

CITY OF MILWAUKEE FISCAL NOTE

A) DATE July 2, 2002

FILE NUMBER: 020475

Original Fiscal Note Substitute

SUBJECT: Charter Ordinance relating to voluntary separation under the Employees' Retirement System

B) SUBMITTED BY (Name/title/dept./ext.): Michael J. Haley, Finance Officer, Employees' Retirement System 3689

C) CHECK ONE: ADOPTION OF THIS FILE AUTHORIZES EXPENDITURES
 ADOPTION OF THIS FILE DOES NOT AUTHORIZE EXPENDITURES; FURTHER COMMON COUNCIL ACTION NEEDED. LIST ANTICIPATED COSTS IN SECTION G BELOW.
 NOT APPLICABLE/NO FISCAL IMPACT.

D) CHARGE TO: DEPARTMENT ACCOUNT(DA) CONTINGENT FUND (CF)
 CAPITAL PROJECTS FUND (CPF) SPECIAL PURPOSE ACCOUNTS (SPA)
 PERM. IMPROVEMENT FUNDS (PIF) GRANT & AID ACCOUNTS (G & AA)
 OTHER (SPECIFY) No Fiscal Impact

| E) PURPOSE | SPECIFY TYPE/USE | ACCOUNT | EXPENDITURE | REVENUE | SAVINGS |
|-------------------|---|---------|-------------|---------|---------|
| SALARIES/WAGES: | | | | | |
| | | | | | |
| SUPPLIES: | | | | | |
| | | | | | |
| MATERIALS: | | | | | |
| | | | | | |
| NEW EQUIPMENT: | | | | | |
| | | | | | |
| EQUIPMENT REPAIR: | | | | | |
| | | | | | |
| OTHER: | Proposed Amendment and Board Rule | | | | |
| | Would conform Charter and Rules to current Practice. See attached letter from ERS | | | | |
| TOTALS | Actuary. | | 0 | 0 | 0 |

F) FOR EXPENDITURES AND REVENUES WHICH WILL OCCUR ON AN ANNUAL BASIS OVER SEVERAL YEARS CHECK THE APPROPRIATE BOX BELOW AND THEN LIST EACH ITEM AND DOLLAR AMOUNT SEPARATELY.

| | | |
|------------------------------------|------------------------------------|--|
| <input type="checkbox"/> 1-3 YEARS | <input type="checkbox"/> 3-5 YEARS | |
| <input type="checkbox"/> 1-3 YEARS | <input type="checkbox"/> 3-5 YEARS | |
| <input type="checkbox"/> 1-3 YEARS | <input type="checkbox"/> 3-5 YEARS | |

G) LIST ANY ANTICIPATED FUTURE COSTS THIS PROJECT WILL REQUIRE FOR COMPLETION:

H) COMPUTATIONS USED IN ARRIVING AT FISCAL ESTIMATE:

PLEASE LIST ANY COMMENTS ON REVERSE SIDE AND CHECK HERE

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A Mellon Consulting Company

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Chicago, Illinois 60602-4336

ERS JUN28'02 PM 2:49

June 26, 2002

Ms. Anne M. Bahr
Executive Director
Milwaukee Employes' Retirement System
City of Milwaukee
200 E. Wells St.
Milwaukee, Wisconsin 53202-3515

Re: Creation of Section 36-05-6-d-3 (Voluntary Separation)

Dear Ms. Bahr:

As requested, we have reviewed the proposed amendment to Chapter 36 – and accompanying Board Rule – that would authorize the Annuity and Pension Board to make an election of deferred retirement on behalf of a member who voluntarily separates from service should the member fail to elect between a refund and a deferred retirement within six months of notification from ERS.

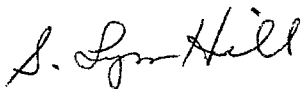
Currently, s.36-05-6-d-2 requires the member to make an election between a refund and a deferred retirement within 30 days of voluntary separation from service. However, it is administratively impractical for ERS staff to require a member to make an election within this time frame. The proposed changes would give the voluntarily separated member the same period of time to make his election – six months from notification – as that currently given to a member who separates involuntarily.

In addition, the proposed Charter amendment and Board Rule would conform the Charter and Rules to the current practice of the ERS staff, which practice has been followed consistently since the late 1950s.

It is our opinion that this change will have no fiscal impact on the Employees' Retirement System.

Please call if you have any questions or need additional information.

Sincerely,



S. Lynn Hill
Associate Principal, Consulting Actuary

SLH:pl

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Copy: Mike Haley ✓

Buck Consultants, Inc.

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