



Cavalier Johnson
Mayor, City of Milwaukee

February 17, 2023

Honorable Members of the Finance & Personnel Committee,

I am writing to supplement the February 6, 2023 letter Mayor Johnson sent to the Honorable Members of the Common Council appointing Mr. Preston Cole to serve as Department of Administration Director.

Specifically, I want to share a unique salary structure proposed for Mr. Cole’s position. Mr. Cole has a long, distinguished career with the City of Milwaukee, including his role as the Commissioner of the Department of Neighborhood Services. After retiring from the City of Milwaukee in 2019, Mr. Cole became the Secretary of the Department of Natural Resources for the State of Wisconsin. As a result of his retirement, Mr. Cole is entitled to receive - and has been receiving - a city pension.

Given Mr. Cole’s unparalleled resume, the current salary range and the market for similar positions, Mayor Johnson would be offering Mr. Cole the Administration Director position at a salary rate around \$150,000. As a returning employee, Mr. Cole would be entitled to continue to collect his city pension while not financially contributing to the pension through his paycheck (5.6% of his paycheck). This situation is commonly referred to as “double dipping.”

Recognizing our financial position, the impact of our pension system on overall city finances, and the fact Mr. Cole would be receiving both a paycheck and city pension, Mr. Cole has agreed to join Mayor Johnson’s Administration at a greatly reduced salary rate of \$100,000, or ***\$50,000 below the market rate***. In addition, that \$50,000 savings otherwise budgeted in the Department of Administration for this position, will be earmarked toward an annual ***\$50,000 contribution to the pension reserve fund***. Because \$100,000 is below the minimum of the Department of Administration Director pay range, the Department of Employee Relations has recommended the following footnote be added to the title in the Salary Ordinance as follows. As Mr. Cole is a city resident, he will receive an additional 3% resident incentive to the non-resident wage rate indicated below.

In the Salary Ordinance

Under Pay Range 10X

Add the following footnote (2) to the title of ‘Administration Director’.

(2) Preston Cole to be paid at the rate the following rate:

Biweekly	\$3,734.14
Annual	\$97,087.64

On behalf of Mayor Johnson, we are grateful that Mr. Cole accepted the invitation to return to city service, particularly with this proposed salary structure. We acknowledge the unique fiscal circumstance merits a unique solution. Here, we are able to bring in a first-class candidate and responsibly address the impact on our pension system.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nick DeSiato". The signature is fluid and cursive, with the first name "Nick" and last name "DeSiato" clearly distinguishable.

Nick DeSiato
Chief of Staff
Office of Mayor Cavalier Johnson