



Department of Employee Relations

November 1, 2004

**Tom Barrett**  
Mayor

**Maria Monteagudo**  
Director

**David Heard**  
Fire and Police Commission  
Executive Director

**Michael Brady**  
Employee Benefits Director

**David Kwiatkowski**  
Labor Negotiator

To The Honorable  
The Committee on Finance  
and Personnel  
Common Council  
City of Milwaukee

Dear Committee Members:

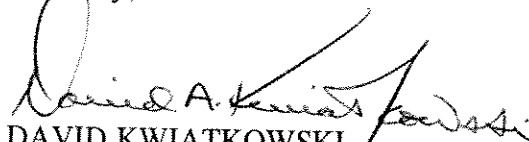
Re: Common Council File 021154

Agreements on Memoranda of Understandings have been reached between the City Negotiating Team and Public Employees' Union #61, LIUNA, AFL-CIO, CLC. The Memoranda of Understandings cover wages, hours and conditions of employment for the periods commencing January 1, 2003 through December 31, 2003, and January 1, 2004 through December 31, 2006.

Copies of the Memoranda of Understandings, a resolution approving them, a summary of their provisions, a fiscal note and a notice of ratification from the Union are attached.

It is recommended that the attached resolution be approved.

Sincerely,

  
DAVID KWIATKOWSKI  
City Labor Negotiator

#### Attachments

DAK:EFS:ics  
021154fp.doc  
labr/dc48

**Summary of Wage and Fringe Benefit Modifications in the Tentative Agreement  
Between the City of Milwaukee and  
Public Employees' Union Local #61, LIUNA, AFL-CIO, CLC  
One-Year Agreement**

1. Duration, Article 1: One year: January 1, 2003 through December 31, 2003.
2. Base Salary, Article 19:
  - a. Effective Pay Period 1, 2003, a 3% across the board increase over Pay Period 26, 2002 wage rates.
  - b. Modify section 9 to continue the Pilot Office Support Continuing Education Incentive Program through December 31, 2003.
  - c. Delete Section 10 (obsolete).
3. Pension, Article 36:

Creditable service for active military service, as provided in Chapter 36-04-2-c of the Milwaukee City Charter, shall be extended to employees represented by the Union who participate in the combined fund and who retire on a service retirement between January 1, 2003 and December 31, 2003.
4. Sick Leave, Article 29:

Continue the Absenteeism Control Incentive Program through Pay Period 26, 2003.
5. Foul Weather and Protective Clothing Equipment Allowance, Article 27

Delete section 4 (obsolete).
6. Maintain present language in the remaining Articles, except of updating dates, titles and deleting obsolete language.

**Summary of Wage and Fringe Benefit Modifications in the Tentative Agreement  
Between the City of Milwaukee and  
Public Employees' Union Local #61, LIUNA, AFL-CIO, CLC  
Three-Year Agreement**

1. Duration, Article 1: Three years: January 1, 2004 through December 31, 2006.
  
2. Base Salary, Article 19:
  - a. Effective Pay Period 1, 2004, a 3% across the board increase over Pay Period 26, 2003 wage rates.
  
  - b. Effective Pay Period 1, 2005, a 3% across the board increase over Pay Period 26, 2004 wage rates.
  
  - c. Effective Pay Period 1, 2006, a 3% across the board increase over Pay Period 26, 2005 wage rates.
  
  - d. Modify section 9 to continue the Pilot Office Support Continuing Education Incentive Program through December 31, 2006.
  
  - e. Effective as soon as administratively practicable after the execution date of this Agreement, the City shall provide a one-time \$100 non-pensionable lump sum payment to current City employees represented by the Union as of September 21, 2004 and seasonally laid off employees. Employees are not eligible for this payment if they received a lump sum payment under the terms of another collective bargaining agreement.
  
3. Health Insurance, Article 37:
  - a. Under subsection 37.3.a (1)(a), effective January 1, 2005, for those employees enrolled in the Basic Plan, the employee contribution shall be increased from \$50 to \$60 per month for single enrollment and from \$100 to \$120 per month for family enrollment. (Note: the deduction for January 2005 is deducted from employee's December 2004 paycheck.
  
  - b. Under subsection 37.3.a (1)(a), effective January 1, 2006, for those employees enrolled in the Basic Plan, the employee contribution shall be increased from \$60 to \$75 per month for single enrollment and from \$120 to \$150 per month for family enrollment. (Note: the deduction for January 2006 is deducted from employee's December 2005 paycheck.
  
  - c. Except as noted below, eligible employees under Article 37.2.e. or f who retire between January 1, 2005 and December 31, 2006 and who are enrolled in the Basic Plan shall contribute an amount toward meeting the monthly

subscriber cost in the Basic Plan of \$30 per month for single enrollment when such employees' enrollment status is single and \$60 per month for family enrollment when such employee's enrollment status is family. The amount of retiree contribution shall be deducted from the retiree's pension check. Any subscriber costs for single or family enrollment in excess of the above stated amount shall be paid by the City. In the event that the monthly subscriber cost to the City for single enrollment for retirees in the Basic Plan is the lowest single enrollment subscriber cost plan offered by the City, the foregoing \$30 employee contribution shall be waived. In the event that the monthly subscriber cost to the City for family enrollment for retirees in the Basic Plan is the lowest family enrollment subscriber cost plan offered by the City, the foregoing \$60 employee contribution shall be waived.

- d. For eligible employees under subsections 37.2.e. or 37.2.f, who retire between January 1, 2005 and December 31, 2006 and who are enrolled in an HMO Plan, the City will contribute an amount towards meeting the monthly subscriber cost for single enrollment for retirees in the HMO plan elected of 100% of the monthly subscriber cost of single enrollment in the Plan offered by the City pursuant to subsections 42.1.a. or b, having the lowest single enrollment subscriber cost for retirees to the City. For eligible employees under subsections 37.2.e. or 37.2.f, who retire between January 1, 2005 and December 31, 2006 and who are enrolled in the HMO Plan, the City will contribute an amount towards meeting the monthly subscriber cost for family enrollment in the HMO plan elected of 100% of the monthly subscriber cost of family enrollment for retirees in the Plan offered by the City pursuant to subsection 37.1.a. or b, having the lowest family enrollment subscriber cost for retirees to the City. If the per capita subscriber cost for enrollment in the plan elected exceeds the maximum City contribution provided, the retiree shall have the amount of excess cost deducted from his/her pension check.

In the event that the monthly subscriber cost to the City for single enrollment for retirees in the Basic Plan is the lowest single enrollment subscriber cost for retirees to the City for both the Basic Plan and any HMO Plan, the City will contribute an amount towards meeting the subscriber cost for single enrollment for retirees in an HMO Plan of 100% of the monthly subscriber cost of single enrollment for retirees in the Basic Plan. In the event that the monthly subscriber cost to the City for family enrollment for retirees in the Basic Plan is the lowest family enrollment subscriber cost for retirees to the City for both the Basic Plan and any HMO Plan, the City will contribute an amount towards meeting the subscriber cost for family enrollment for retirees in an HMO Plan of 100% of the monthly subscriber cost of family enrollment for retirees in the Basic Plan.

4. Pension, Article 36:

- a. Notwithstanding any provision of Chapter 36-05 of the Milwaukee City Charter and the Rules of the Annuity and Pension Board, for employees retiring on a service retirement allowance on or after January 1, 2005 with at least 5 years of City service, hours worked as a City Laborer-Seasonal or Playground Laborer Seasonal (MPS) shall be taken into account in determining the amount of their service retirement allowance. The additional creditable service earned under this provision shall be granted in accordance with Board Rules and shall not exceed one year of creditable service. The additional creditable service earned under this paragraph shall not be taken into account for any other purpose including, but not limited to determining eligibility for a service retirement allowance under Chapter 36-05-1-d or f, a deferred retirement allowance under chapter 36-05-6-b-2 or 6-d-2, an early retirement allowance under Chapter 36-05-6-b-3 or 6-c, or eligibility for additional imputed service credit under Chapter 36-04-4.
- b. Creditable service for active military service, as provided in 36-04-2-c, shall be extended to employees represented by the Union who participate in the combined fund and who retire on a service retirement between January 1, 2004 and December 31, 2006.

5. Tuition and Textbook Reimbursement, Article 28

Effective January 1, 2006, increase the maximum amount of City reimbursement for tuition, laboratory fees and required textbooks for approved courses of study from \$1,000 to \$1,200 per calendar year.

6. Funeral Leave, Article 35:

Effective the next pay period following the execution date of this Agreement under Article 35.1.b., include spouse's sibling's spouse in definition of brother-in-law and sister-in-law.

7. Joint Labor Management Committees, Article 12:

Create an advisory Joint Labor Management Committee to discuss the CDL 2005 regulation changes. The committee will make advisory recommendations to the City Labor Negotiator.

8. Sick Leave, Article 29

Continue the Sick Leave Incentive Program through Pay Period 26, 2006.

Effective on the effective date of the Long Term Disability Program, the "special sick leave account" shall be eliminated, except as provided in the Long Term

Disability Program Article. Effective on the effective date of the Long Term Disability Program, the maximum sick leave accrual for all employees shall be capped at 120 days, except as provided in the Long Term Disability Program Article.

9. New Article: Long Term Disability Program

As soon as administratively feasible on or after the next month following the execution date of this Agreement, the City will offer the Long-Term Disability ("LTD") Program

Basic coverage featuring benefits to age 65 after an elimination period of 180 calendar days will be provided at no cost to employees who work at least 20 hours per week on a year-round basis and have completed six months of active service following a regular or exempt appointment. Shorter elimination periods will be available through payroll deductions. An employee who is or becomes in a laid off situation shall not be eligible for LTD benefits. LTD benefits shall begin only after all other temporary disability benefits, such as accumulated sick leave, have been exhausted.

During a qualifying period of disability, the LTD benefit program will provide no less than 60% of monthly base earnings (excluding bonuses and overtime) as income replacement, up to a maximum of \$5,000.00 per month, reduced by all available temporary disability benefits such as sick leave benefits; amounts available from any other city, state or federal programs which may be paid on account of the same disability; and any income earned by the employee during the period of disability.

Benefits payable under the LTD benefit program shall be established by an LTD benefit administrator selected by the City. The LTD benefit administrator shall provide a procedure for an employee to dispute claims and claim decisions. No dispute arising under the LTD benefit program shall be subject to the grievance and arbitration procedures set forth in this Agreement, except an allegation that the City has failed to pay required payments to the LTD benefit administrator.

The City shall retain the right to manage, at its sole discretion, the administration and funding of the LTD benefit program, including, but not limited to selecting, changing, or terminating third party LTD benefit administrators, operating as the LTD benefit administrator, establishing and managing reserve funds in relation to the LTD benefit program, self-funding the LTD benefit program, and entering into or terminating insurance agreements in relation to the LTD benefit program.

The LTD benefit program will also render Special Sick Leave Accounts (Half Rate Sick Leave) unnecessary except for employees not eligible for LTD during the first year of the program due to a pre-existing condition. Consequently, sick leave accrual will be capped at 120 working days, except for employees not eligible for LTD during the first year of the program due to a pre-existing condition.

ACCRUED TIME OFF LEAVE DONOR PROGRAM. Effective on the effective date of the Long Term Disability Program, the Accrued Time Off Leave Donor Program will be eliminated, except for employees not eligible for LTD during the first year of the program due to a pre-existing condition. For such employees still eligible for the Accrued Time Off Donor Program, the program has been modified to cover eligible employees who are unable to return to work full time.

10. Maintain present language in the remaining Articles, except of updating dates, titles and deleting obsolete language.

Tasumm61  
10/18/2004