



## Milwaukee County Retirement Plan Services

Timothy Coyne, Director

901 N. 9th Street, Courthouse, Room 210-C

Milwaukee, WI 53233

(414) 278-4207 (877) 652-6377

Date: September 10, 2019  
To: Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors  
From: Timothy Coyne, Director, Retirement Plan Services  
Subject: **FY2020 Milwaukee County Pension Contributions**

---

Milwaukee County General Ordinance Chapter 201, Section 3.1.1, (*budget year contributions*) requires that the Milwaukee County Pension Board “furnish to the County Executive, prior to June 1 of each year an estimated budget contribution required by the County, including contributions required under Chapter 201, Section 3.3, to pay the following year’s cost and to amortize the amount of the unfunded obligation of the County...” Chapter 201, Section 3.1.1, (*current year contributions*) also states that the Pension Board “shall furnish to the Committees on Finance and Audit and Personnel of the County Board, annually, in time for the first County Board Committee cycle after the summer recess, a statement of the actual contribution required for the current year compared with the amount provided in the budget.”

This memo and enclosures detail the Fiscal Year 2020 County pension contributions to 2020 County pension contributions to the Milwaukee County Employees’ Retirement System and the OBRA 1990 Retirement Plan, and the actual 2019 pension obligation.

### Fiscal Year 2020 County Pension Contributions

Please find a letter from the Milwaukee County Pension Board, signed by Pension Board Chairperson Michael Harper, detailing the Fiscal Year 2020 County pension contributions to the Milwaukee County Employees’ Retirement System and the OBRA 1990 Retirement Plan. The annual contribution letter from the Pension Board reflects the actuarial analysis, valuation, and calculations performed by the independent actuary engaged by the Pension Board.

The letter reflects the following:

- The County’s should budget \$77,437,000 - inclusive of employee contributions - for an annual pension contribution in FY2020:
  - \$76,901,000 for ERS
  - \$536,000 for OBRA
- The County Board approved the termination of the reimbursement of applicable administrative costs by the Milwaukee County Employees’ Retirement System to the County at the County Board of Supervisors meeting on May 23, 2019.
- The recommended employee contribution rates for FY2020 are the following:
  - General Employees – 6.2%
  - Public Safety Employees – 8.9%
- Beginning with the January 1, 2020 actuarial valuation, the Pension Board has approved a change in the rate of return on assets and valuation discount rate to 7.50% from 7.75%

## Fiscal Year 2019 County Pension Obligations

The actual 2019 obligation was calculated to be \$70,485,157:

- ERS subtotal is \$69,999,642
- OBRA subtotal is \$485,515

This compares to an expected obligation of \$70,980,656:

- ERS subtotal is \$70,533,656
- OBRA subtotal is \$447,000

The variance between the actual 2019 obligation and the expected 2019 contribution is (\$495,499).

Thank you.

Cc: Supervisor James Schmitt, Chairperson, Finance and Audit Committee  
Supervisor Eddie Cullen, Chairperson, Personnel Committee  
Chris Abele, County Executive  
Finance and Audit Committee  
Personnel Committee  
Kelly Bablitch, Chief of Staff, County Board  
Raisa Koltun, Chief of Staff, Office of the County Executive  
Julie Landry, Chief Human Resources Officer  
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