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, March 3, 2016 in the Commission Room (210) of the Milwaukee County Courthouse, 901 N. 9th Street, Milwaukee, WI 53233.

Board Members Present:
Laurie Braun
D. A. Leonard
Vera Westphal

Others Present:
Erika Bronikowski
James Carroll
Steven Huff
Marian Ninneman
Vivian Aikin

1. Topic: Disability Retirement Process
The Committee continued the discussion begun at the February meeting regarding potential changes to the Ordinances and Rules regarding disability retirement. Ms. Ninneman provided an update on progress made regarding the "any job" standard. Mr. Huff discussed a possible amendment to ERS Rule 1026 and a proposed new ERS Rule 1056 resulting from recent laws passed by the State of Wisconsin and distributed drafts for review. Mr. Carroll reviewed the issue of offsetting disability pensions by SSDI benefits received for the same injury. The Committee directed Messrs. Carroll and Huff to review all Ordinance and Rule references to disability and draft a plan for proposing best practices. Their recommendations are to be presented to the Audit Committee at the April meeting.

2. Topic: Future Pension Board Meeting Dates
At the January 20th Pension Board meeting Ms. Ninneman explained that the ERS Fiscal Office was experiences timing issues with generating the necessary reports for review by Board members in advance of monthly Board meetings. At that time, various alternatives were discussed including adjusting the meeting schedule to the fourth week of the month allowing an additional week for the Fiscal Office to assemble and review financial data. As suggested by Chairman Daugherty, Ms. Ninneman contacted Board members individually about a potential change. A revised schedule was distributed to the Audit Committee and will be presented to the full Pension Board at the March meeting.

3. Topic: Annual Meeting Date and Format
Ms. Ninneman distributed a draft agenda for the April 27th Annual Pension Board meeting. The Committee agreed with the timing of the meeting and discussed ideas for a presentation on the subject of economic outlook. Ms. Ninneman will reach out to potential presenters on this topic.

4. Topic: Optional Member Contributions
In the past, seasonal employees were allowed to become ERS members by paying 6% of their earnings. However, many of these employees never became vested and, as a result, still have membership accounts consisting solely of these funds. Ms. Ninneman explained to the Committee that ERS needs guidance on how to appropriately deal with these accounts. It was decided that Mr. Huff would determine whether the amounts are to be forfeited or paid out to the optional members and report back to the Committee in April.

5. Topic: Administrative Errors
Ms. Ninneman reported that an error had been discovered in the way the initial monthly survivor benefit is calculated after the death of a retiree. She explained the process underway to correct this error. The group also discussed the appropriate way to administer benefits when an incomplete Protective Survivorship Option form is discovered after the death of a retirement-eligible active ERS member.

The Audit Committee meeting adjourned at 3:45 p.m.