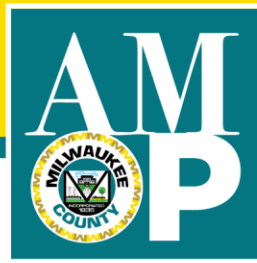


# **02.06.04 Employee Pension Contribution Withdrawal Process**



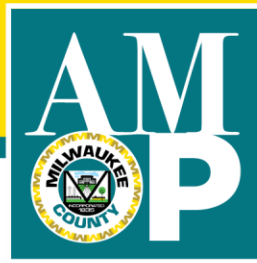
## Why This Procedure Is Important

*To document Milwaukee County's procedure regarding the Contribution Withdrawal process, which will equip members of the Employees' Retirement System of Milwaukee County with the knowledge of how the contributions they make to the pension plan are determined, the eligibility to receive refund of the contributions made, and the process to withdraw the contributions from the Employees' Retirement System (ERS). This AMOP is intended for Milwaukee County employees hired before January 1, 2025, who are eligible for membership in the ERS.*



## To Whom Does This Procedure Apply?

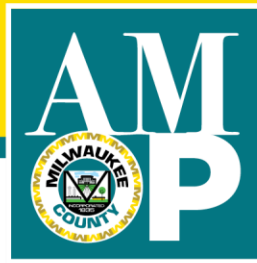
*All Milwaukee County pension-eligible employees hired before January 1, 2025, who are eligible for membership in the ERS*



## Here Is What the Procedure Says:

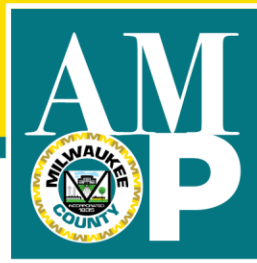
### Contribute to the ERS While Actively Employed

- Enrollment in the ERS is automatic for eligible members and mandatory contributions are withheld on a pre-tax basis from compensation.
- While members are actively employed and enrolled in ERS, they will receive multiple communications regarding their contributions, including but not limited to:
  - Notification of pension contributions during New Employee Orientation if that occurs prior to January 1, 2025.
  - Description of employee pension contributions in the Employee Handbook.
  - Biweekly paystubs contain deductions for pension contributions.
  - Annual statements are mailed to each contributing member showing cumulative contributions that have been reported by payroll.
  - Annual communications regarding contribution rate changes are emailed to all active ERS members.
  - Regular education sessions and webinars that include content on pension contributions.



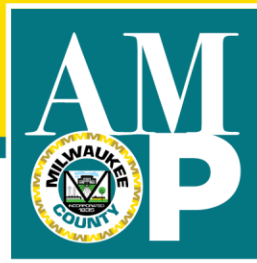
## Decision to Terminate Employment and Receipt of Contribution Withdrawal Paperwork

- All members who leave the County with member contribution balances and are currently not retirement eligible at termination are automatically sent the forms required to request a refund of their member contributions.
- Members have five (5) years from the date of their termination to complete and return the forms to RPS if they would like to request a refund of their employee contributions. Due to the length of time that a member may request a contribution, it is important for members to keep their address information up to date with RPS during this process.



## Decision to Request Refund of Contributions

- It is very important for members to read the entire packet to understand the implications of withdrawing their contributions. Members have five years from their termination date to complete and return the forms to RPS if they would like to request a refund of their employee contributions.
- If a **vested** member requests a refund of their employee contributions within those five years, they will receive a refund of their contributions. The refund will be made in the form of a lump sum payment.
  - Members will not receive a pension benefit from ERS at any time in the future unless they return to County employment and become eligible to receive a benefit based only on new service credit earned after their return.
- If a **vested** member does not request a refund of their contributions within those five years, they cannot receive a refund of the contributions attributable to their County service unless they later return to County employment, subsequently terminate County employment, and request a refund of their contributions timely.
  - Members who do not request a refund of their contributions will retain the service credit they earned in ERS before their termination and remain eligible to receive any future pension benefit associated with that service credit in accordance with the Ordinances and Rules.



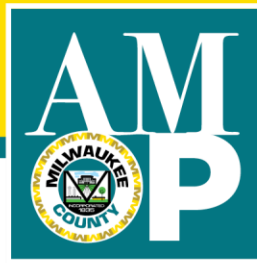
## Decision to Request Refund of Contributions (cont.)

- If a **non-vested** member requests a refund of their contributions within five years of their termination date, they will receive a refund of their employee contributions. The refund will be made in the form of a lump sum payment.
  - Members will not receive a pension benefit from ERS at any time in the future unless they return to County employment and become eligible to receive a benefit based only on new service credit earned after their return.
- If a **non-vested** member does not request a refund of their contributions within five years of their termination date, they cannot receive a refund of the contributions attributable to their County service unless they are reemployed by the County within five years from the date of their termination.
  - If a non-vested member is not reemployed by the County within five years from the date of their termination (or are otherwise absent from County employment for more than five years in a period of ten consecutive years from the date of their termination), all service credit, and any contributions associated with that service credit, will be forfeited.



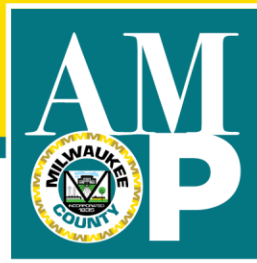
## Return Contribution Withdrawal Paperwork to RPS within Five (5) Years

- Any refund of accumulated contributions must be requested and received by RPS within five years of their termination date. Since the contribution withdrawal forms are mailed to the member's address listed in the HR system, it is important to ensure that this address information is current.
- Should a member decide to request a refund of their contributions, RPS will process their request when the completed paperwork is received. Once completed contribution withdrawal forms are received, it typically takes one to two weeks for the payment to be issued.
- If a member does not receive the Contribution Withdrawal letter after terminating employment, or if members have any questions regarding the contribution withdrawal process, they should contact Retirement Plan Services (414-278-4207 or [ERS@milwaukeecountywi.gov](mailto:ERS@milwaukeecountywi.gov))



## Quiz Questions?

*After reviewing the Procedure, you will be asked the following questions to complete the training:*



## True of False

*Members can request to enroll into the ERS and choose whether to contribute to the pension plan.*



**According to Milwaukee County Ordinance, refunds of employee contributions must be requested within how many days following their termination with the County?**

- A. 100 days***
- B. 5 years***
- C. 180 days***
- D. There is no limit***



## True of False

*Both vested and non-vested members can request refund of their employee contributions when they terminate employment.*