

Reply to Common Council File No.000992

From DOA-Budget and Management Division

October 26, 2001

Ref: 01003

Common Council File 000992 contains a resolution to ratify and confirm the final labor agreement between the City and Technicians, Engineers and Architects of Milwaukee (TEAM). The agreement covers wages, hours and conditions of employment for the period of January 1, 2001 through December 31, 2002. TEAM represents 133 city employees.

This agreement provides annual salary increases of 2.5% for 2001 and 3.0% for 2002. **The estimated cost of these increases is \$179,265 in 2001 and \$444,761 in 2002 (includes salary increases, overtime and rollups).** The cumulative cost over the two-year life of the contract is \$579,026. Funds for these costs are provided in the Wages Supplement Fund for 2001 and the 2002 Budget.

Pension, Life Insurance and FICA costs related to the salary increases are estimated at \$82,139 over the life of the contract. Although the cost increase related to pension benefits is attributed to the year in which salary costs and benefits are changed, the actual cost depends on the actuarial assumptions and pension fund earnings.

Other contract changes include: An increase in the contribution of employees enrolled in the Basic Plan to \$50 per month for single enrollment and \$100 per month for family enrollment (from \$40 and \$80) starting January 2002, an increase in the Major Medical lifetime maximum for employees enrolled in the Basic Plan from \$250,000 to \$500,000, an increase of five cents in the Shift, Weekend and Holiday Differential pay, an increase in safety shoe allowance from \$105 to \$115 annually, an increase in the maximum reimbursement for tuition to \$2,000 annually (2002), and a revision of years needed for additional. **The net effect of these changes is anticipated to be \$128,386 over the life of the contract.**

Any ordinance changes necessary for the implementation of this contract will be discussed in separate Common Council File(s).

RECOMMENDATION: ADOPT THE RESOLUTION INCLUDED IN THIS FILE APPROVING A 2001-2002 LABOR AGREEMENT WITH TECHNICIANS, ENGINEERS AND ARCHITECTS OF MILWAUKEE (TEAM).



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