

Larson, Talisa

Subject: FW: CMERS Pension Plan - Soft Closure Update - Handout for the board meeting
Attachments: Closure-BreakdownByAgency-EmployerContributions-20230419.pdf
Importance: High

Good Morning Everyone,

As you are all aware, the City is in the midst of very difficult negotiations with the State Legislature to stave off insolvency in upcoming City budgets. Part of these negotiations have had discussions around a soft closure of the CMERS pension plan, transitioning all new employees into the WRS system. All current employees will remain under the existing CMERS pension plan. Each of your organizations represent small percentages of the CMERS pension plan and would be impacted by this deal.

Thus far, discussions have closed in on a lowering of CMERS discount rate from 7.5% to 6.8%, and an amortization of the unfunded liabilities over a 20 or 30 year period. I have attached information prepared by Jerry Allen and the CMERS actuarial firm, providing projections of what these changes would mean for each of your organizations. Jerry can provide each of you any additional information on the CMERS aspects as needed.

Additionally, our expectation is that staff from Senate leadership may be reaching out to all of you soon to discuss this potential deal as well. We wanted to give each of you a heads up about this potential outreach. Please reach out to Jim Bohl, 262-409-7904, or myself, 414-708-6433, if you have any questions or concerns prior to speaking with republican legislative leadership.

Thank you,

-Jordan

Jordan Primakow
Senior Intergovernmental Relations Manager
Intergovernmental Relations Division
City of Milwaukee
(O) 414-286-5589
(C) 414-708-6433
Jprima@milwaukee.gov