

2024 Proposed Budget Overview



City Attorney

Mission: To protect the legal interests of the City of Milwaukee and provide quality, timely, and impartial legal services consistent with the highest professional and ethical standards while successfully meeting clients' needs in accordance with the City Charter and statutory requirements.

Finance & Personnel Committee
Budget Hearing: October 13, 2023
Prepared By: Angelique Pettigrew, Budget & Fiscal Policy Analyst



Table of Contents

- 2024 Budget Summary
- Positions & Salaries
- Operating & Equipment Expenditures
- Special Purpose Accounts
- Revenues
- Key Performance Measures
- 2024 Major Updates from Department

2024 Budget Summary

| Category | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|----------------------------|---------------------------|----------------------------|---------------------|-------------------|
| FTEs - O&M | 56.50 | 21.86 | -34.64 | -61% |
| FTEs - Other | 2.50 | 37.14 | 34.64 | 1386% |
| Total Positions Authorized | 64 | 64 | 0 | - |
| | | | | |
| Salaries and Wages | \$4,519,329 | \$2,000,184 | \$-2,519,145 | -56% |
| Fringe Benefits | 2,033,698 | 900,083 | -1,133,615 | -56% |
| Operating Expenditures | 411,000 | 393,200 | -17,800 | -4% |
| Equipment | 28,500 | 28,500 | 0 | - |
| Total | \$6,992,527 | \$3,321,967 | -\$3,670,560 | -52% |
| ARPA Salaries | \$0 | \$3,200,000 | \$3,200,000 | - |
| ARPA Fringe Benefits | 0 | 1,440,000 | 1,440,000 | - |
| Total & ARPA | \$6,992,527 | \$7,961,967 | \$969,440 | 14% |

Positions & Salaries

| Category | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|----------------------------|---------------------------|----------------------------|---------------------|-------------------|
| FTEs - O&M | 56.50 | 21.86 | -34.64 | -61% |
| FTEs - Other | 2.50 | 37.14 | 34.64 | 1386% |
| Total Positions Authorized | 64 | 64 | 0 | - |
| | | | | |
| Salaries and Wages | \$4,519,329 | \$2,000,184 | -\$2,519,145 | -56% |
| Fringe Benefits | 2,033,698 | 900,083 | -1,133,615 | -56% |
| Total | \$6,553,027 | \$2,900,267 | -\$3,652,760 | -56% |
| ARPA Salaries | \$0 | \$3,200,000 | \$3,200,000 | - |
| ARPA Fringe Benefits | 0 | 1,440,000 | 1,440,000 | - |
| Total | \$6,553,027 | \$7,540,267 | \$987,240 | 15% |

- **Positions**
 - FTEs/Authorized positions
- **Salaries & Wages**
 - Market study, 2% raises and 1% longevity pay

Operating & Equipment Expenditures

| Category | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|------------------------|---------------------------|----------------------------|------------------|-------------------|
| Operating Expenditures | \$411,000 | \$393,200 | -\$17,800 | -4% |
| Equipment | 23,500 | 28,500 | 5,000 | 21% |
| Total | \$434,500 | \$421,700 | -\$12,800 | -3% |

- **Operating Expenditures:** Decreased by \$17,800 to adjust the budget to be in line with actual spending over the last two years as it relates to general office expenses and reimbursements to other departments.
- **Equipment Expenditures:** Increased by \$5,000 to adjust the budget to be in line with actual spending for law books and computer equipment.

Special Purpose Accounts

| Account | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|--------------------------------|---------------------|----------------------|--------------------|----------------|
| Damages & Claims | \$1,225,000 | \$3,000,000 | \$1,775,000 | 145% |
| Insurance | 1,470,968 | 1,619,389 | 148,421 | 10% |
| Outside Counsel/Expert Witness | 150,000 | 391,000 | 241,000 | 161% |
| Total | \$2,845,968 | \$5,010,389 | \$2,164,421 | 76% |

- **Damages & Claims:** Increased by \$1.7M to adjust the budget to be more in line with actual spending
- **Insurance:** Increased by more than \$148,000 to align with actual expenditures and anticipated market increases for 2024
- **Outside Counsel:** Increased by \$241,000 to adjust the budget to be more in line with actual spending

Revenues

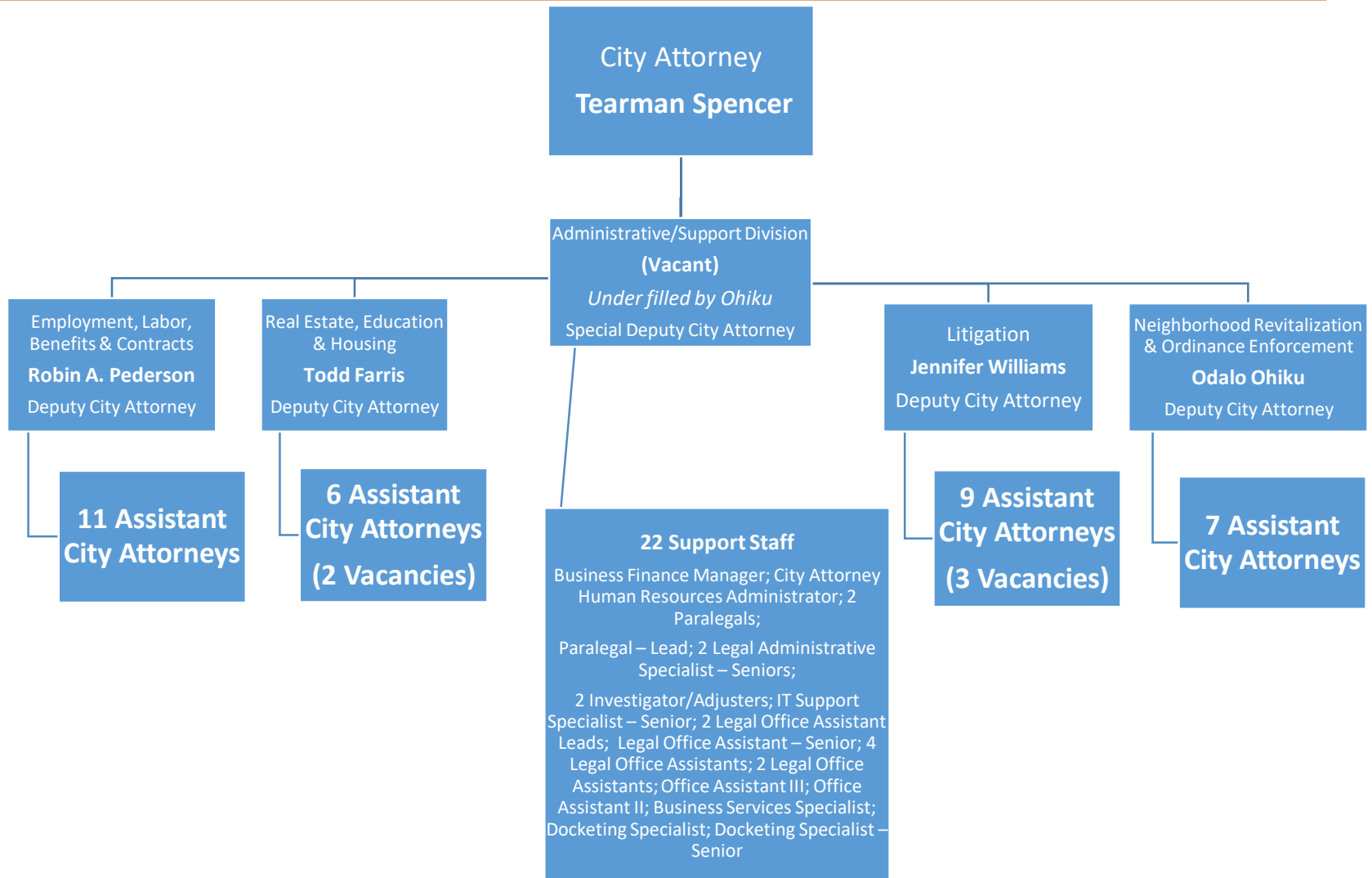
| Description | 2023 Adopted Budget | 2024 Proposed Budget | Amount Change | Percent Change |
|---------------------|---------------------------|----------------------------|-------------------|-------------------|
| Charges for Service | \$828,000 | \$728,000 | \$-100,000 | -12% |
| Total | \$828,000 | \$728,000 | \$-100,000 | -12% |

- Revenues totaling \$728,000 decreases in 2024 by \$100,000 or 12% due primarily to the cap in billing allowed to RACM being decreased following the addition of an attorney to their office.

Key Performance Measures

| Indicator | 2022 Actual | 2023 Projected | 2024 Planned |
|---|------------------------|---------------------------|-------------------------|
| Eviction Cases Handled Filed (HACM) | 142 | 150 | 200 |
| Court Cases Opened Excluding Foreclosures | 148 | 155 | 150 |
| Legal Services Assignments opened | 234 | 266 | 270 |
| Non-Traffic Citations Reviewed | 5,698 | 8,378 | 11,720 |

City Attorney's Office ORGANIZATION Chart



Department Demographics

| | Female | Male | Total | % |
|-----------------|--------|------|-------|------|
| American Indian | 0 | 0 | 0 | 0% |
| Asian | 1 | 0 | 1 | 1% |
| Black | 12 | 5 | 17 | 33% |
| Hispanic | 3 | 1 | 4 | 8% |
| White | 13 | 17 | 30 | 58% |
| Total | 29 | 23 | 52 | 100% |
| % | 56% | 44% | 100% | |

- **52 FTE, as of September 2023**
- **Vacancies: 7**

Assistant City Attorney Demographics

| | Female | Male | Total | % |
|-----------------|--------|------|-------|------|
| American Indian | 0 | 0 | 0 | 0% |
| Asian | 0 | 0 | 0 | 0% |
| Black | 1 | 3 | 4 | 15% |
| Hispanic | 0 | 0 | 0 | 0% |
| White | 9 | 14 | 23 | 85% |
| Total | 10 | 17 | 27 | 100% |
| % | 37% | 63% | 100% | |

- **Assistant City Attorneys**
- **Vacancies: 5**

Racial Equality & Inclusion

At the City Attorney's Office, diversity, equity, and inclusion is not a catchphrase, it's a commitment. We are committed to creating an office reflective of Milwaukee's rich diversity and fostering a welcoming, supportive, and inclusive environment in which people from all walks of life are represented, including race, gender, age, ethnicity, physical ability, and sexual orientation, to name a few. But our commitment doesn't end there.

We are committed to maintaining a diverse and inclusive environment by providing opportunities for growth and development through trainings, mentorship, and of course, a collegial atmosphere where knowledge is shared.

We understand an oft-overlooked component of diversity, equity, and inclusion is the opportunity for advancement. We are committed to maintaining a diverse and inclusive workforce by providing opportunities for advancement to those demonstrating the necessary skill, knowledge, and experience to excel in upper echelons (various capacities throughout) of the office.

We are committed to embodying the adage, "seeing is believing." Not only do we strive to maintain a diverse and inclusive workforce, we also work to attract the next generation of future lawyers and legal professionals by participating in programs such as, the State Bar of Wisconsin's Diversity Clerkship Program, community outreach and networking events, and direct engagement with students.

We realize the work of maintaining a diverse and inclusive office is never complete. We are committed for the long haul and our efforts to create and maintain a diverse, equitable, and inclusive office will endure.

Staffing and Office Challenges

- Operational and personnel oversight issues
- Difficulties in the retention of attorneys due to market salary competition
- There were no merit increases for general city employees
- High number of claims asserted against the City with increased complexity and enhanced values

Highlights – Employment, Labor, & Benefits Section

Employment, Labor & Benefits Group:

- 148 pending discrimination cases at administrative agencies
- 42 new discrimination complaints, 6 FPC appeals, 4 grievance arbitrations, and 5 duty disability retirement appeals filed to date in 2023
- 1 WERC case filed in 2023
- 97 administrative cases assigned to date in 2023
- On-going telephone and in person consultations and assistance in HR matters, including updating city's military leave (USERRA) policies, PUMP Act, and Pregnancy Accommodation policies
- Obtained dismissal of two long-term, high value employment claims in federal court

Highlights – Employment, Labor, & Benefits Section

Issued Opinions Regarding:

- Re-organization of Board of Zoning Appeals
- Jurisdiction and procedures of Equal Rights Commission.
- Closing a municipal court branch.
- Authority to retain outside counsel.
- Retroactive Election of Survivor Benefits for Same-Sex Couples
- Gun Violence Restraining Orders
- Changes to Method of Election of Police Relief Association Trustees

Highlights – Employment, Labor, & Benefits Section

Elections

- Responding to multiple WEC complaints
- Advising Election Commission on a day-to-day basis
- Successfully defended against an injunction and lawsuit challenging the City's support of get-out-the vote campaigns and measures
- Ongoing support and advising for the City's preparation to host the 2024 Republican National Convention
- Review and advising on new bills, laws, and shifting and developing case law

Highlights – Employment, Labor, & Benefits Section

Contracts and Other Work:

- 282 legal services files opened
- Analysis of 2023 Wis. Act 12, including implementation of sales tax, soft closure of ERS, and efforts to protect local authority
- Represented Milwaukee Water Works in its first conventional rate case since 2014. Resulted in Final Decision by Public Service Commission of Wisconsin in PSC Docket 3720-WR-109
- Monitoring and negotiation of the City's insurance portfolio, including an approximate \$20M property claim
- Currently defending against a major Fair Dealership Law Claim
- Provided legal guidance and subject matter expertise to the City of Milwaukee Pension Task Force and throughout subsequent legislative drafting efforts
- Oversaw completion of ERS 5-year experience study and related implementation of new ERS funding policy

Highlights – Real Estate, Education, & Housing Section

Transactional, Advising, and Training:

- Counsel to Milwaukee Public Schools, Board of Zoning Appeals, Redevelopment Authority of the City of Milwaukee, Housing Authority of the City of Milwaukee, Port of Milwaukee, Historic Preservation Commission, Ethics Board, Public Debt Commission, Zoning Code Technical Committee (voting member), City Information Management Committee, and multiple City departments
- Assist all City departments in responding to public records requests and in complying with open meeting laws. Provide training to City officials and employees; provide ethics training; assist Ethics Board in issuing confidential advisory opinions
- Provide legal assistance regarding economic and real estate developments, including the creation of new tax incremental financing districts (TIDs), TID amendments, low income housing tax credit, and other development and leasing transactions, including assisting the Port of Milwaukee with private investment and environmental remediation partnerships. Notable projects last year include, the ongoing Dredged Material Management Facility development at the Port, which is part of a massive partnership between the Port, MMSD, WI DNR, EPA, and non-federal sponsors such as We Energies; the opening of the DeLong grain terminal on Jones Island; and the growth of the Milwaukee cruise shipping business
- Assisting the Department of City Development, Redevelopment Authority, and Milwaukee Public Library on development projects including the Martin Luther King Library Branch project, Edison School low-income housing development, Michigan Street Commons low-income housing development, Corcoran Street redevelopment, and various Riverwalk improvement projects
- Assisting MPS on a wide variety of school law and real estate matters

Highlights – Real Estate, Education, & Housing Section

Litigation:

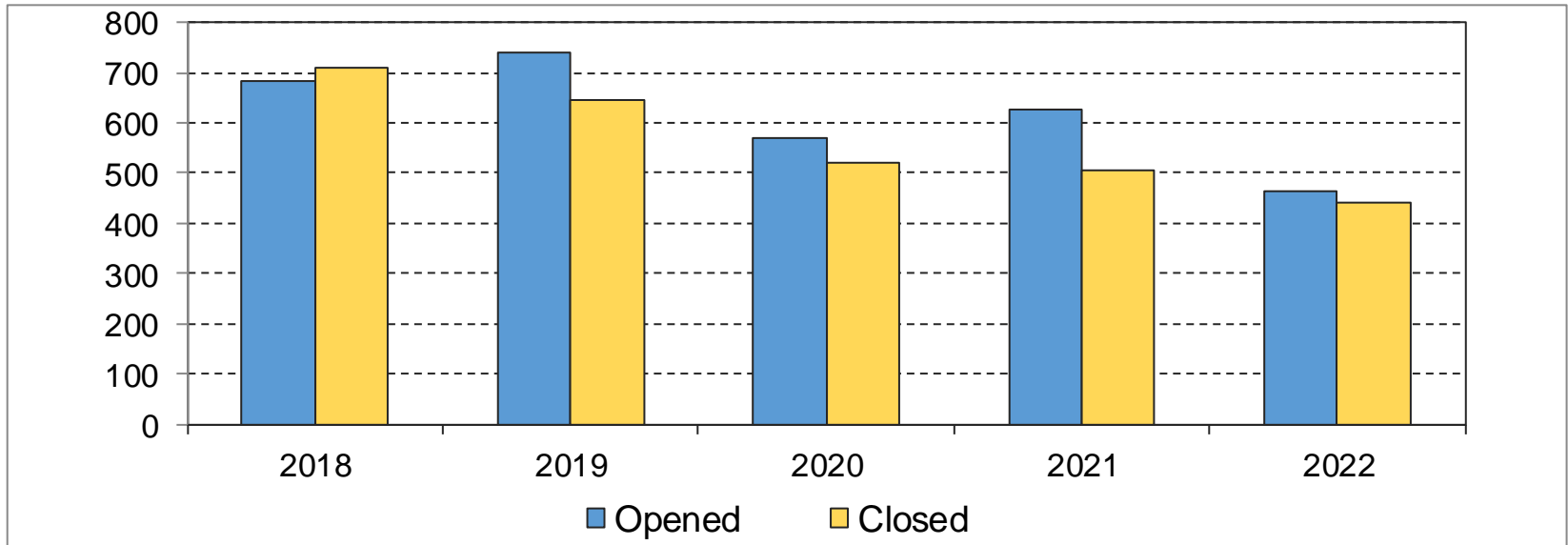
- Litigating against nuisance landlords
- Litigate all public records and open meetings matters
- Defend all BOZA decisions appealed to Circuit Court
- Litigate all eviction and related rent and damages claims for HACM and DCD
- Team member on the implementation and monitoring called for by the *Collins* settlement agreement and its ongoing mediation, Fair Housing Act litigation and First Amendment litigation in federal court

Highlights – Litigation Section

Claims:

- Staffed by two investigator/adjusters assistant
- Process all claims filed with city for investigation, analysis and any settlement
- City attorney may settle claims not involving a motor vehicle accident in an amount up to \$5,000
- City attorney may settle motor vehicle claims up to \$50,000
- All of the adjusters' determinations are reviewed by a Deputy or Assistant City Attorney and ultimately approved or denied by the City Attorney

Handling of Claims



| Claims | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 (as of 09/07) |
|---|-------|-------|-------|-------|-------|-----------------------|
| Total claims opened | 682 | 741 | 568 | 627 | 465 | 400 |
| Total claims closed | 709 | 645 | 520 | 504 | 441 | 363 |
| Total claims opened & closed within same year | 454 | 451 | 306 | 302 | 190 | 139 |
| Percentage opened & closed within same year | 66.6% | 60.9% | 53.9% | 48.2% | 40.9% | 34.8% |

Highlights – Litigation Section

Litigation:

- The Office of the City Attorney provides all legal defense in cases brought against the City and City employees including motor vehicle accident cases, general negligence cases and federal civil rights cases. General negligence cases are capped at \$50,000. The damages that can be awarded in Federal civil rights cases are not capped
- The Office of the City Attorney also represents the City as a plaintiff in actions to recover damages to City facilities
- Assistant City Attorneys working with a Deputy City Attorney manage significant caseloads and settle cases where appropriate and take cases to trial when necessary
- The City has experienced some notable, and high profile litigation victories in 2023. First, the City successfully opposed a Petition for Review to the U.S. Supreme Court on a case alleging a wrongful conviction wherein the plaintiff, who had been denied relief on his claims at the District and 7th Circuit levels, was seeking \$26 million in damages
- Second, the City successfully defended two federal civil rights claims at jury trial this summer. Notably, the City won a defense verdict against the ACLU of Wisconsin who brought First Amendment, false arrest, and Monell claims related to riots and protests in the aftermath of a 2016 officer involved shooting. The ACLU of WI sought over \$1 million in damages and attorneys' fees prior to trial. A jury decided in favor of the City with a finding of no liability by the Milwaukee Police Department. Later in August, the City successfully defended the City and the Milwaukee Police Department for yet another federal lawsuit alleging false arrest, and unlawful detention. Plaintiff in that matter was seeking several hundred thousand dollars in damages and attorney's fees; however, a jury returned a defense verdict in less than 25 minutes with a finding of no liability or wrongdoing by the Milwaukee Police Department
- These victories are in addition to the successful Summary Judgment motions filed by the City in defense of various City agencies throughout 2023, which are extremely cost efficient when handled in-house. Finally, despite having open positions, the Litigation Section has been able to resolve at least one high profile wrongful conviction case with the assistance of outside counsel, and not sought additional outside counsel to defend the City going forward

Highlights – Litigation Section

Matters in Litigation other than mortgage foreclosure actions:

- 224 in 2021, 148 in 2022, 141 through September 7, 2023
- 215 cases closed in 2021 without payment
- 133 cases closed in 2022 without payment
- 74 cases closed without payment through September 7, 2023

Highlights – Litigation Section

Property Assessment Litigation:

- In 2023, the City Attorney's Office continues to defend the City against a steady number of property assessment cases.
 - As of September 2023, 24 cases moving forward in circuit court.
 - From January 1, 2023 – September 30, 2023, 18 cases resolved.
 - Overall, cases closed were valued at \$4,420,985.97 and closed for approx. \$588,095.74 in tax refunds (13% of demand).
- City Attorney's Office provides direct assistance to the Assessors at the Board of Review level to reduce backlog of refund requests.
- Assessor's Office continues to be a great partner with CAO.

Highlights – Litigation Section

Significant Property Assessment Lawsuits:

- ***Manpower Inc. v. City of Milwaukee***
 - Court trial on tax year 2020 set for April 8-12, 2024.
- ***Rider Hotel v. City of Milwaukee***
 - Circuit court decision in favor of City is pending appellate decision.
- ***Saint John's Communities, Inc. v. City of Milwaukee***
 - Appellate court decision in favor of City was affirmed by the Wisconsin Supreme Court in a published decision, dismissing Saint John's exemption claim for 2019.
 - However, Saint John's excessive assessment claim for 2019 is pending in circuit court.
- ***U.S. Venture, Inc. v. City of Milwaukee***
 - Co-Plaintiff Citgo Petroleum dismissed their claims of \$1,709,908.
- Dispositive motions filed

Highlights – Neighborhood Revitalization & Ordinance Enforcement Section

- U.S. Black Spruce v. COM – pending litigation involving Northridge Mall raze orders. Circuit Court upheld raze orders. Black Spruce appealed. Court of Appeals remanded case back to Circuit Court with instructions to apply vacant building standard. On remand, Circuit Court upheld raze orders applying vacant building standard. Black Spruce appealed. Awaiting Court of Appeals decision.
- Mueller v. COM filed Sept. 7, 2022. Building was damaged by fire on March 12, 2021. Raze order issued March 24, 2021. Plaintiff requested time to repair. Final notice to remove personal property by Sept. 7, 2022 given and suit filed. Hearing on merits of permanent injunction held April 4, 2023. Raze order upheld May 1, 2023.
- COM v. Baba Nanak Hospitality Group Corp. Defendant operated hotel requiring significant amount of police services. The City obtained injunction against Defendant and it has ceased operations.

Highlights – Neighborhood Revitalization & Ordinance Enforcement Section

Building & Zoning Code Prosecutions:

- 2023: 1,076 (thru 08/31/23)

Health Department Prosecutions:

- 2023: 21 (thru 08/31/23)

Municipal Court Prosecutions:

- 2023: Traffic Cases, 18,694 (thru 08/31/23)
- 2023: Non-Traffic Cases, 3,183 (Adults thru 08/31/23)
- 2023: Non-Traffic Cases, 436 (Juveniles thru 08/31/23)
- 2023: Parking Cases, 352 (thru 08/31/23)

Highlights – Neighborhood Revitalization & Ordinance Enforcement Section

OWI Cases Reviewed/Filed:

- 2023: 363 (thru 09/30/23)

Non-Traffic Citations Reviewed

- 2023 : 6,284 (thru 09/30/2023)

Property Returns in Circuit Court

- 2023: 402 (thru 09/30/2023)