



Legislation Text

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990239
SUBSTITUTE 1

THE CHAIR

Substitute resolution reserving an additional \$100,000 in the 1999 Common Council Contingent Fund (Account No. 0001-9990-0001-C001) for the City Clerk to pay for actuarial work subcontracted by the law firm, Reinhart, Boerner, Van Dueren, Norris & Rieselbach, for purposes related to global pension settlement discussions with unions and retirees.

This resolution reserves an additional \$100,000 in the 1999 Common Council Contingent Fund (Account No. 0001-9990-0001-C001) for the City Clerk to pay for actuarial work subcontracted by the law firm, Reinhart, Boerner, Van Dueren, Norris & Rieselbach. The purpose of the actuarial work is for purposes related to global pension settlement discussions with unions and retirees.

Whereas, The City of Milwaukee faces potential costs of several million dollars annually as a result of the various pension lawsuits; and

Whereas, There is no unfunded liability in the pension system taken as a whole and there are sufficient surplus reserves available in the pension system taken as a whole to pay the additional liabilities incurred by the system as a result of the losses in pension lawsuits; and

Whereas, The City of Milwaukee has expressed to union presidents, retiree representatives and pension board members that it believes there may be a legal basis to negotiate and enforce a binding agreement on pension litigation and other pension issues; and

Whereas, The City of Milwaukee is presently engaged in discussions with the unions and retirees in order to reach a settlement on pension litigation; and

Whereas, The current and future financial impact of proposals put forth by the City, unions and retirees must be evaluated before such proposals can be discussed; and

Whereas, The City of Milwaukee has retained an actuary firm that has created a financial model that the city can use to evaluate the current status of the pension system and projected costs of any settlement proposals that are presented; and

Whereas, These actuarial activities are being subcontracted by the law firm Reinhart, Boerner, Van Dueren, Norris & Rieselbach, which is acting as a consultant to the city in matters related to global settlement talks; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the sum of \$100,000 be reserved in the 1999 Common Council Contingent Fund (Account No. 0001-9990-0001-C001) to fund actuarial work subcontracted by the law firm Reinhart, Boerner, Van Dueren, Norris & Rieselbach for purposes related to settlement of pension lawsuits; and, be it

Further Resolved, That up to \$100,000 of the reserved funds may be expended for the purpose stated above with the approval of the Budget Director.

Budget and Management Division
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