



Office of the Comptroller
February 17, 2010

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

Ref: Pay Admin

The Honorable Common Council
Committee on Finance & Personnel
City of Milwaukee

Dear Committee Members:

Re: Common Council File No. 070016

I have reviewed the fiscal note in the above file, which reports the impact of the wage agreement prepared by the Labor Negotiator for Local 510 IAMAW for 2007-2009 and 2010-2011. The total incremental costs as developed by my staff for the January 1, 2007 through December 31, 2009 agreement by category are:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Salaries – Base pay	\$ 17,480	\$ 30,895	\$ 49,087
Salary Rollups – Workers' Comp, Unemploy. Comp, Terminal Leave, Overtime, and Group Life	1,865	3,296	5,237
Pension & FICA	2,298	4,062	6,455
Health Ins. Contribution	---	---	(1,740)
Pension Changes and Sunset for Military	883	896	914
Total Contract Costs:	\$ 22,526	\$ 39,149	\$ 59,953

The total incremental costs as developed by my staff for the January 1, 2010 through December 31, 2011 agreement by category are:

	<u>Year 1</u>	<u>Year 2</u>
Salaries – Base pay	\$ -	\$ -
Salary Rollups – Workers' Comp, Unemploy. Comp, Terminal Leave, Overtime, and Group Life	-	-
Pension & FICA	-	-
Co-pays and Prescriptions	(2,632)	(3,511)
Wellness Cost	5,985	5,985
Pension Enhancements	28,000	28,000
Employee Pension Contributions	(806)	(1,612)
Total Contract Costs:	\$ 30,547	\$ 28,862

While we have reviewed all of the items, the Labor Negotiator's pension costs were developed by an actuary. We are not in a position to recompute these figures, as we do not have the appropriate database. We have found the balance of the figures in the notes to be reasonable. The figures developed by the Labor Negotiator for 2007-2009 and 2010-2011 agreements are adequate for use in the file.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael J. Morics", with a long, sweeping horizontal line extending to the right.

W. MARTIN MORICS
Comptroller

WMM:JB
UN48 Loc 510 2007-2011

c: Labor Relations
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