



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

November 23, 2009

To The Honorable
The Committee on Finance and Personnel
Common Council
City of Milwaukee

Dear Committee Members:

Re: Common Council File Number 090951

- Analysis -

This report recommends adoption of pension benefit changes for nonmanagement/ nonrepresented employees for 2007-2009 and 2010-2011.

This report recommends the adoption of pension benefit changes for nonmanagement/nonrepresented City employees for the years 2007-2009 and 2010-2011. These recommendations are comparable to pension benefit changes approved for employees represented by District Council 48, AFSCME, AFL-CIO.

Pension Benefits

1. The sunset of December 31, 2006 will be removed to permit nonmanagement/nonrepresented employees who participate in the combined fund and who retire after December 31, 2006 to receive creditable service for active military service, as provided in 36-04-1-c of the City Charter.
2. Employees hired on or after 1/1/2010 shall be required to pay member contributions equal to 5.5%.
3. Effective 1/1/2010 through 12/31/2011 employees who retire from active service on a normal service retirement or an early retirement shall receive a 2% COLA increase after the first twelve months of retirement.
 - This provision shall expire 12/31/2011.
4. Employees who retire from active service between 1/1/2010 and 12/31/2010 on a normal service retirement or an early service retirement shall be eligible for a

bonus year. That year may be, at the discretion of the employee, added to either age, for eligibility qualification, or years of service. The bonus year may be split into portions no smaller than full months and used for a combination of age and service not to exceed 12 months in total. If the bonus year is used as an additional year of service credit the total years of service cannot exceed 35, and will not be used to break the 70% cap. In order to be eligible for this benefit, employees must provide notice only of their intent to retire during 2010 to their Department head or designee by August 31, 2010.

- This provision shall expire 12/31/2010.

We recommend approval of these pension benefit changes.

Sincerely,



Maria Monteagudo
Employee Relations Director

Attachment: Fiscal Note