

Entering the budget process with a \$51 million shortfall was certainly a challenge this year, but we rallied around the phrase that “failure is not an option.” The budget that I present to the County Board of Supervisors for 2003 is balanced and it includes no increase in the property tax levy.

Achieving a balanced budget with no property tax levy was no small task and we spent the last three months working extensively on various options. Special thanks to our budget staff and to the many other county employees who worked so hard to create a successful product.

Our 2003 budget proposal meets the challenge of balancing the \$51 million shortfall through a variety of reductions such as the reduction in salaries for management staff (ECPs) and the refocus on priorities by department and division heads.

The 2003 budget proposal makes significant changes to improve the long-term financial stability of Milwaukee County:

The budget establishes a fixed amount for contributions to the pension fund for the next five years. During the past two years, the contribution was less than 32% of the amount identified by an actuary.

The budget changes the model for the delivery of healthcare to county employees and retirees to reduce costs in 2003 and in future years.

The 2003 capital budget places a heavy emphasis on the maintenance of current county infrastructure and facilities.

The 2003 capital budget is significantly less than previous years (because of lack of large, new projects), which reduces the amount of unspent bond proceeds and reduces debt service for 2004. The budget uses a portion of the land sales to fund potentially high sick leave costs in 2003.

Additional improvements are included to improve the budget situation in future years.

The 2003 budget includes significant plans for restructuring various county departments and programs. Some plans call for immediate implementation while others call for the planning of changes in 2003.

The 2003 budget acknowledges that many of these changes will require adjustments in the state statutes. Various recommendations for assistance from the State Legislature are included in our budget proposal.

The 2003 budget