

**Martin Matson**

Comptroller

**John M. Egan, CPA**

Deputy Comptroller



**Office of the Comptroller**

**Glenn Steinbrecher, CPA**

Special Deputy Comptroller

**Toni Biscobing**

Special Deputy Comptroller

December 12, 2013

The Honorable  
Common Council  
Of the City of Milwaukee

Re: File #131162:

A Charter Ordinance Relating to the Administration of the Employees' Retirement System (ERS)

Dear Common Council Members:

First, let me apologize for not taking the opportunity to speak at the Finance & Personnel Committee meeting held yesterday, December 11<sup>th</sup>. I took that opportunity to listen to all the testimony, and needed time to absorb what was said.

Arguments were presented "for" and "against" the ordinance change. I must admit most all the arguments were valid and legitimate concerns. I would like to take this opportunity to discuss a little history of the ERS' pension board, and offer a compromise for your consideration.

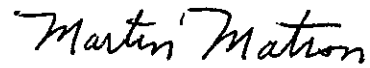
When the original pension board was created, it only had seven members: 3 elected, 3 appointed and the City Comptroller as ex-officio. There was balance to the board. In June of 1972, an ordinance change was enacted that created a retiree position on the board. I would argue the balance of the board was disrupted at that time, by providing for an even number of board members. This has resulted at times in the Board not being able to conduct business when voting was evenly divided. In the late 1990's some Board members did not appear to conduct business in a collegial manner, and at times were specifically absent from meetings so there would be no quorum to conduct business. While that hasn't happened in the last 15 years, it is still a bitter reminder of what could happen.

It is my opinion that the Board has been out of balance since 1972. The board should have an odd number of members, so as not to deadlock on any business that needs to be conducted. The Mayor made a valid case for representation on the Board. I would suggest a compromise that could be enacted in one of two ways: add one additional member to the board, so there would be nine members. Either grant the one additional appointment to the Mayor, or change the Council to two appointments, and grant the Mayor two appointments. The rest of the legislation would remain unchanged, as it makes sense to allow specific groups direct representation.

A nine member board brings back the balance that was lost in 1972. There would be four appointed positions, four elected positions, and the Comptroller as ex-officio. It would appear to provide adequate representation to all affected parties.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Martin Matson". The script is cursive and fluid, with the first name and last name clearly distinguishable.

Martin Matson  
Comptroller

MTM:mm

C: Annuity and Pension Board

Mark Nicolini

Mayor Tom Barrett

Grant Langley, City Attorney

James Owczarski, City Clerk

Milwaukee Police Association

Milwaukee Police Supervisors Organization

Milwaukee Professional Firefighters

Milwaukee Retired Police Association

Milwaukee Retirees Association