



## Milwaukee County Retirement Plan Services

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Date: December 19, 2018

To: Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

From: Timothy Coyne, Director, Retirement Plan Services

Subject: **Informational Report on phase one of the Milwaukee County Employees' Retirement System Governance Review conducted by Funston Advisory Services**

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### Milwaukee County Employees' Retirement System – Phase One Report

#### Background

Under the direction of Jerome Heer, the previous Director of Audit for Milwaukee County, the County engaged Funston Advisory Services to conduct a comprehensive review of the governance of the Milwaukee County Employees' Retirement System (MCERS), including OBRA<sup>1</sup>. Phase one of the governance review is complete. The review includes:

- The legal and regulatory framework
- The governance framework
- Other selected aspects of policies, processes and decision-making, including pension operations, administrative operations, and compliance

The objectives for phase one were to conduct a current state analysis to identify appropriate issues to address the concerns of key stakeholders and develop preliminary recommendations. The report provides a detailed analysis of identified issues, a detailed set of several recommendations to successfully address those issues, and an overview of leading practices for public retirement systems.

#### Governance Review Phase One Recommendations

The attached document, submitted as Exhibit A, is the completed governance review phase one report. RPS is seeking support from the Board of Supervisors – as well as other County stakeholders like the Pension Board, County Executive, and Comptroller – to move forward with recommendations. This report is an initial step towards what is likely to be a six-to-12-month implementation process.

Thank you.

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<sup>1</sup> Retirement Plan Services (RPS) is the umbrella term for the Milwaukee County department that administers and carries out the day-to-day operations for MCERS and OBRA.

Cc: Supervisor James Schmitt, Chairman, Finance and Audit Committee  
Supervisor Eddie Cullen, Chairman, Personnel Committee  
Chris Abele, County Executive  
Finance and Audit Committee  
Personnel Committee  
Raisa Koltun, Chief of Staff, Office of the County Executive  
Teig Whaley-Smith, Director, Department of Administrative Services  
Scott Manske, Comptroller  
Jennifer Folliard Director of Audit, Office of the Comptroller  
Steve Cady, Research and Policy Director, Office of the Comptroller