



Legislation Text

File #: 000792, Version: 1

000792

SUBSTITUTE 1

000484

THE CHAIR

A substitute charter ordinance amending the global pension settlement and making technical corrections to reflect the intention of the parties to the global pension settlement.

36-04-1-c am

36-04-4-a am

36-05-3-b-3 am

36-05-11-b am

36-05-11-c am

36-05-11-d am

This charter ordinance amends the global pension settlement making technical corrections to reflect the intention of the parties to the global pension settlement. No benefits are being reduced as a result of these corrections.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Part 3 of common council file no. 991585 is amended to read:

36-04. Creditable Service. 1. SERVICE CREDITED. c. The board shall allow one year of creditable service for each 3 years of active military service prior to enrollment in the retirement system to policemen represented by the MPA and firemen represented by Local 215, IAFF, who participate in the combined fund and who retire on a service retirement allowance between January 1, 1998 and December 31, 2002, and policemen represented by the MPSO, >>non-represented firemen or policemen who participate in the combined fund and who retire on a service retirement allowance between January 1, 2000 and December 31, 2002,<< and general city employees who participate in the combined fund and who retire on a service retirement allowance between January 1, 1999 and December 31, 2002. The creditable service awarded under this par. shall not exceed 3 years. To be eligible the member must be honorably discharged from the armed forces of the United States. To be eligible for inclusion in the calculation, a period of active military service must be a period of not less than 90 consecutive days spent in the active service of the armed forces of the United States and meet the requirements of 10 U.S.C. § 101(d)(1). If a member has accumulated less than 3 years of active military service, the member shall be allowed additional months of service credit on a pro rata basis calculated as the product of the full months of active military service under this par. multiplied by a fraction, the numerator of which is one and the denominator of which is 3. The additional service credit earned under this par. shall be taken into account for purposes of determining the amount of the service retirement allowance, but shall not be taken into account for any other purpose including, but not limited to determining eligibility for a service retirement allowance under s. 36-05-1-d or f, a deferred retirement allowance under s. 36-05-6-b-2 or 6-d-2, an early retirement allowance under s. 36-05-6-b-3 or 6-c, or eligibility for additional imputed service credit under sub. 4.

Part 2. Part 4 of common council file no. 991585 as amended by Part 1 of common council file no. 000484 is further amended to read:

4. IMPUTED SERVICE CREDIT. a. A fireman >>or policeman<< in active service as of January 1, 2000, who participates in the combined fund and who has attained 20 years of creditable service in the retirement system as a fireman or policeman shall be allowed 1.5 years of additional imputed creditable service toward the computation of his or her service retirement allowance >>if he or she applies for retirement as a fireman<<. A fireman >>or policeman<< in active service as of January 1, 2000, who participates in the combined fund and who applies for a service retirement allowance >>as a fireman<< without first having attained 20 years of creditable service as a fireman >>or policeman<< shall be allowed additional imputed creditable service under this sub. on a pro rata basis calculated as the product of 1.5 multiplied by a fraction, the numerator of which is the full years of the member's creditable service as a fireman >>or policeman<< (excluding imputed creditable service credited under sub. 1-c) to the date of retirement and the denominator of which is 20. A >>fireman or << policeman in active service as of January 1, 2000 who participates in the combined fund who has attained 25 years of creditable service in the retirement system as a policeman or fireman or the minimum service retirement age under s. 36-05-1-b, shall be allowed 1.5 years of additional imputed creditable service toward the computation of his or her service retirement allowance >>if he or she applies for retirement as a policeman<<. The imputed service credited under this par. shall not be included in determining eligibility for a retirement allowance under s. 36-05-1-f or in calculating the maximum service retirement allowance under s. 36-05-1-e. This par. does not apply to a retirement allowance authorized by s. 36-05-6-b-2, 6-d-2, 6-b-3 or 6-c. The imputed service credit under this par. shall be included in the deceased member's allowance when calculating the spouse survivor allowance under s. 36-05-7-b-4-a.

Part 3. Part 15 of common council file no. 991585 is amended to read:

36-05. Benefits. 3. DUTY DISABILITY RETIREMENT ALLOWANCE.

b-3. Effective January 1, 2000, the annual escalator payable under sub. 1-h-5 shall be extended to a general city employee who retires >>or is retired as of January 1, 2000<< and is receiving a duty disability allowance and his or her spouse survivor receiving a proportionate share of the member's pension if the member (or spouse survivor if the member is deceased) participates in the combined fund. If a member who is eligible for an increase under this sub. dies while on duty disability on or after January 1, 2000, his or her spouse's proportionate share spouse survivor allowance shall be computed based on the amount of the member's duty disability retirement allowance including increases at the date of death. The annual increase shall be payable to the member or spouse survivor at the same times and in the same percentages as the increases the member would have received had the member retired on a service retirement allowance on the date of his or her duty disability retirement.

Part 4. Those portions of Part 24 of common council file no. 991585, and part 2 of common council file no. 000484, relating to creation and amendment of s. 36-05-11, of the charter are further amended, relating to s.36-05-11-b to d, to read:

11. LUMP SUM BONUS. b. Firemen and Policemen Survivorship Fund Dissolution Bonus. The following persons shall be eligible for an additional lump sum bonus if they participate in the combined fund: a fireman in active service as of January 1, 2000; a fireman retired on a disability retirement allowance as of January 1, 2000 who is an active member in good standing of the firemen

and policemen's survivorship fund as of January 1, 2000; a spouse survivor (under a protective survivorship option) of a fireman in active service as of January 1, 2000 if the member dies prior to retirement; or an accidental death surviving spouse beneficiary of a fireman or policeman in active service as of January 1, 2000 if the member dies prior to retirement. A policeman in active service as of January 1, 2000 who is a participant in the combined fund, a policeman retired on a disability retirement allowance as of January 1, 2000 who is a participant in the combined fund or a spouse survivor (under a protective survivorship option) of a policeman in active service as of January 1, 2000 who is a participant in the combined fund (if the member dies prior to retirement) shall be eligible for an additional lump sum bonus if the policeman is an active member in good standing of the firemen and policemen's survivorship fund as of January 1, 2000 and is ineligible for additional service credit under s. 36-04-4-b. The bonus for members other than members who either are retired on a disability allowance as of January 1, 2000 or retire on a disability allowance thereafter shall be paid at the time of commencement of their service retirement allowance, spouse survivor allowance or accidental death benefit allowance. The bonus for members who retire before or after January 1, 2000 on a disability retirement allowance shall be payable at the time of the installment next following attainment of their conversion age. If a member is retired on a disability retirement allowance and is ineligible for conversion to a service retirement allowance, the bonus shall be payable in the installment next following the attainment of age 63 or January 1, 2000 whichever shall come last. The bonus for active members shall be 8.6% of the accrued annual service retirement allowance (without reduction on account of an election under sub. 7, or adjustment for cost of living) multiplied by the appropriate lump sum factor as set forth in par. 1. The bonus for spouse survivors (under a protective survivorship option) shall be 8.6% of the accrued annual spouse survivor allowance (without adjustment for cost of living) multiplied by the appropriate lump sum factor as set forth in par. 1. >>The bonus for an accidental death surviving spouse beneficiary shall be 8.6% of the accrued annual accidental death benefit allowance (without adjustment for cost of living) multiplied by the appropriate lump sum factor as set forth in par. 1<<. The bonus for retired members on a disability retirement allowance who are eligible to convert to a service retirement allowance shall be 8.6% of their accrued service retirement allowance (without adjustment for cost of living) at a conversion age multiplied by the appropriate factor as set forth in par. 1. The bonus for retired members on a disability retirement allowance who are ineligible for conversion shall be 8.6% of the annual service retirement allowance at age 63 (without adjustment for cost of living) multiplied by the appropriate lump sum factor as set forth in par. 1. If a member retired on a disability retirement allowance who is ineligible for conversion to a service retirement allowance is older than age 63 as of January 1, 2000 the bonus shall be 8.6% of the member's disability retirement allowance payable for the year immediately prior to January 1, 2000 multiplied by the appropriate factor as set forth in par. a. This par. shall not apply to a retirement allowance authorized by s. 36-05-6-b-2, 6-b-3, 6-c or 6-d-2.

c. Military Service Credit Bonus. Each member who served and was honorably discharged from the military service prior to first being enrolled in the retirement system and who retired on a service retirement allowance prior to January 1, 2000 shall be eligible for a military service credit bonus if he or she is a participant in the combined fund and is ineligible for military service credit under s. 36-04-1-c. The bonus shall be computed by multiplying the sum of \$1,000,000 by a fraction, the numerator of which is the member's eligible active military service credit and the denominator of which is the total eligible active military service credit of all retirees eligible under this paragraph. Military service shall have the same meaning as under sec. 36-04-1-c. To be eligible for inclusion in the calculation a period of active service must be a period of not less than 90 consecutive days spent in active military service. >>One year of military service shall be credited for 3 years of eligible military service, however, the maximum military service credit taken into account for purposes of calculating this

bonus shall not exceed one year. The maximum military service credit bonus shall not exceed the amount of the full monthly installment payable for the month immediately prior to January 1, 2000 or if no monthly installment was payable prior to January 1, 2000, the first full monthly installment payable after January 1, 2000.<< The retirement system shall determine the appropriate military documentation for crediting such military service. In order to be eligible for a military service credit bonus, each retired member must apply to the retirement system no later than~~[[January 1, 2001]]~~ >> 6 months following a final and binding determination by a court of competent jurisdiction that this ordinance is legal and enforceable<<.

d. Retiree Special Bonus. Every retiree, spouse survivor and accidental death beneficiary who participates in the combined fund and who is receiving a retirement allowance or accidental death benefit as of January 1, 2000 shall be eligible to receive a lump sum payment. The bonus shall be paid as soon as administratively feasible after January 1, 2000 and shall be equal to the full monthly installment payable for the month immediately prior to January 1, 2000, or if no monthly installment was payable prior to January 1, 2000, the first full monthly installment payable after January 1, 2000, multiplied by the following multiplier factor:

| <u>Status at Retirement or Death</u> | <u>Year of Retirement or Death</u> | <u>Multiplier</u> |
|--|--|-------------------|
| General City | 1997-1999 | 2 |
| | 1996 | 3 |
| | 1995 | 4 |
| | 1994 | 5 |
| | 1993 | 6½ |
| | 1992 and prior | 8 |
| Fire and Police | all years | 8 |

If a retiree or spouse survivor eligible to receive a lump sum payment under this par. has received an overpayment of catch-up or COLA payable under s. 36-05-1-i in 1996 or 1997, then, in lieu of the repayment of such overpayment through an adjustment of future benefit payments prescribed in this section, such retiree or spouse survivor shall repay all or a portion of such overpayment by offsetting dollar for dollar the lump sum payable under this section by the amount of the overpayment or 3 times the monthly installment identified in this section whichever is less. If a retiree who died prior to January 1, 2000, elected a spouse survivor who is eligible to receive a lump sum payable under this section the overpayment to such retiree in an amount not to exceed the lesser of the amount of overpayment to such retiree or 3 monthly installments identified in this section (excluding overpayments) payable to the retiree immediately prior to his or her death, shall be set off dollar for dollar against the lump sum payable to the spouse survivor under this section. If the amount of the overpayment exceeds the amount of the dollar for dollar set off applied under this section the excess of the amount of the overpayment over the amount set off shall become an obligation of, and paid from, the combined fund. If a retiree died prior to January 1, 2000, and either did not elect a spouse survivor who is eligible to receive a lump sum payable under this section or elected a spouse survivor who predeceased the retiree the amount of the overpayment to such retiree shall become an obligation of, and paid from, the combined fund. >>Notwithstanding the foregoing, the amount set off against the spouse survivor on account of overpayments received by the deceased member, the spouse survivor, or both, shall not exceed 3 times the full monthly installment payable to the spouse survivor for the month immediately prior to January 1, 2000 or if no full monthly installment was

payable for the month immediately prior to January 1, 2000, the first full monthly installment payable after January 1, 2000.<<

Part 5. This charter ordinance shall not take effect until all of the requirements of Part 47 of common council file no. 991585 are met nor until 60 days after its passage and publication. If within such 60 days a referendum petition is filed as provided in s. 66.01(5), Wis. Stats., this ordinance shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon.

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

City Atty.

32551

TEH.kef/global amendment

9/25/00

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BJZ/dw

9/27/00