June 5, 2002

To the Honorable Common Council of the City of Milwaukee City Hall, Room 205

Dear Members:

Re: Amendment to s. 36-05-2-c-3 of the Charter

Members of the Employes' Retirement System ("ERS") earn toward their service retirement 2% of final average salary per year of service and receive a pro rata retirement allowance based upon the above formula for service of any period less than a full year if they are general city employees and earn toward their service retirement 2.5% of final average salary per year of service and receive a pro rata retirement allowance based upon the above formula for service of any period less than a full year if they are fire and police. Members earn toward their ordinary disability retirement allowance 2% of final average salary per year of service for each year in excess of 5 years of service with no pro-ration for years of service less than a full year of service if they are fire and police.

The ERS has requested an amendment to the charter, which would permit pro-ration based upon the formula for service for any period of less than a full year in the administration of ordinary disability retirement benefits. Currently under s. 36-05-2-c-3, ordinary disability benefits payable to fire and police are at the rate of 2% of final average salary for each year of service in excess of 5 years of service as a fireman or policeman. Pro-ration is not permitted. We are enclosing the appropriate charter ordinance for introduction into the Common Council. The ERS will provide a fiscal note.

Very truly yours,

GRANT F. LANGLEY City Attorney

THOMAS E. HAYES Special Deputy City Attorney Enclosures c: Ms. Anne Bahr TEH/kef 54310 1054-2002-385