



City of Milwaukee
Employees' Retirement System

Bernard J. Allen
Executive Director

David M. Silber, CFA, CAIA
Chief Investment Officer

Melody Johnson
Deputy Director

December 13, 2021

Antonio Perez, Secretary & Executive Director
Housing Authority - City of Milwaukee
809 N Broadway, 3rd Floor
Milwaukee, WI 53202

RE: Early Actuarial Contribution Payment Options for the Anticipated January 1, 2022 Actuarial Valuation

Dear Mr. Perez:

The Employees' Retirement System (ERS) collects from its member agencies employer contributions due to the system as a result of the annual actuarial valuation.

In anticipation of the valuation due in June 2022, the ERS is providing you with early payment options that would allow for substantial actuarial interest savings for early payment.

If you wish to contribute before the report is approved, the amounts below can serve as a guide. These amounts are estimates generated by the actuary when performing the 2021 valuation. Please remember, these amounts are only projections. The actual employer contribution requirements due will be based on the results of the January 1, 2022 actuarial valuation, which is scheduled to be approved at the June 2022 Board meeting.

Payment Due Date

% of Estimate	1-Jan-22	1-Jun-22	1-Jul-22	1-Aug-22	1-Sep-22
100%	\$ 593,149	\$ 611,295	\$ 614,990	\$ 618,708	\$ 622,448
95%	\$ 563,492	\$ 580,730	\$ 584,241	\$ 587,773	\$ 591,326
90%	\$ 533,834	\$ 550,166	\$ 553,491	\$ 556,837	\$ 560,203

% of Estimate	1-Oct-22	1-Nov-22	1-Dec-22	31-Jan-23
100%	\$ 626,211	\$ 629,996	\$ 633,804	\$ 641,490
95%	\$ 594,900	\$ 598,496	\$ 602,114	\$ 609,416
90%	\$ 563,590	\$ 566,996	\$ 570,424	\$ 577,341

To the extent that the amount contributed is less than the final contribution requirements, the employer will be billed for the remainder, which will be due on January 31, 2023. To the extent that the amount already contributed is more than the required contribution, the employer will receive a credit to the contribution for the next year.

Please note that you currently have a credit with the ERS in the amount of \$74,834 due to an overpayment of employer contributions for the prior year. This credit has not been included in the estimates above. Please notify the ERS at least 10 business days prior to your intended date of payment so a recalculation of the contributions due may be done with that payment date.

In order to take full advantage of interest savings, please make a wire transfer to the ERS no later than the payment dates listed above. If you have any questions, please feel free to contact Robin Earleywine (robin.earleywine@cmers.com; 286-2111) or Jamie Bates (jamie.bates@cmers.com; 286-3502).

Sincerely,

Bernard J. Allen
Executive Director

cc: Aycha Sawa, Comptroller, City of Milwaukee
Fernando Aniban, DCD
Mark Wagner, Chair, HACM Board of Commissioners
David Piedt, HACM

Rocky Marcoux, Commissioner, DCD
Rick Koffarnus, HACM
David Misky, DCD
David Schroeder, DCD

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BJA:DG





SECTION VI: SYSTEM CONTRIBUTIONS

TABLE 20

Allocation of 2022 Contribution to Agencies for Combined Fund

Group	Estimated Active Members	Estimated Covered Compensation	Employer Rate**	Dollar Amount Payable***								
				Jan 1, 2022	June 1, 2022	July 1, 2022	Aug 1, 2022	Sept 1, 2022	Oct 1, 2022	Nov 1, 2022	Dec 1, 2022	Jan 31, 2023
General City*	3,211	\$184,236,491	7.48%	\$13,780,890	\$14,202,478	\$14,288,331	\$14,374,703	\$14,461,597	\$14,549,016	\$14,636,964	\$14,725,443	\$14,904,009
Water Department	343	20,049,497	7.48%	1,499,702	1,545,581	1,554,924	1,564,323	1,573,779	1,583,292	1,592,863	1,602,492	1,621,924
School Board*****	4,081	138,298,634	7.48%	10,344,738	10,661,207	10,725,653	10,790,489	10,855,717	10,921,339	10,987,358	11,053,776	11,187,818
Milwaukee Technical College	0	0	7.48%	0	0	0	0	0	0	0	0	0
Sewerage Commission	228	21,166,997	7.48%	1,583,291	1,631,727	1,641,591	1,651,514	1,661,497	1,671,541	1,681,645	1,691,810	1,712,326
Veolia	15	1,268,798	7.48%	94,906	97,809	98,400	98,995	99,593	100,195	100,801	101,410	102,640
Wisconsin Center District	87	4,240,950	7.48%	317,223	326,928	328,904	330,892	332,892	334,904	336,928	338,965	343,075
Housing Authority	123	7,929,796	7.48%	593,149	611,295	614,990	618,708	622,448	626,211	629,996	633,804	641,490
Policemen	1,734	157,581,755	25.22%	39,742,119	40,957,919	41,205,506	41,454,590	41,705,180	41,957,284	42,210,912	42,466,074	42,981,034
Firemen	697	<u>61,097,040</u>	26.83%	<u>16,392,336</u>	<u>16,893,814</u>	<u>16,995,936</u>	<u>17,098,675</u>	<u>17,202,035</u>	<u>17,306,020</u>	<u>17,410,633</u>	<u>17,515,879</u>	<u>17,728,283</u>
Total	10,519	\$595,869,958		\$84,348,354	\$86,928,758	\$87,454,235	\$87,982,889	\$88,514,738	\$89,049,802	\$89,588,100	\$90,129,653	\$91,222,599

* Includes Elected Officials and Redevelopment Authority

** Rates apply to Covered Compensation as of the beginning of the year, then credited with interest to payable date.

*** Actual contribution requirement will be adjusted for the actual payment date of the contribution.

**** The amounts shown above are estimates of the employer contribution requirements due by January 31, 2023. The actual employer contribution requirements due by January 31, 2023 will be based on the results of the January 1, 2022 actuarial valuation, which is scheduled to be approved at the June 2022 Board meeting.

To the extent that an employer wishes to contribute before the report is approved, the amounts above can serve as a guide. To the extent that the amount contributed is less than the final contribution requirements, the employer will be billed for the remainder, which is to be paid by the end of the year. To the extent that the amount already contributed is more than the required contribution, the employer will receive a credit, with interest, to the contribution for next year.

***** Breakdown of contributions for MPS by normal cost and past service portion as follows:

Payable at:	Jan 1, 2022	June 1, 2022	July 1, 2022	Aug 1, 2022	Sept 1, 2022	Oct 1, 2022	Nov 1, 2022	Dec 1, 2022	Jan 31, 2023
Normal Cost	6,228,797	6,419,350	6,458,154	6,497,193	6,536,468	6,575,980	6,615,731	6,655,723	6,736,433
Past Service Portion	<u>4,115,941</u>	<u>4,241,857</u>	<u>4,267,499</u>	<u>4,293,296</u>	<u>4,319,249</u>	<u>4,345,359</u>	<u>4,371,627</u>	<u>4,398,053</u>	<u>4,451,385</u>
Total	10,344,738	10,661,207	10,725,653	10,790,489	10,855,717	10,921,339	10,987,358	11,053,776	11,187,818