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## MEMORANDUM

To: Ald. Marina Dimitrijevic  
From: Kathleen Brengosz, Legislative and Fiscal Services Specialist, x3926  
Date: November 14, 2025  
Subject: Estimated Salary and Pension Costs for the Tentative Agreement with MPA

In response to your inquiry regarding the estimated costs related to the Tentative Agreement with the Milwaukee Police Association for salary and pensions, the Legislative Reference Bureau is providing the following information.

The Tentative Agreement between the City of Milwaukee and the Milwaukee Police Association is a 4-year contract covering the years from January 1, 2023 through December 31, 2026. The figures below represent estimated costs for salary increases and pension obligations for sworn staffing at the currently authorized level of 1,645 officers. The pension cost estimates are informed by the latest analysis from the City's actuary.

Year	Salaries	Pension	Annual Total
2023	\$3,773,616	\$462,370	\$4,235,986
2024	\$8,732,469	\$1,055,224	\$9,787,693
2025	\$12,667,476	\$1,541,398	\$14,208,874
2026	\$20,225,297	\$2,461,045	\$22,686,342
<b>Contract Total</b>	<b>\$45,398,858</b>	<b>\$5,520,038</b>	<b>\$50,918,896</b>

Salary increases account for the majority of the cost over the term of the contract, totaling \$45.4 million, which is 89% of the estimated cost. Pension costs are 11% of the projected costs, totaling \$5.5 million. The projected fiscal impact for all four years of the contract is \$50.9 million. The salary and pension costs for 2026 alone represent 45% of the total contract costs.

Wisconsin Act 12 requires sworn staffing to increase from the current authorized level of 1,645 officers to 1,725 officers. This represents an increase of 4.9% in the City's average sworn strength. The additional officers must be hired by 2034. Immediately hiring 80 additional officers at Step 1 of the wage schedule would result in additional annual salary costs of \$5.8 million. Fringe benefits associated with newly hired officers would increase the cost by \$2.8 million, bringing the total cost to \$8.67 million. Of that amount, \$770,000 would be directly related to salary increases in the Tentative Agreement. The increase in fringe benefits related to the Tentative Agreement would be \$370,000. Fringe benefits include

pensions, health care, dental and other costs. Hiring additional officers above Step 1 could increase salaries and fringes to as much as \$7.8 million and \$3.7 million, respectively.

If you need additional information, please do not hesitate to contact me.

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