

CITY OF MILWAUKEE

Form CA-43

GRANT F. LANGLEY
City Attorney

RUDOLPH M. KONRAD
Deputy City Attorney

THOMAS E. HAYES
PATRICK B. McDONNELL
LINDA ULISS BURKE
Special Deputy City Attorneys



OFFICE OF CITY ATTORNEY
800 CITY HALL
200 EAST WELLS STREET
MILWAUKEE, WISCONSIN 53202-3551
TELEPHONE (414) 286-2601
TDD 286-2025
FAX (414) 286-8550

December 10, 2002

Finance & Personnel Committee
City Hall, Room 205

Re: Common Council File No. 020952
Intergovernmental Cooperation Agreement with ERS

Dear Members:

Enclosed please find a substitute resolution filling the above-referenced file approving an Intergovernmental Cooperation Agreement.

Under the terms of the Global Pension Settlement ("GPS"), effective January 1, 2000, all expenses in conjunction with the administration and operation of the ERS are to be paid from the combined fund created under the GPS. An Intergovernmental Cooperation Agreement between the City and ERS dated February 20, 2001 covers the period from January 1, 2000 to January 18, 2001. This agreement covers the period from January 19, 2001 going forward.

For the period from January 19, 2001 through August 31, 2002 the ERS has reimbursed the City the liquidated sum of \$29,036,188.58 and under the agreement will reimburse the City for the indirect charges attributable to such sum in the amount of 9.2% of the liquidated sum. ERS also will pay the City for budget-authorized funds for the remainder of such period (September 1, 2002 through December 31, 2002.)

For the period after December 31, 2002, ERS budgeted expenses shall at the option of the City be advanced by the ERS by paying 1/12th of the current calendar year budget expenses no later than 15 days prior to the end of each calendar month. Annually, prior to January 30 following the close of the calendar year, but no later than the closing of the City's accounts for the calendar year, the parties shall execute a settlement for each calendar year, which shall be a full settlement for such calendar

BEVERLY A. TEMPLE
THOMAS O. GARTNER
BRUCE D. SCHRIMPF
ROXANE L. CRAWFORD
SUSAN D. BICKERT
HAZEL MOSLEY
HARRY A. STEIN
STUART S. MUKAMAL
THOMAS J. BEAMISH
MAURITA F. HOUREN
JOHN J. HEINEN
MICHAEL G. TOBIN
DAVID J. STANOSZ
SUSAN E. LAPPEN
DAVID R. HALBROOKS
JAN A. SMOKOWICZ
PATRICIA A. FRICKER
HEIDI WICK SPOERL
KURT A. BEHLING
GREGG C. HAGOPIAN
ELLEN H. TANGEN
MELANIE R. SWANK
JAY A. UNORA
DONALD L. SCHRIEFER
EDWARD M. EHRlich
LEONARD A. TOKUS
MIRIAM R. HORWITZ
MARYNELL REGAN
G. O'SULLIVAN-CROWLEY

Assistant City Attorneys

Finance & Personnel Committee

December 10, 2002

Page 2


year. The parties have agreed that the indirect rates for calendar year 2002 shall be 9.2% of the direct salary charges and this rate will apply to calendar years 2003 through 2007, unless the Annuity and Pension Board and the City Department of Administration agree to a different rate. Contingency requests will be processed through the adoption of an amendment to s. 36-08-3-a of the Charter, which is attached to the agreement as Exhibit B.

Either party may terminate the agreement at the close of a calendar year by giving the other party 90 days' advance written notice. If a notice of termination is given, the agreement will cover ERS budgeted expenditures up to the date of termination.

Very truly yours,



GRANT F. LANGLEY
City Attorney



THOMAS E. HAYES
Special Deputy City Attorney
TEH:kf:1127-2001-3612:61141