

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

Date: April 28, 2023

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Joe Lamers, Director, Office of Strategy, Budget and Performance

Subject: Office of Strategy, Budget and Performance 2022 Annual Report

File Type: Informational Report

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This informational report provides a report on how the Office of Strategy, Budget and Performance set and achieved its 2022 goals.

**POLICY**

This report aligns to Chapter 108: Achieving Racial Equity & Health.

Milwaukee County Code of General Ordinances:	<a href="#">Chapter 108: Achieving Racial Equity &amp; Health</a>
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**BACKGROUND**

[File 22-104](#) amends Chapter 108 to require that “annually, by April 30 of each year or sooner, each Milwaukee County department leader and/or their designee(s) shall provide a written and oral report outlining their year-end results to a Milwaukee County Board of Supervisors committee. The reports shall, at a minimum:

- (a) Indicate the year-end goals the department set in the prior year
- (b) Share the rationale and relevance of the department’s performance metrics (i.e. explaining why they are “SMART” goals (specific, measurable, achievable, realistic, timely, and extending) and how they align to the county’s racial equity strategy, if applicable)
- (c) Report the department’s year-end results relating to the goals it had set, and
- (d) Provide a thorough analysis clearly articulating why goals were significantly exceeded, met, or not met.
- (e) Explain the department’s progress in creating a departmental-level strategic plan that aligns to the countywide strategic plan and provide an update about future plans to revise and enhance the departmental-level plan in the year ahead.”

**ALIGNMENT TO STRATEGIC PLAN**

- 1A: Reflect the full diversity of the County at every level of County government
- 1B: Create and nurture an inclusive culture across County government
- 1C: Increase the number of County contracts awarded to minority and women-owned businesses
- 2A: Determine what, where, and how we deliver services to advance health equity
- 2B: Break down silos across County government to maximize access to and quality of services offered
- 2C: Apply a racial equity lens to all decisions
- 3A: Invest “upstream” to address root causes of health disparities
- 3B: Enhance the County’s fiscal health and sustainability
- 3C: Dismantle barriers to diverse and inclusive communities

Alignment to the above strategic objectives is articulated in response to the questions below.

## **BODY**

The Office of Strategy, Budget and Performance (SBP) was created in 2022 to further align strategic planning and budgeting efforts to enable Milwaukee County to achieve its long-term vision. The office leads the strategic plan, uses an equitable lens for budgeting, and implements effective practices for continuous improvement, grant development, internal communications and project management. These activities support Milwaukee County’s ability to provide high quality services for the residents of Milwaukee County.

The Office of SBP works to strengthen county business practices and strategically align critical resources that advance the mission and improve Milwaukee County’s fiscal health. The office is structured to support departments across the organization through the following three service areas:

- **Strategy:** The Strategy service area works with all departments and elected offices to drive meaningful progress within the county’s strategic plan.
- **Budget:** The Budget service area leads the development and implementation of the county’s \$1.2 billion annual operating and capital budgets and supports the county’s efforts toward achieving long-term financial sustainability. Milwaukee County strives to be a fiscally healthy organization that prioritizes investments towards strategic plan priorities.
- **Project Management Office (PMO):** The PMO leads efforts to advance Milwaukee County’s strategic plan by managing mission-driven projects. The team also integrates project management methods and support for county departments in the follow service areas:

- Project management (including continuous improvement, priority and strategy initiatives)
- Grant development
- Internal communications (including branding and digital programs)

The PMO also facilitates allocation and monitoring of American Rescue Plan Act (ARPA) and Opioid Settlement funds in addition to leading the Youth Commission and Administrative Manual of Operating Procedures.

1. What were the top 3 goals of your department/office 2022? Please explain why they are “SMARTIE” goals (specific, measurable, achievable, realistic, timely, inclusive, and equitable) and how they align to the county’s racial equity strategy.

The Office of SBP shares the vision of Milwaukee County a whole, that by achieving racial equity, Milwaukee is the healthiest county in Wisconsin. The office’s mission is “We support Milwaukee County’s success by driving equitable decisions and implementing innovative solutions.” As an enterprise-wide office serving every part of Milwaukee County government, the Office of Strategy, Budget and Performance delivered on its mission by advancing the three goals below in 2022, which align to one or more of Milwaukee County’s overall strategic objectives.

- Goal 1: Develop three dashboards on the County Strategy Dashboard in order to provide stakeholders within and outside of Milwaukee County government with actionable data regarding racial disparities in order to influence equity-driven decisions.
- Goal 2: Support efforts to improve the County’s fiscal sustainability, while also utilizing an equitable lens for budgeting. This goal is aligned with strategic objective 3B regarding fiscal health and sustainability.
- Goal 3: Milwaukee County will secure competitive grant revenue to improve our ability to invest upstream and support fiscal sustainability. By 12/31/22, Milwaukee County will submit 45 grant applications, totaling \$40M as measured by the PMO tracker per AMOP 11.01.

2. To what extent were these goals accomplished in 2022? Please explain.

- a. Goal 1: SBP exceeded its goal by developing four dashboards: the workforce dashboard, housing dashboard, Medical Examiner dashboard, and the overdose dashboard. All four dashboards have and will continue

to be used by stakeholders across Milwaukee County to drive decision-making in alignment with the County's strategic plan.

- b. Goal 2: Racial equity criteria was used as part of the overall scoring methodology as part of the capital review process. This equity criteria will continue to be used as part of the 2024 capital review process.

Quarterly capital project meetings were established between the various County departmental stakeholders in order to increase communication and breakdown silos. These meeting also act as a project monitoring tool to help identify any potential fiscal issues.

In the operating budget process, departments submitted 83 Supplemental Requests for additional funding. The 2024 Adopted Budget included five requests that were flagged as being in alignment with the County's strategic plan based on the Racial Equity Budget Tool (REBT). The investment totaled \$1 million over 4 departments. While this amount reflects investments specifically tied to the REBT document, additional new investments towards strategic plan priorities were also made within the 2023 budget.

Continued progress was made in 2022 towards improving the County's fiscal health and sustainability. Examples include:

- The 2023 Adopted Budget closed an estimated \$12.6 million budget gap while maintaining services and making investments in strategic priorities.
- \$8 million savings on prescription drug rebates were included in the 2023 budget as a result of negotiations between Employee Benefits and prescription drug providers.
- Increased investments have been made towards capital infrastructure needs to address deferred maintenance and backlogs, largely through use of one-time federal funds.
- An increase in debt service reserve funding is projected at 2022 year-end.
- Increases in grant revenues to support programs and services as described below.
- The County continues to have productive discussions with state lawmakers surrounding local government funding and the local sales tax option.

- c. Goal 3: The Division of Grants & Special Projects was established in 2021 to amplify current grant efforts within Milwaukee County and provide

targeted grant development support to increase success. In 2022, this unit was transitioned into the Office of SBP PMO. The 2022 grant development goal was accomplished to that extent that \$143,639,000 was requested through 38 grant proposals, exceeding the anticipated amount of competitive grant funding pursued. This 2022 request amount also exceeds 2021 requests which totaled \$122,775,023.

As of April 12, 2023, 19 of the applications submitted in 2022 have been awarded, totaling \$46,873,981 in grant revenue. There are 8 grant proposals pending approval which total \$4,340,157.

As part of the Capital quarterly meetings (referenced in 2.(b) above), grant development staff from the PMO has been included. The PMO grants staff works with project owner departments to help identify any potential grant funding that could be used to help fund either existing capital projects or proposed new capital projects as part of the annual capital budget request process.

### 3. What factors *enabled* progress toward accomplishing these goals?

Goal 1: The prioritization of the County Strategy Dashboard by key stakeholders, especially IMSD's Enterprise Data Services team, enabled SBP to achieve its goal. SBP is grateful for EDS Director Shannon Gramman and her team for their continued dedication, expertise, and creativity in advancing this pioneering program at Milwaukee County.

Goal 2: SBP has been successful in building processes that include an equitable lens as part of the standard procedures. In the operating budget, the Racial Equity Budget Tool requires all parts of the County to think critically on the impact of the services and their needs to perform those services more equitably. The 2023 Adopted Budget included funding in many departments that originated from ideas in the Racial Equity Budget Tool. In the capital budget, the formula used by the Capital Improvement Committee includes a section on racial equity impact of the requested capital project.

Goal 3: During its second year of implementation, the grant develop team within the PMO refined its systems for grant searching and supporting development of new proposals with County content experts. Familiarity and continuous improvement allowed for effective collaboration between PMO and County department staff.

In 2022, the PMO proposed the Matching Grant Pilot Program and received approval for \$2M in ARPA aid for matching funds for new competitive grant opportunities, to stimulate grant development across County departments. The program will remove a common barrier to pursuing new grant funds and reduce financial strain caused by matching requirements to support the programmatic goals of Milwaukee County service

areas. The overarching goal of the program is to maintain a 75% return on the matching fund investment. Although this is a new program, the Matching Grant Pilot Program will enable County departments to pursue new grants despite matching requirements.

4. What factors *hindered* progress toward accomplishing these goals?

Goal 1: Although SBP exceeded its initial goal, capacity challenges faced by the Enterprise Data Services team in IMSD and a lack of robust data governance across Milwaukee County have and continue to present challenges toward the development and maintenance of future dashboards.

Goal 2: External factors had significantly negative impacts on the County's budget gap. The high rate of inflation increased the cost-to-continue in many departments without a commensurate increase in revenue. Additionally, investment losses in 2022 are leading to an increase in budget gap for County pension contributions, which is an issue that impacted public pension systems nationwide.

Goal 3: PMO grant staff share new grant opportunities weekly with County offices and departments. Factors that deter interest in new grants usually included: 1) matching fund requirements; 2) capacity of the service area to implement and meet grant reporting requirements; and, 3) subject matter expert availability to develop a concept and generate technical language in absence of a "plan on a shelf".

Capacity to implement grant projects within County departments and offices continues to hinder the entity's ability to apply for new funds, especially with the influx of ARPA projects, vacancy rates, and competing priorities. Efforts were made to build in project coordination roles in grant budgets to address this need. Limited County resources (operating and capital) also create a challenge when matching funds are required for a grant competition, which is why the ARPA Matching Grant Pilot Program was created.

5. Aside from financial resources, what help does your department/office need in identifying and achieving your strategic goals?

Strong executive sponsorship from Milwaukee County elected officials has and will continue to be critical to SBP's success in realizing its strategic goals. Collaboration across administrative departments is also invaluable as the PMO works to improve County processes and operations, find new sources of revenue, and address the organization's most pressing issues through priority, strategy, and internal communication projects.

6. What is the status of your department/office in developing its strategic plan?

SBP has developed a five-year strategic plan, which is attached to this report. SBP team has developed and reviews key performance indicators in the form of a scorecard to ensure progress on annual goals and quarterly milestones aligned to the strategic plan. Annual strategies are cascaded to the budget, strategy, and PMO service areas so that office staff can align their efforts.

**FISCAL EFFECT**

The report is informational only and there is no fiscal impact.

**VIRTUAL MEETING INVITES****PREPARED BY:**

Joe Lamers, Director, Office of Strategy, Budget and Performance  
Isaac Rowlett, Strategy Director  
Dan Laurila, Operating Budget Manager  
Vince Masterson, Capital Budget Manager  
Ashley Adsit, Director, Project Management Office  
Claire Miller, Senior Project Manager

**APPROVED BY:**

Joe Lamers, Director, Office of Strategy, Budget and Performance

**ATTACHMENTS:**

SBP Strategic Plan

cc: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors  
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk