

Tax Deductions on Retro Pay

For all retroactive payments, MPS must comply with federal income tax withholding rules. IRS considers retro pay to be "supplemental income." By law, MPS must withhold 25% - even if retro were paid on a separate check.

MPS will uniformly deduct about **40%** of the retro payments:

- ◆ 25% for federal income tax
- ◆ About 7% for state income tax
- ◆ 7.65% for Social Security and Medicare

Domestic Partner Benefits Hearing

School Board member Jennifer Morales introduced a resolution in support of equal treatment of the district's employees. An excerpt from the resolution states: "and in particular support of the equal provision of employment benefits regardless of an employee's sexual orientation or family status."

The resolution is scheduled for public hearing at the November 20 meeting of the Board's Finance and Personnel Committee. The meeting will take place at the MPS central office, starting at 6:30 p.m.

Our teacher bargaining team advocated for domestic partner benefit parity in the last round of contract talks. The new contract will establish a joint MPS/MTEA labor management committee to develop a possible resolution for this bargaining issue.

Contract: Ratification and Implementation

Teachers voted to ratify the 2007-09 contract by an overwhelming majority. There were 3,400 "yes" votes and only 203 "no." Over 94% of those voting supported the new two-year pact.

The School Board voted unanimously to ratify the contract at its October 30 meeting.

New Salary Rates

MPS plans to implement the 2.5% salary raise for 2007-08 on the **November 16** paycheck.

Retroactive Pay

The retroactive salary adjustment is targeted to be paid on the **December 14** check.

Additional Payment Also Targeted for December 14

The MTEA grievance over the district's failure to provide mentor support to special education teachers in most restrictive placement (MRP) classes for 2006-07 was resolved about the same time that the new contract was settled. We reported the details in the October 10 Negotiations News - which is on our Web site at mtea.org.

The grievance disposition states: "The Board will provide a lump sum (non-base building) of \$760,000 to be equally divided among all teachers on the payroll as of the date of ratification of the 2007-09 contract." If there were 6,000 teachers on the payroll when the School Board ratified the contract on October 30, each teacher would receive \$126.67.

MPS is working to make this payment on the same paycheck as the retro adjustment - targeted for **December 14**. It will also be subject to the tax deductions (approximately 40%) explained to the left.

Examples of Retro Pay Amounts (Pre-Taxes)

The following are estimates of the retro amount for teachers at three different cells on the 191-day regular schedule. These examples do not include the additional grievance payment described above.

- ◆ For a new teacher at the BA base of the 191-day schedule, the gross amount (before taxes are withheld) will be about **\$187**.
- ◆ At the top of the schedule, for a teacher at the maximum step in the MA+32 lane, the gross retro payment will be about **\$423**.
- ◆ At the middle of the schedule, for a teacher at Step 7 in the MA lane, the gross amount will be about **\$359**.

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Action Alert on Legislation

We need your help in urging state legislators to support two bills that will help address the serious financial problems MPS faces. As a result of the recent political raucous over the property tax levy rate for Milwaukee, schools will be forced to make more budget cuts that will hurt our students, especially next school year and beyond.

One bill (**SB-299**) would provide short-term relief. The other - **AJR-35/SJR-27** - calls for major changes in the state's school funding law; there will be a public hearing on it on November 15.

There is also a bill (**AB-482**) in the state Assembly to end the residency requirement for MPS teachers, Legislators need to hear why **individual** educators support this change.

MTEA Support Registered and Voiced at Hearings

Our union has officially registered in support of these bills (and others). MTEA representatives also testify at many legislative hearings in Madison.

For example, Debbie Karow spoke in support of ending the residency requirement at a recent Assembly committee hearing. Debbie is an MTEA Executive Board member and chairs the MTEA Freedom of Residency Committee.

Your Contacts Are Key!

For information on how to contact legislators in support of these three bills, go to mtea.org.

Contacting your elected representatives in the Legislature is very important. When many educators speak out, their individual voices powerfully echo the collective voice of our union.

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More on New Contract Implementation

MTEA and MPS representatives have started discussions on steps to implement several new contract provisions. For example, both parties are working to begin the citywide mentor program for first-year teachers at the start of the second semester.

The new safety and discipline measures is another area where details need to be worked out. For example, a new contract provision gives teachers the option of testifying at central office student disciplinary conferences and at expulsion hearings. The logistics for implementation need to be clearly defined so that scheduling, mileage, and other details are handled properly across the district.

Another example is the new requirement that school administrators send parents a copy of the school's discipline policy and each teacher's classroom discipline policy by September 30. The logistics for this new procedure need to be developed - with the completion deadline adjusted for this school year.

PHA Completion: The Deadlines

If you have MPS group health care coverage, either Aetna or UnitedHealthcare, **you and your spouse** need to fill out the personal health assessment (PHA) by **December 15, 2007**.

Paper PHA Request Deadline - November 15

If you choose to complete the PHA questionnaire on paper, you need to request a copy by November 15, 2007. The only way to obtain a copy for you and your spouse is to call **1-866-904-2615** (press "7").

The November 15 deadline is critical because four time-consuming steps will follow: Processing your request for paper copies; mailing them to your home; you and your spouse each completing the PHA; and mailing the completed PHAs back. Especially with the holiday mail delays in December, you will probably **not** meet the December 15 deadline if you request a paper copy after November 15.

We Recommend Taking the PHA Online

If you and your spouse complete the PHA online, you'll have no worries over mail delays and other uncertainties. And you'll receive your confidential results almost instantly!

For quick access to the PHA, go to mtea.org. Use the "Quick Link" to access the "GoodHealth" site.

Meet Deadline to Avoid a \$200 Penalty

If you and your spouse do not complete the PHA by December 15, 2007, you will pay a \$200 premium contribution. There will be two \$100 deductions from your paychecks - the first on February 22, 2008; the second on March 21, 2008.

First Step to Many Benefits

The joint wellness/health education program provides you and your family with the opportunity for many benefits such as earning a \$200 reward. Completing the PHA is an essential first step.

At the November 14 meeting of the MTEA Building Representatives, Joan Heithoff will provide a detailed explanation of the GoodHealth program. Joan is the MTEA staff member who specializes in insurance benefits.
