million transfer from the Sewer Maintenance Fund to the debt fund for sewer related general obligation debt service.

DETAILED LISTING OF POSITION AND FULL TIME EQUIVALENTS' CHANGES

Specific ADDITIONAL positions (or eliminations) and associated Full Time Equivalents' (FTEs) as follows:

Positions	O&M FTEs	Non-O&M FTEs	Position Title	Reason
1	0.00	0.00	Management Civil Engineer-Senior	New position for workload and succession planning
0	0.15	-0.05	Various	Miscellaneous
1	**0.15**	**-0.05**	**Totals**	

M. COUNTY DELINQUENT TAX FUND

EXECUTIVE SUMMARY

MISSION: Provide appropriation authority to purchase County of Milwaukee delinquent property taxes.

OBJECTIVES: Provide a funding mechanism to purchase delinquent county property taxes without affecting the city's tax levy.

STRATEGIES: Return tax delinquent properties to the tax roll and increase future city revenue.

SUMMARY OF EXPENDITURES

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
Purchase of Delinquent County Taxes	$10,626,078	$8,000,000	$8,000,000	$0
Total	$10,626,078	$8,000,000	$8,000,000	$0

SOURCE OF FUNDS

	2018 Actual Expenditures	2019 Adopted Budget	2020 Adopted Budget	Change 2020 Adopted Budget Versus 2019 Adopted Budget
County Delinquent Taxes Collected	$10,626,078	$8,000,000	$8,000,000	$0
Total	$10,626,078	$8,000,000	$8,000,000	$0

In accordance with s. 74.83 Wis. Stats., the City of Milwaukee is authorized to enter into an agreement with the County of Milwaukee to purchase county delinquent personal property taxes and real estate tax certificates. The initial agreement was executed in December 1987.

The authority to collect county delinquent property taxes enables the City Treasurer to consolidate the collection of delinquent taxes. Consolidation of the delinquent taxes provides a more efficient and effective tax collection administration by eliminating the burden of duplicate collections by the city and county.

The city purchases the county's delinquent personal property and real estate taxes at the close of the current tax collection period each February. In addition, the city also purchases the county's real estate taxes that become delinquent during the installment collection cycle each month. The city acquires an asset, delinquent county property taxes receivable, and generates revenue by keeping the interest and penalty charges collected on the delinquent taxes outstanding.

This account is the city's mechanism to purchase the county's delinquent property taxes. It is related to other delinquent tax collection efforts in the city debt budget.

II. BORROWING AUTHORIZATIONS

General Obligation Bonds or Short Term Notes

	New 2020 Authority
A. Renewal and Development Projects	
1. For providing financial assistance to blight elimination, slum clearance, redevelopment and urban renewal projects under section 66.1301 to 66.1327, 66.1331, 66.1333, 66.1335, 66.1337, and 66.1105.	
MEDC Loan Program.	
Subtotal Renewal and Development Projects.	$4,850,000
B. Public Improvements	
1. Public buildings for housing machinery and equipment.	$18,815,000
2. Harbor improvements.	475,000
3. Parking facility improvements.	2,725,000
4. All Fire borrowing.	1,950,000
5. All Police borrowing.	3,995,000
6. Bridge and viaduct.	3,700,000
7. Sewage disposal, sewer improvement, and construction.	
8. Street improvements and construction.	39,768,000
9. Parks and public grounds.	300,000
10. Library improvements authorized under section 229.11 and 229.17.	1,290,000
11. Rubbish.	6,600,000
12 Water Infrastructure.	1,800,000
Subtotal General Obligation Bonds or Short Term Notes (Sections A and B).	$86,268,000
C. Contingent Borrowing	
Borrowing for a public purpose not contemplated at the time the budget was adopted.	
Contingent borrowing.	$200,000,000
Subtotal General Obligation Bonds or Short Term Notes.	$200,000,000
D. School Board Borrowing	
1. School purposes (1).	$2,000,000
Subtotal General Obligation Bonds or Short Term Notes.	$2,000,000
E. Borrowing for Special Assessments	
1. To finance public improvements in anticipation of special assessments levied against property.	
2. General city.	$2,530,000
3. Water Infrastructure.	1,300,000
Subtotal General Obligation Bonds or Local Improvements Bonds.	$3,830,000
F. Tax Incremental Districts	
1. For paying project costs in accordance with project plans for Tax Incremental Districts.	$44,000,000
Subtotal General Obligation Bonds, Short Term Notes, or Revenue Bonds.	$44,000,000
G. Borrowing for Delinquent Taxes	
To finance general city purposes for anticipated delinquent taxes.	$37,000,000
Subtotal General Obligation Bonds or Short Term Notes.	$37,000,000
H. Revenue Anticipation Borrowing	
To borrow in anticipation of revenue in accordance with Section 67.12 of the Wisconsin State Statutes.	$400,000,000
Subtotal General Obligation Bonds or Short Term Notes.	$400,000,000
I. Water Works Borrowing	
Water Works mortgage revenue bonds or general obligation bonds.	$40,101,772
Subtotal Revenue Bonds or General Obligation Bonds.	$40,101,772
J. Sewer Maintenance Fund Borrowing	
Sewer Maintenance Fund revenue bonds or general obligation bonds.	$29,300,000
Subtotal Revenue Bonds or General Obligation Bonds.	$29,300,000
Total General Obligation Bonds or Short Term Notes	**$842,499,772**

(1) Design plans for any alteration to building exteriors and interiors shall be reviewed and approved by the city.

III. CLARIFICATION OF INTENT

Employee Fringe Benefits

Employee fringe benefit costs are allocated to operating and capital budgets on an estimated basis for informational purposes only. Such estimated expenditures are 100% appropriation offset for operating budgets and 100% revenue offset for the capital budget to avoid any impact on the city's tax levy. Actual fringe benefit costs, such as health care benefits, life insurance, and pensions, are budgeted separately in non-departmental accounts, which are funded from the property tax levy.

The amount included in each departmental (or budgetary control unit) operating budget on the line entitled “Estimated Employee Fringe Benefits” is subject to adjustment by unilateral action of the City Comptroller, during the budget year, if the actual rate charged against salaries paid is at variance with the estimated rate used in calculating the budgeted amount.

Departmental Salary Appropriations

Department net salary and wage appropriations reflect current wage rates and expenditures and are limited to these amounts. Funding of future salary increases is provided in the Wages Supplement Fund.

Footnotes

Section 18-06-12 of the Milwaukee City Charter states that the adoption of the budget shall be the authority for the expenditure by a department for the purposes therein provided and of the amounts assigned to the department thereby and no further action by the Common Council shall be necessary to authorize any department to make such expenditures. The City Attorney has advised that footnotes contained in the line item budget are informational only and not controlling over expenditures unless a corresponding resolution specifying the footnote’s intent is also adopted by the Common Council.

POSITIONS ORDINANCE AND SALARY ORDINANCE

The Positions Ordinance and the Salary Ordinance for the city may be obtained from the City Clerk's Office upon request, or on the City Clerk's website. They have not been included in this publication.

TAX LEVY TO RATE CONVERSION TABLE

Assessed Value Used in Conversion Calculation as of December 2, 2019: $27,499,324,495

Tax Rate Per $1,000 of Assessed Valuation	Levy Change	Levy Change	Tax Rate Per $1,000 of Assessed Valuation
$0.01	$274,993	$5,000	$0.00
$0.05	$1,374,966	$10,000	$0.00
$0.10	$2,749,932	$50,000	$0.00
$0.25	$6,874,831	$100,000	$0.00
$0.50	$13,749,662	$500,000	$0.02
$1.00	$27,499,324	$1,000,000	$0.04

Formula for deriving tax rate per $1,000 of assessed value from known assessed value and levy:

$$\text{TAX RATE} = \frac{\text{TAX LEVY}}{\text{ASSESSED VALUE}/1{,}000}$$

Formula for deriving levy from known rate and assessed value:

TAX LEVY = TAX RATE x (ASSESSED VALUE/1,000)

Formula for deriving assessed value from known rate and levy:

ASSESSED VALUE = (TAX LEVY/TAX RATE) x 1,000

Note: Results are Approximate Due to Rounding