


MILWAUKEE PUBLIC SCHOOLS

 Administration Building
 5225 West Vliet Street
 P.O. Box 2181
 Milwaukee, WI 53201-2181

ERS NOV2108 PM12:54

November 18, 2008

**DEPARTMENT OF
HUMAN RESOURCES**

 Director 475-8205
 Fax 475-8722
 Website:
 www.milwaukee.k12.wi.us

**Employment Compliance
Officer 475-8500**
**Division of Benefits &
Insurance Services**

 Director 475-8556
 Aetna Health 475-8233
 HMO's/Dental 475-8158
 Pension/TSA's 475-8292
 Worker's Compensation/
 Unemployment
 Compensation 475-8209
 Life Insurance/
 Union Dues 475-8215
 Insurance/Safety/Risk
 Management 475-8555/475-8929
 Fax 475-8562

Division of Labor Relations

 Director 475-8280
 Fax 475-8380

Compensation & Records

 New Employee Benefits
 Sign-Ups 475-8503
 New Teacher
 Requirements 475-8236
 Salary Reclassifications/
 Tuition Reimbursement 475-8210

Certificated Staffing

 Manager 475-8224
 Elementary 475-8222/475-8227
 Middle/High 475-8020
 Supportive Staff 475-8220
 Licenses 475-8227
 Applications 475-8220
 Leaves 475-8224
 Substitutes 475-8224
 Fax 475-8653

Classified Staffing

 Clerical 475-8218
 Educational Assistants 475-8216
 Other Support Staff 475-8421
 Fax 475-8687

 Alderman Michael J. Murphy
 Chair, Finance and Personnel Committee
 Common Council
 City of Milwaukee
 200 E Wells Street
 Milwaukee WI 53202-3570

Dear Alderman Murphy:

We respectfully request your assistance to advance our request for approval of a change to Chapter 36 of the Milwaukee City Charter to extend creditable service for active military service to employees represented by Local 150 – BSH as outlined below. This was approved by our Board and ratified by the union subject to approval of the Common Council.

Creditable service for active military service, as provided in Ch. 36-04-1-c of the Milwaukee City Charter, shall be extended to employees represented by Local 150 – BSH who participate in the combined fund and who retire on a service retirement between January 1, 2004 and June 30, 2007.

Please note that our Board granted the Superintendent and his designee the authority to bargain this extension of military service credit, subject to approval of the Common Council. Attached you will find a copy of the cost estimated performed by Buck Consultants, actuary for the City of Milwaukee Employees' Retirement System.

If you need any additional information, please contact Chris Toth at 414-475-8557. We thank you for your continued cooperation.

Sincerely,

 Deborah A. Ford
 Executive Director
 Department of Human Resources

Attachment

 Copy to: William G. Andrekopoulos, Superintendent
 Michelle Nate, Chief Financial & Operations Officer
 Lynne Sobczak, Director/Board Clerk
 Therese Freiberg, Director of Labor Relations
 Chris Toth, Director of Benefits and Insurance Services
 Himanshu Parikh, Pension Specialist of Benefits and Insurance Services
 Bernard J. Allen, Executive Director, City of Milwaukee
 Martin Matson, Deputy Director, City of Milwaukee

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 L:shared/Murphy, Michael 11-18-2008

Milwaukee Public Schools
Cost of Granting Imputed Military Service Credit
as provided in Chapter 36-04-2-c of the Milwaukee City Charter
for those who participate in the combined fund
and who retire on a service retirement between
January 1, 2003 and December 31, 2006
Members of Union Group I
Local 150 Building Service

Item	1/1/2006 Valuation	With Additional Service	Change
1 Active Members	417	417	-
2 Covered Compensation	\$ 10,247,750	\$ 10,247,750	\$ -
3 Normal Cost			
a. Total	970,508	970,646	138
b. Estimated Member Contributions	<u>634,580</u>	<u>634,580</u>	-
c. Employer Normal Cost	335,928	336,066	138
(a) - (b), not less than zero			
4 Actuarial Accrued Liability (AAL)			
a. Actives*	12,713,322	12,715,528	2,206
b. Annuitants (3 with eligible military service)	<u>326,479</u>	<u>336,892</u>	10,413
c. Total	13,039,801	13,052,420	12,619
5 Amortization of Change in AAL (average future working lifetime)			1,901 (9 years)
6 Change in Annual Contribution** that would be required on January 31, 2007, if the Combined Fund were less than 100% funded on 1/1/2006; (3) + (5), with interest to 1/31/2007			2,227
7 Change in Annual Contribution** as a percent of 1/1/2006 Covered Compensation (6) / (2)			0.022%

* 6% of all eligible MPS service retirees who retired during 2003 - 2005 had eligible military service. Active costs assume that 6% of eligible MPS active members also have eligible military service

** Amortization payments for nine years would cover the change in Actuarial Accrued Liability. Nine years is the average future working lifetime for General Employees in the Combined Fund. Normal cost payments for one year (the 2006 plan year) would cover all normal cost requirements.

TENTATIVE AGREEMENT

Local 150-BSH

Part III, Section G
(Pension)

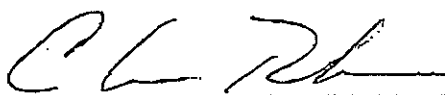
Modify Part III, Section G, to read as follows:

G. PENSION

1. Bargaining unit members shall be enrolled in the City of Milwaukee Employees' Retirement System and receive retirement benefits in accordance with the appropriate ordinances of the Common Council of the city of Milwaukee and the applicable rules of the City of Milwaukee Employees' Retirement System pertaining to general city employees. The Board shall pay the employee's share of the necessary contributions for all eligible employees hired prior to January 1, 2000. Eligible employees hired after January 1, 2000, shall be required to make a 1.6 percent contribution of their pensionable earnings, including all retro contributions on their pensionable earnings dating back to January 1, 2000, in accordance with the Global Pension Settlement of June 28, 2000.

2. Creditable service for active military service, as provided in Ch. 36-04-1-c of the Milwaukee City Charter, shall be extended to employees represented by Local 150-BSH who participate in the combined fund and who retire on a service retirement between January 1, 2004, and June 30, 2007.

3. Implementation and enforcement of this agreement is subject to, and contingent upon, approval by both the Milwaukee Board of School Directors and the City of Milwaukee Common Council adoption of the Charter Ordinance.



BOARD



LOCAL 150-BSH

4/3/08

DATE

**CITY OF MILWAUKEE
EMPLOYEES' RETIREMENT SYSTEM**

789 North Water Street, Suite 300

Milwaukee, WI 53202

(414) 286-3557

(414) 286-8428 (Main Fax)

(414) 286-0880 (Alternate Fax)

DATE: February 2, 2009

TO: Terry MacDonald

COMPANY
or AGENCY: City Clerk's Office

FAX: 414-286-3456

Number of pages: 04
(Incl. cover sheet)

FROM: Karen McElwee Lloyd

TITLE: Management Services Analyst

COMMENTS: This is the MPS letter we discussed this afternoon regarding military service credit to Lo. 150 BSH members. It is my understanding that a file will be introduced to Council on February 10th.

Thank you for your assistance in this matter.

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