



City Attorney

Budget Reduction Scenarios

Steering & Rules Committee
Common Council File No. 221521
March 31, 2023

City Attorney

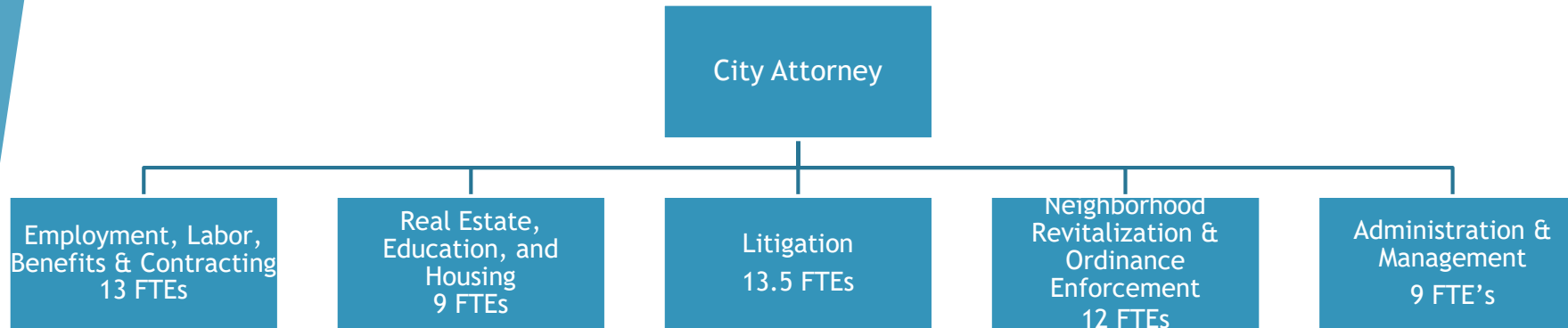
| | 2023 Adopted Budget |
|------------------------------------|---------------------|
| 2023 Adopted Budget | \$6,987,527 |
| O&M FTEs | 56.50 |
| 2023 Adopted Budget (less Fringes) | \$4,953,829 |
| 2023 Net Salary Budget | \$4,519,329 |
| 2% Wage Increase | \$90,387 |
| Adjusted 2023 Net Salary Budget | \$4,609,716 |
| 2023 O&M FE Average Salary | \$81,588 |
| 2023 Operating/Equip/Special Funds | \$434,500 |
| 2023 Estimated Revenue | \$828,000 |

| | Total Reduction | Amount From Non Salary Accts | Amount From Salary Acct | Estimated FTE Reduction |
|-----|-----------------|------------------------------|-------------------------|-------------------------|
| 10% | \$495,383 | \$43,450 | \$451,933 | 5.54 |
| 20% | \$990,766 | \$86,900 | \$903,866 | 11.08 |
| 25% | \$1,238,457 | \$108,625 | \$1,129,832 | 13.85 |

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| Service | Estimated FTE's | Estimated Revenue |
|---|-----------------|-------------------|
| Employment, Labor, Benefits & Contracting | 13.00 | \$0 |
| Real Estate, Education, and Housing | 9.00 | \$276,000 |
| Litigation | 13.50 | \$328,000 |
| Neighborhood Revitalization & Ordinance Enforcement | 12.00 | \$30,000 |
| Administration & Management | 9.00 | \$194,000 |
| Total | 56.50 | \$828,000 |

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City Attorney - Core Services

Mission: Provide legal services and meet the City's legal needs in accordance with the City Charter and statutory requirements.

- **Employment & Labor Benefits**

Provides legal work on all aspects of employment law, employee benefits, collective bargaining, labor disputes, grievances, as well as public works contracts, procurement and other contracts

- **Real Estate, Education, & Housing**

Provides legal services to various city departments, the Milwaukee Board of School Directors ("MPS"), the Redevelopment Authority of the City of Milwaukee ("RACM"), the Neighborhood Improvement Development Corporation ("NIDC") and the Housing Authority of the City of Milwaukee ("HACM"). Most of the legal services provided to the city by this Section are transactional in nature.

- **Litigation & Risk Management**

Provides defense representation of all city departments, related city entities, city officials, officers, and employees.

- **Neighborhood Revitalization and Ordinance Enforcement**

Conducts civil litigation and municipal prosecution in response to chronic neighborhood problems.

- **Administration & Management**

Provides both management oversight of the legal sections and delivery of administrative services to fulfill City Charter obligations to function as a full service law firm for the legal entity of the City of Milwaukee and its clients.

| | Total Reduction | FTE Reduction |
|-----|-----------------|---------------|
| 10% | \$495,383 | 5.54 |
| 20% | \$990,766 | 11.08 |
| 25% | \$1,238,457 | 13.85 |

Budget Reduction Impacts

10% Reduction

- ▶ Reduction of 5 or 6 full time staff
 - ▶ 33 ACAs when fully staffed - reduction to 27-28 ACAs (15-18% reduction of ACA staff)
- ▶ Likely increased costs for outside counsel
 - ▶ Hourly ACA - actual current range \$31.39-\$70.27
 - ▶ Mean average - \$43.60; Median average - \$40.06
 - ▶ Outside counsel hourly of current contracts (\$215/hr.-\$550/hr.)
 - ▶ We can expect billable rates to increase over time.
 - ▶ The decrease in staff would result in a 20% - 30% increase in Outside Counsel Cost.
- ▶ Reduced ability to provide City departments legal support by approximately 20%
- ▶ Decrease in staff morale and increased turnover
- ▶ Increase in overtime for legal support staff who will support remaining ACAs

City Attorney

Budget Reduction Impacts

| | Total Reduction | FTE Reduction |
|-----|-----------------|---------------|
| 10% | \$495,383 | 5.54 |
| 20% | \$990,766 | 11.08 |
| 25% | \$1,238,457 | 13.85 |

20% Reduction

- ▶ Reduction of approximately 11 full time staff
 - ▶ 33 ACAs when fully staffed - reduction to 21-22 ACAs (33-36% reduction of ACA staff)
- ▶ Could result in a 40% - 50% increase in the reliance on outside council
- ▶ Will cause legal delays which will result in increased costs
- ▶ Decrease in staff morale and increased turnover
- ▶ Increase in overtime for legal support staff who will support remaining ACAs

| | Total Reduction | FTE Reduction |
|-----|-----------------|---------------|
| 10% | \$495,383 | 5.54 |
| 20% | \$990,766 | 11.08 |
| 25% | \$1,238,457 | 13.85 |

Budget Reduction Impacts

25% Reduction

- ▶ Reduction of approximately 14 full time staff
 - ▶ 33 ACAs when fully staffed - reduction to 19-20 ACAs (39-42% reduction of ACA staff)
- ▶ Would result in a 50% - 60% increase in the reliance on outside council
- ▶ Would not be able to provide charter required services
- ▶ Decrease in staff morale and greater increase in staff turnover
- ▶ Substantial increase in overtime for legal support staff who will support remaining ACAs

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Ideas & Opportunities for Increase Revenue

- ▶ Charge MPS for legal services
 - ▶ Requires change in state law
- ▶ Redirect a portion of proceeds from City Attorney Office solicited cases to City Attorney Office operations
 - ▶ Opioid Litigation
 - ▶ JUUL Litigation

