

EMPLOYEES' RETIREMENT SYSTEM (ERS)



Milwaukee County

Pension Board

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Amy Pechacek
Interim Director – Retirement
Plan Services

April 13, 2018

Mr. Chris Abele
County Executive
Milwaukee County Courthouse
901 North 9th Street, Room 306
Milwaukee, WI 53233

Mr. Theodore Lipscomb, Sr.
Chairman, Milwaukee County Board of Supervisors
Milwaukee County Courthouse
901 North 9th Street, Room 201
Milwaukee, WI 53233

Dear County Executive Abele and Chairman Lipscomb:

Ordinance section 201.24(8.17)(b) of the Milwaukee County Code of General Ordinances provides the Pension Board at least 30 days to comment on the impact of any proposed benefit changes referred from the County Board. On March 14, 2018, the Pension Board received the referral of File 18-260 regarding the County Executive's proposal and related draft Ordinance amendments on forfeiture of benefits for felonious criminal conduct.

The Pension Board discussed the referral at its March 28, 2018 meeting and has a number of comments and questions related to the Ordinance amendments. The Pension Board provided detailed comments and questions to Corporation Counsel's Office. If the draft Ordinance amendments are adopted as proposed, the Pension Board (as well as RPS, most likely) will need the assistance of legal counsel to identify and resolve, in written policies, a variety of operational/implementation mechanics. If further edits to this current draft are considered by the County Board or County Executive (*i.e.*, the Ordinance changes are not adopted as currently drafted), the Pension Board would encourage policymakers to meet with Pension Board members, legal counsel and RPS to discuss the operation and implementation of these changes.

Of course, as all stakeholders are aware, any uncertainties in the operation or implementation of these changes could result in significant costs to ERS.

In summary, the Pension Board is supportive of the concept that a member who commits certain felony crimes should not receive a pension benefit from ERS. Therefore, while the Pension Board does not want to interfere with or delay legislation to clarify this important issue (a reform that the Pension Board itself has advocated for), the Pension Board recommends that policymakers take some additional time to work cooperatively with the Pension Board, RPS, as well as legal counsel, to specify and formalize implementation processes prior to adoption, to ensure that any potential operational issues have been fully resolved to the extent practicable.

Sincerely,

/s/

Norbert Gedemer, Chairperson

Pension Board of the Employees'
Retirement System of the County
of Milwaukee