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Ald. Michael D'Amato
Ald. Michael J. Murphy
(414) 286-2221

New Contract Promises To Increase City Revenue, Reduces Fees

A new contract approved Monday by a Common Council committee could bring in more than \$1.6 million owed to the city in unpaid Municipal Court fines and judgments, Ald. Michael S. D'Amato and Ald. Michael J. Murphy said today.

"I want to thank the City Attorney's office and Municipal Court staff for advertising this contract nation-wide so that the city could secure the best possible deal," said Ald. D'Amato, chair of the Council's Judiciary and Legislation Committee – the panel that approved the new contract with firm Harris & Harris yesterday.

Ald. Michael J. Murphy, chair of the Council's Finance and Personnel Committee and a member of the Judiciary and Legislation Committee, said the projected increase in collection revenue may be used quickly to help city neighborhoods fight crime. "I'm exploring the possibility of offsetting the cost of hiring an additional class of Milwaukee police officers so they could be deployed sooner than expected," he said.

Ald. D'Amato said the new deal "promises to both reduce our fees and increase our collections so that we may invest those funds in growing and improving Milwaukee." "This collection contract shows one of the innovative ways which the Council leadership has promoted to cut costs and increase revenue."

The new collections contract will increase collections from overdue Municipal Court fines and judgments approximately \$1.6 million per year primarily because the city will be able to keep more of the money that is collected, Ald. D'Amato said. For instance, instead of paying the collections firm a fee percentage of 30% in all cases (as in the previous contract), the new contract reduces the fee percentage to 27% for legal referrals in which litigation is initiated and 24% for legal referrals resolved prior to litigation.