

Reply to Common Council File No. 111124  
From DOA-Budget and Management Division

January 31, 2012

Ref: 110744

Common Council File 111124 contains a substitute resolution relating to the establishment of a Milwaukee Management Training Program and appropriating funds for this purpose.

Earlier this year the Common Council adopted File 110744, which made numerous modifications to Chapter 350 of the Milwaukee Code of Ordinances regarding employee benefits and employment practices. Projected savings from the changes were estimated as \$985,000 on an annual basis.

This file establishes a new management training program that would be directed primarily towards enhancing career opportunities for individuals that have graduated with a Bachelors degree and who graduated from Milwaukee Public Schools. The file provides that a three person committee would establish program specifics. Follow-up legislation would be required.

The resolution also provides that the projected savings from the aforementioned changes to Chapter 350, or another funding source, be utilized as this new program's funding source, and that the Budget and Management Division calculate and report the actual monthly savings the city realizes as a result of those revisions.

The Administration supports the development of a Management Training Program that would be consistent with the goals of this resolution, but has concerns regarding the sustainability of proposed funding, reporting requirements, and certain program specifics that appear to be in conflict with applicable state statutes, civil service rules, and the Uniform Guidelines on Employee Selection.

Savings from *terminal leave pay*, *new overtime policies*, and *injury pay* will vary both in the aggregate and by department. The Budget Office has initiated a process to monitor the extent to which savings from the other benefit changes may occur, but views a monthly reporting requirement as impractical and of limited value.

More importantly, the Administration's intent driving the changes to Chapter 350 was the necessity to reduce the ongoing cost of the city's operations, given the need to deal with challenges such as Shared Revenue reductions, levy limits, and the return of substantial employer pension contributions in the 2013 and future budgets. Each annual budget process presents an opportunity to review the competing demands of various worthy expenditure programs, which can be evaluated in light of available revenues.

In addition to the financial considerations, it is important to note that Uniform Guidelines on Employee Selection Procedures require that selection processes be based on job related knowledge, skills, and abilities. Requiring that applicants must have degrees from Milwaukee colleges, universities, or high schools is not job related and may raise legal issues. Furthermore, state statutes require strict

adherence to certification rules (only the top 5 scores on an eligible list are certified and referred for interviews). Under certification rules it would be illegal to “ensure that eligible minority employees are fully considered”. This would imply that the city would be making a decision based on race to “fully consider” all minorities, independent of standing on eligible list.

The Administration has prepared a Substitute that it believes addresses its concerns with the current version and which can be funded on a sustainable basis if the Common Council and the Mayor believe it should be a budget priority.

**RECOMMENDATION: ADOPT THE ADMINISTRATION'S  
SUBSTITUTE VERSION FOR A MILWAUKEE MANAGEMENT  
TRAINING PROGRAM, WHOSE SPECIFICS WOULD BE  
AVAILABLE FOR CONSIDERATION AT THE COMMITTEE'S  
APRIL 5 MEETING.**



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Mark Nicolini  
Budget and Management Director

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