

MILWAUKEE COUNTY BOARD OF SUPERVISORS

DATE: March 22, 2018

AMENDMENT NO. 1 to Item #25

Resolution File No. 18-229

Ordinance File No.

COMMITTEE: Finance and Audit

OFFERED BY SUPERVISOR(S): Lipscomb, Sr. and Schmitt

ADD AND/OR DELETE AS FOLLOWS:

Add the following WHEREAS clauses after the first WHEREAS clause at or near line 14 as follows:

WHEREAS, the current Administration has failed to effectively and properly administer the pension fund as evidenced by numerous errors; and

WHEREAS, errors by the Administration include nearly every aspect of pension calculations including calculations of cost-of-living adjustments, disability pension payments, backdrops, interest (with interest errors alone impacting 600 retirees), death benefits including payments to multiple beneficiaries and the wrong beneficiary; and

WHEREAS, the Administration delayed correcting 2008 errors until 2016 resulting in paying millions of dollars of interest at 8 percent; and

WHEREAS, pension administrators kept an Internal Revenue Service Voluntary Correction Plan (IRS VCP) containing more than 800 pension errors secret for nearly three years; and

WHEREAS, mistakes by the Administration totaled more than \$17 million and the error for one individual resulted in an overpayment of over \$140,000; and

WHEREAS, in spite of errors, mismanagement, and secrecy, the Administration increased the pension manager's salary by 5 percent prior to her departure in February 2017; and