

City Attorney

2019 Budget Overview
Finance & Personnel Committee
October 17, 2018

Community Goals and Department Objectives

1. Improve the city's fiscal capacity
 - Protect the city's interests in litigation
 - Manage risk so that liabilities do not disrupt finances
2. Support the city's interests and policy initiatives
3. Develop and sustain legal strategies to promote respect for individual civil liberties
4. Sustain safe and healthy neighborhoods
 - Reduce nuisances that detract from neighborhood quality of life

2019 Budget Summary

	2018 ADOPTED BUDGET	2019 PROPOSED BUDGET	DIFFERENCE (amount, %)
FTEs – O&M	60.00	60.00	0
FTEs - Other	2.00	2.00	0
Salaries & Wages	\$4,661,886	\$4,625,512	-\$36,374 (-8.0%)
Fringe Benefits	2,144,425	2,081,480	62,945 (-3.0%)
Operating Expenditures	437,031	342,500	94,531 (-27.6%)
Equipment	122,000	36,000	-86,000 (70.5%)
Special Funds	0	0	(%)
TOTAL	\$7,365,342	\$7,085,492	-\$279,850 (-4%)

2019 Revenues

	2018 ADOPTED BUDGET	2019 PROPOSED BUDGET	DIFFERENCE (amount, %)
Charges for Service	\$929,700	\$904,000	-\$25,700 (-2.84%)
TOTAL	\$929,700	\$904,000	-\$25,700 (2.84%)

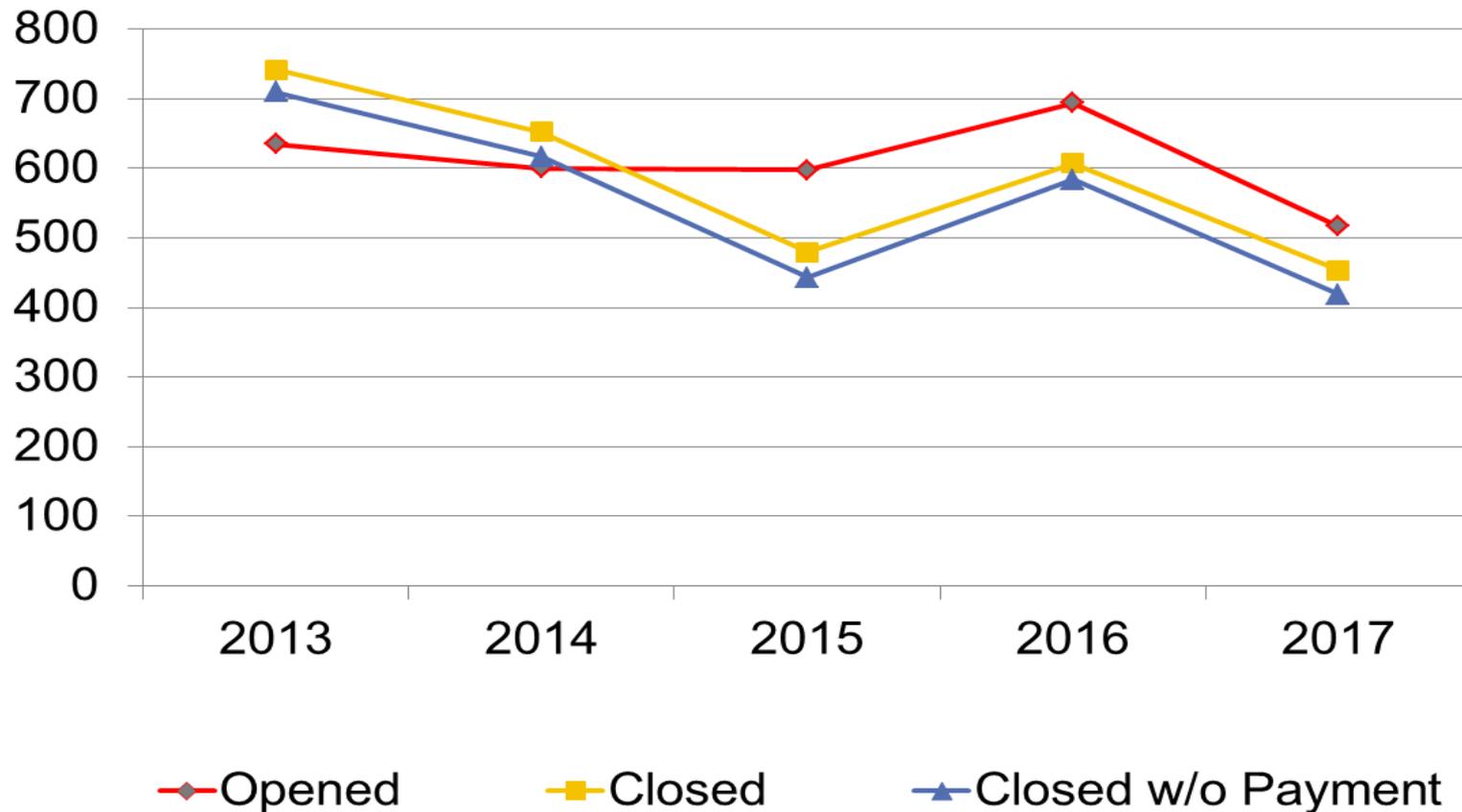
Special Purpose Accounts

SPECIAL PURPOSE ACCOUNT	2018 ADOPTED BUDGET	2019 PROPOSED BUDGET	DIFFERENCE (amount, %)
City Attorney Collection Contract	\$1,125,000	\$0	-\$ 1,125,000 (-100%)
Damages & Claims Fund	1,225,000	1,225,000	0
Insurance	685,000	655,000	-30,000 (-4.6%)
Outside Counsel-Expert Witness	850,000	850,000	0
Total SPAs	\$3,885,000	\$2,730,000	-\$1,155,000 (-42.3%)

2019 Budgetary Changes

- ❑ The 2019 Proposed Budget is an approx. 4% decrease from 2018 adopted budget
 - Salary savings are due to retirement attrition and resulting new hires
 - Continuation of Merit Pay ACA- not to exceed 4% of an eligible ACA's employee's salary and Pay Progression for Non ACA staff
- ❑ Equipment decrease – Computer replacement cycle that was completed
- ❑ Collection Contract SPA – The budget appropriation was shifted to
 - Treasurer: \$625,000
 - Municipal Court: \$500,000
- ❑ 2019 Potential Retirements -14 staff will be eligible:
 - City Attorney
 - 2 Deputy City Attorneys
 - 6 Assistant City Attorneys
 - 5 Administrative Support Staff

Trends in Litigation Matters

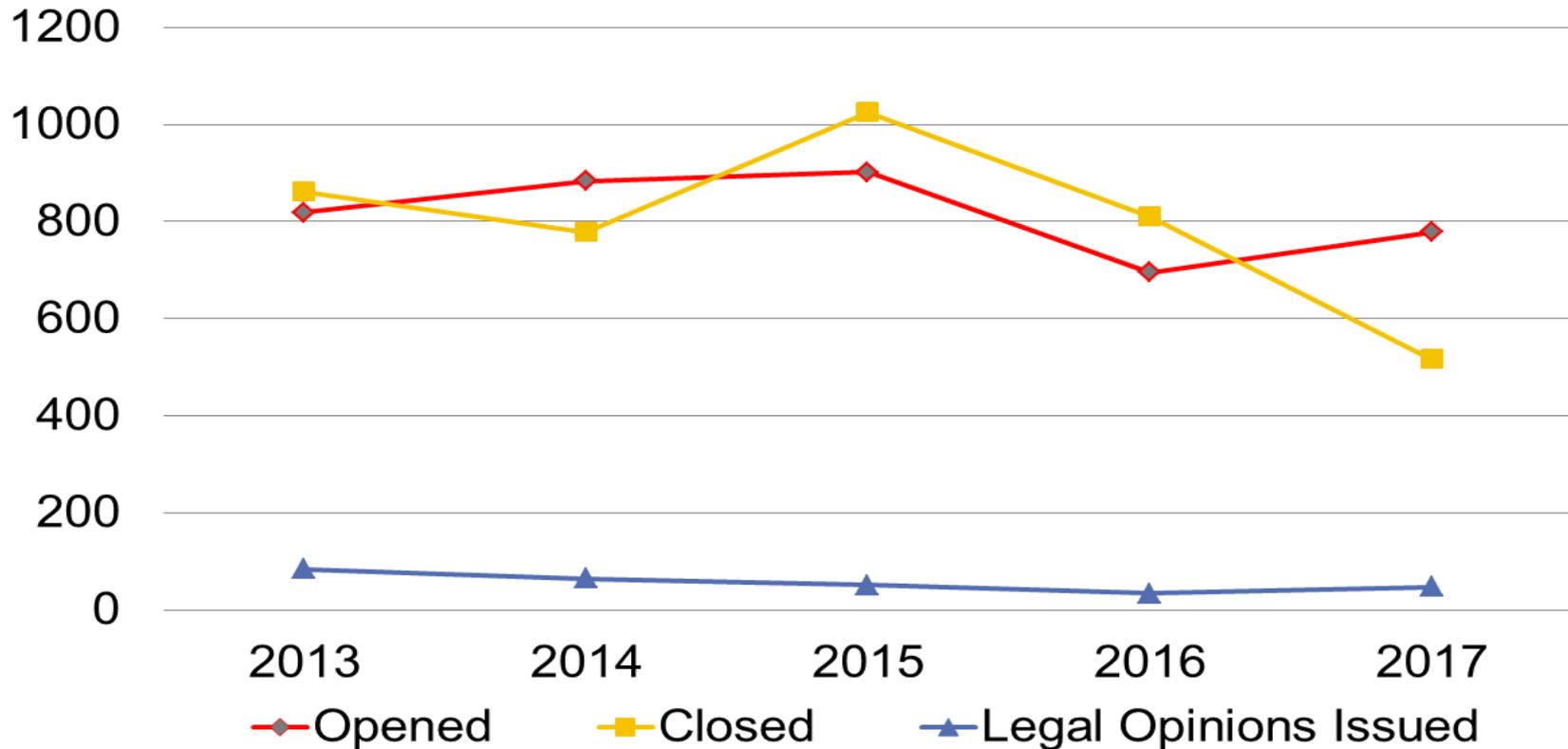


2018: 391
(as of 10/4)

444

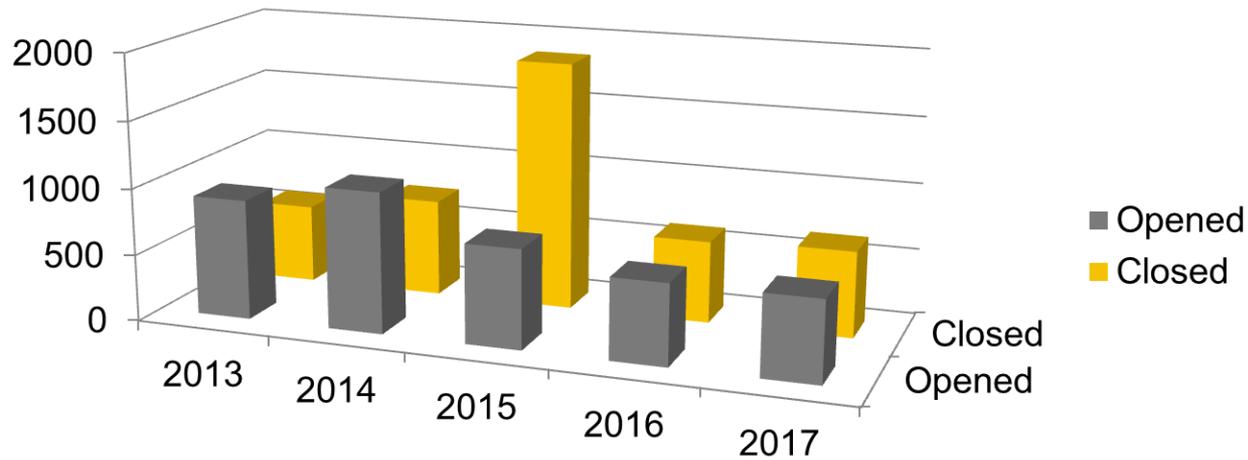
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Trends in Legal Services (Non-Litigation Matters)



2018: 683 631 40
(as of 10/4)

Handling of Claims



Claims	2013	2014	2015	2016	2017	2018 (as of 10/5)
Total claims opened	900	1057	743	607	608	531
Total claims closed	591	728	1859	614	645	590
Total claims opened & closed w/in same year	436	438	530	401	417	343
Percentage opened & closed w/in same year	48.4%	41.4%	71.3%	66.1%	68.6%	64.6%

Organizational Opportunities

❑ **Assistant City Attorney turnover:**

- Currently recruiting to fill 6 vacant attorney positions
- Provides an opportunity to augment a strong roster of attorneys with promising talent and fresh perspectives.

❑ **Diversity Clerkship:**

- Participation in State Bar program to introduce law students from diverse backgrounds to the practice of law.

❑ **Reorganization:**

- In 2018 the position of Special Assistant to the City Attorney was split into two new positions to more effectively handle the extensive and important workload.
 - **Personnel Officer** - Jason Pifer
 - **Business Finance Officer** - Ieshia Underwood

Staffing Challenges

- ❑ Difficulty in recruitment and retention of attorneys due to salary competition
- ❑ Equity and budgetary concerns prohibit hiring at higher salary levels
- ❑ Recently, 6 assistant city attorneys left the office (2 retired and 4 left after less than 7 years in the office)

Loss of Institutional Knowledge

- ❑ Currently 2/3 of our 31 assistant city attorneys (ACAs) have less than 7 years of experience in our office
- ❑ Six of the 11 ACAs with more than 7 years of experience in our office are currently eligible for retirement
- ❑ The loss of experience requires greater supervisory oversight & training and results in loss of efficiency

Highlights - Employment, Labor & Benefits Section

- Assigned additional attorney to contract work due to ever-increasing workload of city wide contracting issues.

Major contract work:

- Streetcar sponsorship agreements
- American Sewer controversies
- Fund My Future Milwaukee
- Sale of water to Waukesha

Employment, Labor & Benefits Section

❑ Significant projects and results:

- Lead service lines at child care centers
- Debt collection consolidation
- Dismissal of 6 federal lawsuits at district court and on appeal
- Won MPA arbitration on furlough grievance, saving City approximately \$1.2 million
- Assist with personnel investigations and disciplinary actions for Health Department
- Succession planning for anticipated retirement of employee benefits attorney
- Employment law
 - Dismissal of 6 significant litigated cases in federal court

Highlights - Real Estate, Education & Housing Section

❑ Assisted in creating and amending several TIDs:

- 15th & North (90), Park Place (91), Sherman Phoenix (92), 7th & National (93), 1st & Becher (94), Villard Avenue (95), Solar Paints (50), N. Water Street Riverwalk (79) and East Michigan (82)

❑ Assisted on development projects:

- The Griot/Garfield School, Komatsu Mining, Good Hope library branch, Grand Theater, The Beacon in Bay View, Washington Park Townhomes, Blommer Ice Cream Factory redevelopment, Westlawn for HACM, Fiserv Forum, & sale of a Century City building to Good City Brewing.

Highlights - Real Estate, Education & Housing Section

- ❑ St. Joan Antida High School v. MPS
 - Successful summary judgment motion in a student busing case at the federal district court and currently on appeal to the 7th Circuit.
- ❑ Voters with Facts v. City of Eau Claire
 - Filed an amicus brief with the Wis. Supreme Court in a successful argument against a challenge to the use of TIDs to make grants or loans to developers.
- ❑ Worked with IRD to change state law to allow for online sheriff sales of foreclosed properties and to clean up bidder eligibility requirements for such sales.
- ❑ Provided approx. 20 public records / open meetings training sessions to various city departments.

Highlights - Litigation & Risk Management Section

- ❑ Property Assessment Litigation
 - 42 cases pending with City exposure of \$22,146,697

- ❑ No judgments against the City in the past five years
 - By end of 2018, six trials (23 trial days) with City exposure of \$7,043,209

Property Assessment Litigation

□ **Highlights**

- *Metropolitan Associates v. City of Milwaukee*
 - Assessments of eight apartment complexes affirmed by Wisconsin Supreme Court
 - City's exposure in excess of \$2 million
- *Marathon Petroleum et al. v. City of Milwaukee*
 - Assessments of City's oil terminals affirmed by Court of Appeals
 - City's exposure in excess of \$3.2 million
 - Supreme Court denied review
- *Wisconsin & Milwaukee Hotel, LLC v. City of Milwaukee*
 - Assessments of Downtown Marriott Hotel affirmed by Circuit Court following trial
 - City's exposure in excess of \$970,000
 - Plaintiff appealed
- *Duke Realty v. City of Milwaukee*
 - Assessment of medical office building; complete dismissal before trial
 - City's exposure in excess of \$920,000

Highlights - Neighborhood Revitalization & Ordinance Enforcement Section

- ❑ Nuisance Abatement litigation:
 - Impacted at least 554 residential units across 282 parcels
 - Receiverships paid for by income generated by properties and city was awarded \$15,000 in abatement costs.
 - Mohammad Choudry (detrimental landlord) (on appeal)
 - Elijah M. Rashaed (detrimental landlord) (on appeal)
 - Leticia Gomez (nuisance activity)
 - Kenneth Churchill (drug houses)
 - Richard Williams (bawdyhouse)
 - Gregory Jones (bawdyhouse)

- ❑ Municipal court prosecutors have handled:
 - 8,999 pre-trials
 - 1,254 trials

Highlights - Neighborhood Revitalization & Ordinance Enforcement Section

- ❑ Nuisance brownfield to be converted into \$285 million investment by Komatsu hosting 1,000 jobs.
 - Major development of Solvay Coke site to occur after sustained litigation with former owner to abate nuisance conditions.
- ❑ Expansion of litigation tactics to address exploitative landlords and chronic debtors in debt collection actions, bankruptcy adversarial proceedings and assignment of in rem foreclosures.
- ❑ Continued collaboration with neighborhood associations, Legal Action of Wisconsin, Legal Aid Society and LISC regarding retaliatory evictions and substandard housing.

Highlights - Neighborhood Revitalization & Ordinance Enforcement Section

❑ **Municipal Court Prosecution**

- 2018 year to date: 1254 trials, 8999 pretrial conferences
- 2017: 1513 trials, 10101 pretrial conferences

❑ **Prostitution Initiative**

- Collaborate with MPD, Aldermen, Safe and Sound, community partners and DA's Office to develop a multi-prong approach and strategy to address the problem in MPD District 2.
- Property investigations to determine best course of action: Litigation, MCO 80-10, Crime Prevention through Environmental Design, expedited in rem and private foreclosures.
- Legal opinions regarding proposed ordinance enactment for prostitution-free zones and "Dear John" letters.