



# City of Milwaukee

City Hall  
200 East Wells Street  
Milwaukee, WI 53202

## Meeting Minutes FINANCE & PERSONNEL COMMITTEE

**ALD. FREDRICK G. GORDON, CHAIR**

**Ald. Michael J. Murphy, Vice Chair**

**Ald. Paul A. Henningsen, Ald. Michael S. D'Amato, Ald. Willie L. Hines**

**Staff Assistant, Kathleen Marquardt, 286-2231**

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*\*Italicized comments following the titles of Council files are explanatory only and not intended to limit the scope of the debate or any possible amendments.*

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Monday, October 14, 2002

9:00 AM

Room 301-B, City Hall

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### BUDGET HEARINGS

**Meeting Convened: 9:17 A.M.**

**Present** 4 - Murphy, Henningsen, D'Amato, Hines Jr.

**9:00 A.M.**

- 1) [020236](#) A substitute charter ordinance relating to military service credit under the employees' retirement system.

**A motion was made by Ald. Henningsen that this matter be RECOMMENDED FOR PLACING ON FILE. The motion carried by the following vote:**

**Aye** 3 - Gordon, Murphy and Henningsen

**No** 0

**Excused** 2 - D'Amato and Hines Jr.

- 2) [020851](#) Communication from the Mayor transmitting the 2003 City Budget.

*ALSO PRESENT: Laura Engan, Director (DOA-Budget), Cassandra Patterson – Special Assistant to the Finance & Personnel Committee, Marianne Walsh – Manager (Fiscal Review), Wally Morics & John Egan (Comptroller's Office)*

### MUNICIPAL COURT

*Kristine Hinrichs, Clarice Hall-Moore, David Schroeder & Emma Stamps appeared.*

*Mr. Schroeder read from his highlights stating 146,000 cases was heard in 2001. Ms. Stamps then gave her overview mentioning the proposed personal changes are expected to yield cost savings of \$4.543. The 2003 Proposed Budget provides \$1,889,140 in net salaries and wages to support 46 positions compared to \$1,893,683 for 55 positions in 2002. The 2003 Proposed Budget provides \$712,219 for Operating Expenditures compared to \$817,130 in 2002, a \$140,911 or 12.84% decrease.*

*Although no capital improvement projects are proposed for 2003, the Court continues to concentrate on those projects receiving 2002 funding such as the MCMIS replacement system and WCS remodeling projects. The Wisconsin Correctional Services contract expires on December 31, 2002. A request for Common Council contingency funding may be introduced for the purpose of extending the contract. According to the Budget Office, forfeiture revenue will total \$4,420,000 in 2003, a decrease of \$1.09 million or 19.79% from 2002 due to the reduction in citations written by the Police Department. The Court accepts credit card payments by phone, mail or fax. The Court paid \$12,536 in credit card fees in 2001.*

*Ms. Hinrichs stated the increased cooperation in coordination with the circuit court. They also plan to explore more seriously, which grants they can apply for. They have a teen tribunal program. The court has an agreement with the compass program to supply the data that they need. They expect within a week to 10 days the program should be completed. \$13.5 million has been registered with the State Dept. of Revenue; anyone that owes the City money and ever gets a job, these fees will be satisfied. The judges have agreed if appellants have cases in more than one branch, the judge with the lowest case level, will take all the cases the appellant has. Ald. Murphy asked about the current status of the WI Correctional contract. Ms. Hinrichs stated that for the first time they have 2 people bidding on this contract. To date, in 2002, \$5.1 million has been paid in revenue. Ald. Murphy asked about all the overtime of police officers at Municipal Court. Ms. Hinrichs stated Judge Gramling, Jr. routinely has a 4 PM case and officers assigned to that court, at that time, would not be on overtime, as they are on second shift. The Court works with the Police Department, but the Police Department has not made that information available relative to police officer's schedule. Every trial requires some police witness. Ald. Murphy asked Ms. Engan to break down police overtime in the courts.*

*(Ald. Murphy excused at 9:35 A.M.)*

*Ald. Henningsen asked for all the hours by the various codes from the budget offices. Warrants are issued if someone doesn't show up and a different type of warrant is issued if someone doesn't pay. Warrants are generally executed in conjunction with another police contact. Municipal Court does not enter the warrants. The system generates the warrants automatically. They have a Writ Interface with the police department, which goes on all day. They have an electronic system where they enter when a warrant has been served. Rarely is someone just picked up on a municipal warrant. Ald. Henningsen asked how the judge figures out the community service hours. Ms. Hinrichs stated with juveniles, the rule of thumb is generally 15 hours. Ald. Henningsen said he feels the police are not writing as many citations. He asked Ms. Hinrichs to get him some statistics by type of citations issued. A driver's license can only be revoked for non payment of traffic related citations. Ald. Henningsen asked how many drivers' licenses they have revoked and how much is owed. Mr. Hinrichs stated she did not know. When the license is suspended, it is suspended for a period of time that is consistent with the fine. Ald. Henningsen asked for a report on how much money is owed from all these people that have their licenses suspended. They try to collect by using the collection agency, the judges give appellants 60 days to pay, they can be placed on an installment plan, they can get extensions, if their license has been suspended, if they pay 25% the license is reinstated and continues as a good driver's license as long as they continue to make payments. The collection agency becomes involved when they have no other recourse. Ald. Henningsen said he'd also like to know how many landlords are on the owe list for not repairing properties etc. and what is being done about them. If they do not pay, they issue a lien on that property. The collection contract is paid out of the City Attorney's Office. Ald. Gordon asked*

about the space concerns expressed in last year's budget. Ms. Hinrichs stated so far so good as it relates to the space on the 2nd floor. They are working with Bldg. & Fleets to remodel and make the space available for their use. Overall, the municipal court could provide better and more efficient service if they were in a facility that was designed for their needs. The court and the judges are committed to making their space work as long as they can. They are running on the MIS system. They process payments and court room events every night. On some days 40% of the people that come to court are walk-ins. With the municipal court if a driver's license is revoked, it is on the WISDOT system in 48 hours. The request for proposals for case management system went out last Thursday. They are due on November 5, 2002. Ald. Hines asked if they are working with DOA – Purchasing to maximize the bids. Ms. Hinrichs stated they are and have a list of about a dozen possible proposals. If you get caught for speeding under the county's jurisdiction and your license is suspended for 120 days, it will not even go on your record for 90 days. Ald. Henningsen stated in the past they had lots of complaints relative to municipal court, and complimented Ms. Hinrichs and her staff on the job well done. Ald. Henningsen stated a possible audit for the Comptroller's Office would be to audit the amount of fines uncollected and how our collection process is working. They have a memorandum of understanding to provide the COMPASS grant data on a regular basis. Ald. Henningsen asked if the COMPASS grant is so important why are we not looking for other sources for funding. Ms. Engan stated they are looking for grants and if that is not available, if possible, they may get funding from CDBG.

#### EMPLOYEE RELATIONS (All) & EMPLOYEE BENEFITS

Jeffrey Hansen, Florence Dukes, Michael Brady, Jennifer Gonda, Dennis Yacarrino & Mark Ramion

Ms. Gonda read from her budget highlights stating that 58% of the employees hired in the last year were minorities. Mr. Ramion then read from his fiscal overview, stating the 2003 proposed budget for DER include the budget of the Fire and Police Commission. The 2003 proposed budget includes \$4,403,201, excluding Fire and Police Commission expenses, for operating expenses. This is a 4% decrease from last year. The 2003 budget also eliminates the position of Deputy Director. Two other positions are eliminated upon retirement of the incumbents ( 1 HR Analyst Senior and 1 Office Assistant position). The Equal Rights Commission is proposed for transfer from DOA to DER. Responsibilities for occupational health will be transferred from the Health Department to DER. Employee Health Care Benefits, budgeted for \$80,875 for 2003, represents an 8% increase. The Worker's Compensation SPA is decreased by 1% for 2003. The Intern Program SPA will be eliminated for 2003. The intern program will be operated as a reimbursable. The 2003 proposed budget consolidate the Fire & Police Commission staff into DER. No Fire and Police Commission positions are eliminated as a result of this merger, but three DER positions are eliminated. The Milwaukee Police Association liaisons, 3 positions, are proposed for transfer from DER to the City Clerk's Office. Mr. Yacarrino read his budget highlights and Mr. Ramion followed with his fiscal review. Employee Benefits Divisions intends to make recommendations to the Common Council regarding 2004 health care benefits by June 30, 2003. State law mandates that the city pays for the treatment, if an injury is sustained on the job. An 8% increase for employee health benefits if projected for 2002 to 2003. Management employees enrolled in the Basic Plan for 2003, pay \$136.40 for single coverage and \$249.22 for family coverage. The 2003 budget increases the Basic Plan Claims account by \$1.15 million from the 2002 budget. The 2003 proposed budget increases the HMO funding account by \$5.3 million from the 2002 budget. For 2003, the city's monthly contribution for HMO coverage will be

\$307.10 for single coverage and \$838.38 for family coverage. The 2003 proposed budget increase the dental sub-account to \$2.475 million, a 1-% increase. The City's contribution for dental insurance has not changed since 1992. \$13 is contributed monthly for single coverage and \$37.50 per month for family coverage. DER anticipates changes in health care benefits for city employees in 2004. The Mayor's Task Force on health care issues continues to examine the various forces impacting the local health care marketplace. Ald. Gordon asked about the anticipated benefit of having F&P Commission and the Equal Rights combined with DER. Mr. Hansen stated the person who staffs Equal Rights would work with his staff and provide their expertise. As far as the F&P Commission, they will dedicate a section to taking complaints it is an attempt to have the human resources in one area. The whole area of human resources delivery is not that different and they feel after some time, they will blend nicely. Ald. Henningsen stated they have 6,000 Workman Comp. cases about \$1200 per case. He stated many big corporations bid out for these functions. He asked if we considered it. Ms. Engan stated the claims paid are just the City side and we also handle the school board. The school board reimburses the city for their cost of their claims. Mr. Brady stated they looked into private bidding and the costs were higher than the City is paying. Mr. Brady stated they have an aggressive staff and make sure these are workman's compensation injuries. They don't have a problem with people using or abusing it. Burma Hudson works with the safety coordinators. Mr. Forbes stated Labor Relations went from the City Clerk's Office to DER. Mr. Forbes stated police liaisons really more appropriately belong in the City Clerk's Office. He feels the earliest they can expect a decision from the arbitrator relative to police negotiations is March, 2003. Whatever the results are will be retroactive to Pay Period 1, 2001.

(Ald. D'Amato arrived at 10:10 A.M.)

Ald. Hines. asked if they have seen increases in tuition reimbursement. Ms. Gonda stated more people are applying for tuition reimbursement so it is higher. Any of the certified colleges qualify for tuition reimbursement and the total is \$750,000 for next year. Ald. Henningsen asked if they have any classes on dress code. He feels managers need some suggestions on how the pros deal with a dress code. Mr. Hansen feels it is an individual department decision. People that deal with the public should dress appropriately. He stated over the years there has been a loosening of the dress code. Ald. Henningsen feels that maybe we should have a talk with the union on this.

(Ald. Gordon excused at 10:25 A.M.)

Ald. Hines asked about the elimination of the Senior Analyst position and the loss of the Deputy Director and how that will effect services. Mr. Hansen stated each service delivery team looked it over and that they feel it makes more sense to have those functions specialized. They are dealing with budget reality. DER sees the impact of the hiring freeze by the increase of the request for reclassifications. They only get involved in the hiring process of HACM or RACM when they have an established list for the requested position, which they share with them.

(Ald. Gordon returned at 10:35 A.M.)

(Ald. Henningsen excused at 10:37 A.M.)

Mr. Brady distributed his "Health Care Task Force Update Recommendations" stating he would like to go through the recommendations of the Health Care Task Force of the

Mayor. There are 27 members of that force. The Committee came up with 9 recommendations that can be used by employers throughout Milwaukee and recommendations that insurers would also look at.

9 RECOMMENDATIONS:

- 1) Encourage Employee Health Care Choices
- 2) Provide Access to Medical Care to All Residents
- 3) Change Medicare & Medicaid Reimbursement so that Wisconsin Receives an Improved Share
- 4) Promote Health and Prevent Disease for a Healthier Milwaukee
- 5) Improve Health Care Quality
- 6) Promote cost-effective Prescription Drug Use
- 7) Improve Access to Affordable Health Insurance for Small Employers
- 8) Assure an Adequate Supply of Health Workers and Facilities
- 9) Eliminate Legislative Obstacles

Ald. D'Amato asked why he doesn't see any wellness plans. Mr. Yaccarino stated they want to make certain that this plan really makes healthier employees and is not just a payoff. Ms. Engan stated they have to work on this and see what works best for the City. Mr. Brady stated he hoped to have something in place on wellness after the 1st quarter of 2003. The Health Care Task Force will continue to meet on a quarterly basis. Ald. D'Amato asked if all the members endorsed the recommendations. Mr. Brady stated they were.

Ald. Gordon congratulated Jeff Hanson on all his work with the Committee and congratulated him on his retirement. Mr. Hansen thanked the committee and assured them that he was going to continue to live in Milwaukee and would always take a great interest in Milwaukee.

PORT OF MILWAUKEE

Ken Szallai, Hattie Billingsley, Lawrence Sullivan, Erick Shamburger & Angelyn Ward appeared.

Mr. Shamburger read from his highlights. Ms. Ward also read from her fiscal report, noting the 2003 Proposed Budget for the Port has 34 authorized positions, a decrease of 1 position from 2002. Total operating expenditures are \$753,805, a decrease of \$103,171 from the 2002 budget. The 2003 Capital Improvement provides \$400,000 for capital improvements projects, a decrease of \$385,000 from the 2002 budget. The Harbor Assistance Grant funding from the State of Wisconsin provides a supplement to the City Capital Project titled Pier, Berth and Channel Improvements of \$400,000. The grant is expected to cover 80%. The proposed budget provides \$1,082,600 for Special funds and \$3,280,923 in revenues. Lease agreement for Milwaukee World Festival, Inc. was signed in 2001. This is a 20-year agreement providing about \$960,000 in annual revenue, up from the previous annual revenue of \$30,000 in 2001. This lease will rise 3% annually.

The Port provides about 2,000 jobs to regional citizens with the majority of them in the City of Milwaukee. They have a cruise ship initiative and have had cruise ships come here with the most recent being the Columbus. There is a French Company that owns a cruise ship (La la mont) and they have been successful in having this company move their homeport to Milwaukee. The initiative is growing and they are seeing some successes. These vessels will be docked at the Municipal Pier. The second initiative they are working on with Lake Express is the high-speed ferry. They are projecting they will have a vessel in operation in 2004. They are a little behind due to insurance

*problems relating to September 11, 2001 disaster in New York. They spent 3 years working with the Coast Guard and are getting barges to flow into Milwaukee without the costly inspections.*

*Ald. Gordon asked about the Lease with Pieces of Eight Restaurant. Mr. Szallai replied they had been working on an extension with Pieces of Eight Restaurant and this restaurant has not cooperated in sending back the required paper work to the City. After repeated attempts to get them to cooperate unsuccessfully they were notified that their lease was terminated. This situation is now in the hands of the lawyers. The property the City owns goes right up to the Art Museum. Ald. D'Amato asked about plans for the municipal pier. Mr. Szallai stated it would have to be approved by the Board of Harbor Commissioners. Stated it is more DNR policy than law not to build a private enterprise on the lakefront. They plan to continue with one crane operator until they see what is going to happen with the recession. They took a bit of a hammering in their general cargo operation. Steel on the dock is down roughly 2/3rds from last year. We may be at a level of about ½ of what we were at 2 years ago. Part of their strategy, longer term, in the point of cargo is to have court supported handlers of cargo right in the ports. If you have cargo, you have ships. Ships bring passengers. They have to pitch the City as a great tourist destination. Cruise ships want to go in the Great Lakes to interesting cities. They like Milwaukee because it's small and interesting. Cities that are interesting in their own right will draw cruise ships. Milwaukee and the tours of Milwaukee were some of the highest rated from the point of view of the passengers. They all say Milwaukee is so clean. They work with Department of City Development and the Convention and Visitor's Bureau and the Metropolitan Association of Commerce. Everyone has been very cooperative. They got into this from the point of Public Relations. They wanted to get the Community involved with the Port. People can relate to cruise ships. Ald. Henningsen congratulated Mr. Szallai on the increase in tonnage for 2001. The charges have been stable because the market has been stable. The land on Municipal Pier is under the jurisdiction of the Port of Milwaukee. The State Park is being built on the lakefront. As part of this development of the State Park, a breakwater will be built. There is a proposal out there to build the Schooner building on the municipal pier. St. Lawrence seaway is obsolete; the majority of business done in the Port is Intra Lake. There is a major study being taken on by the St. Lawrence seaway relative to widening. The cement, salt and coal come from all over the Great Lakes. There is a little canal in the Menomonee Valley that is warm all winter due to the closeness of the power plant. Some people in the valley would like to fill it; it's just south of the WEP Co. that unloads the coal. Ald. Henningsen asked Mr. Szallai to check this out.*

**A motion was made by Ald. Hines, Jr. that this matter be HELD TO CALL OF THE CHAIR. The motion carried by the following vote:**

**Aye** 4 - Gordon, Henningsen, D'Amato and Hines Jr.

**No** 0

**Excused** 1 - Murphy

*Meeting Adjourned: 11:46 A.M.*

KATHLEEN M. MARQUARDT  
Staff Assistant