



COUNTY OF MILWAUKEE

INTEROFFICE COMMUNICATION

Office of the Comptroller
Liz Sumner, Comptroller

DATE: November 14, 2025

TO: Milwaukee County Pension Board

RE: Fiscal Analysis –ERS Membership for Certain Milwaukee County Employees
Employed on 12/31/24 in non ERS-eligible Positions that transfer to ERS-eligible
Positions on or after 1/1/2025

The following provides a summary of the fiscal impact to the Employee Retirement System (ERS) and Milwaukee County if the Milwaukee County General Ordinances are amended to reflect ERS membership for certain Milwaukee County employees employed on 12/31/24 in non-ERS eligible positions that transfer to ERS-eligible positions on or after 1/1/2025.

The actual fiscal impact may be greater than or less than the impact that is estimated below. This review was based on information provided by employees in Retirement Plan Services (RPS). According to the information provided, the proposed Rule will provide five employees with membership in the ERS and may provide up to 336 employees with membership in the ERS if those employees become eligible under the proposed Rule in the future. It is important to note that as the 336 employees impacted by this Rule leave Milwaukee County service without transferring to an ERS-eligible position, the potential financial impact declines to zero at the point all 336 have left Milwaukee County service.

Issue:

Milwaukee County ERS-eligible employees who were employed on December 31, 2024, are to be ERS members for the duration of any employment with Milwaukee County. However, on December 31, 2024, the County employed 336 employees that were not in ERS-eligible positions because they were hourly, interns, or seasonal members with OBRA membership. Five employees in non ERS-eligible positions subsequently transferred, without a break in service, to ERS-eligible positions after December 31, 2024. The Wisconsin Retirement System (WRS) declined to admit these five individuals into the WRS because they were not hired by the County on or after January 1, 2025, leaving those individuals without access to either ERS or WRS under current ordinances and rules. The Milwaukee County Board of Supervisors is asked to amend ordinances which would allow these five employees to join ERS and up to 336 employees currently in non ERS-eligible positions to join ERS if they subsequently transfer to an ERS-eligible position in the future without a break in service. If individuals in these non ERS-eligible positions leave Milwaukee County service and are subsequently rehired by Milwaukee County they would become eligible for WRS membership. This ordinance only applies to employees in active County service on December 31, 2024, who transfer from the non ERS-eligible position to an ERS-eligible position without a break in service.

Fiscal Impact on ERS:

If the proposed ordinance is amended, the impact to the normal cost for 2025 would have been \$800 and there would have been no impact on the actuarial accrued liability. If the additional 336 employees transfer to an ERS-eligible position, the impact to the normal cost would be \$54,000. The likelihood of all 336 employees transferring to an ERS-eligible position is low, so these changes are considered immaterial to the overall annual pension contribution.

Fiscal Impact on County Budget and Five-Year Forecast:

Assuming amendment of this ordinance would result in no material change to ERS assets and liabilities, there would be no fiscal impact on the County budget or on the County's five-year forecast. There is likely no change to the County's pension payment that can be attributed to the adoption of this ordinance amendment.

Additional Considerations:

No additional considerations have been identified at this time.



Cynthia (CJ) Pahl
Financial Services Director