

# MILWAUKEE COUNTY



## HR Update

July, 2013

### UNDERSTANDING YOUR DEFINED BENEFIT PENSION PLAN

As a reminder, Milwaukee County employees who have a regularly scheduled workweek of twenty hours or more and are Regular Appointments, Temporary Appointments or Exempt Appointments are automatically members of the Employees' Retirement System ("ERS"). ERS is a "Defined Benefit" pension plan. Here are some of the basics about Defined Benefit pension plans:

- ◆ In a Defined Benefit plan, the employer agrees to provide the employee ("member") a guaranteed (or defined) benefit in the future.
- ◆ The retirement benefit is based on a formula consisting of factors such as the member's age, compensation and years of service.
- ◆ The benefit becomes payable when the member reaches retirement age and their service terminates.
- ◆ The retirement benefit is distributed in the form of a life annuity, a series of regular payments for the member's (or member and joint survivor's) lifetime.
- ◆ The employer is responsible for funding the Defined Benefit plan through periodic contributions. In a governmental Defined Benefit plan like ERS, both the employer and employee may contribute to the plan.
- ◆ An actuary determines how much must be contributed annually using certain assumptions and the employer's actual census data. The contributions must be sufficient to accumulate the assets necessary to pay all guaranteed benefits.
- ◆ The contributions are invested. The employer bears the investment-related risks and ensures that funding will be available to pay benefits when the member retires. Investment gains and losses do not change the amount of benefit guaranteed to each member.

For more information about ERS or Defined Benefit pension plans, contact the Retirement Office by phone at 414-278-4207 or by email at [ers@milwcnty.com](mailto:ers@milwcnty.com).

### Wellness Update

Milwaukee County in late June hosted the "Not Me!" **Diabetes Prevention Program** presented by United HealthCare and the YMCA. This included two onsite events, one at the Courthouse and one at BHD.

Over 375 people discussed diabetes risks and prevention with event staff. Another 135 people participated in a free screening which included receiving their free hemoglobin A1C scores. Employees with an elevated risk of developing

diabetes were offered a free class at the Metro Milwaukee YMCA that has the goal of dramatically decreasing participants risk of developing the disease.

Thank you to all HR and Facilities staff who worked to accommodate this event at each facility. Once again, the Milwaukee County event was among the highest participation among all of UHC's diabetes prevention tour stops. Your hard work is truly helping Milwaukee County employees tell diabetes "Not Me!"

### Health Care Reform Update

There have been many questions recently about the Affordable Care Act (ACA), and what it means for employees. ACA places a number of regulations on employers regarding the coverage offered under a health plan, eligibility rules, and how any changes to the plan are communicated. In general, Milwaukee County already met most of these obligations before the law was enacted, and the plan continues to be compliant without any significant impact.

The Affordable Care Act also places a number of taxes and surcharges on employers, ranging from funding research initiatives to penalizing employers who choose not to offer coverage to their full-time employees. To date, these taxes and surcharges have not impacted Milwaukee County.

As the requirements of the Affordable Care Act continue to take effect from 2012 – 2018, the County will continue to provide updates to employees and management.