



Department of Administration
Budget and Management

Tom Barrett
Mayor

Sharon Robinson
Administration Director

Mark Nicolini
Budget and Management Director

September 17, 2012

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Board of Fire and Police Commissioners
Fire and Police Commission
City Hall Room 706A

Dear Commissioners:

I ask that you consider at your meeting this Thursday, September 20, a matter relative to the city's adoption of the 2013 budget. The Mayor's 2013 Executive Budget proposal is under development and will be submitted to the Common Council on September 27.

The 2013 Budget is dealing with multiple challenges. These include most notably:

- A \$60.7 million employer pension contribution for the 2013 Budget, and an estimate of at least \$400 million in employer contributions anticipated over the next 6 years, compared to \$0 between 1996 and 2009;
- An inflation-adjusted loss of approximately \$79 million (\$24 million in nominal dollars) to State Shared Revenue since 2003;
- State-imposed levy limits.

As a result, the 2013 Proposed Executive Budget will propose three mandatory unpaid furlough days for most city employees, including all employees of the Milwaukee Police Department, and those employees of the Milwaukee Fire Department who are not members of Local 215, Milwaukee Professional Firefighters Association.

We are requesting your recommendation to the Common Council of salary modifications for members of the Police and Fire Departments as described in this proposal to ensure compliance with a statutory provision found in s. 62.50 (10) of the Wisconsin Statutes that potentially applies to furloughs of protective services personnel. That statute provides in pertinent part:

The salary and compensation of all members of the force in such departments shall be at all times subject to change by the common council, but the salary or compensation of the members of the force in the service of either [the fire or

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police] department may not be decreased, except upon the previous recommendations of such change made in writing by the board to the common council.

(Emphasis added).

The City Attorney has advised us that the 2013 furloughs as described are legally permissible. Although it can be argued that the furloughing of certain Police and Fire Department members is not subject to the s. 62.50 (10) requirement for a prior recommendation from the Fire and Police Commission, the law in this area is not well developed. Obtaining the Commission's recommendations would help ensure that no credible challenges citing a violation of the statute occur.

Accordingly, we ask that the Fire and Police Commission formally recommend to the Common Council a decrease in the salary and compensation of all members of the Police Department, and certain members of the Fire Department in 2013, up to and including the decrease in salary and compensation that is associated with three unpaid furlough days for each affected member in that year. Additionally, given the language of s. 62.50 (10), we ask that this recommendation be promptly communicated in writing to the Common Council, to the attention of the Council President and the Finance & Personnel Committee Chair, through correspondence signed by the Commission's Chair and its Executive Director.

Sincerely,



Mark Nicolini
Budget and Mangement Director

MN:dmr

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