

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

Call to Order

Chairperson Vera Westphal called the Audit Committee to order at 1:35 p.m. on Wednesday, April 2, 2014 in the Commission Room (210) of the Milwaukee County Courthouse, 901 N. 9th Street, Milwaukee, WI 53233.

Board Members Present:

Laurie Braun
Aimee Funck
Vera Westphal

Others Present:

Mark Grady
Steven Huff
Marian Ninneman
Vivian Aikin

1. Topic: Required Documents for Retirement

Ms. Ninneman explained that for the last several years ERS has required proof of marriage as one of the items retiring members must provide as a condition for payment of a monthly pension benefit. She proposed eliminating this requirement since members electing a joint and survivor option may name anyone as beneficiary rendering proof of marriage unnecessary. The Committee agreed that the ERS office has discretion to change the requirement per Rule 1039. Proof of marriage will continue to be required for payment of a survivor benefit to a dependent spouse.

2. Topic: Erroneous Benefit Payments

The group discussed collection of an overpayment and the length to which ERS should go for recoupment. The Committee agreed to give further consideration to possible litigation. The question of the appropriate interest rate to use in cases of overpayment or underpayment was also discussed. The Committee decided to continue using a 5% interest rate.

3. Topic: Disability Retirement Process

Ms. Ninneman explained that ERS is tightening its administration of disability retirements to be sure both the Medical Board and the Pension Board have all available information before rendering a final recommendation and decision on any application. As part of this effort, ERS will partner more with Risk Management.

4. Topic: Deferred Retirements

Ms. Ninneman requested clarification of eligibility for a deferred vested pension in the specific circumstance where a member who is retirement eligible solely by virtue of attaining normal retirement age terminates employment without retiring. After discussion, the Committee determined that to qualify for a deferred benefit the member must meet both age and service credit requirements.

5. Topic: Rescinding Decision to Retire

The Committee agreed that since there are no longer any employee groups eligible to continue bi-weekly payments for accrued time ERS can eliminate reference to rescinding retirement in retirement documents.

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