

Reply to Common Council File No. 011627

From DOA-Budget and Management Division

June 14, 2002

Ref: 02043

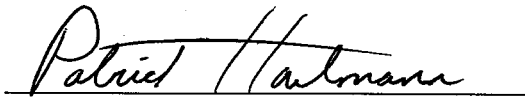
Common Council File No. 011627 is a communication relative to a policy on the filling of vacant City positions.

At its March 25, 2002 meeting, the Finance and Personnel Committee discussed this file and approved a motion to impose a strict hiring freeze from March 26th through June 30th on all city positions, with the exception of grant funded positions, seasonal laborers, firefighter and police officer recruit classes, and other positions set forth in the attachment from the Budget and Management Division-Department of Administration's City Budget Preparation Manual. It was also moved that, during the duration of the hiring freeze, the Finance and Personnel Committee, at the discretion of the Finance Chair, would consider requests to fill positions which met the attached "Criteria for Classifying a Position Vacancy as Critical".

The motion for a strict hiring freeze was offered as a result of the Governor's proposed state budget reform bill, which includes a significant reduction in state shared revenue for the City in 2003. The motion also described the reduction of certain authorized expenditures within the 2002 Adopted City Budget to better position the City for 2003 as being in the best interest of the City and its taxpayers.

Since the March 25th meeting of the Finance and Personnel Committee the City has maintained vacancies for 22 management and 104 non-management tax levy funded positions, resulting in an estimated savings of \$1.6 million in salary costs. Also, since that time, the State of Wisconsin has not approved the state budget, leaving to question state shared revenue funding for the City in 2003 and future years.

RECOMMENDATION: DUE TO THE CONTINUED UNCERTAINTY REGARDING THE AVAILABILITY OF STATE SHARED REVENUE TO THE CITY OF MILWAUKEE, CONTINUE THE HIRING FREEZE, AS SET FORTH BY THE FINANCE AND PERSONNEL COMMITTEE, FOR ANOTHER THREE MONTH PERIOD JULY 1 – SEPTEMBER 30, 2002.


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PJH:

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