

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

**Call to Order**

Chairperson Vera Westphal called the Audit Committee meeting to order at 1:35 p.m. on Thursday, January 7, 2016 in the Commission Room (210) of the Milwaukee County Courthouse, 901 N. 9<sup>th</sup> Street, Milwaukee, WI 53233.

**Board Members Present:**

Laurie Braun  
Aimee Funck  
Norb Gedemer  
Michael Harper (arrived at 2 p.m.)  
D. A. Leonard  
Vera Westphal

**Others Present:**

James Carroll  
Mark Grady  
Steven Huff  
Marian Ninneman  
C. J. Pahl  
Vivian Aikin

**1. Topic: Increasing Voter Participation**

With regard to the upcoming employee member Pension Board election, Ms. Ninneman explained to the group that efforts were underway to raise awareness surrounding the election to increase number of employees voting. Retirement Plan Services has included information on the election in a recent County-wide newsletter. Each candidate will video record their candidate statement to be posted on the Retirement Plan Services website. Another idea being explored is the reintroduction of a mobile voting vehicle (known in the past as the "voting bus").

**2. Topic: Benefit Administration Errors**

At the request of Board member Aimee Funck, Ms. Ninneman opened discussion on this subject explaining that the Retirement Office is currently trying to uncover past errors. Ms. Funck elaborated on her concern about members having to pay interest on benefit calculation errors that are not their fault. It was explained that, per Ordinance, the County would be required to reimburse ERS for any cost due to errors if the member is held harmless. The group also discussed the potential impact of any change in handling of recoupments while the VCP is pending. Mr. Huff indicated filing an SVP might be a solution. Ms. Ninneman asked the Board members present what type of information regarding benefit administration errors they would like to have on a monthly basis. It was agreed that, for now, the Retirement Office will report to the Audit Committee the number of errors and whether payment errors were over or under the correct dollar amount. The Committee will then decide whether the information should be presented to the full Pension Board.

**3. Topic: Operational Audits**

Ms. Ninneman reminded the Committee that the last internal audit was done in 2011/2012 and recommended that the Pension Board should consider requesting an impartial third party audit after the V3 upgrade is completed. The upgrade process is scheduled to begin in August 2016 and will likely be completed in 2018. Mr. Grady suggested that the Board consult with the County Audit Department when ready to ask if they need outside help.

**4. Topic: Normal Retirement Age 64 Early Retirement Calculation**

The County changed the normal retirement age for most members from 60 to 64 in 2010 but did not address the age for early retirement which remains 55. Mr. Grady recommended that counsel draft an Ordinance change to present to the Committee in February that would change the early retirement age to 59 for members with normal retirement age of 64. The Committee agreed to this course of action.

The Audit Committee meeting adjourned at 2:35 p.m.