

Reply to Common Council File No. 000997

From DOA-Budget and Management Division

March 12, 2003

Ref: 00003

Common Council File 000997 contains a resolution to ratify and confirm the final agreement between the City of Milwaukee and the Milwaukee Professional Fire Fighters' Association Local #215, IAFF, AFL-CIO, for the period of January 1, 2001 through December 31, 2003. The Milwaukee Professional Fire Fighters' Association represents 1,003 city employees.

This agreement provides annual salary increases of 3.25% for 2001, 2002, and 2003. **The estimated costs of these increases (salary increases, overtime rollup and term leave rollups) are \$1,838,278 in 2001, \$3,736,300 in 2002, and \$5,696,008 in 2003.** The cumulative cost over the three-year life of the contract is \$11,270,586.

**Pension and Life Insurance costs related to the salary increases are estimated at \$854,624 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 of the pension fund. **The only pension benefit change made in this contract is the elimination of the sunset provision on credit for military service.**

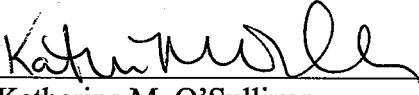
Other significant enhancements included in this contract are:

- The longevity payment for employees with 20 years of services is increased to \$850 beginning with the 2001 payment. This change is projected to cost \$204,004 over the life of this contract.
- Effective Pay Period 1, 2004, the maximum compensatory time-off that can be accumulated will be 225 hours. For hours exceeding this amount, payment shall be made in cash. The projected cost for 2004 is unknown at this time. At this time, there are no firefighters with more than 225 hours of compensatory time.
- Employees who have positions of Fire Audio Training Specialist and Vehicle Operations Instructor receive an additional 1% for their base salary. This change adds \$4,333 to the cost of the contract.
- Members enrolled in the Basic Plan will have \$60 per month for single coverage and \$120 per month for family coverage, effective January 1, 2003. In addition, the lifetime maximum for major medical under this plan is increased to \$500,000 effective January 1, 2002. This change results in net savings of \$144,480 in 2003.
- The sick leave incentive payment for the trimester in which the contract takes effect will be increased to \$200. This change is projected to cost \$28,887 in 2003.

- The uniform allowance for 2002 is increased to \$300 and the allowance for 2003 is increased to \$325. After the implementation of the contract, new recruits, once assigned to a house, will receive a one-time \$50 payment for uniforms. These changes are projected to cost \$127,025 over the life of this contract.
- Beginning in 2003, the length of active time required to accrue vacation is reduced so that an employee averaging more than 40 hours a week will earn 18 hours of vacation per month between 12 and 20 years of service and 22 hours per month with more than 20 years of service. For those employees whose work week averages less than 40 hours per week, vacation will be accrued at 13 1/3 hours per month between 12 and 20 years of service and 16 1/3 hours per month with more than 20 years of service. This change is projected to cost \$255,098 in 2003.

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 2001-2003 LABOR AGREEMENT BETWEEN THE CITY OF MILWAUKEE AND THE MILWAUKEE PROFESSIONAL FIRE FIGHTERS' ASSOCIATION.**



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