

2023 Proposed Executive Budget

2023 Budget Overview

Finance & Personnel Committee

September 29, 2022

2023 Budget

1. Total Proposed 2023 Budget: \$1.715 billion
 - Proposed Tax Levy-Supported Budget: \$1.277 billion
 - General City Purposes (GCP) Budget: \$639.5 million
2. Total Proposed Tax Levy of \$311.2 million
3. Non-Tax Levy-supported Budget: \$438.2 million
 - Enterprise funds: \$311.9 million
 - Grant & Aid Fund: \$116.8 million
 - County Delinquent Tax Fund: \$9.5 million

2023 Proposed Budget “Bottom Line”

1. Total Budget down 2.4%, GCP up 4.7% from 2022
 - Both changes primarily due to the timing of ARPA receipts and allocations
2. Total tax levy +2.0% (\$6.1 million)
3. Tax rate = \$9.16 (-\$1.00 or -9.9%)
4. Major User Fees +4% (\$2.6 million)

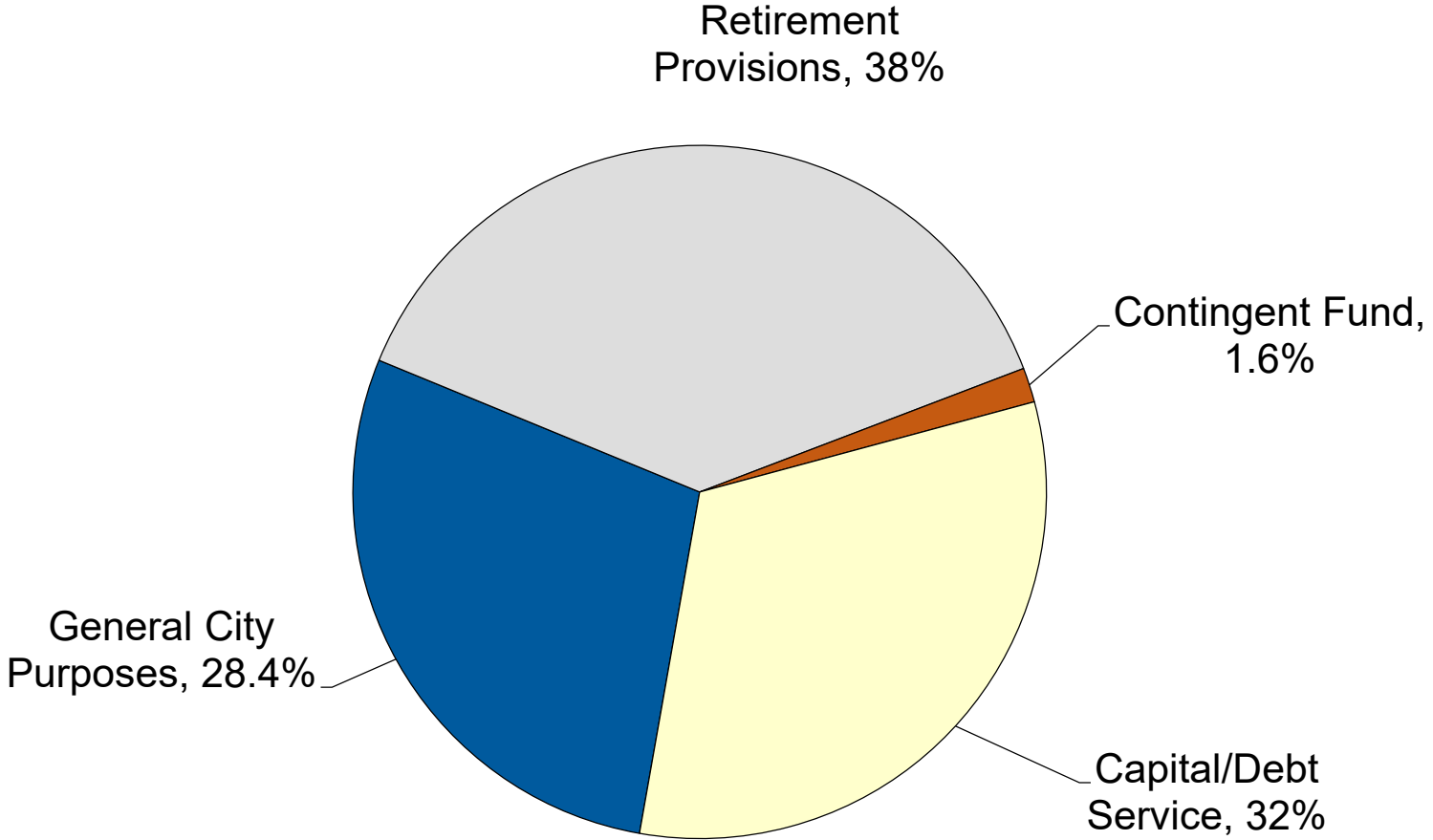
Proposed 2023 Budget Impact on Typical Household

Typical Household Impact

- Tax Levy: + \$27.82
- Municipal Services Bill: \$20.67
- Net Impact: + \$48.58 (+2.7%)

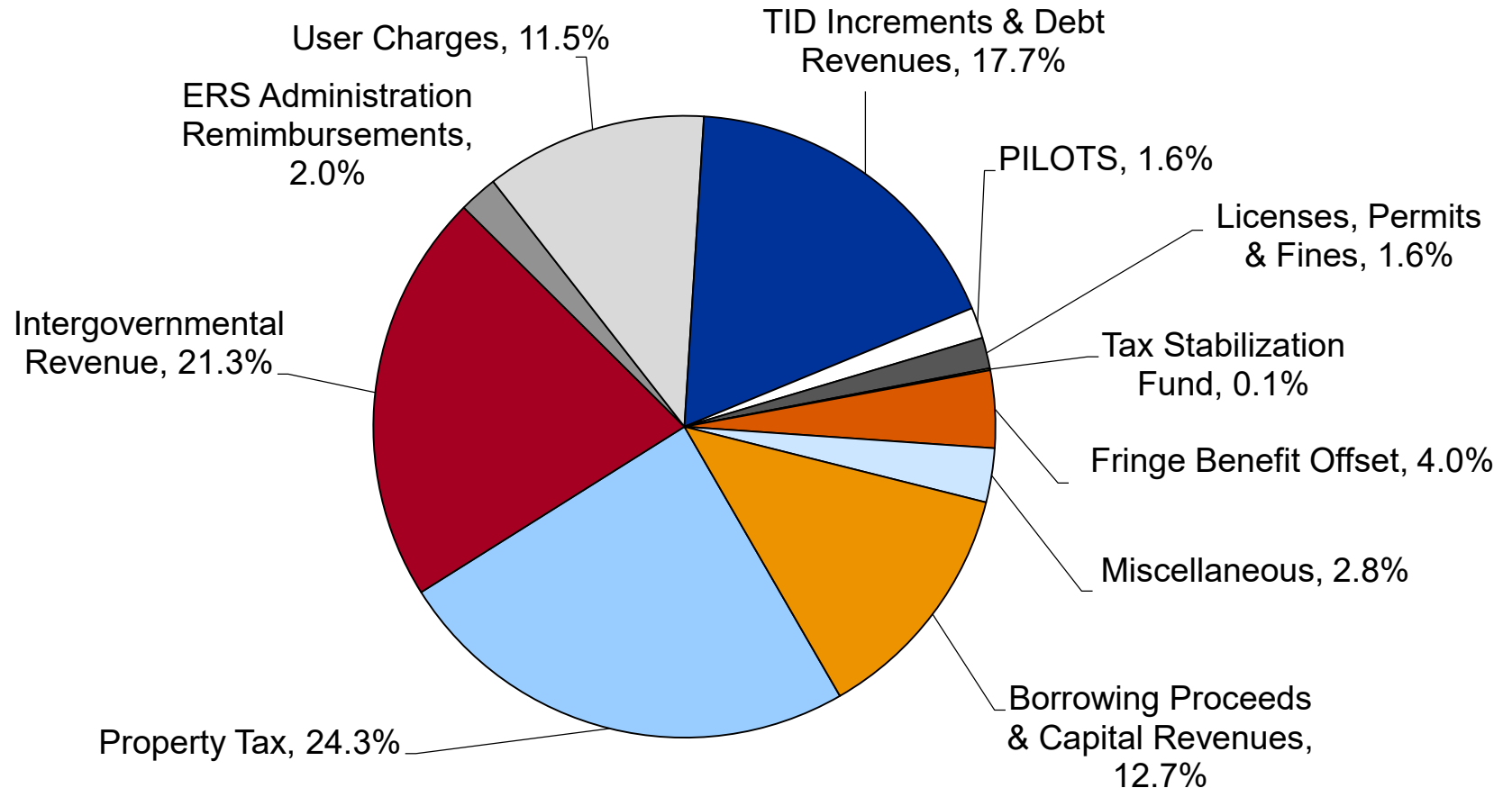
**Based on the median residential value of \$127,900
for 2021 and \$144,900 for 2022**

2023 Proposed Tax Levy: Distribution by Budget Section/Purpose

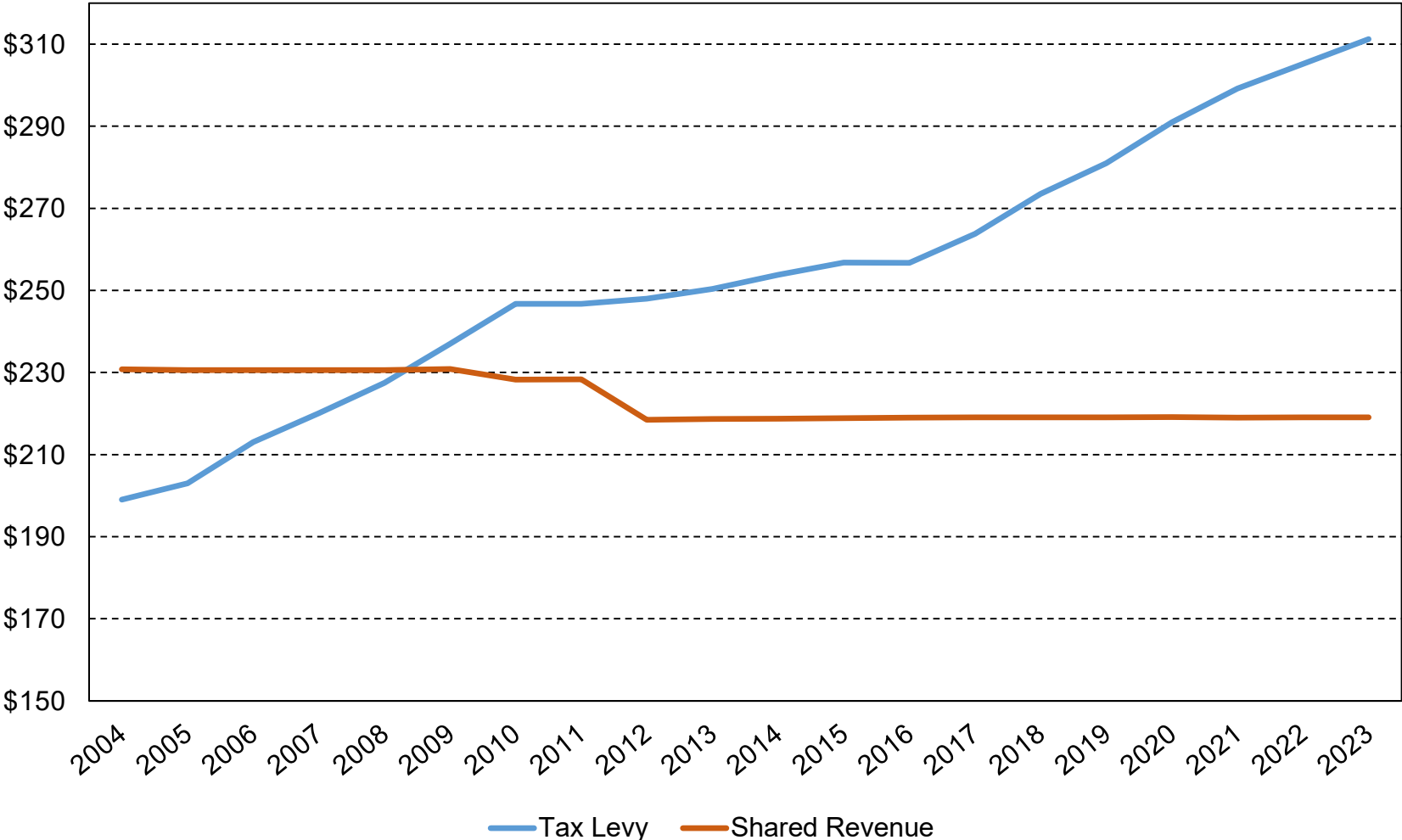


The total 2023 proposed tax levy: \$311.2 million.

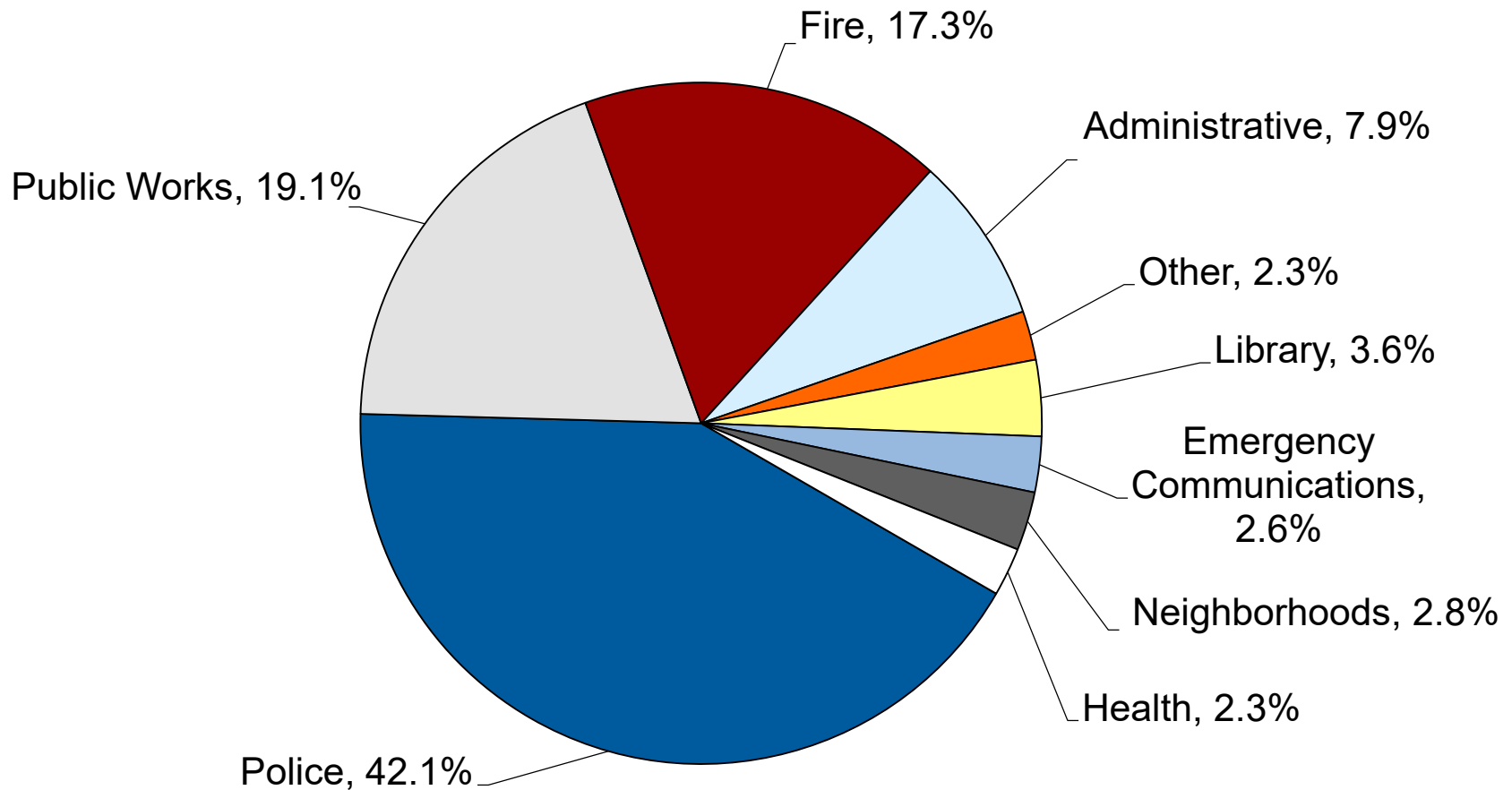
City of Milwaukee 2023 Revenue Sources: Tax Levy Supported Budget



City Tax Levy vs. State Shared Revenue

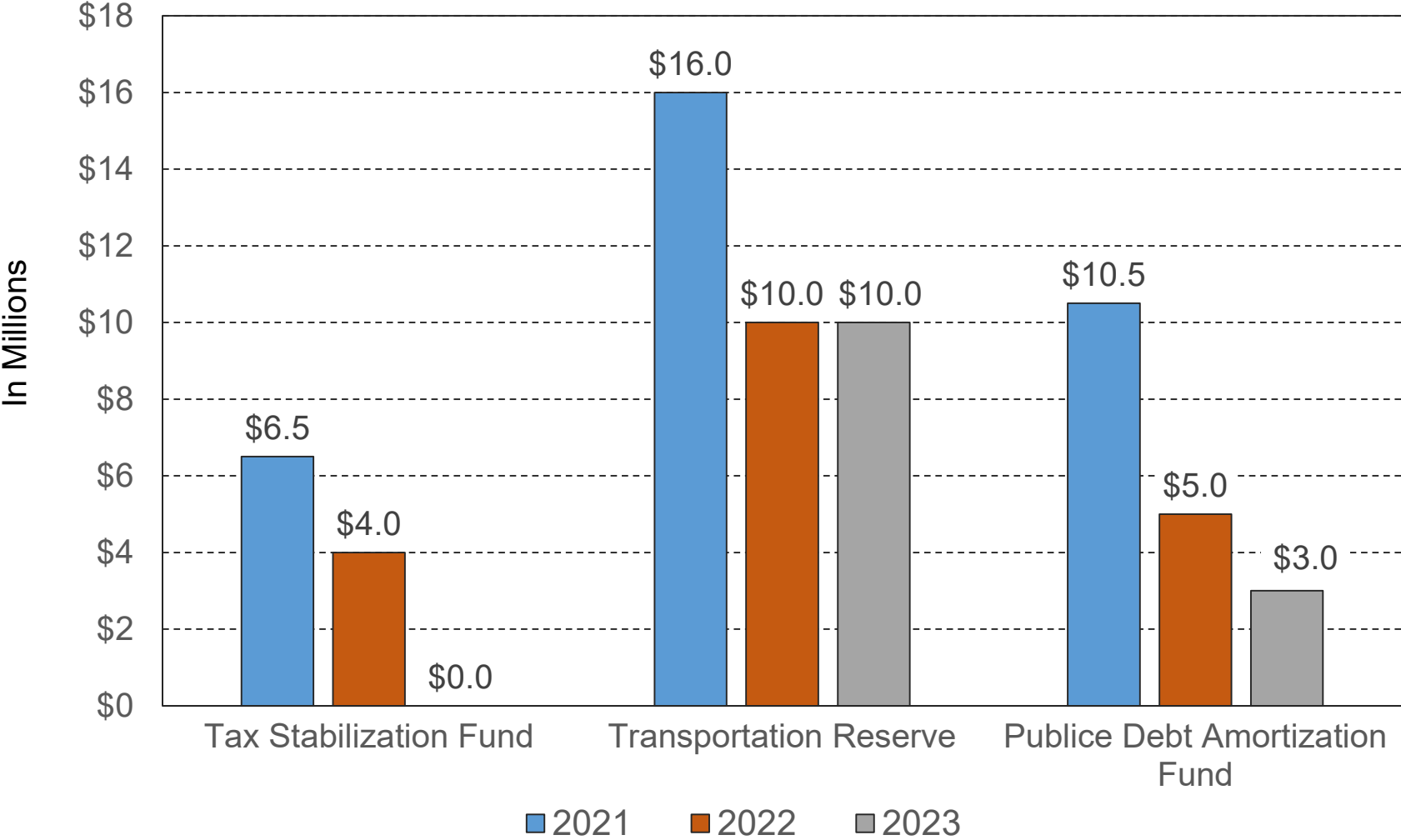


2023 Proposed Departmental Budgets: Expenditures



Note: The Fire Department total expenditures include \$75 million of proposed ARPA revenue loss allocation

2023 Budget Reserve Use Compared to 2021 and 2022



Changes from the 2022 Budget

1. 1% reduction (17 officers) in MPD average sworn strength
2. 1.5 fewer fire engines
3. Service reductions at 5 of 12 neighborhood libraries
4. FTE reductions in most other departments
5. \$100 million pension payment, up from \$71 million
6. 2% wage increase for general city employees, 1% longevity increase after 5 years of service

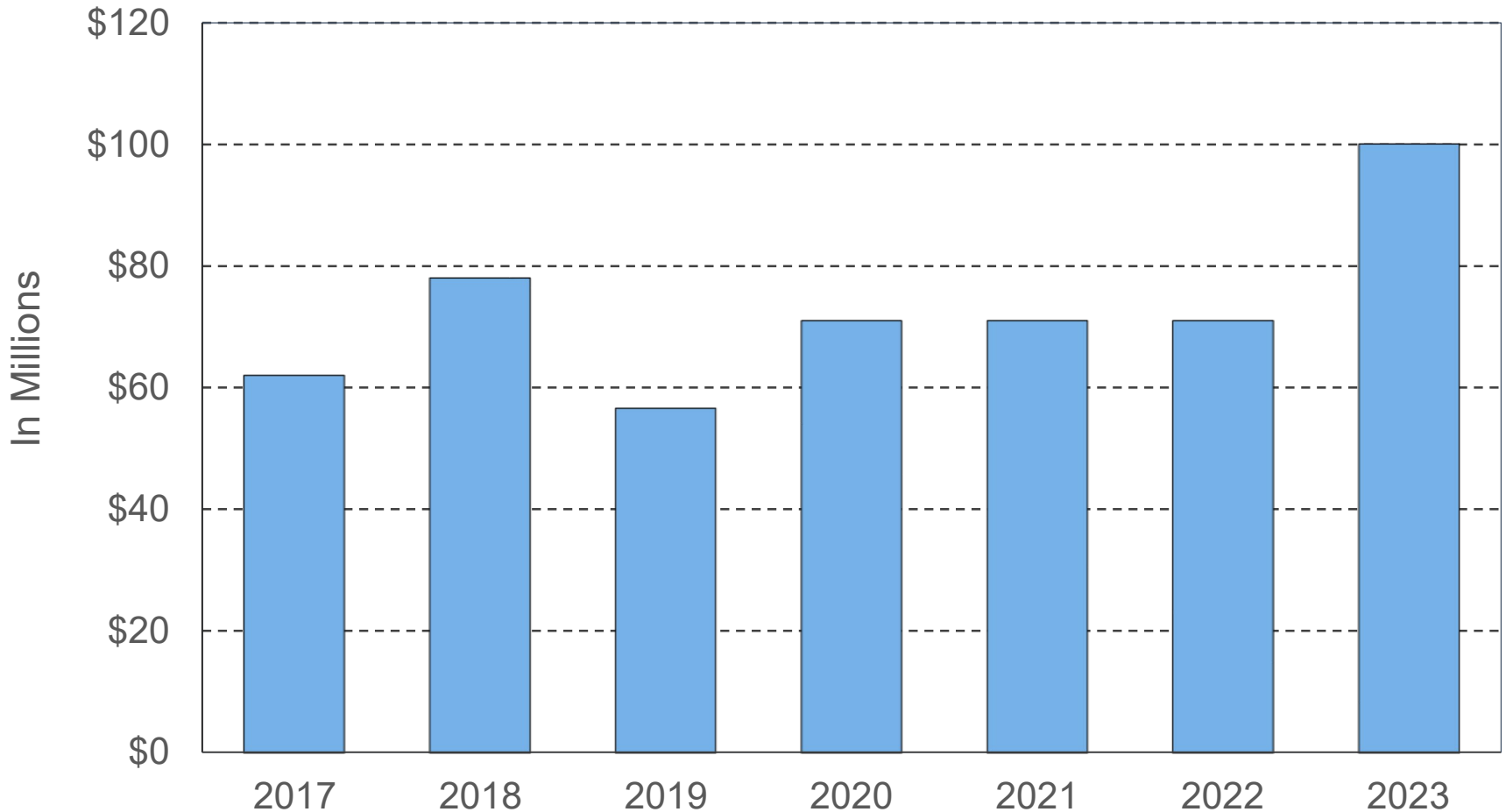
Questions That Guided Decisions on Which City Services to Prioritize

- How essential to health, safety, and prosperity?
- Disparate impact on racial inequities?
- Does city funding leverage outside investment?
- Interconnected with other essential services?

Outlook for Future Budgets

- \$95 million of remaining ARPA funding
- By 2024 all ARPA funds must be obligated
- \$80 million in pension reserve
- Next five years of pension payments likely to be at least \$100 million annually
 - Won't know exact number until spring 2023

Pension Contribution History



Presentation Follow-up

If you have questions or a request for follow-up information, you may contact:

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View the City's budget at www.milwaukee.gov/budget