

August 23, 2001

Honorable Common Council
Of the City of Milwaukee
City Hall -- Room 205

Re: Resolution authorizing settlement of age discrimination charge entitled Association of Law Enforcement Allied Services Personnel, Local 218, IUPA, AFL-CIO v. City of Milwaukee and Board of Fire and Police Commissioners, EEOC Charge No. 260A10699, ERD Case No. CR200101280

Dear Council Members:

Enclosed please find a resolution authorizing the settlement of an age discrimination action brought by the Association of Law Enforcement Allied Services Personnel, Local 218 (ALEASP) against the City of Milwaukee and the Board of Fire and Police Commissioners.

cal 218 (ALEASP) against the City of Milwaukee and the Board of Fire and Police Commissioners.

ALEASP represents certain civilian employees of the Milwaukee Police Department, including a classification known as Police Service Specialists (PSSs). PSSs are retired sworn Milwaukee police officers who are subsequently re-hired as civilian employees.

The collective bargaining agreement between the parties excludes the PSS classification from coverage under the group health insurance plans. PSSs are instead covered by the City's retiree health plans for which they are qualified.

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On March 27, 2001, ALEASP filed a charge of discrimination based on age, with the Equal Employment Opportunity Commission, alleging that the exclusion of PSS employees from the group health plans under the labor contract violated the Age Discrimination in Employment Act (ADEA), and the Older Worker Benefit Protection Act (OWBPA). The City denies any violation of the ADEA or OWBPA.

The parties now desire to enter into a settlement agreement in order to avoid litigation. Under the terms of the agreement, the PSS classification continues to be excluded from group health coverage under the labor contract; however, the amount the PSSs will contribute toward their retiree health insurance will be equal to the amount they would contribute if they were covered by the group health plans under the contract. Further, an adjustment retroactive to January 2001 will be made to any PSSs who signs an individual release and waiver.

The anticipated cost of the retroactive adjustment, based upon the number of PSSs who have presently signed releases, is estimated to be \$7,450. The anticipated future cost of the settlement, based upon the current rates for the retiree plans in which the PSSs are currently enrolled, is approximately \$13,200 more than the City presently pays in retiree health costs for these retirees.

Under the terms of the settlement, ALEASP, and the PSSs who execute releases, waive and release any other relief, including damages, attorney fees and costs, which may be available under the ADEA or OWBPA.

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The City Attorney believes settlement is in the best interest of the City and therefore recommends settlement of this lawsuit.

If the council wishes, further discussion of the terms of this settlement and underlying reasons therefore, the City Attorney is also requesting that the Judiciary and Legislation Committee convene in closed session for purposes of discussing the terms of this settlement.

Very truly yours,

GRANT F. LANGLEY
City Attorney

MIRIAM R. HORWITZ
Assistant City Attorney

MRH:44373
Enclosure

Cc: (w/enc):

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1032-2001-1221