

November 21, 2006

To the Honorable, The Common Council  
City of Milwaukee  
City Hall, Room 201

RE: Common Council File #060987 Regarding Contingent Fund Request to Reserve  
\$40,000 for the Tuition Reimbursement Special Purpose Account

Dear Councilmembers:

This file is necessary due to non-discretionary expenses of Tuition Reimbursement in 2006. Tuition Reimbursement is a benefit provided through negotiated contracts as well as to non-represented employees.

In 2006, Tuition Reimbursement Expenditures are anticipated to be \$803,000. The Special Purpose Account is funded at \$740,000 in 2006 and there will be potential unfunded liabilities without a reserve amount from the Contingent Fund.

Tuition Reimbursement request experience in both 2005 and 2006 has been approximately \$63,000 more than the \$740,000 budgeted each year. At the time funding levels for the 2006 budget were set, the 2004 tuition reimbursement requests from employees were \$710,000. While Tuition Reimbursement requests increased significantly in 2005, the fund did not experience increased expenditures until 2006, since a portion of 2005 fall semester reimbursements were processed in early 2006 when employees submitted grade reports and receipts.

Attached are charts that show Requests for Tuition Reimbursement by Employee Group, Tuition Reimbursement Expenses by Year, and Tuition Reimbursement Benefits by Employee Group. If you have any questions on this request, please contact Andrea Knickerbocker, Human Resources Manager, at 286-3387.

Sincerely,

Maria Monteagudo  
Director