



Office of the Comptroller

September 13, 2011

W. Martin Morics, C.P.A.
Comptroller

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Special Deputy Comptroller

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Ref: Pay Admin

The Honorable Common Council
Committee on Finance & Personnel
City of Milwaukee

Dear Committee Members:

Re: Common Council File No. 110518

I have reviewed the fiscal impact statement in the above file, which reports the impact of the wage agreement prepared by the Labor Negotiator for the Milwaukee Police Supervisors' Organization. The total incremental costs as developed by my staff for the 2010-2012 agreement by category are:

	Year 1	Year 2	Year 3
Salaries – Base pay	\$ -	\$ 663,280	\$ 1,613,280
Salary Rollups – Workers' Comp, Unemploy. Comp, Terminal Leave, Overtime, and Group Life	-	91,119	240,289
Pension & FICA	-	3,380	83,655
Health Ins. Savings	-	-	(517,075)
Saving by elimination of VSAP and Certification pay	-	(623,283)	(623,283)
Saving by elimination of Education pay	-	-	(148,645)
Total Contract Costs:	\$ -	\$ 134,496	\$ 648,221

The 20-year bonus payment of VSAP is being rolled into base salary for all employees in 2011. Only 30% of MPSO employees have achieved this longevity and is why the cost exceeds the savings. All employees who have a degree will be compensated through various footnotes to base salary in 2012.

The average increase to sergeant base wage is 9.5% for this contract. All other classifications, the average increase is 5.6%. Base pay is used when calculating overtime and pension contributions. The cost for these items is listed above and is carried forward to future years.

We have found the balance of the figures in the note to be reasonable. The figures developed by the Labor Negotiator are adequate for use in the file.

Very truly yours,

W. MARTIN MORICS
Comptroller

WMM:JB

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