



## Legislation Text

File #: 161229, Version: 1

### 161229 SUBSTITUTE 1

#### THE CHAIR

A substitute ordinance relating to benefits for non-represented, sworn employees of the fire department and police department.

350-25-11-a	rc
350-25-11-b	rc
350-25-11-c	am
350-25-11-e	rc
350-25-11-f-1	rp
350-25-11-f-2	rn
350-25-11-f-3	rn
350-25-11-f-4	rn
350-25-11-g	am
350-25-12	cr
350-25-13-a-4	rp
350-25-13-a-5	rp
350-25-13-a-6	rp
350-25-13-b	am
350-25-13-g	am
350-25-13-h	cr

This ordinance revises group life insurance provisions for non-represented, sworn employees of the fire department and police department. It updates the position titles covered, the amount of basic life insurance coverage provided by the city, the cost of additional life insurance coverage and coverage available to this class of employees who have retired.

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

Part 1. Section 350-25-11-a and b of the code is repealed and recreated to read:

#### **350-25. Group Life Insurance.**

##### **11. UNREPRESENTED NON-CIVILIAN FIRE AND POLICE MANAGEMENT EMPLOYEES.**

a. Eligibility. Employees in active service and in the following position classifications shall be entitled to the life insurance benefits provided under this subsection as long as they remain in active service within such classifications:

- a-1. Chief of police.
- a-2. Assistant chief of police.
- a-3. Inspector of police.
- a-4. Fire chief.
- a-5. Assistant chief, fire.
- a-6. Deputy chief, fire.

a-7. Battalion chief classifications.

b. Amount of Life Insurance Coverage. Eligible employees, at no cost to the employee, shall be enrolled in basic life insurance coverage in an amount equal to \$55,000, as long as they remain in active service. These employees shall be eligible to purchase additional voluntary life insurance, in 50% increments of the employees' annual base salaries, at no cost to the city, in an amount not to exceed 3 times the employees' annual base salaries. However, in no instance shall the amount of additional life insurance exceed \$300,000.

Part 2. Section 350-25-11-c of the code is amended to read:

c. Adjustment of Coverage. The amount of life insurance coverage to which an employee is entitled shall be adjusted ~~[[semi-annually]]~~>>annually<< on January 1 ~~[[and July 1]]~~ to reflect changes in the employee's annual base salary rate. In this paragraph, "annual base salary rate" means an amount equivalent to the employee's biweekly base salary ~~[[on those 2 dates]]~~, as the employee's biweekly base salary is established by the salary ordinance, divided by 14 and then multiplied by 365.

Part 3. Section 350-25-11-e of the code is repealed and recreated to read:

e. Cost of Additional Life Insurance Coverage. Employees eligible for the basic life insurance coverage specified in under sub. 11-b, who elect additional life insurance coverage, as described in sub. 11-b, shall pay to the city an amount equal to a cost per thousand, per month, at age-banded rates, for each \$1,000 of coverage in excess of \$55,000. These payments shall be accomplished by periodic deductions from employees' biweekly pay checks. The city shall make all necessary payments for the basic life insurance coverage provided in sub. 11-b. Employees who have enrolled in additional life insurance coverage may also purchase life insurance for spouses and dependents at no cost to the city.

Part 4. Section 350-25-11-f-1 of the code is repealed.

Part 5. Section 350-25-11-f-2 to 4 of the code is renumbered 350-25-11-f-1 to 3.

Part 6. Section 350-25-11-g of the code is amended to read:

g. Effective Date. This subsection shall be in force and effect from and after ~~[[January 1, 1983]]~~>>February 1, 2017<<, for policemen and ~~[[March 1, 1983]]~~>>January 1, 2017<<, for firemen.

Part 7. Section 350-25-12 of the code is created to read:

**12. COVERAGE FOR CERTAIN RETIRED FIRE EMPLOYEES.** a. Eligibility. Employees who retire in the following position classifications shall have retiree life insurance coverage upon commencing a service retirement allowance provided the employee was enrolled at the time of retirement in voluntary coverage as an active employee:

a-1. Fire chief.

a-2. Assistant chief, fire.

a-3. Deputy chief, fire.

a-4 Battalion chief classifications.

b. Coverage. An employee who is eligible for life insurance coverage as a retiree shall have the following coverage, and all amounts shall be rounded to the next thousand:

- b-1. A retiree may elect to continue his or her voluntary coverage in an increment of 50%, 100%, 150%, 200%, 250% or 300% of his or her annual base salary at the time of retirement, not to exceed the voluntary coverage he or she has in effect as an active employee at the time of retirement.
- b-2. Effective with the first of the month in which the retiree turns, 65, if the retiree had voluntary coverage in effect through the age of 65, then \$10,000 of the coverage shall be paid for by the city. The retiree may continue to carry additional voluntary coverage at his or her discretion not to exceed the voluntary coverage carried at the time the retiree turned 65, and shall continue to pay for this additional voluntary coverage at age-banded rates.
- b-3. A retiree may elect to reduce coverage at any time to an allowed increment of his or her annual salary at the time of retirement described in subd. 1, but once reduced the retiree does not have the option to increase coverage in the future.
- b-4. Any basic and family coverage that the retiree may have enrolled in as an active employee shall terminate upon retirement.
- c. Premiums. Except as noted in sub. 12-b-2, the retiree shall pay for the coverage he or she elects at age-banded rates determined solely by the city and its life insurance carrier.

Part 8. Section 350-25-13-a-4 to 6 of the code is repealed.

Part 9. Section 350-25-13-b of the code is amended to read:

**13. COVERAGE FOR CERTAIN RETIRED POLICE EMPLOYEES.**

b. Except as provided in par. c, an employee ~~>>who is under age 65, and<<~~ eligible for retiree life insurance coverage who elects such coverage ~~[[must]]>>shall<<~~ elect the maximum ~~[[to which the employee is entitled under sub. 4-d.]]>>~~ coverage of 150% of the annual base salary at the time of retirement rounded to the next thousand not to exceed a maximum amount set by the city. The employee shall pay for such coverage at age-banded rates to be determined solely by the city and the city's insurance carrier. This coverage shall remain in effect until the first month in which the retiree turns age 65. Effective February 1, 2017, the maximum coverage an employee may carry after retirement shall be \$300,000<<.

Part 10. Section 350-25-13-g of the code is amended to read:

**13. COVERAGE FOR CERTAIN RETIRED POLICE EMPLOYEES.**

g. For purposes of administration, "retiree" means an individual eligible for reduced coverage after the effective date his or her service retirement allowance commenced ~~>>provided the employee has 20 years of creditable service. Creditable service shall be computed as specified in s. 36.04<<.~~ Election of retiree life insurance coverage and modification to the coverage shall be the responsibility of the employee or retiree.

Part 11. Section 350-25-13-h of the code is created to read:

**13. COVERAGE FOR CERTAIN RETIRED POLICE EMPLOYEES.**

h. Effective the first of the month in which a retiree turns age 65, the coverage amount for an eligible retiree shall be 50% of his or her annual base salary at the time of retirement rounded to the next thousand. The employer shall pay for the coverage at rates to be determined solely by the city and the city's insurance carrier.

APPROVED AS TO FORM

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Legislative Reference Bureau

Date: \_\_\_\_\_

IT IS OUR OPINION THAT THE ORDINANCE  
IS LEGAL AND ENFORCEABLE

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Office of the City Attorney

Date: \_\_\_\_\_

Department of Employee Relations

LRB 167555-2

John Ledvina

1/30/2017