

## FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU

### Executive Summary: 2006 PROPOSED BUDGET-CITY ATTORNEY

1. The 2006 proposed budget for the City Attorney office is **\$6,833,435**, an increase of **10%** from the 2005 budget (Page 2).
2. The 2006 proposed budget includes 2 new Assistant City Attorney positions, including an adjustment in position authority to reflect the part-time Assistant City Attorneys (Page 2).
3. In 2006, estimated staff costs for legal services for TIDs are reflected by a Capital Improvement Deduction of \$150,000 in the City Attorney's Salary line. (Page 2).
4. The Community Prosecution Program within the City Attorney's Office has been implemented and is operating successfully. The 2005 budget provided the funding for the hiring of two additional assistant city attorneys (Pages 3-4).
5. The Public Nuisance and Abatement Program is successfully growing to meet the challenges posed by nuisance housing, including abandoned housing units, drug houses and properties where police are continually called for service related to community complaints (Pages 4-6).
6. The Kohn Law Firm is contracted to collect delinquent property taxes and accounts receivable. The Kohn Law Firm collects *in personam* delinquencies related to delinquent property taxes and city accounts receivable with a projected amount of \$8.6 million to be collected for 2005 and over \$9 million for 2006 (Pages 6-7, 10-11).
7. Funds contained in Special Purpose Accounts under the authority of the City Attorney have **increased** by **\$100,000** from the 2005 budget (Pages 8-12). Under the auspices of the Collection Contract SPA, over \$8 million is estimated to be collected in 2005 with \$9 million projected for 2006. The Tax Intercept Program is projected to collect approximately \$3 million in 2005, in overdue municipal forfeitures (Pages 10-11).
8. The Comptroller's Office estimates a 2006 increase of 10% in revenue for the City Attorney's Office from the amount estimated for 2005 (Page 12).

**FISCAL REVIEW SECTION – LEGISLATIVE REFERENCE BUREAU**

**2006 PROPOSED BUDGET SUMMARY: CITY ATTORNEY**

<b>CATEGORY</b>	<b>2004 ACTUAL</b>	<b>2005 BUDGET</b>	<b>CHANGE</b>	<b>2006 PROPOSED</b>	<b>CHANGE</b>
<b>OPERATING</b>	\$6,367,139	\$6,185,158	-2%	\$6,833,435	10%
<b>CAPITAL</b>	0	0		0	
<b>POSITIONS</b>	61	62	+1	64	+2

The City Attorney's Office conducts litigation, provides legal advice to city officials, prepares and reviews legislation for the Common Council, collects claims and delinquencies, and prosecutes violators of city laws. The City Attorney is responsible for drafting all legal documents that are required in conducting the business of the city. The department is also responsible for the city's risk management function.

**Departmental Mission Statement**

To provide quality legal services and successfully meet clients' needs in accordance with the City Charter and statutory requirements.

**Analysis**

1. The 2006 proposed budget includes 2 new Assistant City Attorney positions. One Assistant City Attorney position and FTE is being added for legal services provided to the Employees' Retirement System (ERS). This position will be reimbursed by ERS. Monies for this purpose would return to the City as general revenue after being billed and paid. The other position reflects an adjustment in position authority to reflect (4) Assistant City Attorneys budgeted at 0.60 as full-time equivalents versus (3) Assistant City Attorney positions budgeted at 2.40. This is a more accurate reflection of existing position authority.

(Last year, at the City Attorney's request, the Budget Office and Administration pursued measures to obtain additional cost recovery of legal services provided to RACM. The Budget Office subsequently reached an agreement with DCD so that City Attorney staff time spent providing legal services in connection with a tax incremental district (TID) can be charged directly to the TID. This has resulted in a Capital Improvements reimbursable reduction of \$150,000 in 2005 and 2006. In 2005, the Community Development Block (CDBG) funding allocation included \$30,000 for administrative costs for City Attorney legal services provided to the CDBG program based on actual hours billed.)

2. Personnel costs include \$61,363 in *Other*. As specified in the Association of Municipal Attorney's contract, this amount will be available for distribution to the Assistant City Attorneys based upon a formula. This **merit increase** is effective the first pay period for the fiscal year following the year in which the performance has been evaluated and may be in addition to an individual's step increases within pay grades.

3. Services funded in *Professional Services* (\$171,500) include expenses and expenditures relating to litigation and administrative matters including: membership dues, outside copying services, filing fees, courier services, Register of Deed recordings, State Process, Legal Fund reimbursement, Title Reports, court reporting and transcription services, and Westlaw database charges.
4. \$61,000 has been budgeted for *Reimburse Other Departments* in the 2006 proposed budget. Expenditures include reimbursements to Milwaukee Printing & Records (MPR), Information Technology & Management Division (ITMD), DPW telephone charges, and DPW fleet charges (vehicle rental).
6. No *Capital Projects* are proposed in 2006.
7. In total, Net Salary and Wages (\$4,489,179), as well as Fringe Benefits (\$1,885,455) account for 93% of the City Attorney's 2006 proposed budget.

### **2006 Continuing Initiatives**

1. Before the Parking Citation Review Manager position was created, all the Assistant City Attorneys assigned to the Ordinance Enforcement Division reviewed parking tickets. In order to do this, there always had to be one or two attorneys in the office, while the other attorneys covered the Municipal Courts. Creation of this position enabled the office to transfer one attorney position to City Hall and eliminated the need for attorneys from City Hall to cover for this assignment, freeing up more attorney time at City Hall. In addition, the remaining attorneys are handling opinions and assignments they did not have time to do before. The position has also improved customer service through more consistent decision making for ticket challenges and decreased wait time for review appointments. There are currently no plans to change or add to the duties of this position.
2. The Community Prosecution Program within the City Attorney's Office has been implemented and is operating successfully. The 2005 budget provided the funding for the hiring of two additional assistant city attorneys. This has been accomplished.

To provide service to citizens throughout the city, one attorney has been assigned to handle nuisance complaints on the north side and is stationed in the Seventh District Police Station at 3626 West Fond du Lac Avenue. The other attorney has been assigned to the south side and is stationed at the Second District Police Station at 245 West Lincoln Avenue. The Milwaukee Police Department has provided office space for those attorneys and monies from the budget allocation was utilized to purchase the necessary office equipment. Both district station offices are fully operational. The City Attorney's Office has also assigned one attorney located at City Hall to coordinate the program and to provide additional community prosecution efforts. Additionally, two assistant district attorneys from the Milwaukee County District Attorney's Office are located at these district stations and interact with the Milwaukee city attorneys on a regular basis. Since its inception, the community prosecution program in the City Attorney's office has been handling nuisance

complaints reported by local leaders and citizens, as well as developing and implementing initiatives aimed at improving the quality of life in Milwaukee.

3. The 2004 budget stated that the City Attorney's Office would work with other city departments to develop a protocol for use of *in rem* property tax foreclosures and establish criteria for legal proceedings for *in rem* versus *in personam* action. Through 2005, the City Attorney has continued to develop procedures to facilitate this protocol.

In accordance with Common Council Resolution File No. 030680, the City Attorney's Office developed a protocol that was finalized in December of 2004. This protocol is intended to assist departments in determining whether community-improvement-in-rem-foreclosure-actions should be undertaken for particular parcels. In early 2005, the protocol, in questionnaire form, was put on the City's MINT. The protocol has produced the desired results. It has led to better interdepartmental coordination and communication.

Under the protocol, a department or alderperson wanting the City to acquire a specific tax-delinquent parcel completes the questionnaire form available on the MINT (i.e., "Internal Protocol for Community-Improvement-In-Rem-Foreclosure Actions") explaining why the City should acquire the parcel and providing background information on the parcel, the delinquencies, reasons for the City to foreclose, proposed timing of the foreclosure, etc.

Regarding timing, the requester indicates on the questionnaire whether the parcel can/should be foreclosed against as part of the next regularly scheduled foreclosure file of the Treasurer (currently once per year) or sooner. If a sooner foreclosure is desired, the requester must identify fund-availability to pay the foreclosure costs.

The City Attorney then reviews the questionnaire to determine what *in personam* tax collection efforts have been already employed against the subject delinquencies and whether a legally defensible rational basis exists for foreclosing against the parcel sooner than the City would otherwise foreclose.

If the taxes have not already been collected via the *in personam* remedy, and the requester has articulated a rational basis for foreclosure, the City Attorney then communicates that to the Treasurer and the requester, and the foreclosure is initiated.

### **Public Nuisance and Abatement Program**

In addition to resolving problems referred to the City Attorney Community Prosecutors by numerous sources, the office also has spear-headed citywide initiatives. The first initiative of the Community Prosecution Unit was an effort to eliminate vacant, boarded-up, residential properties in the city of Milwaukee. That initiative was implemented to address the effects a vacant, boarded-up property has on the surrounding community and the city as a whole. The initiative utilized the recent enactment of section 275-32-7.5, Milwaukee Code of Ordinances, as a means to compel the property owner to remediate the situation. Working with various community groups, the Milwaukee Police Department and the Department of Neighborhood Services,

approximately 200 vacant, boarded-up, residential properties located in the Sherman Park, Lisbon Avenue and near south side areas of Milwaukee were identified and referred to the City Attorney's office. Every property owner was notified by mail of the ordinance regulating vacant, boarded-up residential properties. Additionally, the City Attorney's office personally contacted nearly 90% of the property owners and instructed them on the necessity to restore their property to a compliant condition. At this time, the City Attorney is projecting that approximately 50-75% of those owners will comply with the new ordinance after being contacted by the Community Prosecutors. It is also anticipated that non-complying owners will be subject to prosecution in Municipal Court, as well as other actions taken against them in an effort to gain full compliance with our building code.

*The Community Prosecution Unit has requested that the Department of Neighborhood services begin preparing another list of vacant, boarded-up residential properties for referral to the City Attorney's office. That list will contain approximately 300 properties that have been provided to the city by the City-Wide Housing Coalition.*

The Community Prosecution Unit of the City Attorney's Office is launching a new initiative aimed at reducing the number of "known drug houses" in the city of Milwaukee. This initiative is an effort to end, in a definitive way, the continued use of any buildings or structures for the sale or distribution of illegal narcotics. Utilizing current nuisance abatement law, any documented arrests in the trafficking of illegal drugs in a building in the city will be considered for nuisance action. Upon receiving the police reports and criminal complaint from the Milwaukee County District Attorney's Office regarding an arrest for drug dealing, the City Attorney will prepare a notice informing the building owner and all interested parties of their responsibility to abate the drug nuisance. The building owner will be asked to meet with the City Attorney, representatives from the Milwaukee Police Department, District Attorney's Office and the Department of Neighborhood Services to devise a comprehensive plan to eliminate future drug dealing at that location. Inaction by a building owner would lead to filing a formal nuisance action in Milwaukee County Circuit Court. Such a court action could lead to the owner losing his/her rights to ownership of the building, a receiver being appointed to manage the site, or any other reasonable steps to stop the sale or distribution of illegal drugs. The ultimate goal of this initiative is to send a message to drug dealers and property owners that the continued use of properties to facilitate the sale and distribution of illegal drugs in the city of Milwaukee is over.

In response to requests from the Common Council and the Milwaukee Police Department, the Community Prosecution Unit will be starting an initiative to deal with chronic nuisance properties in the city that have been identified through requests for police service. Statistics have been compiled that indicate that there are approximately 200 properties in the City of Milwaukee that have been the source of numerous requests for police service due to criminal activity. Those locations have been identified by police district, street address and the number of calls for police service. Up to now, the only adverse action taken against those property owners was to bill them for the police service. This initiative will be aimed at identifying the problems that exist at those properties and formulate viable solutions to resolve them. The City Attorney's office anticipates that there are as many as 150 potential nuisance actions that could be commenced against those

property owners when the Milwaukee Police Department provides information concerning the nature of the calls for police service and the results of the corresponding investigation.

The injunction against known prostitutes in the City of Milwaukee that was commenced in 1998 by the City Attorney's Office in Milwaukee County Circuit Court has been expanded through the efforts of the Community Prosecution Unit. That expansion included adding another 68 known prostitutes in the injunction action and expanding the identified boundaries to include new areas that are experiencing problems attributed to prostitution. During the next several months, there will be another request made to the Circuit Court to add an additional 125 known prostitutes to the injunction. Those additions and modifications to the injunction against prostitution activity in Milwaukee are a direct result of the Community Prosecution Unit working with police officers and various community groups to combat prostitution in the city.

### **Assignment Data for 2005**

From January thru September, the City Attorney received approximately 277 assignments and referrals to the Community Prosecution Unit. The matters included: nuisance actions, referrals from alderpersons, constituents, community liaisons, community organizers, MPD, and DNS, and demolition and building code referrals from DNS. Of the 277 assignments, 101 are vacant, board-up assignments, of which 77 have been closed. To date, the Community Prosecution team has successfully closed a total of 110 assignments in 2005. Because of the manner in which the new attorneys in the unit were funded, the activities did not start in earnest until March of 2005.

### **In Personam Tax Collection Remedy**

On June 29, 2001, the Council (File No. 001773) authorized amending the Kohn Law Firm collection contract to include use of the *in personam* remedy for collection of delinquent real property taxes. The Kohn contract was amended, and in mid August of 2001, the entire "do-not-acquire list" was referred to Kohn for collection (approximately 351 parcels with over \$8,000,000 in delinquent taxes (principal, interest, and penalties).

In 2002, as part of a test program desired by the Treasurer's Office (the "Treasurer's Test Program"), additional delinquent real property taxes were referred to Kohn for collection. The "test" was to see how Kohn would do on collecting the tax-year 2000 delinquencies against non-DNA List parcels.

Under the Treasurer's Test Program, it was agreed that Kohn would charge a flat fee equal to 10% of the amount collected, and, that Kohn would only engage in pre-lawsuit collection activities.

On June 13, 2002, the non-DNA List parcels with tax-year 2000 delinquencies were referred to Kohn.

The Treasurer's Test Program lasted approximately 180 days. In 2003, the Common Council approved amending the Kohn Collection Contract. The amendment included establishing new

fees pertaining to collection of real-property taxes. Subsequent to the amendment of the contract, the Treasurer – after the Treasurer had sent out a series of letters to delinquent owners attempting to collect – began referring all delinquent tax accounts (real and personal) to Kohn for collection. Hence *in personam* became the remedy of first choice for tax collection for the City. Accounts that Kohn is not able to collect (e.g., unable to locate owner; asset less owners, etc.) are then referred back to the Treasurer for *in-rem* foreclosure as the secondary or fallback remedy.

If a City department or alderperson wishes to “shortcut” the above process by having the City employ the *in rem* remedy sooner, rather than later, the department or alderperson uses the “Community-Improvement-In-Rem-Foreclosure Protocol.” The *In-Rem* Protocol has been used to acquire tax delinquent properties desired by city departments approximately 30 times since its inception.

Kohn has provided the following placement and collection statistics for *in personam* actions taken against delinquencies in the payment of real estate taxes.

In 2003 and 2004, Kohn collected 69.1% and 70.0% of the gross dollars referred and/or added to the account (e.g. interest, penalties, and costs), respectively. So far in 2005, they have collected 43.4%, which is on target for the year, given that they still have about 3 months to go in the collection period, along with the majority of their suit filings.

Kohn also points out that the majority of collections are not the result of formal *in personam* actions, but instead achieved by an effective series of letter demands and constant telephone contact (or attempted contact). Accounts are referred to Kohn only after a sequence of actions takes place. The process begins with a series of 4 letters to the property owner from the City Treasurer’s Office. This is followed by 2 letters from the City Attorney’s Office threatening legal and collection actions. Next, the remaining delinquent accounts are referred to Kohn and for a period of 6 months, Kohn works to make payment arrangements with delinquent property owners, pursues *in personam* judgments where deemed advisable under the City Attorney’s guidelines and pursues post-judgment actions where deemed advisable. This benefits the City by keeping the vast majority of their collections in the 8% and 10% fees categories. Kohn sued 381 accounts in the 2003 group of referrals and 302 in the 2004 group, and have collected over 90% of those lawsuits in full. The small number they were unable to recover was eventually returned to the Treasurer’s office for foreclosure, basically one year later than their counterparts from the original group of referrals.

The challenges of the program have been minimal. In 2004, Kohn had to revise the closing procedure due to discrepancies between the record in their office and the treasurer’s. This year, Kohn put in a system for satisfying uncollected *in personam* judgments when the City used those same taxes to take title.

Overall, the program has gone quite smoothly and successfully. According to the City Treasurer’s report to the Outstanding Debt Task Force, “the contract with the Kohn Law Firm is resulting in the collection of millions of dollars in unpaid taxes.”

**Special Purpose Accounts**

Special Purpose Accounts are not included in departmental budgets but expenditure authority over them is typically extended to departments by virtue of Common Council resolution after the budget is adopted.

The City Attorney's Office administers five special purpose accounts. Funding for the 2006 City Attorney SPAs is \$4.45 million, which is an increase of \$100,000 from the 2005 budget.

<b>Special Purpose Accounts</b>	<b>2004 Expenditure</b>	<b>2005 Budget</b>	<b>2006 Proposed</b>
Damages and Claims Account	\$1,845,753	\$1,875,000	\$ 1,875,000
Insurance Fund	\$488,192	\$ 700,000	\$ 700,000
Outside Counsel/Expert Witness	\$183,056	\$ 225,000	\$ 225,000
Collection Contract	\$1,102,378	\$1,250,000	\$ 1,250,000
Fire and Police Discipline/ Citizen Complaint	\$144,546	See page 11	
Receivership Fund	\$232,183	\$ 300,000	\$ 400,000
<b>Total</b>	<b>\$3,996,108</b>	<b>\$4,350,000</b>	<b>\$4,450,000</b>

**Damages and Claims Account**

This account provides for payment of general liability judgements against the city. The 2006 Proposed Budget provides \$1.875 million for the Damages and Claims Account, a similar amount as in the 2005 budget. The proposed funding for 2006 is based on the average of previous years and looks at current legal trends.

Approximately \$35,000 to \$55,000 is paid out monthly for routine claim and lawsuit payments. Another \$75,000 is paid annually for uninsured motorist claims.

*In 2003, the Damages and Claims SPA was supplemented with \$600,000 from the Common Council Contingent Fund. This is the most recent draw from the Contingent Fund to supplement this SPA. No additional appropriation has been required, to date, in 2005.*

Due to the unpredictable course of litigation, it is impossible to predict what, if any, major cases could result in judgments/settlements in 2006. The City Attorney believes that the proposal to

fund the Damages & Claims Fund at \$1.875 million is adequate to fund routine settlements. However, the City Attorney has stated that matters pending could result in judgments/settlements that could be well over \$1 million and possibly in the neighborhood of several million dollars. In the event that occurs, the City Attorney will have to request additional funding for those judgments/settlements. At this time, however, the City Attorney does not recommend increasing the funding for the Damages and Claims Fund for 2005 because a reasonable judgment about the amount of the ultimate judgment/settlement or when the obligation to pay will arise cannot be made.

### **Insurance Fund**

Funds are provided in this account to pay the insurance premiums on various policies carried by the city, to pay for public officials' bonds and to pay the fee of the city's risk management consultant, who advises the office on an as-needed basis. The 2006 proposed budget allocates \$700,000 for this account, a similar amount as budgeted in 2005. Premium increases in 2004 accounted for an increase in the 2005 budget from 2004.

### **Outside Counsel/Expert Witness Fund**

Council File # 030183 places expenditure authority for the Outside Counsel/Expert Witness Fund Special Purpose Account in the City Attorney's Office and requests the City Attorney to advise the Judiciary and Legislation Committee in writing within 48 hours of the hiring of any outside counsel; that the City Attorney advise the Judiciary and Legislation Committee in writing within 48 hours of the retention of any expert whose compensation is anticipated to exceed \$10,000; and that the City Attorney submit a written report to the Judiciary and Legislation Committee every other meeting of expenditures from the Outside Counsel/Expert Witness Fund Special Purpose Account.

This account supports outside legal services in specific major court cases and experts in court and administrative matters. The City Attorney's Office tracks costs for each case and reports these costs and expenditures to the Judiciary and Legislation Committee. The purpose of the fund is to minimize Contingent Fund exposure and large unspent balances in closed cases. In 2005, File 050436 appropriated \$75,000 from the Common Council Contingent Fund to the Outside Counsel/Expert Witness Fund Special Purpose Account. A significant amount of this year's SPA, 31% or \$70,483, has been paid to fulfill legal expenses related to the case of *Alexander, et al. v. City of Milwaukee*. This supplement is the first since 2001.

The following cases and matters are currently being funded and, will very likely, carry over to 2006:

- Alexander, et al. v. COM, et al.*, Case No. 03-C0611 – Employment Discrimination (Ensuuing Appeal)
- Arthur Jones v. COM* EEOC Matter 260-2004-00539C - Employment Discrimination  
Department of Administration Immigration Matters
- Hayes, Thomas – Legal Consultant
- Miles v. Young, et al.* – Police Excessive Force

*Milwaukee Metropolitan Sewerage District v. COM*, Appeal No. 02-2961 – Negligence Claim  
*MPA, et al. v. ERS et al.* Case No. 03CV000011– Contract Dispute  
Nawotka, Craig – Fire & Police Commission Disciplinary Appeal  
Sewer Overflows Litigation  
Special Prosecutors at Ordinance Enforcement Division  
*Tower Automotive Products Company, Inc. v. COM*, Case No. 04CV0049 – Contract Dispute

It is difficult to predict what new actions may require use of the fund in 2006.

The 2006 proposed budget provides \$225,000 for this SPA, a similar amount as in the 2005 adopted budget.

### **Collection Contract**

This account funds private collection agencies' contracts with the city for the collection of outstanding personal property taxes and city accounts receivable. The 2006 proposed budget provides \$1,250,000 for this account, a similar amount as in the 2005 budget. The Collection Contract generates at least \$4 million in net revenue for the city.

According to the Kohn Law Firm, \$8,600,000 is the estimated dollar amount to be collected in 2005. This figure was arrived at by extrapolating from the first 8 months of 2005 and factoring in a slight slowdown as the later stages of the real property tax collection period is reached.

Kohn estimates \$9,030,000 may be collected in 2006. They indicate, this figure is speculative, because the actual number will be primarily determined by the accounts and dollars eventually referred. If there is a significant increase or reduction, the collection totals will reflect that, as their overall liquidation rates have remained somewhat constant. Because of what they believe to be the effect of having more and more judgments in place, they have been seeing a consistent **increase** in overall collections year-to-year. As a result they have forecasted another 5% increase, assuming a similar level of referrals.

Kohn's fees vary significantly, depending on the type, size and legal status of each account. The various rates set forth in their contract with the City are the following:

#### **“Regular” Real Property Taxes:**

Over \$5,000	8%
\$5,000 or less	10%
Any balance requiring suit	20%

#### **“Do Not Acquire” Real Property Taxes and Personal Property Taxes:**

Over \$35,000	12%
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Over \$35,000 requiring suit	15%
\$35,000 or less	18%
\$35,000 or less requiring suit	25%

All other City Receivables:

Over \$35,000	12%
Over \$35,000 requiring suit	15%
\$15,000 to \$35,000	18%
\$15,000 to \$35,000 requiring suit	22%
\$15,000 or less	20%
\$15,000 or less requiring suit	25%

There has been no change in this commission schedule for 2005 and none is expected for 2006.

The Collection Contract SPA also funds the activities of Professional Placement Services (PPS), L.L.C., which collects overdue Municipal Court judgments.

Municipal Court reports that collections are very close to what they were last year at this time. It appears the City will end up close to last year or \$3.3 million. On February 22, 2005, the Common Council adopted Resolution No. 041393, authorizing and approving an Amendment to the Contract for overdue Municipal Court judgments with Professional Placement Services, LLC (PPS). The amendment revised the calculation of fees paid to the Contractor. Under the contract provisions, the Contractor is paid a commission rate of 24% for regular collections and a rate of 19% for State of Wisconsin Tax Refund Intercept Program (TRIP). At this time, there are no changes projected for 2006.

**Fire and Police Discipline and Citizen Complaint Fund**

This account was created from the Damages and Claims SPA as a component of the 2002 budget. This fund was created to more accurately track and account for legal expenses paid for sworn personnel cleared of wrongdoing. The 2005 budget returned this separate fund to the larger Damages and Claims SPA.

**Receivership Fund**

This Special Purpose Account was created in the 2003 budget and placed under the control of the City Attorney's Office.

Most of the Receivership SPA funding is allocated to the Woodlands Project (91<sup>st</sup> & W. Brown Deer Rd.) These activities include the ongoing maintenance of City and NIDC-owned units, and the reduction of the indebtedness that NIDC incurred in purchasing those units.

The SPA funds are used for recurring receivership costs. The expenses are from both long-term and short-term receivership cases. With the additional \$100,000 in the 2006 proposed budget

(\$300,000 was budgeted for 2005) the Community Prosecutors will work to accomplish the Common Council's initiative and pursue potential nuisance abatement matters.

## DEPARTMENTAL REVENUES

Charges for Services	2004 Actual	2005 Budget	2006 Estimate
	\$744,088	\$721,600	\$796,900 (+10%)

Revenue estimates for the City Attorney are generally based upon three-year averages of typical experience. Sources for revenue include reimbursement from city departments and the Redevelopment Authority (RACM) and Employees' Retirement System (ERS). RACM reimburses the city for legal services charged, up to \$50,000 annually. Additionally, with Common Council approval, the Community Development Block Grant (CDBG) funding allocation will include \$30,000 for administrative costs for City Attorney services provided to the CDBG program in 2005 based on actual hours billed. Monies for this purpose would return to the City as general revenue after being billed and paid.

Other general sources of revenue include payments on property damage claims, administrative costs relative to vacating judgments against delinquent tax parcels, and awards and damages paid on lawsuits.

The amount collected from general revenue sources is difficult to predict.

### Further Information

In light of the City Hall restoration work, the City Attorney will be required to relocate temporarily, beginning in 2006. In light of this necessity, the City Attorney articulates some concerns and issues that may arise in the course of the relocation:

- potential disruption of services because of the duration of the project – three year minimum relocation
- necessity of operating from one location for efficiency reasons
- proximity to City Hall and clients
- quick access to Council and Committee Meetings
- loss of productive time for traveling
- connectivity to City's Intranet
- availability of City of Milwaukee phone and data service
- accessibility to City mail services
- sufficient space to accommodate office needs including offices and storage facilities
- accessibility to existing office files

The City Attorney, in light of the fiscal constraints and pressures of the 2006 budget, also provides further information related to the services conducted by the office:

Since much of the City Attorney's Office work is not foreseeable, it is possible greater resources may be necessary in 2006. As other city departments reduce their staff, some of the work migrates to the City Attorney's office. For example, staff reductions in the Department of City Development (DCD) have resulted in the City Attorney performing more real estate services including handling more questions and providing more advice regarding business-related issues.

Also, the impact of outsourcing traditional city services has resulted in the City Attorney's office handling more legal questions from outside contractors. Issues that may have previously been handled in-house by DCD and DPW staff who knew the projects and the process are now being referred to the City Attorney's office. In addition, because of staff reductions in other departments, there often is not sufficient internal City staff available to handle project administration. Project administration is not a normal staff function of the City Attorney's office, and there is insufficient staff in place to perform that function, e.g. Park East Project.

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