

COUNTY OF MILWAUKEE
Interoffice Memorandum

DATE: December 19, 2013

TO: Milwaukee County Board Supervisors

FROM: Supervisor Michael Mayo, Sr., Chairman, Pension Study Commission

SUBJECT: **Review of Pension Changes Contained in the Substitute Resolution in File No. 13-775, Relating to Refunds of Employee Contributions to the Employees' Retirement System (ERS)**

The Pension Study Commission (PSC) is charged with issuing a written report on the actuarial effect, cost implications and the desirability of proposed changes to the pension system. At its meeting on December 19, 2013, the PSC reviewed File No. 13-775 which outlines the proposed changes to the Milwaukee County General Ordinances related to the refund of mandatory employee contributions to the Employees' Retirement System (ERS).

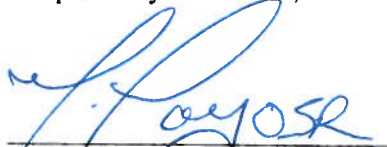
The PSC focused its attention on the substitute resolution's proposed changes to the pension ordinances, as recommended for adoption by the Committee on Finance, Personnel and Audit, that provide for extending the deadline for employees to request refunds of their contributions to the ERS from 60 to 180 days, and allowing the Pension Board to grant refunds if it determines that an individual did not receive notice of their right to request said refund.

The Commission reviewed a report from the Pension System actuary, Mr. Larry Langer of Buck Consultants, related to the proposed actuarial cost if these changes were to be enacted. Mr. Langer provided a report, dated September 25, 2013, outlining that the actuarial effect of the proposed changes contained in the substitute resolution would have an "immaterial" impact on the pension fund.

The PSC was also informed by the Pension Board via a memo dated December 18, 2013, that the Pension Board supports the proposed ordinance amendments and there is no administrative cost related to these changes.

Based on the information presented to the Committee and contained in File No. 13-775, the Pension Study Commission voted (Vote 3-0) to recommend that the County Board adopt the proposed changes to the pension ordinances contained in the recommended substitute resolution.

Respectfully submitted,


Michael Mayo, Sr., Chairman
Pension Study Commission

cc: County Executive Abele
Paul Bargren, Corporation Counsel

