



Office of the Comptroller
March 18, 2010

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

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

Ref: Pay Admin

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

Dear Committee Members:

Re: Common Council File No. 070010

I have reviewed the fiscal note in the above file, which reports the impact of the wage agreement prepared by the Labor Negotiator for Local 139, IUOE for 2007-2009 and 2010-2011. The total incremental costs as developed by my staff for the January 1, 2007 through December 31, 2009 agreement by category are:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Salaries – Base pay	\$ 21,600	\$ 38,180	\$ 60,660
Salary Rollups – Workers' Comp, Unemploy. Comp, Terminal Leave, Overtime, and Group Life	11,302	19,977	31,738
Pension & FICA	2,840	5,020	7,976
Health Ins. Contribution	---	---	(900)
Pension Changes and Sunset for Military	1,091	1,107	1,129
Total Contract Costs:	\$ 36,833	\$ 64,284	\$ 100,603

The total incremental costs as developed by my staff for the January 1, 2010 through December 31, 2011 agreement by category are:

	<u>Year 1</u>	<u>Year 2</u>
Salaries – Base pay	\$ ---	\$ ---
Salary Rollups – Workers' Comp, Unemploy. Comp, Terminal Leave, Overtime, and Group Life	---	---
Pension & FICA	---	---
Early Retirement	37,000	---
Wellness Program	6,300	---
Employee Pension Contributions	(3,153)	(6,306)
Total Contract Costs:	\$ 40,147	\$ (6,306)

While we have reviewed all of the items, the Labor Negotiator's pension costs were developed by an actuary. We are not in a position to recompute these figures, as we do not have the appropriate database. We have found the balance of the figures in the note to be reasonable. The figures developed by the Labor Negotiator for 2007-2009 agreement are adequate for use in the file.

Very truly yours,



W. MARTIN MORICS
Comptroller

WMM:JB

UN36 Loc 139, IUOE 2007-2011

c: Labor Relations
Deferred Comp
ERS