



Milwaukee County Board of Supervisors

Chairman Theodore Lipscomb, Sr., 1st District

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Pay Increase for Pension Director Came After Errors Revealed

MILWAUKEE – It was revealed Wednesday that County Executive Chris Abele gave a 5% raise to the director of the county's pension system after hundreds of pension payment errors detailed in a 2014 report to the IRS were finally made public in January.

The 5% increase in the pension director's salary was effective January 30, 2017, eleven days after the report detailing nearly 850 payment errors was revealed in a memo on January 19, and discussed by county supervisors at a meeting of the Finance and Audit Committee on January 26.

"Abele has [stated](#) that he did not know about the 2014 report to the IRS until January, but upon learning of this massive catalog of errors - which he says was not shared with him for nearly three years - he rewarded his pension director with a unilateral 5% salary increase, without notification or approval of the County Board," said Board Chairman Theodore Lipscomb, Sr.

The 2014 Voluntary Correction Plan (VCP) report caught the attention of supervisors after it was vaguely referenced at the bottom of a January 19 [memo](#) from then Director of Retirement Plan Services, Marian Ninneman. The focus of the January 19 memo was to provide supervisors a summary of errors detailed in a separate VCP report, filed with the IRS in 2008.

Although the 2014 VCP report was by then nearly three years old, it remained hidden from the public until Lipscomb asked the pension director and HR Director Kerry Mitchell on January 24 to provide more information to about the errors detailed in the nearly [200 page filing](#) to the IRS.

Various media accounts have concluded that County Executive Abele asked for his pension director to resign because of mistakes in pension payments to a single beneficiary, the widow of a Milwaukee County Deputy Sheriff, who died from injuries sustained while on the job in 2012.

Ninneman informed Chairman Lipscomb of the overpayments to the deputy's widow on Monday, February 13 and resigned just three days later, at the request of the County Executive.

Ninneman was first informed of the mistake in the Deputy's case in April 2014, but did not take steps to ensure corrective action was taken.

County Executive Abele [increased](#) his pension director's salary, from \$91,163 to \$102,000, on January 18, 2015, a unilateral increase not authorized by the county board of supervisors.

At the request of County Board Supervisors, the Director of Human Resources and the Interim Director of the Employees Retirement System will report on the 2014 VCP filing to members of the Personnel Committee at 9:00AM on Friday, March 10.