

**Milwaukee County Employees' Retirement System (ERS)
Audit Committee Meeting
MINUTES**

Call to Order

Audit Committee Chairman, Keith Garland, called the meeting to order at 1:30 p.m. on November 2, 2011, in Commission Room 210, Milwaukee County Courthouse, 901 N. 9th Street, Milwaukee, Wisconsin.

Roll Call

Board Members Present:

Keith Garland Mickey Maier
Rex Queen

Others Present:

Marian Ninneman Dale Yerkes
Mark Grady Steven Huff

1. Topic: 2012 ERS Budget

The Committee reviewed the 2012 ERS Budget. Keith Garland asked if, with the proposed budget staff cuts, we will have enough ERS staff to handle the workload. Marian Ninneman said that there will likely be a need for overtime in January and February to process the anticipated increase in end of year retirements. With ongoing system and operational enhancements and improved efficiencies, ERS staff should not have a significant backlog of work in 2012. If it becomes necessary, we will explore the option of using overtime or temporary staff.

2. Topic: Security Workers Settlement – Update

Dale Yerkes is reviewing the individual reimbursement calculations received from the County Department of Administration. Steven Huff will draft a statement to explain the reimbursement to the pension fund.

3. Topic: ERS Members not on County Payroll – Update

Steven Huff will draft an amendment to Ordinance 201.24 to allow for contributions to come from an entity other than Milwaukee County. Dale Yerkes is verifying the contribution arrangement for groups with members who are State employees but have opted to retain ERS membership. The draft amendment will be placed on the Pension Board Agenda in November for discussion.

4. Topic: Membership Accounts -- Discussion

Discussion on Membership Accounts began with a question regarding the appropriateness of the amount of interest accrued on the membership accounts. It was clarified that County Ordinance states a minimum of 3% and Pension Board Rule states 5%. Without Ordinance and Rule amendments this cannot be changed. Next discussed was whether individuals requesting reimbursement of their membership accounts upon termination could roll these funds into their 457 deferred compensation accounts. Currently, the plan only allows for rollover into an IRA. An ordinance amendment would be needed to allow for rollover into the Deferred Compensation plan. Steven Huff is researching.

5. Topic: Rule 1040 – Draft Amendment

The amendment of Board Rule 1040 was reviewed and will be placed on the November Pension Board Agenda.

6. Topic: Legal Opinions/Board Rules/Procedures Electronic Library

Marian Ninneman updated the committee on a project undertaken by ERS to begin conversion of legal documents, rules and procedures to an electronic library format. The project should be completed by the end of 2011. ERS staff and the Pension Board will have access to the library.

7. Topic: Records Retention – Discussion

The ERS Records Retention Guidelines document was shared with the group for review and possible modification.

8. Meeting was adjourned at 2:30 p.m.

A handwritten signature in cursive script, appearing to read "Marian", with a long horizontal flourish extending to the right.

Marian Ninneman
Interim ERS Manager