

COUNTY OF MILWAUKEE
Interoffice Memorandum

DATE: December 19, 2024

TO: Milwaukee County Board Supervisors

FROM: Supervisor Willie Johnson, Jr., Chairman, Pension Study Commission

SUBJECT: **From the Director of Retirement Plan Services, Milwaukee County Department of Human Resources, proposing amendments to Chapter 203 of the Milwaukee County Code of General Ordinances in response to 2023 Wisconsin Act 12 (File No. 24-957)**

The Pension Study Commission (PSC) is charged with issuing a written report on the actuarial effect, cost implications and desirability of proposed changes to the pension system. At its meeting on December 19, 2024, the PSC reviewed File No. 24-957, which outlines proposed amendments to Chapter 203 of the Milwaukee County Code of General Ordinances (MCGO). The report from the Director, Retirement Plan Services, outlines proposed amendments to the Milwaukee County Omnibus Budget Reconciliation Act (OBRA) retirement system to align with 2023 Wisconsin Act 12. The act requires new Milwaukee County employees, hired on or after January 1, 2025, to join the Wisconsin Retirement System (WRS) if eligible. These amendments are designed to ensure compliance with state law, maintain tax-qualified status, and clarify administrative processes.

The PSC reviewed File No. 24-957, which includes a summary report, resolution/ordinance, fiscal analysis from the Office of the Comptroller, an actuarial report, and a memo from the Pension Board stating its support of the proposed changes.

The memo and testimony from the Retirement Plan Services Director outlined the desirability for the amendments to uphold compliance with state mandates, maintain operational clarity, and ensure equitable pension administration. The key amendments relate to Wisconsin Retirement System transition for eligible employees, retirement payout clarifications, late retirement pension adjustments, small benefit cashouts, and mandatory cashouts. These amendments required changes to Chapters 203(2.8), 4 (4.1), (4.2), (4.4), and (4.5) of the Milwaukee County Code of General Ordinances, which are attached to the file.

The PSC also heard testimony from staff from the Office of the Comptroller and received written materials from Segal, the County's actuary, that the package of ordinance revisions will have no material fiscal impact on the OBRA retirement system or the County.

Based on the information presented and contained in File No. 24-957, the Pension Study Commission voted (Vote 4-0) on the motion to recommend approval of the resolution/ordinance and recommend the Milwaukee County Board of Supervisors adopt the ordinance amendments.

Respectfully submitted,

Willie Johnson, Jr.

Willie Johnson, Jr., Chairman
Pension Study Commission

cc: County Executive David Crowley
Scott Brown, Corporation Counsel
Erika Bronikowski, Director, Retirement Plan Services
Steve Cady, Research and Policy Director, Office of the Comptroller
Clarence Kinnard, Committee Coordinator, County Clerk