


**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

DATE : July 18, 2016  
TO : Marian Ninneman, Director – Retirement Plan Services  
FROM : Scott B. Manske, Comptroller   
RE : Fiscal Impact of the Department of Human Resources Request to Amend Various Sections of the Milwaukee County Code of General Ordinances

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The Office of the Comptroller has been asked to review the proposal submitted by the Department of Human Resources to modify Milwaukee General Ordinances (MGO) so that the County and Internal Revenue Service (IRS) can finalize the Voluntary Correction Program (VCP) Compliance Statement. Based on information provided to us by County attorneys and the retirement plan administrator, it is our understanding that these changes are necessary to make the corrections required to comply with the fully executed IRS Compliance Statement and receive a favorable determination letter.

Based on the documentation provided to our office, and on conversations with County attorneys and the retirement plan administrator, these ordinance changes effectuate the following changes:

- Correct previously amended effective dates of the buy-in buy-back program to more closely mirror the actual dates discrepancies occurred.
- Remove language that explains Section 415 limits and instead reference the IRS code for Section 415 limit explanations.
- Update language referring to compensation so that it incorporates the definition of compensation in a specific part of the Treasury Regulations.

It is our understanding that the changes being requested are consistent with past and current administrative practice with respect to the buy-in buy-back program. Based on our understanding of the information provided to us, these specific changes result in no financial impact on the County or on the Employee Retirement System other than those previously reported.