INSTRUCTION SHEET
ADDITIONS TO MILWAUKEE CITY CHARTER

SUMMARY

This supplement incorporates changes to the Milwaukee City Charter enacted by the following Common Council file:

140609 A substitute charter ordinance relating to charter provisions implementing the Milwaukee civic partnership initiative.

110740 A substitute charter ordinance relating to member contributions for certain city employes and elected officials.

Section Affected	Action	File Number	Effective Date	Remove Pages	Add Pages
Remove old MEMO (Suppl. #172)					
				v-vi	**v-vi**
16-05-3-h	cr	140609	1/19/2015	95-96	95-96
Ch. 16 (hist.)				99-100	99-100
36-05-6-a-2	am	110740	1/26/2015	327-328	327-328
36-08-7-a-1	ra to 36-08-7-a	110740	1/26/2015	347-352	347-352
36-08-7-a-2	rp	110740	1/26/2015	"	"
36-08-7-a-3	rp	110740	1/26/2015	"	"
36-08-7-c	am	110740	1/26/2015	"	"
36-08-7-m	am	110740	1/26/2015	"	"
36-08-7-o	am	110740	1/26/2015	"	"

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For questions concerning the content of the Milwaukee Code or Ordinances contact the Legislative Reference Bureau, Research Section, (414) 286-2297.

Abbreviations:

am=amended	ra=renumbered and amended	rn=renumbered
cr=created	rc=recreated	rp=repealed

MEMO

If all supplements have been properly inserted, this book contains all actions of the Common Council through November 5, 2014.

Revised 11/5/2014
Suppl. #173

CHAPTER 16
PURCHASING

TABLE

16-01	Definitions
16-02	Purchasing Appeals Board: Members, Meetings
16-05	Purchasing by Purchasing Director
16-07	Other Purchasing Authority

16-01. Definitions. In this chapter:

1. FORMAL COMPETITIVE BIDDING means a process whereby purchases are made from the lowest responsible bidder after due notice inviting bids, subject to bidding requirement exceptions under s. 16-05-3, in accordance with any applicable code provisions for participation of small business or local business enterprises, ethical purchasing, purchase of American-made vehicles, purchase of Milwaukee-, Milwaukee county- or American-made goods, which are in force. Notice shall be published in at least one official paper for at least 2 days preceding the last day set for the receipt of bids.

2. GOVERNMENT PURCHASER means the federal government, the state, another political subdivision of the state, a cooperative purchasing association or group formed by these entities, or a private entity that has established relationships with these entities.

3. REVERSE AUCTION means a public auction in which vendors bid the lowest price at which they are willing to sell specified materials, supplies, equipment or services. Vendors may be physically present or participate electronically, but in either case, the auction shall provide vendors with sufficient knowledge of bid rankings so that the vendors may competitively bid against others. The auction may be conducted as the sole means of selecting a vendor or in conjunction with formal competitive bidding.

4. SINGLE SOURCE means the selection of a particular vendor when there are other vendors who could potentially provide the good or service, but the particular vendor is specially suited to comply with the specifications.

5. SOLE SOURCE means the selection of a particular vendor when work, services, materials, supplies, equipment, items or commodities can be furnished from only one source.

6. USER AGENCY means a city department, board or commission.

16-02. Purchasing Appeals Board: Members, Meetings. 1. MEMBERS. a. The purchasing appeals board shall be composed of the mayor, the commissioner of public works, the chair of the common council committee on finance and personnel, the director of administration, the city comptroller, the president of the common council; and 2 city employes, one each appointed by the mayor and the president of the common council. The mayor and common council president shall make their respective city employe member appointments within 60 days after assuming office or within 60 days after a vacancy occurs in such board position, whichever is later.

b. Members, with the exception of the 2 city employe members, may designate alternates in writing by filing with the city clerk's office. Such alternates may represent their respective principal members and exercise all powers of principal members when such members are unable to attend board or committee meetings.

2. VOTING PROCEDURES. Each board member shall have one vote. The mayor shall be chair of the board and shall call all meetings except such as may be provided for by the action or rules of the board. In the absence of the mayor, the vice chair of the board shall preside. Five members shall constitute a quorum.

3. DUTIES AND RESPONSIBILITIES. The board: a. Shall hear bidder, common council member and city department specification appeals as provided herein.

b. Shall hear bidder award appeals of recommendations made by the city purchasing director as to the apparent low responsive bidder as provided herein.

c. Shall adopt bylaws for conduct of board business.

16-05. Purchasing by Purchasing Director.

1. DUTIES, POWERS.

a. Authority to purchase. There is created a division of business operations in the department of administration. The division shall be under the direction and control of the city purchasing director, except as provided in s. 16-07, who shall be subject to the direction and control of the director of administration. The city purchasing director shall have full power, subject to s. 16-02, to purchase or to provide for the purchase of all

materials, supplies, equipment and services for the use of all user agencies, including those funded through such special purpose accounts as the common council may indicate, except when otherwise specifically provided by local or state law. Purchases shall be made upon requisition by the proper officials of user agencies from funds provided by the common council, provided that nothing in this section shall be construed to prevent the city purchasing director from making purchases or contracts in anticipation of the needs of user agencies or from maintaining store of commodities in anticipation of needs.

b. Purchase of specialized materials and services. Any user agency may with the authorization of the city purchasing director purchase independently such materials, supplies, equipment or services of a special character as are used only by it, or which may be determined by the city purchasing director may be more efficiently purchased by any such user agency than by the city purchasing director if a user agency acts pursuant to the authority set forth herein, any written contract resulting therefrom shall be executed by the head of the department or the chair of the board of commission as the case may be and be countersigned by the city purchasing director and the city comptroller. The city purchasing director may promulgate such standards and rules as he or she deems necessary to effectuate the provisions set forth herein.

2. CONTRACTS; FORMAL COMPETITIVE BIDDING AND APPEALS. a. All work, items, materials, supplies, equipment and services, except as otherwise provided herein, when the estimated cost exceeds $50,000, shall be purchased through formal competitive bidding.

b. All contracts whose actual cost exceeds $50,000 shall be purchased by formal written contract.

c. The purchasing director may negotiate amendments to any existing contracts subject to sub. 4.

d. Appeals as to specifications established by the purchasing director involving purchases subject to formal competitive bidding shall be heard and determined by the purchasing appeals board.

e. Appeals from recommendations made by the city purchasing director for awards involving purchases subject to formal competitive bidding for which bids were advertised, or for which bids were solicited for a reverse auction, shall be heard and determined by the purchasing appeals board.

3. EXCEPTIONS TO FORMAL COMPETITIVE BIDDING REQUIREMENTS. Formal competitive bidding shall not be required for the following:

a. Purchases from federal, state or municipal governments.

b. Purchases where bid specifications are impossible or impracticable to draft.

c. Purchases which constitute a special adaptation for a special purpose.

d. Purchases where the performance of the work or service requires creative, individual or artistic talents.

e. Purchases where the performance of the work or service requires scientific knowledge or is of a technical or experimental nature.

f. Purchases where the performance of the work or service requires professional skills or other special skills or training.

g. Purchases made using a single or sole source as defined in s. 16-01-4 and 5.

h. Marketing partnerships with private businesses and nonprofit organizations relating to city buildings, facilities or other assets identified by the Milwaukee civic partnership initiative, established under s. 310-21.

4. SINGLE AND SOLE SOURCE CONTRACTS, SPECIAL REQUIREMENTS.

a. When a single or sole source service contract of $50,000 or more is executed or an existing single or sole source service contract of less than $50,000 is amended and the original amount of the contract added to the amended amount of the contract is $50,000 or greater, the contract or amendment shall not be effective unless approved by the committee on finance and personnel. This requirement shall not apply to one-time contract amendments of less than $10,000 or to the extension of a single or sole source service contract as specifically contemplated at the time the contract was originally executed, provided that the original contract has already been approved by the committee pursuant to this section. Further, this requirement shall not apply to contracts or contract amendments, upon a written waiver by the city purchasing director, that are necessary to respond

LEGISLATIVE HISTORY
CHAPTER 16

Abbreviations:

am = amended	ra = renumbered and amended	rn = renumbered
cr = created	rc = repealed and recreated	rp = repealed

Section	Action	File	Passed	Effective
16 (title)	am	120628	9/25/2012	12/11/2012
16-0	am	881142	10/11/88	12/25/88
16-01	rc	881142	10/11/88	12/25/88
16-01	rc	882559	4/25/89	7/2/89
16-01	rp	921112	10/30/92	1/27/93
16-01	cr	130088	7/23/2013	10/9/2013
16-02	rp	881142	10/11/88	12/25/88
16-02	cr	900673	10/13/92	1/27/93
16-02	rc	921112	10/30/92	1/27/93
16-02	rc	020885	11/8/2002	1/27/2003
16-02-1	am	84-1860	3/22/85	6/8/85
16-02-1-a	am	960230	6/4/96	8/20/96
16-02-3-a	am	980099	5/27/98	8/13/98
16-03	rp	881142	10/11/88	12/25/88
16-04	rp	881142	10/11/88	12/25/88
16-05	rc	020885	11/8/2002	1/27/2003
16-05	rc	130088	7/23/2013	10/9/2013
16-05-0	rc	881142	10/11/88	12/25/88
16-05-1	am	881142	10/11/88	12/25/88
16-05-1	am	900673	10/13/92	1/27/93
16-05-1-a	am	882559	4/25/89	7/12/89
16-05-1-b	am	930452	7/27/93	10/12/93
16-05-2	Note	890756	9/1/89	11/18/89
16-05-2	am	900673	10/13/92	1/27/93
16-05-2-a	am	86-1898	2/24/87	5/12/87
16-05-2-a	am	921112	10/30/92	1/27/93
16-05-2-a	am	971616	2/10/98	4/28/98
16-05-2-b	rp	921112	10/30/92	1/27/93
16-05-2-b	am	080685	3/25/2009	6/9/2009
16-05-2-b	am	090430	10/13/2009	12/29/2009
16-05-2-b	am	110087	10/11/2011	12/27/2011
16-05-2-b	am	101573	11/27/2012	2/12/2013
16-05-2-c	cr	901996	4/23/91	7/9/91
16-05-2-c	rn to 16-05-2-b	921112	10/30/92	1/27/93
16-05-2.5	cr	900673	10/13/92	1/27/93
16-05-2.5	rc	921112	10/30/92	1/27/93
16-05-2.5-b	am	101210	3/23/2011	6/8/2011
16-05-3-a	am	881142	10/11/88	12/25/88
16-05-3-a	am	900673	10/13/92	1/27/93
16-05-3-a	rc	921112	10/30/92	1/27/93
16-05-3-b	am	881142	10/11/88	12/25/88
16-05-3-b	am	900673	10/13/92	1/27/93
16-05-3-b	rn to 16-05-3-c	921112	10/30/92	1/27/93
16-05-3-b	cr	921112	10/30/92	1/27/93
16-05-3-b	am	090352	11/3/2009	1/19/2009
16-05-3-b	am	111422	4/11/2012	6/28/2012

16-05-3-c	rn to 16-05-3-d	921112	10/30/92	1/27/93
16-05-3-c	rc	940062	5/17/94	8/3/94
16-05-3-d	cr	101210	3/23/2011	6/8/2011
16-05-3-e	cr	111422	4/11/2012	6/28/2012
16-05-3-e	am	111737	5/22/2012	8/11/2012
16-05-3-h	cr	140609	11/5/2014	1/19/2015
16-05-4	am	881142	10/11/88	12/25/88
16-05-4	rn to 16-05-4-a	901345	1/22/91	4/9/91
16-05-4	am	900673	10/13/92	1/27/93
16-05-4-b	cr	901345	1/22/91	4/9/91
16-05-4-b	am	131061	4/2/2014	6/21/2014
16-05-5	rp	881142	10/11/88	12/25/88
16-05-5	cr	900673	10/30/92	1/27/93
16-05-5	rp	921112	10/30/92	1/27/93
16-05	rc	020885	11/8/2002	1/27/2003
16-05-6	am	881142	10/11/88	12/25/88
16-05-6	am	900673	10/13/92	1/27/93
16-05-7	am	881142	10/11/88	12/25/88
16-05-7	am	900673	10/13/92	1/27/93
16-05-9	am	900673	10/13/92	1/27/93
16-05-10	cr	901250	3/26/91	6/11/91
16-05-10	am	900673	10/13/92	1/27/93
16-06	rp	880330	2/14/89	5/6/89
16-07	rp	120628	9/25/2012	12/11/2012
16-07	cr	130088	7/23/2013	10/9/2013
16-08	rp	120628	9/25/2012	12/11/2012
16-09	rp	891264	11/17/89	2/12/90
16-11	rp	881142	10/11/88	12/25/88
16-12	rc	971422	2/10/98	4/28/98
16-12	rp	020885	11/8/2002	1/27/2003
16-12-4	rc	001662	9/25/2001	12/10/2001
16-12-12	cr	85-4	5/14/85	7/30/85

5. ACCIDENTAL DEATH BENEFIT.

a. Spouse or Child's Annuity. Upon receipt of proper proofs of the death of a member in active service containing evidence acceptable to the board that such death was the natural and proximate result of an accident occurring at some definite time and place while the member was in the actual performance of duty, the board, in lieu of the ordinary death benefit of a lump sum payment of 1/2 the final average salary of such deceased member, shall grant a pension of 60% of the final average salary of such deceased member and the return of accumulated contributions of such member to: *(Par. a-0 am. Ch. Ord. 370, File #71-239, May 24, 1971; Par. a-0 am. Ch. Ord. 379, File #69-2460-f, Feb. 8, 1972.)*

a-1. His widow or her widower. Effective January 1, 2000, the annual escalator payable under sub. 1-h-5-a shall be extended to such widow or widower of a general city employe who was enrolled as a member of the retirement system prior to January 1, 2014 and died at any time or of a fireman or policeman who died prior to January 1, 1993 if the member (or widow or widower if the member is deceased) participates in the combined fund. Effective January 1, 2000, the annual escalator payable under sub. 1-h-6 shall be extended to such widow or widower if a fireman or policeman who dies on or after January 1, 1993 if the member (or widow or widower if the member is deceased) participates in the combined fund. The annual escalator shall be payable to the widow or widower 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 death. *(Par. a-1 am. Ch. Ord. 370, File #71-239, May 24, 1971. Par. a-1 am. Ch. Ord. 379, File #69-2460-f, Feb. 8, 1972. Par. a-1 am. File 950294, June 27, 1995; eff. Sept. 13, 1995. Par. a-1 am. File #990234, June 2, 1999; eff. Aug. 18, 1999. Par. a-1 am. File #991585, April 11, 2000; eff. Jan. 19, 2001. Par. a-1 am. File #121701, May 21, 2013; eff. Aug. 10, 2013.)*

a-2. If there be no widow or widower, or if the widow or widower dies before the youngest surviving unmarried child of such deceased member attains the age of 21, then to his or her child or children under said age, divided in such manner as the board in its discretion shall determine, to continue until there are no surviving unmarried children of such deceased member under said age; or *(Par. a-2 am. Ch. Ord. 370, File #71-239, May 24, 1971. Par. a-2 am. Ch. Ord. 382, File #71-2300, Mar. 21, 1972. Par. a-2 am, File 950294, June 27, 1995; eff. Sept. 13, 1995. Par. a-2 am. File #950562, Sept. 27, 1995; eff. Dec. 13, 1995)*

a-3. If there be no widow or widower or unmarried children as indicated in subd. 2 surviving such deceased member, then to his or her dependent father or mother, as the board in its discretion shall direct, to continue for life. For purposes of determining the eligibility of dependents of deceased members for benefits hereunder, "dependency" shall mean that the deceased member shall have contributed 50% or more of the support of such parents during the 3 years preceding his or her death. *(Par. a-3 am. Ch. Ord. 370, File #71-239, May 24, 1971. Par. a-3 am. Ch. Ord. 382, File #71-2300, Mar. 21, 1972. Par. a-3 am, File 950294, June 27, 1995; eff. Sept. 13, 1995.)*

b. When No Dependents. Whenever it shall appear to the satisfaction of the board that relatives, named in par. a-3 are not dependent upon the deceased, then in such instances if the beneficiary is not eligible for the death benefit provided for in sub. 10 because the time of employment was less than that required to receive payment under that section, then the ordinary death benefit shall be payable. (Par. b am. Ch. Ord. 467, File #78-825, Oct. 3, 1978.)

c. When Beneficiary Not Eligible. Whenever a beneficiary is not eligible for the benefit under this subsection, then the death benefits under sub. 10 shall be paid. *(Par. c am. Ch. Ord. 467, File #78-825, Oct. 3, 1978.)*

6. SEPARATION BENEFITS. a-1. Return of Accumulated Contribution. Should a member cease to be an employe except by death or retirement under the provisions of this act, he or she shall be paid his or her accumulated contributions as they were at date of separation from service, upon filing with the board a request for such return of contributions on a form provided by the board for that purpose, except that this provision will not apply to a member enrolled after December 31, 1970, until he or she has completed 8 years of creditable service or 4 years of creditable

service if the member separates from service as a general city employe, and will not apply to a policeman enrolled after June 30, 1983, or a fireman or paramedic enrolled after October 31, 1983, unless he or she has completed 10 years of creditable service. However, with respect to the 1% contribution made by policemen, this provision shall not be applicable and as to such 1%, such policemen shall have the withdrawal rights without change. The separation benefits provided for in this paragraph as to policemen shall be effective from and after July 1, 1972, and policemen entering this system prior to such date shall be governed by the separation benefits as the same were prior to the enactment of ch. ord. 365, File #70-2387, approved by the common council on February 17, 1971. *(Par. a am. Ch. Ord, 530, File #82-2109-b, Jan. 24, 1984. Par. a-1-0 am., par. a rn to a-1, File #091068, Dec. 22, 2009; eff. March 10, 2010. Par. a-1 am. File #130184, File #130184, June 11, 2013; eff. August 27, 2013.)*

a-2 Return of Member-Paid Accumulated Contribution. The retirement system shall return to members who separate from service prior to vesting the contributions made by the members under s. 36-08-7-a, b or c. A member may elect to withdraw his or her contribution either after separation or upon termination of membership under s. 36-03-5. Upon filing with the board a request for return of member-paid contribution, on a form provided by the board, the member shall be paid his or her contribution and the regular interest credited on the contribution as it was at the date of separation and ½ the regular interest credited to the account thereafter. A member who withdraws his or her contribution shall not be eligible for any benefits under this chapter and his or her membership shall be terminated. In the event the member dies after separation, the contribution, if not previously paid, shall be paid with the credited interest to the member's estate or designated beneficiary. *(Par. a-2 cr, File #091068, Dec. 22, 2009; eff. March 10, 2010; Par. a-2 am. File #110740, Nov. 7, 2014; eff. Jan. 26, 2015.)*

b. Involuntary Separation. A member who is removed or otherwise involuntarily separated from service for any cause, may elect: *(Par. b am. Ch. Ord. 382, File #71-2300, Mar. 21, 1972.)*

b-1. To withdraw his accumulated contributions, as provided in par. a; or *(am. Ch. Ord. 332, File #67-355-a July 25, 1967.)*

b-2. To leave his accumulated contributions in the fund until such member attains the minimum service retirement age, at which time he shall be entitled to a retirement allowance calculated in the same manner as provided in sub. 1, providing his retirement allowance at the above mentioned age equals or exceeds $25 per month. During the interim between such member's separation from service and the effective date of his retirement, the member's account shall be annually credited with interest at a rate not exceeding the regular interest rate and his retirement allowance shall be calculated accordingly; or

b-3. To receive a retirement allowance beginning immediately that is the actuarial equivalent of the retirement allowance payable under subd. 2, provided the retirement allowance equals or exceeds $25 or more. (Subd. 3 am File #020598, July 27, 2004; eff. Oct. 12, 2004.)

b-4. In the event a member who has exercised the option provided in subd. 2 returns to active service prior to attaining the minimum service retirement age, he shall again become an active member of the retirement system, and the credits for service which he had at the time of such separation shall be restored to him. Upon his subsequent retirement, he shall be credited with his service as a member subsequent to his last restoration to membership and shall receive a retirement allowance computed as if he were a new member and, in addition, he shall receive an allowance for service prior to his reinstatement computed on the formula in effect at the time he first left such service.

b-5. Should a beneficiary receiving a retirement allowance under the provisions of subd. 3 be restored to active service, his or her allowance shall cease, and he or she shall again become a member of the retirement system and the credit for service which he or she had at the time of such separation shall be restored to him or her. In the event of subsequent separation, death or retirement, the benefits to be paid shall

mortality, separation, morbidity and retirement tables as have been adopted by the board. The normal contribution shall be determined by the actuary after each valuation. *(Subd. 1 am Ch. Ord. 489, File #80-225, June 17, 1980. Subd. 1 am. File #921978, Apr. 8, 1993; eff. June 16, 1993. Par. a rc. File #991585, April 11, 2000; eff. Jan. 19, 2001. Par. a-1 am. File #991585, April 11, 2000; eff. Jan. 19, 2001.)*

a-2. Any difference between the actuarial accrued liability as defined in subd. 1, and the sum of the actuarially determined value of the assets of the retirement fund plus any unamortized bases established under this par. in prior valuations, shall be amortized over a period which will not exceed 30 years from the valuation date on which such difference is established; provided that as part of the valuation next following a fiscal year in which the city and city agency contributions are zero due to application of the 100% funded status limitation of this par. the actuary may eliminate any previously established amortization schedules and bases and shall recalculate a new "fresh-start" amortization schedule. Future payroll growth may be taken into account in the amortization process. *(Subd. 2 rc. File #942017, July 14, 1995; eff. Sept. 27, 1995. Subd. 2 rc. File #991585, April 11, 2000; eff. Jan. 19, 2001.)*

b. Firemen and Policemen's Survivorship Fund. There shall be paid annually into the firemen and policemen's survivorship fund the amount required under s. 36-05-8-d. Notwithstanding the foregoing, effective January 1, 2000 no contributions shall be made to the firemen and policemen's survivorship fund by or on behalf of participants in the combined fund. *(Par. b am. File #991585, April 11, 2000; eff. Jan. 19, 2001. Par c rp. File # 991585, April 11, 2000; eff. Jan. 19, 2001. Par. d cr. File #942017, July 14, 1995; eff. Sept. 27, 1995.) Pars. c and d rp. File #991585, April 11, 2000; eff. Jan. 19, 2001.)*

e. On or before September 1 in each year, the board shall certify to the common council or other governing body, and city agencies, the amounts which will become due and payable during the year next following to each of the funds of the retirement system. The amount so ascertained shall be included by the common council or other governing body and city agencies in their budgets and shall be appropriated and paid to the retirement system by the city and city agencies in January of the fiscal year next following. (Par. d rn. to e File #942017, July 14, 1995; eff. Sept. 27, 1995.)

f. In order to meet the requirements of this act, the common council or other governing body or city agency is authorized to levy a tax annually, which tax shall be in addition to all other taxes such common council or other governing body or city agency has been authorized to levy upon all taxable property, real and personal. Such tax shall be levied and collected at the same time and in the same manner as other city or city agency taxes are levied and collected according to law. *(Par. e rn to f File #942017, July 14, 1995; eff. Sept. 27, 1995.)*

g. Such city agencies not authorized by law to levy a tax upon taxable property shall upon the direction of the board include the necessary amounts so needed in their respective budgets. *(Par. f rn. to g File #942017, July 14, 1995; eff. Sept. 27, 1995.)*

h. Combined Fund.

h-1. Beginning with the contribution due on January 31, 2014, on account of members, retired members, survivors and beneficiaries who are participants in the combined fund, the city and city agencies shall pay annually into the combined fund for the preceding year an amount equal to the product of the actuarial contribution rate applied to the sum of the covered compensation. The actuarial contribution shall be based on separately calculated rates for policemen, firemen, and general city employees and shall be applicable for a 5-year period. The actuary shall, consistent with actuarial standards of practice, set the actuarial contribution rate at a percentage sufficient to fund the entire amount of the employers' share of the normal cost, to amortize any unfunded past service liability and to maintain the solvency of the combined fund to meet benefit obligations for retired lives.

h-2. Commencing with the contribution due on January 31, 2019, the actuary shall reset the actuarial contribution rate every 5 years in conjunction with a 5-year experience review of the employes' retirement system. The actuary shall, consistent with standards of actuarial practice, base the reset rate on the current interest, mortality, separation, morbidity and retirement tables as adopted by the board.

h-3. The actuary shall submit the annual contribution amounts payable each year based on the actuarial contribution rate to the board no later than August 15. *(Par. h cr. File #991585, April 11, 2000; eff. Jan. 19, 2001. Par. h-2 am. File #091274, March 2, 2010; eff. May 18, 2010. Par. h rc File #121417, April 30, 2013; eff. July 16, 2013.)*

7. MEMBER CONTRIBUTIONS. Member contributions to the system shall be deposited in the member's account as follows:

a. Members who are not firemen, policemen or elected officials shall contribute or have contributed on their behalf, 5.5% of the members' earnable compensation. Subsequent to and commencing with the first pay period of 1970, the city shall contribute on behalf of a general city employe 5.5% of such member's earnable compensation. Members employed by city agencies participating in the system shall contribute 5.5% of their earnable compensation less any contribution made on their behalf as determined by the governing bodies of such agencies. Notwithstanding the foregoing, subsequent to and commencing with the first pay period following the effective date of this charter ordinance, all members who are not firemen, policemen or elected officials and were enrolled as members of the retirement system prior to January 1, 2014, shall contribute 5.5% of their earnable compensation. General city employes who enroll as members in the retirement system on or after January 1, 2014, shall contribute 4% of their earnable compensation. *(Par. a rc., Ch. Ord. 375, File #71-1754, Dec. 7, 1971. Par. a ra. to a-1, File #090613, Sept. 22, 2009; eff Dec. 9, 2009. Par. a-1 am. File #121701, May 21, 2013; eff. Aug. 10, 2013; Par. a-1 am. File #110740, Nov. 7, 2014; eff. 1/26/2015.)*
(Par. a-2 cr, File #090613, Sept. 22, 2009; eff. Dec. 9, 2009. Par. a-2 am. File #090951 Dec. 1, 2009; eff. Feb. 16, 2010. Par. a-2 am. File #091068, Dec. 22, 2009; eff. March 10, 2010. Par. a-2 am. File #091214, Jan. 20, 2010; eff. April 5, 2010. Par. a-2 am. File #091308, March 2, 2010; eff. May 18, 2010. Par. a-2 am. File #091530, March 24, 2010; eff. June 1, 2010. Par. a-2 am. File #091609, May 25, 2010; eff. August 10, 2010. Par. a-2 am. File #100173, June 15, 2010; eff. August 25, 2010. Par. a-2 am. File #100241, July 7, 2010; eff. Sept. 22, 2010. Par. a-2 am. File #100574, Sept. 21, 2010; eff. Dec. 6, 2010. Par. a-2 am. File #101070, Jan. 19, 2011; eff. March 29, 2011. Par. a-2 am. File #101418, April 12, 2011; eff. June 28, 2011. Par. a-2 am. File #101246, July 26, 2011; eff. Oct. 11, 2011. Par. a-1 ra. File #110740, Nov. 7, 2014; eff. Jan. 26, 2015)
(*Par. a-3 cr. File #121701, May 21, 2013; eff. Aug. 10, 2013. Pars. a-2 & 3 rp. File #110740, Nov. 7, 2014; eff. Jan. 26, 2015.)*

b. Except for members of the system, who are initially employed as firemen or policemen on or after October 3, 2011, the employer shall have the obligation to contribute the percentages set forth in this section. Members who are firemen shall have contributed for them by the employer 7% of such firemen's earnable compensation. Members who are policemen shall have contributed by the employer, commencing with the 1st pay period of 1971, 6% of such policemen's earnable compensation; policemen shall contribute 1% of their earnable compensation. Members who are policemen shall have contributed by the employer commencing with the first pay period of 1990, 7% less $1 of such policemen's earnable compensation. Commencing in 1990, policemen, excluding sergeant of police, detective lieutenant and ranks above same, shall contribute $1 of their longevity in rank pay, if any, payable at the close of the year. Members of the system who are initially employed as firemen or policemen on or after October 3, 2011, shall contribute 7% of their earnable compensation.
(Par. b am. Ch. Ord. 556, File #85-769, Dec. 4, 1985; eff. Feb. 17, 1986. Par. b am. File #890633, July 25, 1989; eff. Oct. 14, 1989. Par. b, am. File #910901, Sept. 24, 1991; Dec. 10, 1991 Par. b am. File #110347, July 26, 2011; eff. Oct. 11, 2011.)

c. Members who are elected officials shall contribute or have contributed on their behalf 7% of the members' earnable compensation, and in respect to such members subsequent to and commencing with the 1st pay period of 1971 the city shall contribute 7% of earnable compensation. Notwithstanding the foregoing, subsequent to and commencing with the first pay period following the effective date of this charter ordinance, elected officials who were enrolled in the retirement system prior to January 1, 2014, and whose accrual rate is 2.5% under s. 36-05-1-g, shall contribute 7% of their earnable compensation and elected officials who were enrolled as members in the retirement system prior to January 1, 2014, and whose accrual rate is 2% under s. 36-05-1-g, shall contribute 5.5% of their earnable compensation. Elected officials who enroll as members in the retirement system on or after January 1, 2014, shall contribute 4% of their earnable compensation. *(Par. c rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971. Par. c am. File #121701, May 21, 2013; eff. Aug. 10, 2013.; par. c am. File #110740, Nov. 7, 2014; eff. Jan. 26, 2015.)*

d. The board shall certify the percentage of earnable compensation of each member to be contributed for a member on each payroll. In determining the amount earnable by a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such payroll

period, and it may omit contributions for any period less than a full payroll period if an employe was not a member on the first day of the payroll period. *(Par. d rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

e. The contributions provided for herein shall be made notwithstanding that the minimum compensation provided for by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the contributions provided for herein and shall receipt for his full salary or compensation and payment of salary or compensation less said contributions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payment, except as to the benefits provided under this act. The city and city agencies shall transmit the amounts contributed and said amounts shall be paid into the retirement fund for participants in the retirement fund, or the combined fund for participants in the combined fund and shall be credited, together with regular interest thereon to the individual account of the member. Effective January 1, 2000, individual accounts, including interest credited annually thereto, for participants in the combined fund shall be transferred from the retirement fund to the combined fund. (Par. e rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971. Par. e am File #991585, April 11, 2000; eff. Jan. 19, 2001.)

f. In addition to the contributions credited to the member's account as hereinbefore provided, any member may deposit with the system an additional amount, such additional amount in any year not to exceed the amount of the deposit as hereinbefore provided in respect of the member. In respect of such additional contribution, an additional retirement allowance, death benefit or separation benefit shall be paid that is the actuarial equivalent of such additional accumulated contributions. Such additional amounts so deposited, improved with interest at a rate not exceeding the regular interest rate shall be returnable to the member in cash upon application to the board, or as an additional allowance of equivalent actuarial value at the time of retirement. If such additional amounts are withdrawn at any time prior to the retirement, the member shall not thereafter be eligible to make additional contributions. *(Par. f rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

g. Any member covered by the social security act from whose compensation the city is required to make deductions in order to pay taxes or contributions, shall be required to reimburse the city for that part of the social security taxes or contributions which would ordinarily be deductible from compensation paid to such member. If he fails so to do, the board shall deduct from the member's account the amount due the city for such social security taxes or contributions paid before turning over any amounts to such member or to a beneficiary in the instance where the beneficiary would be entitled to the proceeds from such member's account. *(Par. g rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

h. If the employer shall pay a part or all of the member contribution to the fund which formerly was deducted from the member's salary or compensation then in such instance no deduction shall be made from the member's salary or compensation for that amount paid by the employer in lieu of the member's contribution, and such contribution shall be credited to the member's account. *(Par. h rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

i. The member's account shall consist of those member contributions deposited in accordance with pars. a, b, c, and f and reduced in accordance with par. g together with regular interest thereon. *(Par. i rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

j. Notwithstanding anything herein contained to the contrary, in the event the contributions required under pars. a, b, or c are not made by or on behalf of a member, or in the event contributions with or without regular interest or a portion thereof have been returned to a member or paid on his behalf to another party, such member's account shall be reduced accordingly and the benefits otherwise provided under the system shall be reduced by the actuarial equivalent of such payment or contributions not paid by or on behalf of the member. *(Par. j rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971.)*

k. Whenever a member's account is less than $5 upon death or separation from service, his or her membership and account in this system shall be terminated and the amount shall be credited to the retirement fund (or combined fund in the case of participants in the combined fund); however, if a valid claim for the

amount is filed by the member or a person legally entitled to the sum, the same shall be refunded. *(Par. k rc. Ch. Ord. 375, File #71-1754, Dec. 7, 1971. Par. k am. File #991585, April 11, 2000; eff. Jan. 19, 2001.)*

L. In addition to any other member contributions under sub. b, effective Pay Period 1 through Pay Period 26, 1993 and December 31, 1995 through December 28, 1996 for firemen, and effective Pay Period 1, 1993 through December 30, 1995 for policemen, each fireman or policeman in active service and each fireman or policeman, other than a fireman or policeman eligible under s. 36-05-3-c-1-b, who retires on a duty disability retirement allowance on or after January 1, 1993 shall contribute 1% of the member's earnable compensation or 1% of the member's duty disability retirement allowance toward the cost of the benefit provided for under s. 36-05-1-h-6. Effective Pay Period 1, 1994 through December 30, 1995, each fireman, other than a fireman eligible under sec. 36-05-3-c-1-b, in active service and each fireman who retires on a duty disability retirement allowance on or after January 1, 1993 shall contribute 2% of the member's earnable compensation or 2% of the member's duty disability retirement allowance toward the cost of the benefit provided for under s. 36-05-1-h-6. A fireman who retires on a duty disability retirement allowance shall cease to make this contribution at the time the member makes an irrevocable election to continue duty disability or converts to normal service retirement under s. 36-05-3-c-3-f. *(Par. L cr. File #940423, July 15, 1994; eff. Sept. 28, 1994. Par. L am. File #950521, July 28, 1995; eff. Oct. 3, 1995. Par. L rc. File #950597, Sept. 27, 1995; eff. Dec. 13, 1995.)*

m. During the 8-year period immediately following their enrollment, general city employes who are enrolled as members on or after January 1, 2000 shall contribute to the combined fund a sum expressed as 1.6% of the members' pensionable earnings if they participate in the combined fund. If a member who makes contributions under this paragraph separates from service without a vested pension or withdraws his or her accumulated contributions, amounts contributed under this paragraph shall be returned to the contributor without interest. This subsection shall not apply to general city employes including elected officials, required to contribute a member contribution under par. a or c. *(Par. m cr. File #991585, April 11, 2000; eff. January 19, 2001. Par. m am. File #090613, Sept. 22, 2009; eff. Dec. 9. 2009. Par. m am. File #090951, Dec. 1, 2009; eff. Feb. 16, 2010. Par. m am. File #091068, Dec. 22, 2009; eff. March 10, 2010. Par. m am. File #091214, Jan. 20, 2010; eff. April 5 2010. Par. m am. File #091308, March 2, 2010; eff. May 18, 2010. Par. m am. File #091530, March 24, 2010; eff. June 1, 2010. Par. m am. File #091609, May 25, 2010; eff. August 10, 2010. Par. m am. File #100173, June 15, 2010; eff. August 25, 2010. Par. m am. File #100241, July 7, 2010; eff. Sept. 22, 2010. Par. m am. File #100574, Sept. 21, 2010; eff. Dec. 6, 2010. Par. m am. File #101070, Jan. 19, 2011; eff. March 29, 2011. Par. m am. File #101418, April 12, 2011; eff. June 28, 2011. Par. m am. File #110174, June 14, 2011; eff. Aug. 30, 2011. Par. m am File #121701, May 21, 2013; eff. Aug. 10, 2013. Par. m am. File #110740, Nov. 7, 2014; eff. Jan. 26, 2015.)*

n. If a general city employe who enrolled as a member on or after January 1, 2000 separates from service without having contributed the full amount of the contribution required under par. m, and if the employe does not voluntarily pay the amount owed, then the board shall collect the amount as far as practicable by deducting from any benefit payment an amount sufficient to collect the amount owed over the remaining life expectancy of the member. If the benefit is to be paid in a lump sum, the amount owed shall be deducted from the lump sum. If the benefit is to be paid monthly, the monthly payments shall be actuarially reduced over the remaining life of the member to an amount that will collect the amount owed and the loss caused by late payment. *(Par. n cr. File #051397, Feb. 28, 2006; eff. May 16, 2006.)*

o. Pre-Tax Deduction. All member contributions made under pars. a, b and c, except the policemen's $1 contribution, shall be implemented pursuant to the provisions of Internal Revenue Code Section 414(h) (2) by means of direct payment by the city or city agency to the combined fund. The city or city agency shall fund the cost of member contributions under pars. a and c and for members initially employed as firemen or policemen on or after October 3, 2011, as provided in par. b by means of a pre-tax salary deduction from the salary of employes on whose

behalf such payments are made. Members shall not have the option of choosing to receive the contributed amounts directly instead of having them paid to the combined fund. *(Par. o cr. File #091068, Dec. 22, 2009; eff. March 10, 2010. Par. o am. File #110201, June 14, 2011; eff. Aug. 30, 2011. Par. o am. File #110740, Nov. 7, 2014; eff. Jan. 26, 2015.)*

8. EMPLOYERS' RESERVE FUND. Effective January 1, 2000 there shall be created a fund to be known as the employers' reserve fund for the exclusive purpose of holding voluntary employer contributions made by the city and city agencies. The retirement system shall establish separate accounts within the fund for the city and each city agency. Earnings on funds on deposit in each account shall be credited annually as part of the annual valuation. The city's funds in the employers' reserve fund shall be invested in a manner consistent with guidelines approved by the common council. The administrative functions shall be the responsibility of the committee on finance and personnel. The city shall bear any incremental costs associated with the administration or investment of the city funds. Absent any investment guidelines approved by the common council, earnings shall be credited based on the earnings of the retirement system as a whole. The reserve shall be funded by voluntary contributions from the city and city agencies and also by the amount transferred from the firemen and policemen's survivorship fund. The reserve shall be used to offset against contributions required under subs. 6 and 7 in accordance with directives contained within a formal resolution adopted by the city or city agencies and for no other purposes. No funds may be transferred from the combined fund or the retirement fund to the employers' reserve fund. *(Sub. 8 cr. File #991585, April 11, 2000; eff. Jan. 19, 2001. Sub. 8 am. File #100502, Oct. 12, 2010; eff. Dec. 28, 2010)*

9. COMBINED FUND. a. Creation. Effective January 1, 2000, there shall be created a fund to be known as the combined fund into which all member contributions, city contributions and city agency contributions, shall be paid on account of members, retired members and beneficiaries participating in the combined fund, together with interest earnings attributable to assets of the combined fund. There shall be paid annually into the combined fund by the city and city agencies for the preceding fiscal year the actuarial contribution under sub. 6-h-1 for members who participate in the combined fund. All members of the retirement system first enrolled after June 27, 2000 shall participate in the combined fund. Members and retired members (or their survivors and beneficiaries if the member is deceased) enrolled in the retirement system prior to June 28, 2000 may execute a consent form to participate in the combined fund in which case they shall participate in the combined fund effective January 1, 2000. Other members, retired members, survivors and beneficiaries shall participate in the combined fund effective January 1, 2000 only after there is a final determination by a court of competent jurisdiction that such participation does not violate their individual rights. If a member is a participant in the combined fund the member's survivors and beneficiaries shall be designated as participants in the combined fund by virtue of the members' participation in the combined fund. All retirement allowances, disability benefits, separation benefits and other benefits payable to combined fund participants shall be paid from the combined fund effective January 1, 2000 or upon enrollment in the retirement system if participants are first enrolled in the retirement system after January 1, 2000. Effective January 1, 2000, all expenses in connection with the administration and operation of the retirement system defined as those described in the letter dated April 29, 1999 (and attachments), attached to the file **[#991585, April 11, 2000; eff. Jan. 19, 2001**], including investment related expenses, computerization related expenses and indirect related expenses (overhead) shall be paid from the combined fund created under this subsection.

b. Outstanding debts. Any provision of ch. 36 notwithstanding, all outstanding judgment debts or contributions of the city or any city agency for unpaid contributions to the separate funds under s. 36-08 or the merged fund (merged special disability fund and retirement fund for members enrolled after February 1, 1996, but before January 19, 2001; incurred prior to January 1, 2000, including special disability fund obligations of the

city for the years 1996 through 1999, performance fee obligations of the city for the year 1997, investment expense obligations of the city and city agencies for the years 1998 and 1999 and merged fund obligations of the city and city agencies for the years 1997 through 1999 and interest owing thereunder shall become obligations of, and paid from, the combined fund. *(Sub. 9 cr. File #991585, April 11, 2000; eff. Jan. 19, 2001. Par. a am. File #121417, April 30, 2013; eff. July 16, 2013.)*

36-09. Management of Funds. The funds of the retirement system, which, when taken in the aggregate shall constitute a special trust fund to be held in reserve as provided in this act for the payment of benefits, shall be managed as follows:

1. INVESTMENT OF FUNDS. The board shall be the trustee of the several funds of the system and shall contract for investment management services. No one shall be selected as investment manager who does not have 5years continuous experience acting as investment manager or investment adviser in recognized fields of investments for retirement systems of comparable stature. The board shall exercise prudence in selecting the investment manager, but the exercise of prudence by the board shall not relieve the board from all liability and responsibility with respect to investment of the funds of the system. The board shall reserve the right to terminate any contract for investment management services upon reasonable notice.

a. The several funds of the system shall be invested in accordance with the requirements of ss. 40.03(1)(n) and 62.63 (3), Wis. Stats. Not more than 25% of the assets of the system as measured by their cost as set forth in the last official report shall be invested in accordance with s. 40.03(1)(n), Wis. Stats. Not more than 70% of total assets as measured by their cost shall be invested in stocks of corporations.

b. The board shall establish written objectives and guidelines which shall govern the investment manager selected by the board. The investment manager shall have authority to purchase legal investments and to sell or exchange legal investments in accordance with the written objectives and guidelines established by the board for this purpose. The board shall evaluate the performance of the investment manager on a systematic and regularly scheduled basis. The board shall have the full power at its sole discretion to contract for an independent performance evaluation of the investment manager.

c. All investments shall be made by the investment manager and nothing contained herein shall prohibit the board from retaining 2 or more investment managers to perform the duties and assume the responsibilities herein provided for and the board may determine the amount of the whole fund to be allocated for investment purposes among such investment managers where more than one investment manager has been selected. However, any investment manager selected shall be required as a condition of his or her selection to meet and satisfy all of the requirements and qualifications specified herein and provided for, for investment manager.

d. Prudent Investor Rule. Except as otherwise specifically provided in this chapter, the board and a person under contract to the employes' retirement system who invests and manages trust assets owes a duty to comply with the prudent investor rule.

d-1. Standard of Care; Portfolio Strategy; Risk and Return Objectives. The board and a person under contract to the employes' retirement system to invest and manage trust assets shall invest and manage assets as a prudent investor would by considering the purposes, terms, distribution requirements and other circumstances of the trust. In satisfying this standard, the board and such person shall exercise reasonable care, skill and caution. Investment and management decisions respecting individual investment assets must be evaluated not in isolation, but in the context of the trust portfolio as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the trust. A reasonable effort shall be made to verify facts relevant to the investment and management of trust assets. Assets may be invested in any kind of property or type of investment consistent with the standards of this subd. A board member or a person under contract to the employes' retirement system who invests and manages trust assets who has special skills or expertise or is named in reliance upon his or her representation that he or she has special skills or expertise has a duty to use those special skills or expertise.