



Employees' Retirement System Communicator

May 2013

No. 5

Contact Information

Employees' Retirement System

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Life & Health Benefits

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Newly Retired Members

Michele Andrade
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Walter Chitwood
Mary Corbella
Curtis Elliott
Cheryl Gmach
Luther Harmon
Lauren Jonas
Karen Ruth
Rita Samolyk
John Sonnenberg
Linda Stein
Nancy Tiernan
Dawn Wicker

From the Desk of the ERS Manager

Retiree Election Notice

A primary election to fill the retiree member Pension Board position will be held August 23, 2013 through August 30 2013. If more than two candidates file nomination papers for the election, a Final Election will be held September 23, 2013 through September 30, 2013. The retiree member position is a three-year term. If fewer than two candidates submit nomination papers, the Primary Election (8/23-8/30) will serve as the Final Election.

For your ease and convenience we are offering an eight-day voting period using either internet or telephone.

The term will begin on November 1, 2013 and end October 31, 2016.

To be a candidate the individual must be a retiree of ERS. A "retiree" is a person who:

- ⇒ *Previously worked as a Milwaukee County employee;*
- ⇒ *Earned retirement benefits as an active member in ERS;*
- ⇒ *Retired directly from County employment or as a deferred vested retiree;*
- ⇒ *As of the date of the nomination deadline, has begun to receive pension benefits; and*
- ⇒ *Is currently receiving an ongoing monthly benefit from ERS. For these purposes, a "retiree" does not include a beneficiary of a former County employee who receives a survivor annuity benefit after the former County employee's death.*

Nomination papers and election procedures will be available in Room 210-C of the Courthouse on Monday, June 3, 2013. The papers must be signed by 15 or more ERS retiree members and returned by 4:30 p.m. Friday, June 28, 2013, to Room 210-C of the Courthouse. Nominees should expect to devote at least one day per month to Pension Board activities.

If you are considering becoming a candidate for a retiree position on the Pension Board but are wondering what this would entail, attend an informational session Thursday, June 6, 2013 from 1:30—2:30 PM in Room 210-C of the Courthouse. The session will provide a summary of the Roles and Responsibilities of the Pension Board, the Investment Committee, the Audit & Budget Committee and the time commitment expected of Pension Board members. If you are interested in attending this session, please call the ERS office at 414-278-4207.

Please call our office at any of the numbers listed in the shaded box on Page 1 if you

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have questions regarding the election, your pension or healthcare benefits. We are here to help!

Marian Ninneman
ERS Manager

PENSION “ADVANCES”

By Vivian Aikin

The December 2011 *Communicator* cautioned against a practice in which retirees sell some of their future pension income for a lump sum payment now. The practice, euphemistically called pension “advances” by those marketing them, has surged in recent months.

Unscrupulous lenders are taking advantage of retirees with offers of pension advances in which people sign over all or part of their pension payments in return for upfront cash. While advertised as “advances”, these are really carefully disguised loans similar to infamous “payday loans”.

The New York Times recently reported on this practice. They looked at more than two dozen pension advance contracts and found that, after factoring in various fees, the effective interest rates ranged from 27 percent to 106 percent. The *Times* review found that information about the rates are not disclosed in ads. In fact, financial products like pension advances appear especially attractive because the long-term costs are largely hidden from the borrowers.

Ads for pension advances are found primarily via the Web or ads in local circulars. Try a Google search for “pension advance” and you will find pitches like: “Convert your pension into CASH”, “100% Application Acceptance”, “Bad Credit No Problem”, etc. Retirees with modest savings and poor credit are most vulnerable to this type of advertising.

Companies offering pension advances insist they are not lenders. Therefore, they claim, they do not need to comply with usury laws, licensing regulations and the Truth-in-Lending Act, a Federal law requiring detailed disclosure of costs to borrowers. Without disclosure, it is virtually impossible for the borrowers to know what the actual costs will be.

The state of New York has taken the lead in investigating pension advance companies. This month New York’s main banking regulator opened a probe and subpoenaed 10 companies heavily involved in

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the business. The probe will examine if the companies engaged in fraud or misconduct; violated state usury laws that cap interest rates; or engaged in false or misleading advertising about rates and fees. Pension advances have also drawn scrutiny from Congress, the Consumer Financial Protection Bureau and advocacy groups like the National Consumer Law Center.

Regulators cannot stop retirees from making bad decisions. At the very minimum, however, as consumers we should expect authorities to force the pension advance companies to conform to existing state usury laws and truth-in-lending disclosure rules.

Benefits Update

5 Ways to Lower Your Blood Pressure Without Medication

By Heather Giza

Hypertension strikes one in three American adults. Learn the top lifestyle strategies that can make a real impact on lowering your blood pressure.

About one in every three American adults has hypertension, or high blood pressure. Medication is often prescribed, but that's not the only solution. There are many lifestyle strategies that have also been shown to have an impact. For some, weight loss combined with exercise and a healthy eating plan may even reduce or eliminate the need for medication altogether.

Your doctor can help you decide whether to take a combined approach (medication plus lifestyle) or whether to try following these healthy lifestyle strategies first:

1. **Increase exercise.** Aerobic exercise can lower blood pressure and can also help with weight loss. It doesn't take a time-consuming workout in a gym to reap the benefits, either.
2. **Cut your salt intake.** One teaspoon (2,400 mg) is the maximum recommended daily amount.
3. **Eat a healthy diet.** Follow the DASH (Dietary Approaches to Stop Hypertension) guidelines. This has been shown to lower systolic and diastolic blood pressure, even without other interventions.

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4. Lose weight. For every two pounds of weight loss, you can lower your systolic pressure by one point and your diastolic pressure by 1.4 points.

5. Limit alcohol. Drinking a lot of alcohol can raise blood pressure.

The key is to discover what works for you. Choose your strategies, take action and start enjoying the benefits. You can lower your blood pressure and help prevent other chronic diseases at the same time.

In Memoriam

Please keep the families of these recently deceased retirees in your thoughts:

*Casile Albrecht
Frank Anderson
Edwin Babinski
Iranus Baer
Henry Belling
Kathleen Buck
Robert Gardner
Marles Koehn
Dale Kozik
Jerrilyn Maeder
Ruth Maletzke
Phyllis Meyer*

*Alois Mulholland
Mildred Nelson
Stephen Perner
Theresa Provinzano
Salvatore Schiera
Catharine Singleton
William Stewart
Faith Valenti
Jean Wasielewski
Alice Willison
Christian York
Barbara Zelonky*