

COUNTY OF MILWAUKEE
Interoffice Memorandum

DATE: March 21, 2019

TO: Milwaukee County Board Supervisors

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

SUBJECT: **Review of the Proposed Amendment to Chapter 201.24 of the Milwaukee County General Ordinances to improve the accuracy of benefit calculations, and to provide procedures to resolve payment errors (File No. 18-802)**

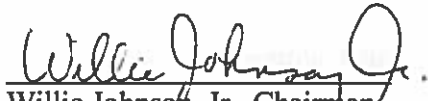
The Pension Study Commission (PSC) is charged with issuing a written report on the actuarial effect, cost implications and desirability of proposed changes to the pension system. At its meeting on March 21, 2019, the PSC reviewed File No. 18-802, which outlines a proposed amendment to Chapter 201.24 of the Milwaukee County General Ordinances. The PSC reviewed this file at its meeting on February 4, 2019, but additional amendments were approved by a county board committee since that meeting. The primary purpose of today's hearing was to review those amendments and determine whether the changes alter the PSC's earlier recommendation to approve the proposed ordinance to amend Chapter 201.24.

The PSC reviewed File No. 18-802, which contained two amendments¹ that were approved by the County Board's Committee on Finance and Audit at its meeting on March 14, 2019. The first amendment has three parts: 1) language to clarify the role Retirement Plan Services (RPS) provides for the Pension Board, 2) changing the word "proscribed" to "prescribed" in four locations to reflect intent, and 3) changing the effective dates of the proposed ordinance to July 1, 2019, rather than January 1, 2019. The second amendment reviewed by the PSC eliminated potential *future* interest charged to participants that selected Option 1 to resolve overpayment errors.

Based on the information presented and contained in File No. 18-802, the Pension Study Commission voted (Vote 4-0) to recommend that the County Board adopt the proposed change to the pension ordinances as outlined in the amended resolution/ordinance to improve the accuracy of benefit calculations and provide procedures to resolve payment errors.

¹ F&A Amendment II and F&A Amendment III were approved on March 14, 2019, by the Committee on Finance and Audit. F&A Amendment I was approved by the Committee on Finance and Audit at its meeting on February 1, 2019. Amendment I was reviewed by the PSC at its meeting on February 4, 2019.

Respectfully submitted,


Willie Johnson, Jr., Chairman
Pension Study Commission

cc: County Executive Chris Abele
Margaret Daun, Corporation Counsel
Tim Coyne, Director, Retirement Plan Services
Anne Kearney, Deputy Corporation Counsel
CJ Pahl, Office of the Comptroller
Steve Cady, Research and Policy Director, Office of the Comptroller
Shanin Brown, Committee Coordinator, County Clerk