




MILWAUKEE COUNTY

Liz Sumner • Comptroller

DATE: November 15, 2024

TO: Milwaukee County Board of Supervisors

FROM: Cynthia (CJ) Pahl, Director of Financial Services, Office of the Comptroller 

RE: Fiscal Analysis – Various Changes to Milwaukee County OBRA-Related County Ordinances

The following provides a summary of the fiscal impact to the Omnibus Budget Reconciliation Act of 1990 Retirement System of the County of Milwaukee (OBRA) and Milwaukee County if the Milwaukee County Ordinances are amended as requested.

The actual fiscal impact may be greater than or less than the impact that is estimated below. This review was based on information provided by employees of the ERS/OBRA. According to the information provided, the proposed amendments are clarifying in nature and would have no material impact on the benefits provided by OBRA to its members. Therefore, if the proposed amendments are adopted by the Milwaukee County Board of Supervisors, there would be no resulting fiscal impact to the OBRA, since any potential cost or savings would be immaterial. Furthermore, since there is no fiscal impact expected on the OBRA, there is no fiscal impact to Milwaukee County now or over the next five years.

Fiscal Impact Analysis

- **Amendments to Ordinance Chapter 203(2.8)**
 - The proposal clarifies OBRA membership by excluding any employee who is eligible for the Wisconsin Retirement System.
 - Fiscal Impact: There is no material fiscal impact estimated from this proposed change.
- **Amendments to Ordinance Chapter 203(4.1)**
 - The proposal clarifies the provision of OBRA normal retirement pension that all County employment must be terminated before an OBRA normal retirement is paid.
 - Fiscal Impact: There is no material fiscal impact estimated from this proposed change.
- **Amendments to Ordinance Chapter 203(4.2)**
 - The proposal clarifies provisions of OBRA late retirement pension that an OBRA member may receive their OBRA pension while in County employment, but that the member's OBRA benefit will only be recalculated each year that they earn an

additional OBRA service credit. The proposal also delegates the definition of actuarial equivalence to the Pension Board.

- Fiscal Impact: There is no material fiscal impact estimated from this proposed change.
- **Amendments to Ordinance Chapter 203(4.4)**
 - The proposal clarifies the provisions of OBRA small benefits so that an OBRA member's pension will only be recalculated each year that the member earns an additional service credit in OBRA. The proposal also delegates the definition of actuarial equivalence to the Pension Board.
 - Fiscal Impact: There is no material fiscal impact estimated from this proposed change.
- **Amendments to Ordinance Chapter 203(4.5)**
 - The proposal clarifies the provisions of OBRA mandatory cash out so that an OBRA member must terminate all employment with Milwaukee County before receiving the mandatory cashout benefit. The proposal also delegates the definition of actuarial equivalence to the Pension Board.
 - Fiscal Impact: There is no material fiscal impact estimated from this proposed change.

Additional Considerations:

The fiscal impact provided in this report are based on the proposed amendments and reports provided to the Office of the Comptroller on November 15, 2024. If additional amendments were proposed or changed in the final draft submitted for approval, those changes may not be accurately reflected in this fiscal note.