

MILWAUKEE COUNTY BOARD OF SUPERVISORS

DATE: March 14, 2019

AMENDMENT NO. 2 to Item #17

Resolution File No.

Ordinance File No. 18-802

COMMITTEE: Finance and Audit

OFFERED BY SUPERVISOR(S): Schmitt

ADD AND/OR DELETE AS FOLLOWS:

Part 1

Amend the language beginning on or near line 216 as follows:

(Note: This amendment is reflected by double underline or ~~double strikethrough~~)

8.21. – RPS Authorization.

- (1) General Powers - RPS performs is authorized to act on behalf of the Pension Board with respect to the general administration of the Employees' Retirement System for the Pension Board. RPS shall report to the pension board at each meeting of any material actions taken as reasonably adjudged by RPS under the circumstances in existence at the time of the report.

Part 2

Amend the language beginning on or near line 312 as follows:

- i. Option 1: For the exclusive benefit of the ERS trust, if the member or beneficiary signs an Overpayment Collection Option Form selecting Option 1, on behalf of the overpaid member or beneficiary, whether newly-identified or currently in a recoupment process as of the effective date of this provision, the County shall make payment to the ERS trust of the TAO (i.e., the amount of the overpayment plus all interest applicable under subsection 8.24(4) through the date of repayment, as ~~prescribed~~ prescribed in subsection 3.1(1)(c)), and RPS shall recoup from the member or beneficiary an amount equal to the total amount of the overpayment for the claim period (as defined in subsection 8.24(6)), but not applicable interest (as defined in

subsection 8.24(4)), referred to herein as the “Principal Amount Owed” or “PAO.”

Amend the language beginning on or near line 406 as follows:

- (f) Calculation of Monthly Overpayment Collection Amount – The monthly overpayment collection amount shall be based upon the PAO under Option 1 or the TAO under Option 2, and shall be no less than as ~~prescribed~~ prescribed under the monthly repayment guidelines established by the Wisconsin Department of Employee Trust Funds under Wis. Stat. § 40.08. RPS shall implement and update ERS guidelines by January 1 of each year using the most recent, effective version of Wis. Stat. § 40.08 and Wisconsin Department of Employee Trust Funds guidelines. In all cases, payments shall be applied first to applicable Pension Interest, then County Interest, as further defined in subsection 8.24(4), and then, respectively, to the PAO under Option 1 or the TAO under Option 2.

Amend the language beginning on or near line 487 as follows:

- (iii) Method 3 – Involuntary Offset Plan: only where member or beneficiary elects Option 2 or fails to make a selection between Options 1 and 2, as specified under subsection 8.24(3)(c), RPS shall place the member or beneficiary into an “Involuntary Offset Plan” (“IOP”), whereby each future monthly benefit payment is offset by an amount as ~~prescribed~~ prescribed under subsections 8.24(3)(f) and (g).

Amend the language beginning on or near line 663 as follows:

Effective Date. Each provision of this Act shall be effective as of the date stated therein. If no such date is stated, the provision shall be effective upon passage and publication as ~~prescribed~~ prescribed by law. The Pension Board or RPS may, as appropriate, delay the disposition of any matter pending the establishment or amendment of interpretive Rules issued pursuant to section 8.6. In no event shall such delay invalidate the effective date or applicability of such provision.

Part 3

Amend Section 1 beginning at or near lines 78 as follows:

2.19. - Retirement.

Retirement shall mean termination of employment after a member has fulfilled all requirements for a pension. For all new applications filed on or after ~~January~~ July 1, 2019, all Rretirements, including disability retirements, as well as any other benefit enhancements, such as those conferred under section 201.24(5.16) and related ERS ordinances and rules, shall be considered as only commencing on the first day of the month immediately following a member's last day of employment (or authorized leave of

absence, if later), and any retirement or annuity benefit payable to a member or beneficiary shall terminate upon the last day of the month of the date of death of retiree or beneficiary under option.

Amend Section 4 beginning at or near lines 137 as follows:

- (c) Beginning with the first quarter ending after 201.24(8.24) takes effect, ~~September 30, 2018,~~ any contribution required from the County under applicable law and regulations resulting from the County's assumption of liability for overpayments made from the Retirement System in lieu of collection of such overpayments from members or beneficiaries or related to any other payment due to the Retirement System by the member or beneficiary under this Ordinance, including section 201.24(8.24) or any other applicable law or regulation, shall be calculated and contributed as described below.

Amend Section 6 beginning at or near lines 562 as follows:

- (6) Claim Period – This subsection 8.24(6) applies only to benefit payments made on or after ~~January~~ July 1, 2019. Any claim related to a benefit payment made on or after ~~January~~ July 1, 2019, must be initiated by the aggrieved party in writing on or before the sixth anniversary of the date on which the payment is issued by the retirement system. For purposes of this subsection, a payment shall be a single benefit payment or any single periodic payment if the benefit is paid in an installment or annuity form. Any claim with respect to a periodic payment shall apply to each subsequent periodic payment. A timely claim made during the claim period shall remain valid during the period of appeal (to the pension board or any court of law) and through final disposition of such appeal even if such disposition occurs after the sixth anniversary of the date of payment. This subsection 8.24(6) shall not apply to: (i) any matter that is subject to a binding settlement agreement or commitment of correction; (ii) any matter currently before a court of competent jurisdiction; (iii) any matter that has been finally adjudicated by a court of competent jurisdiction; or (iv) any matter that is subject to a contrary directive by the IRS through its Employee Plans Compliance Resolution System.