



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Deborah Ford
Labor Negotiator

December 10, 2014

To the Honorable
Finance and Personnel Committee
Common Council
City of Milwaukee

Dear Committee Members;

Re: Common Council File Number **140856**

The 2015 Adopted City of Milwaukee Budget includes salary adjustments for general city employees who, as a result of Common Council File #117740, will be required to contribute 5.5% of their earnable compensation to the employees' retirement system.

This report recommends changes to Part II, Section 2 of the 2015 Salary Ordinance to authorize the Department of Employee Relations to develop procedures and guidelines to administer such adjustments. This report also contains amendments to Part II, Section 5 of the Salary Ordinance detailing the specific amount of the adjustments for eligible employees.

Under Part II, Administration, Section 2 - Rates of Pay; B. Intent, add the following:

"The 2015 Salary Ordinance includes language authorizing salary adjustments for general city employee members of the employees' retirement system who are initially required to contribute 5.5% of their earnable compensation to the employees' retirement system as a result of Common Council File #110740. Such adjustments are not considered general wage increases and therefore are not reflected in pay range minimums, maximums, footnotes, and/or increments. Specific provisions regarding the amount of the adjustments, eligibility considerations and the effective dates are included under Section 5-Salary Adjustments. The Department of Employee Relations is responsible for developing procedures and guidelines to administer such salary adjustments."

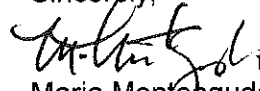
Under Part II, Administration, Section 5 - Salary Adjustments; add the following:

- "H. Effective Pay Period 4, 2015 (February 1, 2015), general city employees enrolled as members of the employees' retirement system prior to January 1, 2014, and who are initially required to contribute 5.5% of their earnable compensation to the employees' retirement system as a result of Common Council File #110740, shall be eligible for a biweekly base salary adjustment of 3.9% except as provided under I.
- I. Effective Pay Period 4, 2015 (February 1, 2015), general city employees enrolled as members of the employees' retirement system on or after January 1, 2000, and who as a result of Common Council File #110740 are initially required to contribute 5.5% of their earnable compensation to the employees' retirement system in lieu of the 1.6% contribution during the first eight years of ERS enrollment, shall be eligible for a base salary adjustment

of 1.45%. Effective the Pay Period following the date the 1.6% contributions would have ended, employees covered by this provision shall receive a salary adjustment equivalent to 2.45% of the hourly base rate (hourly employees) or the biweekly base salary (salaried employees) that was in effect immediately prior to application by the City of the 1.45% adjustment referred in this subsection (l).”

I respectfully request approval of the recommended changes. I will be available at the December 15th meeting to answer questions and concerns.

Sincerely,



Maria Monteagudo
Employee Relations Director

MM/fcw

C: Mark Nicolini, Budget and Management Division
Deborah Ford, Labor Negotiator



City of Milwaukee Fiscal Impact Statement

A	
Date	December 10, 2014
	File Number 140856
Subject	Salary Ordinance Changes regarding Salary Adjustments and Employee Contributions to the Employee's Retirement System

B	
Submitted By (Name/Title/Dept./Ext.)	Sarah Trotter, Human Resources Representative Dept. of Employee Relations/X2398.

C	
This File	<input type="checkbox"/> Increases or decreases previously authorized expenditures. <input type="checkbox"/> Suspends expenditure authority. <input type="checkbox"/> Increases or decreases city services. <input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability. <input type="checkbox"/> Increases or decreases revenue. <input checked="" type="checkbox"/> Requests an amendment to the salary or positions ordinance. <input type="checkbox"/> Authorizes borrowing and related debt service. <input type="checkbox"/> Authorizes contingent borrowing (authority only). <input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.

D	
This Note	<input type="checkbox"/> Was requested by committee chair.

E	
Charge To	<input type="checkbox"/> Department Account <input type="checkbox"/> Contingent Fund <input type="checkbox"/> Capital Projects Fund <input type="checkbox"/> Special Purpose Accounts <input type="checkbox"/> Debt Service <input type="checkbox"/> Grant & Aid Accounts <input type="checkbox"/> Other (Specify) _____

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		0*	
Supplies/Materials			
Equipment			
Services			
Other			
TOTALS		0*	

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.

*This fiscal note applies to December 10, 2014 letter from Employee Relations regarding salary adjustments and employee contributions to the Employee's Retirement System. Costs are already included in 2015 budget.
